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Jamaica Violence and Urban Poverty in Jamaica: Breaking the Cycle

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CURRENCY EQUIVALENTS

Jamaica adopted a market determined exchange rate in September 1991.
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PRINCIPAL ACRONYMS

CEE	Common Entrance Exam
COPE	Canadian supported NGO for Women
CPS	Contraceptive Prevalence Survey
DALY	Disability adjusted life year
ICI	Informal Commercial Importer
KMA	Kingston Metropolitan Area
KRC	Kingston Restoration Company
MEDA	Mini Enterprise Services
MIDA	Micro Investment Development Agency
NWC	National Water Commission
PALS	Peace and Love in Schools
PIOJ	Planning Institute of Jamaica
PUA	Participatory urban appraisal
SLC	Survey of Living Conditions
STATIN	Statistical Institute of Jamaica
STD	Sexually transmitted disease

SELECTED DEFINITIONS

Baby-father	Father of a child who is not married to the child's mother
Elementary Occupations	An occupational category which includes street vendors of food and non-food products, door to door and telephone sales persons, domestic helpers and laborers. Includes many persons who were previously categorized as self employed or unskilled workers.
Higgler	Informal street seller
Matey war	Conflicts between women who are in competition over men to whom they are attracted
Pickney War	Conflicts among adults started by conflicts among children
Quintile	A unit of measure which divides the population into fifths (as used in the Jamaican Survey of Living Conditions)
Social Capital	The sets of relationships, networks and institutions that link individuals and facilitate coordination and cooperation for mutual benefit. Social capital includes such things as trust, and the ability to cooperate and collaborate.
Urban	As defined by the SLC, urban areas are "towns with population of 2,000 or more persons and which possess a number of facilities that in Jamaica indicate modern living." Urban areas are classified as "Kingston Metropolitan Area" (KMA) or "Other Towns".
Yard	Shared outdoor common area between multiple households

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COUNTRY CONTEXT DATA SHEET

	<u>Jamaica</u>	<u>Year</u>	<u>Source</u>
A. Contextual Country Data			
Population Estimate (million)	2.5	1993	ESSJ, 1993
Average annual rate of population growth (%)	0.9	1993	ESSJ, 1993
GNP per capita (US\$)	1,510	1995	Atlas 1996
Average annual GDP growth rate	1.1%	1991-1994	WB, 1996
Urban population (as % of total)	50.2	1991	ESSJ, 1994
Total fertility rate (births per woman)	2.9	1994	ESSJ, 1994
Infant mortality rate (per 1000 live births)	25.5	1991	WB, 1994
Life expectancy at birth (years)	74.0	1995	WB, Intl Eco
Adult literacy rate (%)	75.7	1994	ESSJ, 1994
B. Structure of the Economy (as % of GDP)			
Services	53.5	1995	WB, Intl Eco
Industry	37.8	"	"
Manufacturing	17.6	"	"
Agriculture	8.7	"	"
C. Labor Force Statistics			
Overall employment rates, by industry			
Manufacturing	10%	1994	ESSJ, 1994
Agriculture	24%	1994	" "
Services	57%	1994	" "
Other	9%	1994	" "
Public/Private employment (% of total)			
Public	9%	1994	ESSJ, 1994
Private	49%	1994	" "
Informal	36%	1994	" "
Unemployment rates			
Overall	15.4%	1994	ESSJ, 1994
Female	21.8%	1994	"
Male	9.6%	1994	"
D. Education Data			
<i>System Characteristics</i>			
Net enrollment rates			
Preschool	85%	1994/5	MOEYC
Primary (grades 1-6)	98%	1994/5	MOEYC
Lower Secondary (grades 7-9)	85%	1994/5	MOEYC
Upper Secondary (grades 10-11)	45%	1994/5	MOEYC
Tertiary	9.5%	1992/3	Staff est.
Years to produce primary graduate	7.2	1989	Glewwe, 1995
Daily attendance rate (primary)	70%	1987	Glewwe, 1995

Financial Characteristics

Total public education spending			
as % of GDP	4.7%	1994/5	MOF
as % of total GOJ expenditure	8.5%	1995/6	MOF
as % of total expenditure net of debt	14.4%	1995/6	MOF

Shares of Public Education Expenditure (%)

Preschool	3.2	1995/6	MOEYC
Primary	30.0	1995/6	MOEYC
Secondary	28.6	1995/6	MOEYC
Tertiary	27.6	1995/6	MOEYC

Effectiveness Characteristics

CXC pass rates ¹			
Math	23.6%	1994	ESSJ, 1994
English A	35.6%	1994	ESSJ, 1994

Sources: ESSJ: Economic and Social Survey, various issues, PIOJ; WDR: World Development Report 1995, World Bank; WB 1994: Jamaica: Health Sector Review, 1994; WB 1996: "Jamaica: Country Economic Assessment", draft. WB, Intl Eco: World Bank, International Economics Department; Glewwe, P. et al., 1995, "An Eclectic Approach to Estimating the Determinants of Achievement in Jamaican Primary Education," The World Bank Economic Review, Vol. 9, No. 2, pp. 231-258; MOEYC: Ministry of Education, Youth and Culture, 1995, statistics; MOF: Ministry of Finance, various budget books.

¹ Proportion of students sitting the regional Caribbean Examination Council exam who attained general proficiency (Grades I & II) required for entry to tertiary institutions or required for some types of employment.

EXECUTIVE SUMMARY

Violence is high in Jamaica, especially in poor urban neighborhoods, where many forms of violence--interpersonal, domestic, gang, political, drug--are ever present in daily life. Although the effects of violence are not limited to poor urban areas, the impact of violence on poverty--and *vice versa*--is so extensive that it is impossible to ignore violence in discussing urban poverty in Jamaica. This study, therefore, focuses on the complex relationship between violence and urban poverty. It is based primarily on the Participatory Study of Urban Poverty and Violence in Jamaica, conducted by Caroline Moser and Jeremy Holland and colleagues at the University of the West Indies.

Analytical Framework. To identify the causal relationships between violence and urban poverty, and to begin to identify interventions to break the cycle, this study uses an analytical framework which draws together violence, poverty and social institutions. In this framework, two concepts of poverty are critical for understanding the impact of violence. First is the realization that people's perception of their own poverty is not static nor based on fixed income measurements such as those captured by "poverty lines". Rather, poverty is frequently related to the more complex notion of vulnerability. Second, vulnerability is closely linked to asset ownership. The more assets people have, the less vulnerable they are. Assets, both tangible and intangible, have been defined in this report to include:

- **labor** -- clearly the most important asset of the poor in many developing countries;
- **human capital** -- person's health and education status which in turn determines the returns to their labor;
- **physical assets** -- including land and housing;
- **household relations** can be an asset or liability for poor people, with family size and the number of workers in a household determining both labor force participation and household disposable income. Lack of good household relations (e.g. domestic violence) negatively affects household welfare; and,
- **social capital** -- defined as the relationships, networks and institutions that link individuals and facilitate coordination and cooperation for mutual benefit. The disintegration of social capital by the interplay of violence negatively affects the poor's ability to use their other assets and access social and economic infrastructure.

Methodology. This study is different from many other World Bank poverty reports. Much of the discussion of the violence-poverty nexus is based on the perceptions of poor urban people themselves, gathered from a Participatory Urban Appraisal (PUA) of five poor and violent urban communities in Jamaica, undertaken for this study.

Findings. While many urban communities in Jamaica are very peaceful, some in poor inner cities are not. Disentangling the direction of causality between violence and urban poverty

is difficult. There are many channels through which violence exacerbates poverty. Based on the findings of studies in five communities, high levels of violence in and the resulting stigma associated with some poor urban areas has resulted in a lack of work and employment opportunities. Schools are closed because teachers are afraid to report to work during episodes of violence. Violence also contributes to the disruption in the delivery of social and infrastructure services, reducing access of poor urban residents. Maintenance workers refuse to enter violent communities to repair or meter utilities and, bus drivers and conductors will not drive routes through these communities. Violence has also led to the disintegration of family and social structures and institutions, which are important coping mechanisms for the urban poor. Women trust each other less and reciprocal arrangements for childcare are constrained. Lack of trust and cooperation among community members undermines the basis of community-based organizations.

This study, however, also found that urban poverty can lead to increased violence. Lack of employment has been cited as a cause of increased violence, differentiated by gender. For young males, no work, frustration and idleness often results in gang involvement, violence and encounters with police. For women, lack of income tends to increase female dependency on males (often in the form of pregnancy) which in turn results in domestic violence directed at both partners and children. High levels of teenage pregnancy in Jamaica, associated with low socio-economic status and education levels, can also lead to domestic violence. Lack of parenting skills, especially among young parents, has been associated with observable violent tendencies in children--and later, in adults. The lack of affordable housing and the resultant overcrowding typical of low income urban communities concentrates a number of social problems into smaller spaces, aggravating violence and increasing its effect.

The example of unemployment leading to violence, leading to less employment opportunities, shows the circularity of the poverty-violence nexus. Hence, this study concludes that there is a vicious cycle: violence leads to more poverty, which in turn leads to more violence.

Unfortunately, violence also has a negative impact on the traditional interventions which are designed to reduce poverty. Schools, for example, often close during episodes of high violence when teachers refuse to report to work. And, even if jobs are created in the economy, the urban poor are often excluded from them because of violence.

Serving as an important mediating factor is the role that social networks and institutions at the community level--both formal and informal--can play in reducing levels of both poverty and violence. Informal credit schemes based on inter-household trust and reciprocal childcare arrangements are two examples of mutually beneficial collaboration between community members. But they, too, are frequently affected by violence. One of the clearest impacts of endemic violence on a community is the social fragmentation and erosion of trust that often results. Widespread fear is a direct consequence of the violence, which restricts physical mobility and increases levels of tension, often triggering even more violence. Under such circumstances, it becomes increasingly difficult for any sort of community based organizations, not based on fear and coercion, to function. It has been exceedingly difficult, and risky, for

community based associations, based on more cooperative horizontal relationships, to organize themselves because they are either vulnerable to co-option by hierarchical structures (e.g. political parties or gangs) or are seen as a challenge to the authority of dons or gang leaders.

Conclusions and recommendations of the Report:

- Effective interventions to reduce poverty are perhaps less well understood in the urban setting, and this is even more the case, given the impact of violence. Finding solutions is not easy, as attested by the long experience of the United States in dealing with inner-city poverty.
- In the context of Jamaica where urban poverty is so closely linked to violence, the effectiveness of traditional poverty interventions (such as investment in human capital and employment-creating growth) is limited by violence.
- Therefore, reducing violence is a critical element in reducing poverty. This study recommends a multisectoral approach which is predicated on strengthening social capital--especially by encouraging horizontal community-based groups--which should, in turn, increase the returns to investments in human capital. Nevertheless, even though such groups are strong candidates for building social capital, recognizing the potential for violence to undermine them is important to designing interventions.
- Although reducing the incidence or impact of violence is important for reducing poverty, pursuing more traditional poverty reduction strategies (i.e. investment in human capital and employment-creating growth) should be continued. Given the cyclical nature of the poverty-violence nexus, however, any intervention which tackles either will hopefully be an effective entry point in breaking the cycle.
- Specific recommendations include:
 - ⇒ strengthen **social capital** through investing in activities, especially those carried out by existing community-based groups;
 - ⇒ expand existing **family planning** programs, including outreach and education, to target adolescents both inside the formal education system and outside;
 - ⇒ expand **teenage mother programs** which offer assistance with childcare while completing schooling or learning new skills
 - ⇒ expand coverage of **better parenting programs** and clubs in order to improve conflict resolution and reduce levels of violence within the home, especially with respect to disciplining children;
 - ⇒ ensure that **education reform** efforts aimed at producing literate, numerate and trainable school leavers (at all levels) reach students in poor urban communities;
 - ⇒ expand after-school **homework clubs** (which exist already in some neighborhoods) and special remedial programs (as being piloted by the Ministry of Education) to help children in

these communities; use of retired school teachers residing in the community should also be considered;

- ⇒ expand the successful **Peace and Love in Schools (PALS) program** aimed at including conflict resolution in the curriculum;
 - ⇒ expand access to **relevant job and skills training**, including establishing centers within the communities, such as those already supported by some churches;
 - ⇒ expand access to **credit** through improved outreach and information campaigns;
 - ⇒ increase **job creation** within poor urban communities by tapping any comparative advantages of the communities;
 - ⇒ consider measures and incentives to expand coverage of **bus routes** into these communities; involvement of local residents as drivers or conductors might be considered;
 - ⇒ improve access and quality of **other infrastructure** through community based efforts aimed at cost recovery and maintenance; and,
 - ⇒ continue the introduction of **community policing** efforts.
- Finally, poor people often perceive their situations differently and know best what they want and need. The initial Participatory Urban Appraisal identified some interventions, but follow-up participatory work is needed--perhaps as part of the Bank-funded Social Investment Fund--for beneficiaries to further determine the kinds of interventions needed to reduce both violence and poverty.

*The people in the ghetto are not the masters of their own destiny. People can use them because they don't have any money or security. They are not surrounded by the amenities they require. They are anxious...But these people who you talk to are professors in their own right...They are strong. They are resilient. They are only the victims of circumstance. **They are the professors of poverty, and the pawns in the game of power politics.**"*

From *Born Fi' Dead: A Journey Through the Jamaican Posse Underworld*,
by Laurie Gunst.

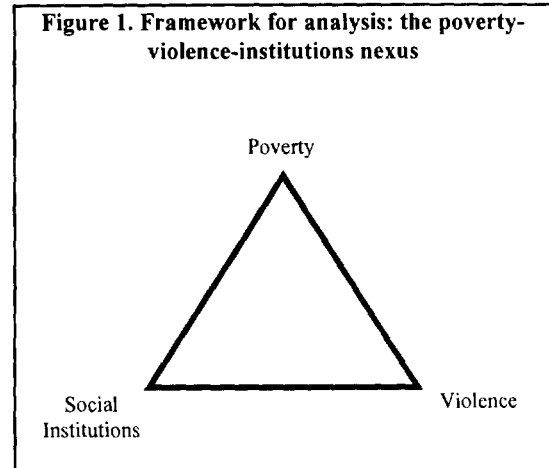
1. INTRODUCTION

1.1 Violence is high in Jamaica, especially in poor urban neighborhoods, where many forms of violence--interpersonal, domestic, gang, political, drug--are ever present in daily life. Although the effects of violence are not limited to poor urban areas, the impact of violence on poverty--and *vice versa*--is so extensive that it is impossible to ignore violence in discussing urban poverty in Jamaica. This study, therefore, focuses on the complex relationship between violence and urban poverty.

1.2 Disentangling the direction of causality between violence and urban poverty is difficult. There are many channels through which violence exacerbates poverty. For example, stigma attached to violent communities frequently prevents otherwise qualified residents from gaining employment. This study, however, also found causality running from poverty to violence. Thus, lack of employment leads to increased levels of violence. The example of unemployment leading to violence leading to less employment shows the circularity of the poverty-violence nexus. Hence, this study concludes that there is a vicious cycle: violence leads to more poverty, which in turn leads to more violence.

1.3 Unfortunately, violence also has a negative impact on the traditional interventions which are designed to reduce poverty. Schools, for example, often close during episodes of high violence when teachers refuse to report to work. And, even if jobs are created in the economy, the urban poor are often excluded from them because of violence. Serving as an important mediating factor is the role that social networks and institutions at the community level --both formal and informal--can play in reducing levels of both poverty and violence. But they, too, are frequently affected by violence. Efforts to strengthen community-based institutions must be cognizant of this factor.

1.4 Analytical framework. To identify the causal relationships between violence and urban poverty and to begin to identify interventions to break the cycle, this study uses an analytical framework which draws together violence-poverty-social institutions as shown in Figure 1.¹ In this framework, two concepts of poverty are critical for understanding the impact of violence. First is the realization that people's perception of their own poverty is not static nor based on fixed income measurements, such as those captured by "poverty lines". Rather, poverty is frequently related to the more complex notion of vulnerability--including aspects of well-being, security and livelihood based on survival and self respect. Second, vulnerability is closely linked to asset ownership. The more assets people have, the less vulnerable they are. Assets, both tangible and intangible, have been defined in this report to include: labor; human capital; physical assets; household relations; and community networks, the latter also known as social capital. **Labor** is clearly the most important asset of the poor in many developing countries, and understanding the constraints to its utilization, such as lack of access to credit and inadequate social and economic infrastructural services gives additional types of interventions with which to reduce poverty. **Human capital** is another relatively well understood asset of the poor, with the health and educational status of the poor determining the returns to their labor. **Physical assets** of the poor includes land and housing. **Household relations** can be an asset or liability for the poor, with family size and the number of workers in a household important factors in determining both labor force participation and household disposable income. Lack of good household relations (e.g. domestic violence) negatively affect household welfare. Finally, **social capital**, defined as the relationships, networks and institutions--both formal and informal--that link individuals and facilitate coordination and cooperation for mutual benefit, is an important asset of the poor. The disintegration of social capital by the interplay of violence negatively affects the poor's ability to use their other assets and access social and economic infrastructure. In the context of Jamaica where urban poverty is so closely linked to violence, social capital is a critical element in reducing both violence and poverty.



1.5 Methodology. The general approach used in preparing this study was both participatory and multisectoral. This report has attempted to portray the Jamaican urban poor by asking them directly about their perceptions of poverty, the problems they face in everyday life and about potential solutions. A participatory urban appraisal (PUA) was carried out in five poor urban communities in Jamaica in order to better understand the complex interrelationships between poverty and violence, particularly in the areas of employment, economic and social infrastructure and local social institutions.² And, because households and individuals plan and live their lives cross-sectorally, this study is also multisectoral in its coverage and tries to draw the linkages between sectors as they affect the urban poor (e.g. poor urban transportation prevents students and workers alike from accessing schools and place of employment). The findings of the research--perception data from low income communities--is used throughout the study to document experiences of poor urban families. It should also be noted here that all of the figures

contained in this study were drawn by participants in the PUA; they have not been altered in order to preserve the integrity of the PUA exercise.

1.6 To complement the more qualitative findings of the PUA, the study also utilizes data from the *Jamaican Survey of Living Conditions* (SLC) an annual household survey conducted since 1988 with World Bank assistance. To give some sense of the proportion of the Jamaican population that could be considered urban and poor, the 1993 poverty line from the SLC was adopted.

1.7 Finally, this cross-sectoral report was supported jointly by the Human Resources and the Environment and Urban Divisions of LAC Country Department III. Additional background papers and contributions were received from the Public Sector Modernization and Private Sector Division in LA3 and the Transportation, Water and Urban Development Department. Secondary source material for Jamaica was also reviewed, particularly in the areas of poverty and violence.

1.8 **Structure of the Report.** The next section of this report provides relevant background of the macroeconomic situation, and overviews of poverty and violence. The third section looks at human capital as an asset of the poor, detailing the health and education status of the urban poor, and the impact of violence. The fourth section deals with labor, and provides a picture of what the transformation of the Jamaican economy has meant in terms of the employment options for the urban poor. The reinforcing nature of the poverty-violence nexus is traced through the employment link, with a particular distinction drawn along gender lines. The fifth section looks at housing and household relations as assets, while the sixth section focuses on social capital. The final chapter offers conclusions and recommendations to both reduce violence and poverty.

2. BACKGROUND

THE MACROECONOMIC CONTEXT

2.1 Jamaica's economy can be characterized as a case of dualistic development. While the formal capital-intensive sectors of the bauxite/alumina and luxury tourism have generated significant wealth, there is a growing informal sector which is both labor-intensive and characterized by low wages and extensive over- and underemployment. And, although agriculture contributed nearly a quarter to total output in the 1950s and 1960s, today it accounts for only 9% of GDP, mostly due to the decline of the sugar and banana industries, although the sector still employs a quarter of the workforce.³ Services, on the other hand, have expanded and now contribute 53% to GDP, reflecting the growing tourism and financial sectors.

2.2 Macroeconomic crisis led to IMF intervention in 1977 which prescribed strong demand management measures. Following a change of administration in 1980, the new government instigated an Economic Recovery Programme designed to stimulate growth in the most important productive sectors and improve fiscal performance. During the early 1980s, however, little structural adjustment took place. Instead, the combination of a large balance-of-payments support from the United States, a decrease in world demand for alumina and a devaluation of currency, rapidly increased Jamaica's debt servicing levels. Since 1989, the pace of economic reform has quickened, with the full liberalization of the exchange rate in October 1991, the removal of wage and price controls, the introduction of the General Consumption Tax (GCT) and the lowering of import duties and income taxes.

2.3 Since 1991, growth has averaged less than 1% per year. The public sector has been in surplus since 1993, and by 1994 the external current account was in near balance. However, the economic situation remains fragile. Macroeconomic stability was again threatened in mid-1995 by financial sector difficulties and an upsurge in inflation; debt remains very high at over 80% of GDP.

OVERVIEW OF POVERTY

2.4 Poverty in Jamaica has followed a course roughly similar to other Latin American and Caribbean nations. From Independence in 1962 through the early 1970s, the situation improved as aggregate income grew strongly led by the bauxite and tourism industries. Growth in GDP has not been correlated with reductions in poverty, and wealth in Jamaica remains highly skewed (Table 1). In 1993, the poorest one fifth of the population claimed only 6 percent of national consumption, while the highest quintile consumed about eight times as much (49 percent).⁴ From 1988 to 1994, distribution has improved slightly in part because agricultural production

increased by over 10%, all of which came from production for the domestic market, in which most small farmers are involved.

Table 1: Jamaica - Consumption by the Poor, 1958-94

Year	SHARE OF THE POOR		INDEX OF PER CAPITA CONSUMPTION (1988=100)		
	Bottom quintile	Top quintile	All Jamaica	Bottom quintile	Top quintile
	1958	2.2	6.0	83	
1971	2.0	5.0	110	41	56
1975	4.1	9.0	123	94	112
1984	4.2	9.5	102	80	98
1988	5.4	9.9	100	100	100
1991	5.8	10.5	83	107	106
1992	6.5	10.8	90	120	109
1993	6.3	11.1	93	117	112
1994	6.4	10.8	105	119	109

Source: PIOJ and STATIN.

2.5 In terms of per capita consumption, the situation worsened for the poor from the mid-1970s until 1988, with poverty increasing (Table 1). From 1988 to the present, per capita consumption actually increased for the bottom two quintiles, indicating a decrease in the severity of poverty and an increase in the effectiveness of the social programs. A notable exception was in 1991 when average per capita consumption declined by about 20% in real terms due to high inflation, but recovered somewhat in 1992 and 1993 following substantial wage increases in the public and private sectors in those years. Overall, however, average per capita consumption in 1994 remained below early 1970s levels.

2.6 Levels of poverty have been relatively stable since 1988 with just under a third of the population living below the poverty line (Table 2). Again, the exception was in 1991 when the number of poor spiked to nearly 40% due to the liberalization of the exchange rate. The result was a sharp depreciation of the Jamaican Dollar and significant increase in inflation. In the same year, all subsidies and price controls were removed for basic foods, while a subsidized, targeted food stamp program was introduced instead. By 1993, the proportion of the population living in poverty had returned to its 1990 level.

Table 2: Aggregate Estimates of Poverty, 1988-93
(percentages)

<i>Indicator</i>	<i>Aug.</i> <i>1988</i>	<i>May</i> <i>1989</i>	<i>Nov.</i> <i>1989</i>	<i>Nov.</i> <i>1990</i>	<i>Nov.</i> <i>1991</i>	<i>Nov.</i> <i>1992</i>	<i>Nov.</i> <i>1993</i>
Percent poor	29.8	29.2	26.9	27.9	38.9	34.2	28.4
Poverty gap index	10.0	9.8	8.8	7.9	13.7	10.6	--
Poverty severity index	4.7	4.4	3.9	2.9	6.6	4.4	--
Average per capita annual consumption (J\$'000 in 1990 prices)	7.3	7.8	8.1	7.6	6.1	6.6	6.8

NOTE: The above table displays indicators of poverty over time for Jamaica, using three measures. The headcount index measures the *prevalence* of poverty and is the percentage of the population that is poor. The poverty gap index measures the *depth* of poverty and calculates the mean proportionate distance of the poor's income (or consumption) from the poverty line. The *severity* of poverty index puts greater weight on the incomes of the poorest individuals; a (small) transfer to a poorer person decreases the severity of poverty more than the same transfer to a less poor person. The measure of welfare used here is household consumption per capita, which is preferable to income as a measure.

Sources: POVCAL program; means and decile data are from the PIOJ and STATIN.

2.7 As of 1993, using a consumption-based per capita poverty line, 28% of the population lived in poverty. Sixty percent of the poor live in rural areas, with the remaining distributed evenly between the Kingston Metropolitan Area (KMA), mostly concentrated in Kingston and St. Andrew parishes, and other towns. Rural poverty is characterized by an under-productive small farm sector, low levels of education and an underdeveloped physical and social infrastructure. Increasingly, the rural poor are drifting to urban areas in search of better economic opportunities and this is resulting in overcrowding in urban (low-income) housing settlements and mushrooming of squatter settlements, particularly in Western Kingston, East Downtown and Allman Town areas.

2.8 The demographic distribution indicates that most of the poor are children and youth. About 61% of the poor are below 25 years of age (children under 14 years comprise 40% of all poor) and 13% of the poor are persons over 60 years. Women make up half of the poor and poverty is only slightly more prevalent among female-headed households. In the Kingston Metropolitan Area, however, where there are more female headed-households (65%) than in other towns (47%) or rural areas (45%), the prevalence of poverty is significantly higher for female headed-households (21%) than for male (11%) headed-households.

2.9 The unemployment rate of the poor in 1995 was 15 percent: 70 percent of whom were below the age of 25 and 65 percent of whom were women. Poverty is largely a phenomena of the working poor as demand for their labor is not strong enough to push up real earnings and they lack skills and access to higher-paying jobs. The majority of poor are farmers, agricultural laborers, domestic servants, street vendors and craftspersons. There is a clear association between poverty and years of education: nearly 70 percent of the employed poor reported no secondary education compared with 45 percent of the employed non-poor.

THE URBAN POOR

2.10 The urban poor, though fewer in number (Table 3), are arguably more vulnerable to changes in the economic environment and usually have fewer resources on which to draw. The dependence on wage labor and the cash economy, rather than own-farm production, decreases food security and heightens the exposure of the urban poor to the effects of inflation, such as

those following the 1991 devaluation. High levels of violence in urban areas has resulted in lack of work and employment opportunities and has also contributed to the disruption in the delivery of social and infrastructure services. Violence has also led to the disintegration of family and social structures and institutions, which are important resources for better coping with uncertainties. In addition, the lack of affordable housing and the resultant overcrowding typical of low income urban communities concentrates a number of social problems, such as alcohol and drug abuse, teen pregnancy and juvenile delinquency into smaller spaces, increasing their effects on residents. This broad characterization of the urban poor will be given more detail in the sections which follow.

Table 3: DISTRIBUTION OF POVERTY IN JAMAICA (1993)

Area	% of Population	% of Households
KMA	21	22
Other Towns	19	20
Rural	60	58
Jamaica	100	100

Source: *Estimates of Poverty in Jamaica: 1989-1993*, PIOJ, 1995

VIOLENCE IN JAMAICA

2.11 Violence has had a long history in Jamaica and the sources of it are much debated. Since Independence in 1962 violence has escalated rapidly. The homicide rate in the 1950s and 1960s was approximately 7 incidents per 100,000 persons; by the 1980s it had risen to 23.⁵ Compared to the United States, the homicide rate in Jamaica in the late 1980s was twice as high. The number of homicides committed in 1961-2 was 183, by 1989-90 this number had risen to 981. The number of felonious woundings over the same period went from 466 to 9,862, while the number of reported rapes went from 352 to 2,096.⁶

2.12 Although violence is clearly not confined to either urban areas or poor people, violent crime tends to be geographically concentrated in poor urban communities. Over one half of all violent crime is committed in Kingston and St. Andrew, and almost three quarters of murders and over 80% of shootings in 1994 took place in Kingston, St. Andrew or Spanish Town.

2.13 There are many different types of violence, beyond those that frequently make newspaper headlines. The participatory study of violence in selected poor urban communities identified 22 different types of violence which were subsequently summarized into five categories: political, drug, gang, domestic and interpersonal (Annex 1). Conflict, at times violent, has been a near constant feature of Jamaican party politics. During the general elections of 1980, over 800 people were killed, almost three quarters of them in the Kingston Metropolitan Area (KMA).⁷ At the height of the election violence in 1980, almost 20,000 were burned out of their homes. Political violence is widely held to be the origin of gang violence, with gangs created to help "organize" local constituencies, distribute political favors, enforce party loyalty and turn out votes. The arming of these gangs and the arrival of the cocaine trade led to the establishment of powerful 'dons' who command gangs of supporters. Political violence, however, has been on the wane in Jamaica since 1980, and with the advent of the cocaine trade, many local 'dons' have found more lucrative sources of patronage and support, in particular protection, guns and money. The 1995 PUA revealed that the control of a community by a single 'don' can, ironically for a

time, lead to relative peace and stability. It is often when the 'don' system breaks down, and there are competing 'dons' or no established leadership, that violence is the greatest.

2.14 Violent crime also encompasses assault, domestic abuse and rape, and interpersonal violence. There are increasing amounts of violence involving women, both between women, and by men with women as victims. At least 40% of murders are the result of domestic disputes and involve women as the victims. A recent study of adolescent girls in Kingston found that a majority of the school girls surveyed had witnessed at least one fight in the past year, 37% had been involved in a fight.⁸

2.15 In these poor communities, violence divides not only households, but communities against each other, eroding social capital. The wide variety of violence is indicative of communities where both internal and external non-coercive conflict resolution mechanisms have ceased to function. It was a widespread perception among respondents in the PUA that violence is a cyclical phenomena and that interpersonal violence is exacerbated by a climate of revenge, with conflicts escalating and one type of violence leading to another, such that gang warfare could be the result of what started as a minor personal dispute.

2.16 The effects of violence, however, extend beyond these communities and are felt at all levels of society and the economy. The impact of violence at the macroeconomic level is apparent, although difficult to quantify. For example, the tourism industry and the ability of Jamaica to attract overseas investors, especially Jamaicans abroad, is affected by press reports on violence. Although the statistical relationship between violence (measured in the number of murders per year) and tourist arrivals is inconclusive, the tourism industry is particularly sensitive not only to changes in Jamaican and international investor confidence, but to the image projected of the island to potential vacationers. An incident in April 1995 (7 killings in a 24 hour period) with the Army being called in to patrol the streets of downtown Kingston made world headlines.⁹ Increasing levels of crime and violence hurt the industry as people choose other, less risky, destinations, and as foreign direct investment also goes elsewhere. By the same token, violence has no doubt been a contributory factor to the continued migration of Jamaicans--and their capital--out of Jamaica. And while there are identifiable economic costs to this loss of skills and capital, there has also been a vicious circle created whereby Jamaicans involved in criminal activity abroad are deported back to Jamaica, fueling the problem at home and expanding the involvement of Jamaicans in international crime syndicates, the cocaine trafficking organizations in particular.

2.17 Thus, although the effects of violence are not limited to poor urban areas, the impact of violence on poverty--and *vice versa*--is so extensive that it is impossible to ignore it in discussing urban poverty. Throughout the remainder of this report, the impact of violence will be integrated into the discussion of both assets of the poor and interventions to strengthen those assets.

3. HUMAN CAPITAL AS AN ASSET OF THE POOR

3.1 The embodiment of human capital--reflected primarily by an individual's health, nutritional and education status--depends on access to social infrastructure and services. The poor, including those living in urban areas, tend to have less access to and/or pay more of their income for quality services than the rich.

HEALTH

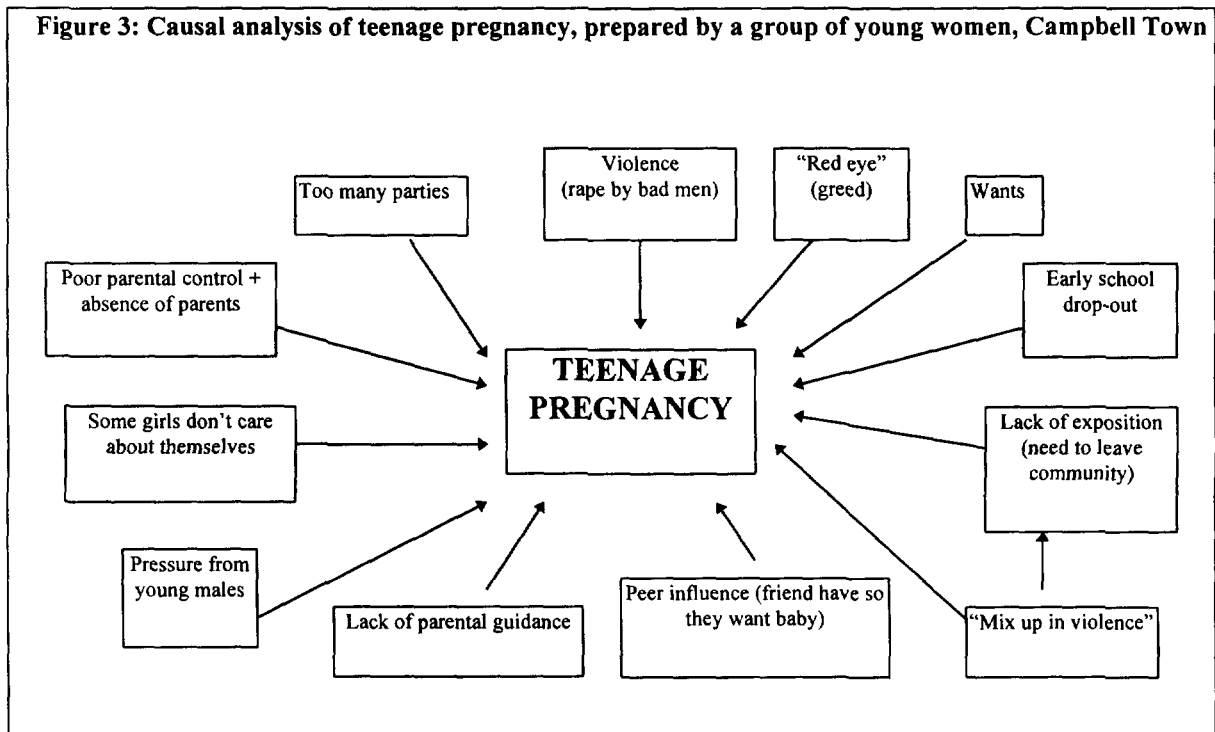
3.2 *Status.* In general, poor people in Jamaica report more illness, are sick for longer periods of time, and seek medical attention less often than the non-poor.¹⁰ For the urban poor, there are four health issues which are worthy to note: high rates of teenage pregnancy and related complications; sexually transmitted diseases, including HIV/AIDS; malnutrition, and injuries.

3.3 Teenage pregnancy rates are a cause of concern in Jamaica, contributing to early school dropout, unemployment and diminishing opportunities for young women. Sexual activity begins early in Jamaica: 35% of young women and 43% of young men are sexually experienced by age 15; almost 60% of 15-19 year old women report having had sexual experience in the 1993 Contraceptive Prevalence Survey (CPS). This, and the fact that less than half of young women reported using contraception at first intercourse, translate into high fertility rates. In 1993, Jamaica had one of the highest age-specific fertility rates for girls 15-19 in Latin America and the Caribbean, with 108 pregnancies per 1,000 women. Overall, 45% of women aged 15-24 had been pregnant at least once. Among 15-17 year olds, 14% had been pregnant, while 40% of 18-19 aged girls had been pregnant at least once; of these 10% had been pregnant twice. Nearly a third of the 18-19 year olds had actually given birth. When surveyed, 97% of the 15-19 year olds who had a birth in the previous five years said that the birth was either mistimed (82%) or unwanted (15%).

3.4 Data from the CPS also show that lower levels of educational attainment and socio-economic background result in a greater likelihood of being pregnant or having had a live birth, although there was not much difference across rural-urban boundaries. For example, of those surveyed with primary education as the highest level achieved, 60% had been pregnant; of those who had completed lower secondary, 47% had been pregnant; of those with post-secondary qualifications, only 24% had ever been pregnant;. A 1993 study by the Jamaican Women's Center confirmed this with 78% of the young mothers coming from low socio-economic homes.

3.5 Reasons for such high levels of teenage pregnancy range from lack of knowledge about family planning methods and limited access to contraceptive devices, to social attitudes and pressures. For young girls, one means of self-esteem and status among peers is pregnancy.¹¹ Norms of social behavior including intercourse at young ages, teenage pregnancy and men

having many partners were also reflected in the perception data collected during the PUA. An analysis by one participant described the female life cycle as girls getting pregnant very young (14 and up), rarely living with the father of the child, and remaining with their mothers. According to another, only 20% of the young girls in her community avoided early pregnancy. Lack of parental guidance and discipline among teenage women themselves (parties, greed, peer pressure) were perceived to lead to teenage pregnancy (Figure 3). Pressure from young men and rape were both cited as other factors; for the latter, young women surveyed by the CPS mentioned "staying away from secluded areas" as a way of avoiding sexual intercourse and "brute force" as a means by which men get women to have intercourse. Early childbearing affects young women's health and future educational achievement. Lower socio-economic status and education levels are associated with higher levels of maternal mortality, which can easily be reduced with adequate and early obstetric care. A 1992 study¹² found that use of antenatal care was low, especially among young poor women in their first pregnancy living in Kingston. For young mothers, the probability that they return to school is very low. According to the CPS, only 15% of young women who became pregnant while in school returned to school after the birth of their first child.



Source: Moser and Holland, 1995.

3.6 The high level of sexual activity, especially among youth, has other costly health implications. Sexually transmitted diseases (STDs) and the human immunodeficiency virus (HIV) which causes AIDS are growing problems in Jamaica. One quarter of disability adjusted life years (DALYs)¹³ lost to communicable diseases in Jamaica are from STDs (excluding HIV/AIDS). The total number of AIDS cases reported in Jamaica between 1982 and December of 1993 was 669 and the incidence is rising: the number of new cases doubled in both 1991 and 1992. There is reason to believe that STDs and AIDS are having a particular impact among the urban poor, especially commercial sex workers (CSWs). While the prevalence of AIDS remains

low for the total population (approximately 0.1%), the rate of infection of CSWs in Kingston is estimated at 12%, far beyond even the national average of 1% for CSWs island-wide. Given the high rates of unemployment among young women in KMA, and the lack of a range of low-skill employment opportunities in the job market, the number of women depending on prostitution as a source of income is unlikely to fall. More worrying are the findings of a recent study of adolescent girls in low income communities of Kingston: an early age of first sexual activity, an unsatisfactory knowledge of STDs and contraceptives, and a low level of condom use, known risk factors in the transmission of HIV.¹⁴

3.7 Although malnutrition rates improved between 1991 and 1992 in rural areas and other major towns, rates actually worsened in the Kingston Metropolitan Area. The proportion of low weight-for-age in KMA rose from 5.2% in 1991 to 8.6% in 1992. One explanation is that the urban poor in Kingston felt more strongly the impact of the devaluation and the removal of the general food subsidies, both of which occurred in 1991. Another explanation is that poor, less educated women in Kingston are especially at risk for either not receiving any prenatal care or of having delayed their first prenatal care visit, a known risk factor for poor birth weight and subsequent growth.¹⁵ Within Kingston, the problem of undernutrition is one which displays a definite spatial pattern; there are areas which have consistently been identified as having higher malnutrition levels, and there has been a noticeable shift toward younger ages within the under five year old population.¹⁶

Violence and Health

3.8 The impact of violence on health imposes both an economic and a public health burden. One of the few quantifiable macroeconomic costs of violence are the opportunity costs associated with treating the thousands of injuries that result from violence each year. It was estimated that the cost for treating the average trauma victim (who is treated but not admitted) ranges between US \$29 and US \$35 each, with an annual cost to the Kingston Public Hospital alone of at least US \$350,000. This is equivalent to 25% of the Ministry of Health's recurrent budget for hospitals. These estimates are likely to rise over time: statistics showed an 18% increase in the number of violence-related physiotherapy treatments provided, and a 25% increase in the number of casualty patients seen in the first six months of 1994, compared to the same period in 1993.¹⁷

3.9 Young parenthood, especially among the poor, also has a negative impact on their children, often resulting in domestic violence. There are serious concerns that young mothers and fathers are not old enough to be responsible parents. In fact, children often live only with their mothers. According to the 1991 SLC, only 35% of children aged 0-14 live with both their parents; 40% live with their mother only and a further 15% have both parents absent. Women's absence from the home to work and fathers' limited presence frequently results in abuse and chronic neglect of children. Levels of sexual abuse of children are high: in 1993 half of the year's total reported rape cases (1,100) were of children under the age of 16. The average age of children raped was 8 years.¹⁸ Corporal punishment is another form of physical abuse by parents on children. A 1995 study found that 71% of parents in a sample of preschool children from 200 schools beat their children.¹⁹ This and limited use of positive reinforcement and praise can result in high levels of insecurity and low self-esteem in children. Frequent beating of children as a means of discipline at home has meant that children see aggression as the only way to resolve their differences. Thus violence experienced early in the home by children is reproduced in

children. In fact, studies in Jamaica have shown that violent tendencies of children are closely related to inadequate parenting skills, especially among young parents. The PUA also found that participants associated youthful parenthood with a lack of discipline among children. This misbehavior, including acts of violence, is demonstrated in school. Later, this violent behavior is believed to be perpetuated as children become adults.

EDUCATION

3.10 *Status.* While there is little data analyzing the educational status of the urban poor, there is a clear trend toward more education from the lowest to the highest income quintiles nationwide. While this variation is not very great with respect to primary education, where there is near universal enrollment, it is significant with respect to secondary education. Of school leavers aged 6 to 19, over 71% of children from families in the wealthiest quintile complete grade eleven, while half the children in the lowest quintile drop out after grade nine.²⁰ This highlights the critical role of secondary education in breaking the cycle of poverty. However, the secondary education system in Jamaica is presently highly inequitable. The Government has embarked on a major reform of secondary education with improvements in equity and quality as the main objectives.

3.11 *Access.* While most children in Jamaica have access to public schooling, the quality of education available to the poor is substantially less than that for higher income groups. The quality of primary schooling available to the poor is crucial as it influences the access of low income students to better quality secondary education. Most poor students attend All-Age schools, which receive the lowest quality inputs. As shown in Figure 4, a young man observed that in schools in his poor community, teachers are frustrated with the lack of resources and "don't pay attention to kids". Not surprisingly, children from these schools, in turn, do less well at the end of primary school in passing the Common Entrance Examination (CEE), the entry ticket to the better quality secondary high schools. Finally, the fact that significant numbers of students pay for private tutoring in preparation of the CEE, disproportionately affects students from low income families.

3.12 At the secondary level, striking differences in quality exist between comprehensive and traditional high schools which enroll students who have passed the CEE, and All-Age and New Secondary schools, which take students who have not passed the CEE, and who often leave school after grade nine. There is a strong correlation between income level and type of school attended: 73% of children in the lowest quintile attend All-Age and New Secondary, while 47% of children in the highest quintile attend traditional high schools.²¹

3.13 The poorer quality of schooling available to low income students has had serious implications for their later access to employment opportunities and potential earnings, and has had profound consequences for Jamaica's economic development. The Ministry of Education estimates that half of those graduating ninth grade in the most disadvantaged All-Age school have not acquired functional literacy and numeracy.²² The fact that many school-leavers are not trainable helps explain both the shortage of skilled workers in the Jamaican economy, and the high levels of youth unemployment in poor urban communities. In KMA, more than twice the number of youth aged 15 to 16 from poor households (33.3%) are out of school than for non-poor households (16.8%).²³ A recent study on school failure and drop outs among adolescent

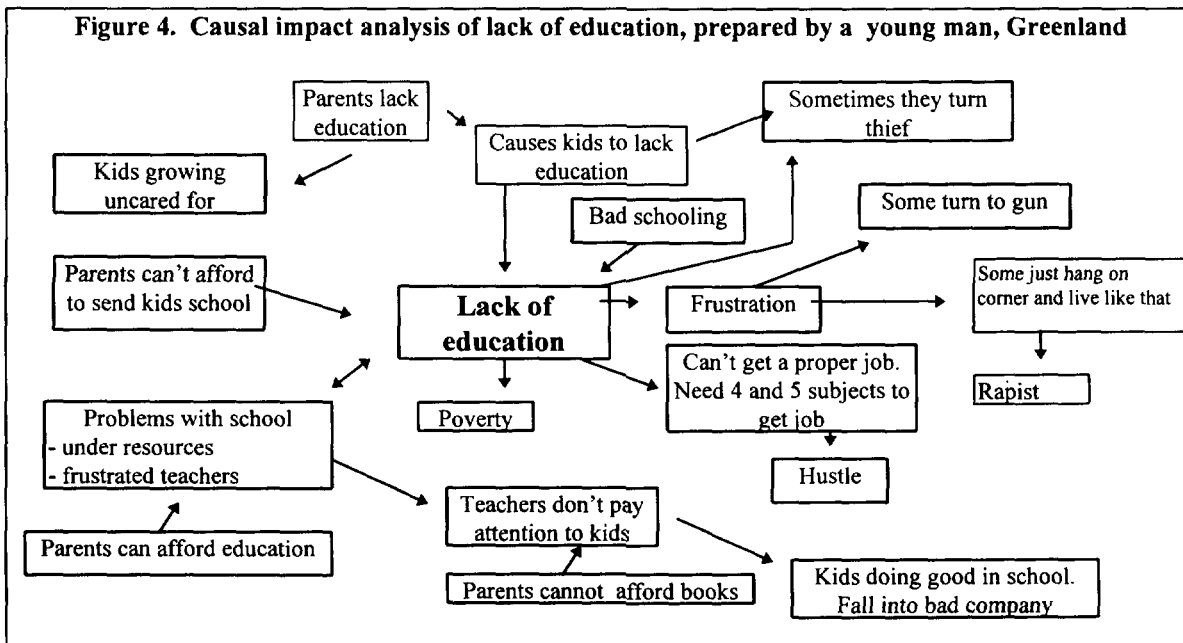
girls in Kingston concluded that poverty is a factor contributing to school failure, which in turn reduces opportunities to escape poverty.²⁴

3.14 Finally, lack of adequate transportation, especially in Kingston, resulted in children having great difficulty in reaching schools on time. In fact, due to the combination of a severe shortage of buses and concessionary fares for school children, children were frequently denied entry either by adults or operators. In two instances, school children were pushed to their deaths under bus wheels in the rush to board. Just recently, the Government has established a dedicated school bus system in Kingston.

Violence and Education

3.15 Violence has particular adverse effects on access to and quality of educational services. Findings from the PUA and other sources indicate that schoolchildren in communities with gang violence experience reduced access to schooling. This is both because the reduced mobility restricts their ability to get to school (e.g. reluctance to cross gang boundaries), and because schools often close down when tension levels are running high. There have been repeated incidents of this sort across Kingston and other urban areas. In 1995, an inner city primary school in Kingston serving 1,200 students was closed when teachers refused to report to work due to violence. Even when schools are open, the prevalence of violence and tension within schools also reduces both the quality and quantity of learning that goes on. Thirty percent of girls in a recent survey reported being afraid to go to school because of violence in their communities.

3.16 Lack of education also has implications for violence. Figure 4, drawn by a young man in a poor inner-city Kingston neighborhood, shows that lack of education can lead to frustration, joining of corner street gangs, gun carrying, and committing rape and theft. Ironically, the diagram also indicates that "kids doing good in school", fall into "bad company", reflecting how drug dealers recruit bright youngsters with good math skills.



Source: Moser and Holland, 1995.

4. LABOR AS AN ASSET OF THE POOR

EMPLOYMENT TRENDS IN THE ECONOMY

4.1 A healthy and educated individual is better able to make use of a second asset--labor-in improving their standard of living. Of particular importance to understanding the urban poor's ability to utilize their labor are the employment trends in Jamaica over the last decade or so. Since 1988, there have been increases in the informal sectors, tourism and services, and simultaneously an overall decline in employment in the formal goods-producing sector, although this has been tempered by an expansion in employment in the Free Zone garment industry.

4.2 Between 1977 and 1989 the informal sector expanded by over half to employ almost a quarter of the entire workforce.²⁵ By 1995 the informal sector employed 30% of the workforce.²⁶ The informal sector in Jamaica is defined as both the low-skilled self employed (mostly vendors and domestic workers) and small firms with less than ten workers. While the informal sector has been a major source of employment growth, such jobs tend to be at very low wages.

4.3 The tourism industry (which accounts for 13% of the economy's value added²⁷) employs approximately 62,000 full-time workers in the low season (May-November) and 97,000 in the high season (December to April). Estimates of both direct and indirect employment in the tourism sector are around 217,000 equivalent full time jobs, or about 23% of total employment. Many of the employment opportunities in this sector tend to require basic literacy and numeracy and good references, which many of the urban poor probably lack. Although employment is projected to grow at approximately 5% annually,²⁸ Jamaica faces growing competition from the Dominican Republic, Mexico and other islands in the Caribbean where hotel capacity has been expanding more rapidly. Instances of publicized crime and violence have affected the image-dependent tourism industry.

4.4 As the formal goods-producing sector has declined, the "labor aristocracy," primarily men, has been squeezed. The traditionally male-dominated manufacturing sector declined by 25% between 1988 and 1992, a loss of some 34,000 jobs. During the same period, employment in the Free Zone garment industry expanded, with most of these new jobs going to women. The three Free Zones now employ more than 15,000 people (Kingston with 16 firms and 6,300 employees; Montego Bay with 21 firms and 3,650 employees; and the Garmex, with 9 firms and 4,200 workers).²⁹

EMPLOYMENT STATUS OF THE URBAN POOR

4.5 The employed urban poor are more likely to have a job either in the informal sector, or among the less well paid occupations in the formal sector. The unemployment rate among the lowest quintile of the population is twice as high in urban areas as in rural areas (20% in KMA, 16% in Other Towns and 8% in rural areas) and is even higher in the second quintile.³⁰

4.6 ***The Informal Sector.*** The proportion of workers in Kingston employed in informal activities increased by 20% between 1977 and 1989, well over the 7% expansion of the urban labor market as a whole. Within the informal sector, higglering (street sellers), petty services and retail sales of 'non-tradables' are the largest activities. Self-employed women represent about 20% of the female labor force. Of these, services predominate (15%), followed by crafts and trades (8%) and elementary occupations (7%). In Kingston in 1993, most self-employed men were in either crafts or related trades (63%).

4.7 A common informal sector occupation is informal commercial importing, which involves trips abroad to buy bulk goods for sale in Kingston markets, to retail outlets, local merchants or private customers. The informal commercial importers (ICIs)--almost exclusively women--gained a reputation for amassing great wealth in the 1970s. More recently however, many of the ICIs have been forced out of business by spiraling overheads and shrinking domestic demand because of the devaluation, along with increased import duties and regulation designed to bring them into the formal tax system (Box 1).³¹

4.8 The few success stories of the wealthy informal commercial importer aside, most of the those employed in the informal sector tend to be street sellers or higglers. This work, however, tends to be at the bottom of the economic hierarchy.³² Low capital-intensity sales from the yard, or from a small shop adjoining the yard, typically involves overemployment with long periods of labor investment for small returns.³³ Alternatively, women find work in casual service occupations--doing a day's washing or ironing--based purely on the sale of labor on the open labor market, and characterized by underemployment. The hourly remuneration levels of these female activities is such that they could be justifiably viewed as 'disguised unemployment'.

4.9 While growth of the informal sector has been central to the creation of employment opportunities, it is unclear whether the low return activities of higglering, characterized by both underemployment and overemployment, represent sustainable economic growth or, more likely, a survival strategy for poor people in economic crisis.

4.10 ***The Formal Sector.*** The most common formal sector jobs for the poor are grouped under elementary occupations, which includes domestics, laborers and vendors. Poor men in KMA are concentrated in three areas: crafts and related trades (37.6%); elementary occupations (25.6%); and, as service workers (15.5%). Poor women in KMA in the formal sector are overwhelmingly employed in three areas: elementary occupations (29.6%); as service workers (9.9%); and, as plant and machine operators (8.5%). An important point to note is that women in KMA working as plant and machine operators in 1993 were no more or less likely to be above the poverty line. This most likely reflects the low wages available to women working in the Free Zone export industries, and accentuates the fact that these assembly jobs are unlikely to raise women's incomes sufficiently to take them out of poverty. The minimum wage in KMA has been steadily declining as a percentage of the poverty line, particularly since the price increases and devaluation in 1990-91. In 1989 the minimum wage was almost nine times the poverty line, while by 1993 it had declined to 81.5%.³⁴ One respondent in the PUA said that the wages earned were barely enough to cover bus fare and childcare costs (Box 2).

Box 1: Employment in informal commercial importing

Miss Lindsay is 29 years old and rents rooms in a tenement building with partner Rudolph and their three children aged 13, 11 and 8. Rudolph is presently employed as a tire dresser at a garage on the Spanish Town Road, and therefore the household is not dependent on her income alone. This perhaps is a significant factor behind Miss Lindsay's decision to give up informal commercial importing.

Miss Lindsay argues that women are drawn into informal commercial importing by the combination of limited opportunities elsewhere and the responsibilities of single female household heads: "that is the easiest thing to do caw you can't get no work so...if you have the money it better you do a little buying and selling...Most of the women them are mother and father for them children so them have fi find a way out and something fi do and that is the easiest thing you know".

She started importing clothes as an ICI in the early 1980s, as she could not get a job and it was the easiest thing to do. She saved enough money to buy her first consignment of goods by using the 'partner' system and "saving a lickle five dollar". She would fly to Curacao and Haiti to buy shirts, shorts and children's clothes, usually pooling money with a group of friends on order to "stretch the money". On returning to Jamaica she used to take the cheaper clothes to Falmouth (on the north coast) to sell wholesale to local higglers from Montego Bay, but would also take orders from friends in Kingston. Once into the groove she might make US\$150 profit on each trip.

Talking about why she stopped importing, she says that nowadays after buying food and paying bills "you nah make nutten you know. Nutten". She points to the introduction of income tax on ICIs as one of the harshest measures, believing that the government felt the ICIs were too successful: "Most of the time cos them feel say we make a bag o' money. They wouldn't like know [i.e. they do not want to hear anything different]. Nutting no inna it now. Now you might just make back your fare only".

A woman from the office which allocates BENO's (Business Enterprise Numbers) called Miss Lindsay recently to confirm that she was still at the same address. She was not surprised to hear that Miss Lindsay had stopped "caw she know that everybody has stopped".

Since stopping importing, she has resorted to petty sales from her yard, selling bag juice, cigarettes and sweeties, and occasionally buying "a lickle wholesale earring, clip to sell". She sees no openings in the job market for ex-ICIs: "me nah see nutten for me...no work nat here". She cannot sew and does not want to work for other people, especially when they pay so badly; "what you buy? Plus you have bills".

Source: Moser and Holland, 1995.

4.11 **Unemployment.** The current unemployment rate nationally is about 15%, while the job seeking rate is estimated at 7%.³⁵ Unemployment remains higher in the urban labor force than in the rural labor force, and these workers are also more likely to be seeking employment. Unemployment rates for youth (age 14-24) remain high, and nationwide 70% of the unemployed poor were below the age of 25, and 88% relied on their parents for support.

Box 2: Formal sector employment in the Kingston Free Zone

Miss Brown, a single household head with a young daughter, is working in the Free Zone on Marcus Garvey Drive, for a Hong Kong textile company that produces clothes (shorts, pants, blouses and dresses) for export. She gets paid hourly: J\$7.50 per hour (about J\$300 for a six day week). If she gets sick they have a sick bay at the factory. If she has to stay away from work through sickness they do not pay her. Furthermore if you are sick for more than three days you have to get a doctor's sick note. If people stay away from work or take a stand against the Company they can be fired. She does not know of any union representation in existence. She signed a company disclaimer (i.e. if anything happens to her they are not responsible) but is not aware of ever having signed a contract.

She estimates the breakdown of employees by gender at about 70 per cent female to 30 per cent male. The men are employed in pressing and cutting, while the women do the sewing, checking for quality, pressing, and constructing boxes to pack the clothes in.

The machinists work on a piece-rate system. This means that if they work fast they can earn more than those employed on an hourly rate; up to J\$1000 per week. Despite the potential of earning more money in the machinist section, Miss Brown would still rather stay in quality control, which she says is easier work.

Women commute from a wide area to the Free Zone, from as far afield as Spanish Town, Bull Bay and Linstead. Some employees have worked at the factory for over five years "cos job is very hard to find". But some leave quickly because the working conditions are so hard. They have to stand up all day, apart from a one-hour lunch break, and sometimes do an hour overtime. Promotion opportunities at the factory are not evident to her.

She works from 7.00 am to 4.00pm (5.00pm with overtime). This means that she has to leave her yard at 6.00am, get a bus downtown, then another bus out to Marcus Garvey Drive. She usually reaches home just before 5.00pm. Her friends in the yard look after her daughter, Clarissa, when she gets home from school every day.

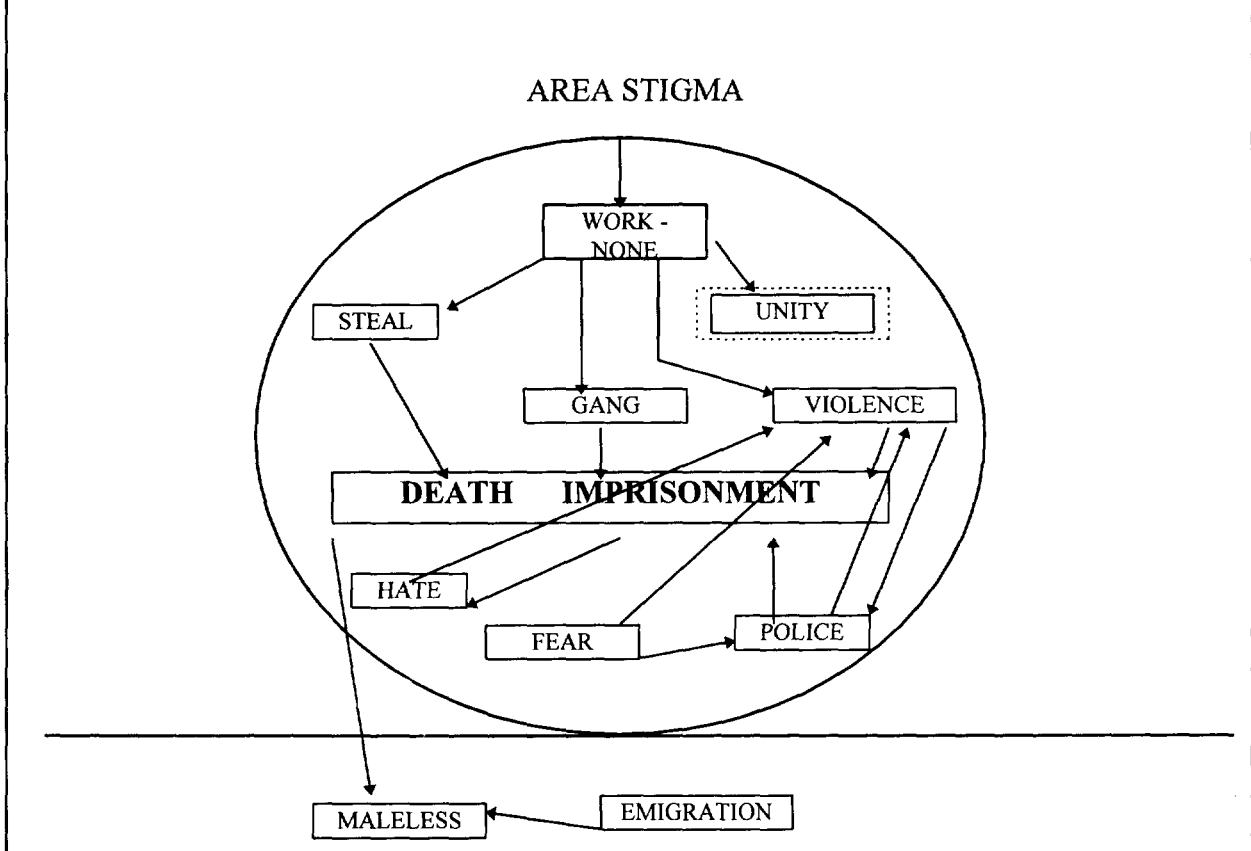
Source: Moser and Holland, 1995.

UNEMPLOYMENT AND VIOLENCE

4.12 One of the more interesting findings of the PUA is the perceived linkage between unemployment and violence. Lack of employment was believed widely to result in violence. Moreover, there were also perceived differences between men and women on the effect of unemployment on violence.

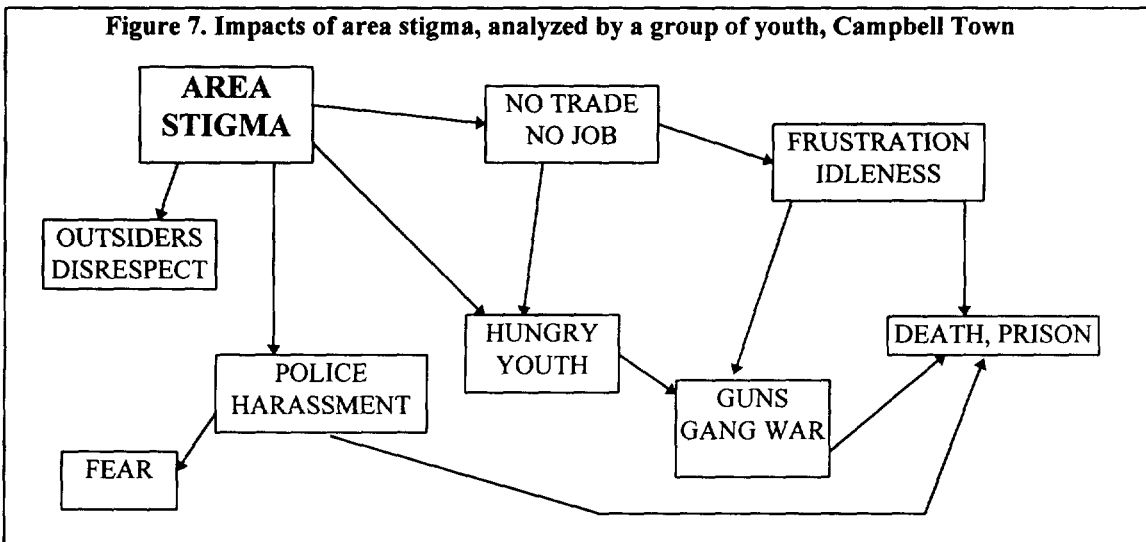
4.13 Women, for example, perceived that high unemployment led to greater dependency on men for income, which in turn led to an increased incidence of domestic violence. As noted earlier, high teenage pregnancy rates in particular lead to physical abuse by males and family feuds (i.e. domestic violence also directed against children). Men, too, believed that women formed relationships, including those involving pregnancy, with men as an income raising strategy. For males, lack of work is perceived to lead to an increase in gang involvement and violence, resulting in death or imprisonment (Figure 6).

Figure 6. Causal impact analysis of lack of work for men, prepared by a group of young men, Park Town



Source: Moser and Holland, 1995.

4.14 While there is a perceived strong causality from lack of employment to violence, the causality also runs in the opposite direction. The ability of urban poor people to utilize their labor is also negatively impacted by violence. Perhaps one of the most evident impacts of violence on accessing employment is discrimination in the labor market based on stigma against residents from high violence areas. Figure 7 depicts how area stigma reduces employment and results in frustration, idleness, police harassment and death or prison. This figure also shows the circularity of violence causing stigma, resulting in lack of work, leading to increased violence. Many of the participants in the PUA noted that the stigma attached to their communities was widespread, and that *all* residents were made to suffer further by the actions of the criminal element. Violence also restricts mobility, so that leaving the community to work may involve extreme personal danger in passing through hostile adjacent neighborhoods or long travel times to avoid those areas.



Source: Moser and Holland, 1995.

4.15 The lack of public transportation within these communities is also an obstacle to reaching places of employment and is clearly affected by violence. While the public bus system has deteriorated greatly in recent years and been a constant source of public outcry (Annex 4), poor transportation in the garrison communities is a particular problem that restricts residents' access to work and social services. Holders of bus franchises and/or their drivers and operators refuse to enter communities plagued by gang warfare. Many participants in the PUA stated that there was no bus service in their communities, and often it was impossible to get a taxi cab to take them into the community even in broad daylight.³⁵ Where buses do run, violence aboard them further restricts mobility outside the community. The National Transportation Licensing Authority recorded some 614 complaints about aggressive acts on buses in April and May of 1995 alone.³⁶ Because it is dangerous to walk the streets after dark, the lack of public transportation restricts people from any job that will cause them to return in the evening.

4.16 The supply of jobs within these communities is also affected by violence. Crime and gang warfare, particularly, have taken their toll on downtown businesses in Kingston, which have repeatedly had to close their doors as gun fights between gangs and the police rage in the streets. Police estimates of property lost due to crime show nearly a six-fold over the ten year period from 1976 to 1986. While it is difficult to calculate the costs associated with retail sales lost due to avoidance by consumers, days closed because of dangerous situations, and theft and vandalism, downtown Kingston merchants have consistently cited the crime factor as detrimental to business.

4.17 Ironically, the private security industry is one of the few positive externalities--at least in terms of job creation--caused by the growing problem of crime and violence. In 1988 it was estimated that there were some 200 private security firms in Jamaica, employing around 20,000 workers, and thus making it one of the largest industries in Jamaica in employment terms.³⁷ In 1993, a Private Security Regulation Authority was established because of concerns about the

"unregulated proliferation of private security companies, supplying guards armed with all sorts of weapons to defend and protect private property...some of these so-called guards were in fact, people with criminal convictions and others were people of dubious character."³⁸ The Authority had, by the end of 1994, registered 282 companies and around 15,000 security guards, 3,000 of which were registered as armed guards. They had also refused to register 210 guards because of previous criminal convictions.³⁹ Although violence has led to job creation in the security business, access to these jobs is probably influenced by the same area stigma that prevents residents from poor violent communities from finding other kinds of employment regardless of whether they have a criminal record or not.

5. THE ASSETS OF THE POOR

HOUSING AS AN ASSET

5.1 Housing as an asset is likely to be more important for the poor who are concentrated in the informal sector and are more likely to be self-employed in activities based within their homes. Small-scale sales out of homes or "yards", as well as the home as a site for doing laundry and cooking are important, particularly to women in the informal sector. The presence or absence of infrastructure services such as water, sewerage and electricity, therefore, will affect the value of housing as a productive asset.

5.2 The 1993 SLC data indicate that the urban poor are not readily distinguishable from the urban non-poor by their type of housing, but rather by occupancy rates and by their access to infrastructure services in their neighborhoods. Access to such services tends to be affected not only by ability to pay for such services--many do not pay but still gain access--but by the willingness of utility companies to maintain them in neighborhoods known to be violent.

5.3 Overcrowding is a reality of the urban poor. Over 35% of KMA's poor live in 'part of a house', that is, they share it with other households. Poor households in KMA also have less space on average, with two rooms per house, half a room less than the regions average, while they also tend to have larger families living in those houses than do the non-poor. Less space also means there is less room available for carrying out productive activities within the home.

5.4 *Water.* Over three quarters of the poor in the KMA have some private piped water service, most commonly a shared outdoor yard tap. This share falls to 55% in Other Towns. Public standpipes are important in Other Towns (30% of the water supply), but less so in the KMA (13%). While these figures indicate a fairly good coverage of water services for the poor, they belie the deteriorated condition of many facilities. For residents connected to piped water, intermittent supply has become a major issue in the last few years, with interruptions of 16 hours in 24 experienced in 1994.⁴¹ Leakages and illegal connections contribute to low water pressure, which is often a major cause of unreliable water flow and poor water quality due to contamination by pollutants. SLC data show that over half of the poor households in Kingston responded that they had water connections, but reported no expenditures for water (Table 4).

5.5 *Sanitation.* If "safe" sanitation is defined as access to a WC, then 57% of the KMA poor are served, compared to 20% of the poor in Other Towns. Thus, as might be expected, sanitation is less widespread among the poor than a safe water supply. Sewerage is relatively uncommon even for the non-poor in the capital area (only about half have access). Among the poor in KMA, only a little over one quarter have sewerage connections (27%), but an additional 30% have WCs and could take advantage of a connection if it were available. Pit latrines are used by 37% of the poor in KMA and thus are the most common form of sanitation among the urban poor, but are the dominant form of sanitation in Other Towns (73%), where sewerage is almost

unknown among the poor (only 6% are connected). The public outcry against poor sanitation service and environmental problems such as the overflow of sewage into streets and water sources increases the alienation of residents against the utility companies, contributing to violence and vandalism.

Table 4: Households with Non-paying Water Connections

	Non Paying Connections	Total Connections	Non Paying Connections as % of Total Connections
KMA			
Poor	45	81	56
Non-Poor	120	501	24
Other Towns			
Poor	9	48	19
Non-Poor	27	220	12
Rural			
Poor	32	56	57
Non-Poor	77	281	27
Jamaica			
Poor	86	185	46
Non-Poor	224	1002	22

Source: SLC 1993 data from Kessides background paper.

5.6 **Electricity.** Electricity reaches roughly half of the poor in KMA and Other Towns who use it as their main lighting source. Kerosene accounts for most of the rest although there is a large unexplained share of the poor in KMA who report “no source”. Over one third of the electrical connections of the poor in KMA are non-paying, either illegal or not charged by the utility company (Annex 2). System losses of 20% of all electric power distributed reflect the poor condition of the networks, illegal connections and inefficient billing practices.

5.7 The willingness of occupants to make investments in their houses for productive purposes (such as on-site sanitation or water or light connections), depends greatly on security of tenure. According to the SLC, 40% of the poor in KMA own their own home, 31% rent from private landlords, 13% obtain housing rent free and 6% are squatters. In Other Towns, 52% own their own homes, 16 percent rent, 16 percent obtain free housing and 10% are squatting. A more detailed Housing Indicators Survey from 1990, however, indicates that 33% of the total housing stock in Kingston are occupied by squatters. Squatting in the KMA also appears to be on the increase, particularly in Western Kingston, East Downtown and Allman areas.⁴² The fact that a non-negligible share of the poor live rent free, however, most likely signifies that multiple households share quarters, but it could also indicate considerable tenure insecurity in the local housing market.

Violence and Housing

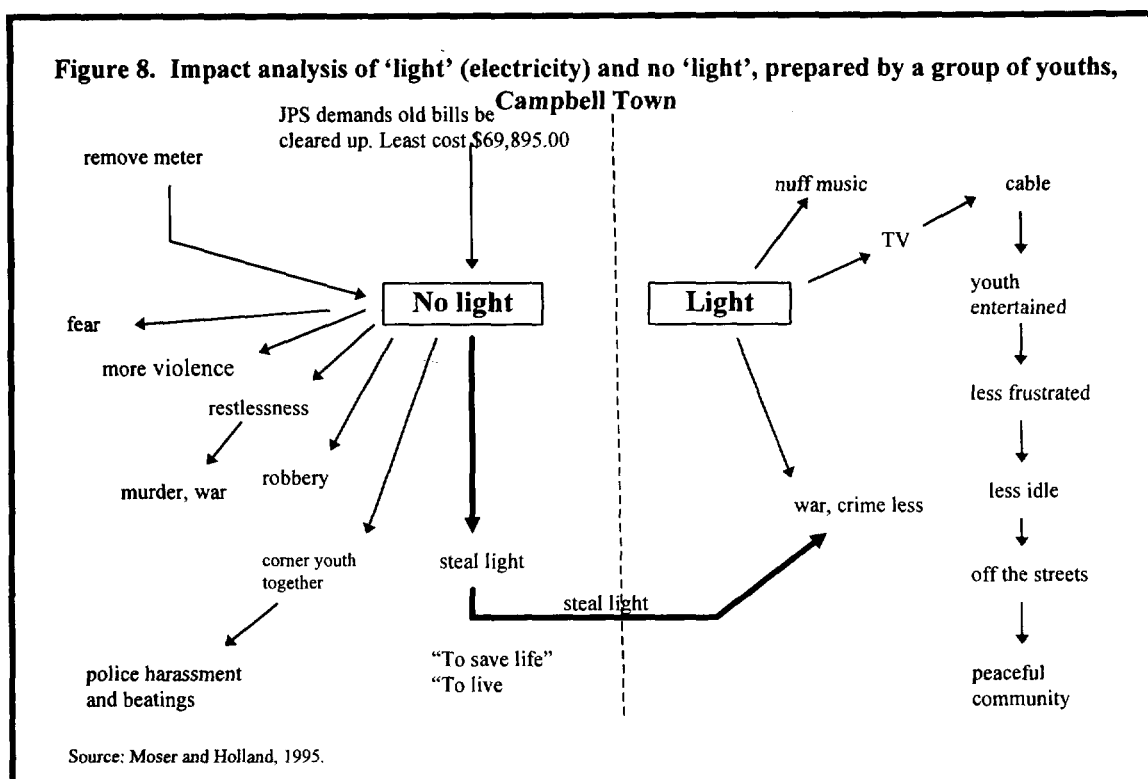
5.8 A clear impact of violence on housing as an asset is the erosion of public utility infrastructure, such as water, sewerage, electricity and telephones. The presence of telephones and street lamps, in particular, can have a direct effect on the reduction of crime and violence and can increase the safety of neighborhood residents. For this reason, gangs frequently destroy or

render inoperative street lamps and public telephones, increasing their impunity. Violence also reduces the functioning of water, sewerage, telephone, and electrical systems because of the refusal of maintenance workers to go into these communities for fear of violence.

5.9 In addition to maintenance, violence also reduces metering and the collection of charges for public utilities. For example, among the areas served by the National Water Commission (NWC) there are so-called Red Zones, which are a category of non-revenue water. This accounts for 6% of all the water produced by the NWC. These Red-Zones include communities where people not only refuse to pay for water and there is a plethora of illegal connections, but NWC staff and maintenance workers are physically attacked and intimidated.⁴³ There was a reported J\$258 million in uncollected debts from Red Zone accounts by July of 1995.⁴⁴ In addition there are an estimated 30,000 to 60,000 inactive accounts at the NWC, customers who have been cut off, many of whom have illegally reconnected. While it is unlikely that this problem is confined to poor urban communities, illegal connections are widespread in these communities, as shown in Figure 8 ("steal light").

5.10 The deterioration of public utilities because of violence, severely undermines the ability of poor people to gain employment. The levels of self employment and work in the informal sector among the urban poor are very high, and access to electricity and running water are important factors to the expansion of selling produce or running a small businesses out of the home. Lack of access to telephones means that transportation is needed to contact or follow up with potential employers or business opportunities. Unfortunately, many poor residents are not even served by the bus system or private taxicabs, again because of the reluctance of drivers to enter these communities, thus limiting access to places of work.

5.11 Poverty and the inability to pay utility bills can also lead to increased violence. As Figure 8 shows, the inability to pay "old bill" for electricity can lead to fear, gangs, murder, and robbery. With electricity ("light"), youth enjoy TV and music, spending less time on street corners!



HOUSEHOLD RELATIONS AS AN ASSET

5.12 **Household Structure.** In Jamaica, as in many developing countries, poor households are larger than better off ones. The poorest quintile averages 5.7 members, and 25% of these have 8 or more members. This is only partially explained by a greater number of children; there are also more male and female adults in these households (1.6 males and 1.7 females), suggesting more extended family units and more adult children living with their parents (e.g. teenage mothers and their children still living at home).⁴⁴ The existence of extended family households can be, however, an important coping mechanism for the poor (e.g. grandmothers looking after grandchildren while mothers work). Unfortunately, such extended structures are not much support for single female headed households. SLC data indicate that poverty is slightly more prevalent among female than male headed households at the national level.⁴⁵ Within urban areas, however, there is a marked difference between male and female headed households, and in Kingston in particular. In KMA, while only 11% of male headed households are poor, almost twice that number, 21%, of female headed households live in poverty. Moreover, about two thirds (65%) of all poor households in KMA are headed by females, while in Other Towns and in rural areas less than half of poor households are headed by females. Single female household heads are also younger, on average, than that of coresidential households and because they tend to have more children, a high dependency ratio exists along side a low ratio of economically active workers to children.⁴⁶ While the existence of extended family networks can strengthen the survival strategies undertaken by the urban poor, the levels of female headed households living in poverty in the KMA suggest fraying support networks and the need to target interventions to these women and children.

Violence and Household Relations

5.13 When parents do not live together and come from different neighborhoods, restricted mobility implied by gang and political violence has negative implications for family life (Box 3). The story of a young mother and her child separated from the father by gang boundaries shows how violence can devastate family structures. Poverty, characterized by overcrowding, can also generate violence. Overcrowded urban communities where several households share the same yard no doubt contributes to conflicts between and among families. Overcrowding was also linked by urban residents in the PUA to the exposure of young children to adult sexual activity, increasing the rates of teenage pregnancy.

Box 3: Violence and the erosion of social relationships: Earl and Winsome

Earl and Winsome attended the same primary school in Campbell Town and had been part of a group of friends all their lives. They became partners and Winsome recently had a baby with Earl. In the last year, however, the escalation of gang violence split the community up into small areas of no more than a few blocks, controlled by different gangs. Earl and Winsome were divided by a turf boundary. Earl continued to visit Winsome and their baby despite the dangers involved. Earl's best friend was now a top 'ranking' in the gang which controlled his area. Aware that Earl was still crossing the border, his friend and others warned him to stop visiting his girlfriend. Earl ignored this warning and was shot dead by his best friend. Winsome is devastated by his death and wants nothing more than to leave the area. She is trapped for the moment, however, unable to afford the rent for accommodation outside the community.

Source: Moser and Holland, 1995.

6. SOCIAL CAPITAL

6.1 Social capital--the relationships, networks and institutions based on trust that link individuals within a community and facilitate coordination and cooperation for mutual benefit--is not only an important asset of the poor, but as many argue, the foundation of development (Box 4).⁴⁷ Examples of social capital as resources which help the urban poor in Jamaica cope with economic crisis are numerous. The rotating credit schemes that allow microentrepreneurs to raise capital for their small businesses, and the sharing of childcare and cooking responsibilities by friends and neighbors which allows women to go out and seek employment, are two reported from the PUA.

Box 4: Social Capital--The Jamaican Prime Minister's view Excerpts from a speech by Rt. Hon. P.J. Patterson, Prime Minister, Jamaica to the Houses of Parliament, April 30, 1996.

I share the view that the contemporary discourse about development, both here and elsewhere, is mistaken in regarding the economy as a facet of life with its own laws, separate from the rest of the society. This is clearly not so! ... In fact, the economy is fundamental precisely because it thrives on the social collaboration of human beings....Neither employers nor managers can make sense without workers and vice versa; and both sets of citizens must interrelate in the kind of workplace organization which links them for reasons other than receiving a paycheck at the end of a week or month. ...It is the lack of any sense of community, of cultural unity, that results in a deficit of social capital--the ability of people to work together for common purposes in groups and organizations. The decline of sociability in Jamaica is all too evident in the high incidence of crime, in the breakdown of family solidarity and in the growing undermining of share values among our citizens....I challenge my fellow Jamaicans to focus on social virtues, without which the creation of wealth cannot be achieved.

6.2 Social institutions are an important element of social capital. The PUA documented the extensiveness of social institutions within the communities surveyed. They ranged from informal networks (e.g. families and households), to local associations, to more formal organizations, including political, religious and educational. In discussing the different types of social institutions found within poor urban communities, it is useful to distinguish between those that are hierarchically structured and those which are based on horizontal relationships.⁴⁸ These different types of relationships can provide different approaches to reduce both poverty and violence. Moreover, the interplay of violence differs depending on the nature of the social institution.

6.3 **Social institutions with horizontal relationships.** Within the poor urban communities covered in the PUA, complex reciprocities based on horizontal relationships exist. Inter-household trust and collaboration frequently occurs between women, such as sharing of childcare obligations and reciprocal arrangements for loans of money, water, food and clothing. Raising credit informally is a long standing tradition among poor communities. There are also a number of social institutions run by community people that provide community space for association. These tend to revolve around music, dancing, soccer or other sports; more recently, they include teen homework clubs and better parenting clubs. Such associations create horizontal linkages

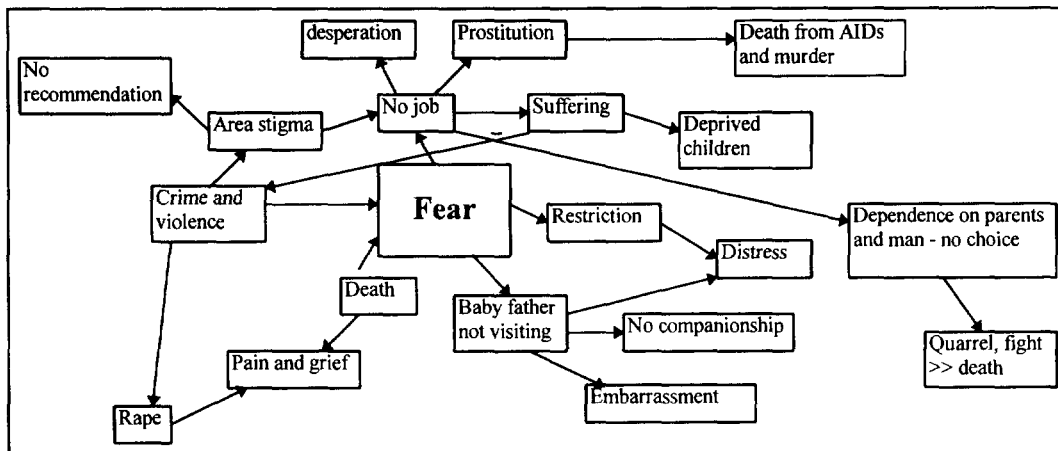
between individuals and promote community ownership of such initiatives. Leaders associated with these institutions are often either Rastafarians, community workers or local women.

6.4 Social institutions with hierarchical structures. There are also a variety of hierarchically structured formal social institutions, many of which are channels for the top down delivery of services. These include national and local governments, the police, the educational system and the church. Historically, political parties have maintained powerful hierarchical control of social interaction at the local level. Politicians have become less powerful over the last decade (although this tends to change during election years), as evidenced by their inability to unite warring factions within their constituencies. The church and schools are other important vertical institutions. The PUA found that teachers were highly respected within the community. Church leaders were viewed in a much more mixed light; some were perceived very positively because of church assistance in providing social welfare, employment and training opportunities to community members. Others were thought to be much more authoritarian. According to PUA participants, the police reinforced existing social structures. Police based locally were seen much more positively than members of the Anti-Crime Squad who enter communities in search of wanted individuals. Lastly, gangs can also be seen as a type of a hierarchically structured social institution. Gang "dons", often associated with drug operations, can also provide strong leadership within communities, giving stability, and distributing jobs and money. The proliferation of gangs within a community can, however, lead to fragmentation of the community, with multiple dons fighting to gain control. Ironically, this form of social organization can erode social capital.

Impact of Violence on Social Capital

6.5 Perhaps one of the clearest impacts of endemic violence on a community is the social fragmentation that often results, eroding social capital. Widespread fear, is a direct consequence of the violence, which restricts physical mobility and increases levels of tension, often triggering even more violence. Figure 9 shows how crime and violence lead to Fear, which not only can lead to death, but restricts physical mobility ("no job") and more violence ("quarrel, fight, death"). As discussed above, the spatial implications of violence have also been divisive for family life ("baby father not visiting" and "no companionship").

Figure 9: Causal flow analysis around fear, prepared by a group of young women, Maka Walk



Source: Moser and Holland, 1995.

6.6 Restricted mobility is also believed by PUA participants to exacerbate other types of inter-personal violence. "Matey war"--conflict between women over a man--intensifies with the scarcity of men brought about by high mortality rates among young males, imprisonment or limited mobility. Tenant war and "pickney war" (conflicts between adults started by conflicts between children) are other examples of violence that tend to erupt between people living in high density, overcrowded housing restricted by fear from moving outside given community boundaries.

6.7 Violence also has spatial effects on the ability of community members to associate with one another. In many areas, recreation centers, dance halls, youth clubs and sports facilities no longer function because of violence. One young woman in the PUA said they have to be inside their homes by 7 p.m. Gang wars have led to further fragmentation of communities into smaller areas. The level of fear in one of the communities in the PUA was so high that people said they had to be careful of even where they walk in order to not be accused of spying. In another community, it was remarked that increasingly women are being targeted as the direct victims of violence and shot dead because they were suspected to be police informers.

6.8 As conditions appear more and more dangerous and out of control, it becomes increasingly difficult for any sort of community based organizations not based on fear and coercion to function. It has been exceedingly difficult, and risky, for community based associations, based on more cooperative horizontal relationships, to organize themselves because they are either vulnerable to co-option by hierarchical structures or are seen as a challenge to the authority of dons or gang leaders. Hence, although horizontally based social structures are strong candidates for building social capital, recognizing the potential for violence to undermine them is important to designing interventions.

7. CONCLUSIONS AND RECOMMENDATIONS

7.1 Traditional poverty reduction strategies have focussed rightly on improving the human capital of the poor in order for them to take up the jobs created by the growth process. In addition, this study has tried to show that in the urban Jamaican context, violence not only exacerbates poverty, but the impact of violence severely limits the impact of poverty reduction based on existing strategies. Therefore, reducing violence is another critical means of reducing poverty. Because violence can be interpreted as the total breakdown of social relations (at least between the victim and perpetrator), focusing on strengthening social capital is an important entry point in reducing violence.

STRENGTHENING SOCIAL CAPITAL

7.2 As experience in the United States shows, finding solutions to both urban poverty and violence is not easy (Box 5). However, it is increasingly evident that interventions to build human capital must be complemented by efforts to strengthen social capital and must involve the community.⁴⁹

Box 5: Success Story from the USA: The SPEAR Program in the South Bronx

The South Bronx encompasses some of the poorest communities in the United States, and because of waves of arson and abandonment in the 1960s and 1970s it also counts with areas having the worst housing and infrastructure services for a major US city. Low income neighborhoods are plagued by crime, violence, unemployment, teen pregnancy and high infant mortality rates. Where most public schools had previously offered after-school programs, growing crime, violence and vandalism shut down most such programs by the mid 1970s.

In the 1990s, many communities in the Bronx have organized to fight crime and drugs and to provide alternatives for their children to being on the street with nothing to do after school. In 1992, the South Fordham Organization had been organizing against drugs for more than three years. Working with the police in Neighborhood Watch Committees that also worked with landlords to evict drug dealers building by building, few results were visible. Residents decided to switch tactics and put equal emphasis on prevention and education initiatives targeting youth. Use of parent volunteers and equipment donated from the private sector helped convince local government to provide minimal salaries for staff, and the public schools to open their doors to neighborhood youth after-school hours. Starting three nights a week, the neighborhood association began running low budget programs for youth that included basketball, volleyball, arts and crafts, drama, homework help and educational workshops. Parent Associations helped mobilize adult volunteers and older teens were enlisted to help younger ones in "mentoring" programs. Demand far exceeded the ability to supply space and activities, and within a year, more than 1,000 children were attending. Keeping kids safe and off the street was just seen as a first step, and efforts continued on other fronts. Results were visible to both parents and children, who now had a place to go and something to do.

Source: J. Lichtenstein, personal communication

7.3 Strengthening social capital is not only an end in itself, but is a by-product of community based initiatives to solve community-identified problems. By changing the process by which

projects are carried out on any level of action, capacity is enhanced, trust and cooperation are expanded. Implementation of participatory approaches to development, and involving the urban poor in the decision-making, design and implementation of the solutions to their own problems, will have positive spillover effects (i.e. social capital) that go well beyond the specific intervention at hand.

7.4 Community Based Initiatives. The PUA sought the views of five communities about the kinds of projects or programs would bring people together and build social capital. Community-based activities were clearly the priority among the respondents, with an emphasis on youth activities and safe centers for counseling to reduce violence. Table 5 is an aggregate listing of the activities from the PUA (see also Annex 3).

Table 5. Aggregate listing of community recommendations for building social capital

Social Assistance Intervention	Focus Group
Community-based activities:	35
- community/youth/daycare centers	15
- Citizen's Associations etc./Neighborhood Watch	9
- youth projects	7
- voluntary work/self help	2
- drama group	1
- literacy classes	1
Safe centers and staff for counseling around violence:	14
- parenting skills to deal with children	7
- youth involved with gun violence	3
- community relations	2
- drug addiction	1
- family planning	1
Program to improve relations with the police/reduce police harassment	7
Soup kitchen/lunch money/school fee assistance	3
Military training for youth	2
Job placement programs that teach youth how to present themselves for jobs	1
Prisoner rehabilitation programs	1
Return subsidy on basic food items	1

Source: PUA field notes from Greenland, Campbell Town, Park Town, Zinc City and Maka Walk from Moser and Holland, 1995.

7.5 In carrying out these activities, experience has shown that viable community groups are the key to successful community based development.⁵⁰ Research in Jamaica has demonstrated that a wide variety of community based organization exist, from informal youth and street corner

groups to clubs, churches, social service organizations and NGOs.⁵¹ Working through existing organizations helps to build on existing stocks of social capital.

7.6 However, the nature of many local organizations in the poor urban communities consulted in the PUA present potential problems for implementation of community based strategies. Even when strong community organizations are not co-opted by the 'don' structure, they often remain vulnerable to being so. Both individual and community efforts to organize in poor neighborhoods can be seen as a threat by gangs and established 'don' leadership, and can pose a danger for those involved in these efforts.⁵² Because allocation of resources to clientilistic local 'dons' will simply strengthen the pattern of uneven distribution of resources and fuel the cycle of urban violence, considerable care must be taken in identifying of neutral organizations.

7.7 Additionally, it is necessary that community groups have the capacity, leadership and skills to participate effectively as partners in development efforts. Working with less formal organizations at the block and neighborhood level, particularly of youth, can increase the creativity, motivation and success of community based initiatives. These groups, however, often need assistance in organizational, financial and management capacities. Experience has also shown that investments in capacity building, training and organizational development are usually offset by community contributions and savings achieved through local knowledge and efficiency.⁵³

BUILDING HUMAN CAPITAL

Health

7.8 As described above, the problem of teenage pregnancy in Jamaica, especially among poor girls has detrimental effects not only on their health and future prospects in terms of schooling and employment, but also in terms of the children they raise. Given the links between poverty, pregnancy and later violence in homes, family planning and related education programs should be targeted to adolescents in order to reduce teenage pregnancy rates. Education programs, both within and out of schools, are needed to reach over a third of young men aged 15-24 who said they had no formal sex education; for young girls of the same age, 20% had not had any such education according to the 1993 CPS. Family planning and contraceptives should also be affordable and readily available to poor urban youth through family planning clinics.

Education

7.9 In 1994/95 real expenditures on education will barely exceed 1982/83 levels.⁵⁴ No amount of involvement by urban NGOs and community organizations in education and training activities can make up for the need for government to invest more resources in the public education system. While efforts are underway to enhance equity through reallocation of existing resources to the primary level, significant increases in real allocations to education are crucial to improve the quality of public primary and secondary schooling in Jamaica. Government's objective is for the public education system to provide a basic education to all Jamaicans to enable them to become literate and numerate, and for those who do not continue on to attend tertiary institutions, to be trainable by employers. Improving access of the poor urban children to

such a quality education is imperative. Targeting of resources toward schools located in poor urban communities is needed. For the urban poor, special programs supported through community initiatives can help give inner-city children extra tutoring needed for them to gain basic literacy and numeracy skills. For example, the Ministry of Education has developed a remedial curriculum for children with special needs. During the summer and after school, volunteers from the neighborhood (often retired teachers) help children catch up to their appropriate grade level. After-school and homework clubs have also been established with support from NGOs and CBOs in some poor urban communities.

7.10 Once children from these communities master basic literacy and numeracy, further education and training is needed to turn competencies into applicable skills. In the area of training, there is a need, however, for more joint ventures between the public and private sectors and with NGOs/CBOs. Practical vocational training for employment purposes remains a critical need, but the emphasis cannot be on training for its own sake, and must be geared to meet the skills needed by private sector firms. For this reason, the involvement of the private sector in training initiatives is important.

7.11 Finally, it has been recognized that building skills for conflict resolution is important for addressing the violence problem. For young children, Peace and Love in Schools (PALS) is a non-profit foundation in Jamaica supported by a broad coalition of the public sector, businesses, the media, churches and the teaching profession. PALS has begun to implement conflict resolution as a subject in the primary school curriculum. (Box 6) Programs such as PALS should be extended throughout the school system, and if the expansion of to secondary level should be considered.

7.12 Conflict resolution skills, including better parenting skills is important for adults. Given the extensiveness of domestic and interpersonal violence, and the presumed links between such violence and child rearing practices, activities which parenting skills is an important means to reduce violence. Awareness of the issue is spreading and efforts are already underway in some communities, such as parenting clubs. Activities such as these should be expanded.

Box 6: "PALS -- New weapon in war on violence" *The Gleaner*, January 30, 1996.

"PALS is concerned about the increasing levels of interpersonal violence and its aim is to help build a future society which is characterized by reduced levels of violence and greater respect for human life," said Oliver Clarke, Chairman PALS.

The peaceful resolution of conflict is one of the basic tenets of PALS and it believes that schoolchildren are the ones who can be most effectively influenced to see the need to settle differences without resorting to violence.

To carry out this programme ...[of conflict resolution as a subject in the primary school curriculum] ...PALS has prepared and distributed among the schools promotional and motivational material in the form of work books, manuals and posters--all carrying the message of conflict resolution.

To date, this material has been distributed, free of cost, to 360,000 children in 792 schools throughout the island. In addition, PALS has trained 29 educational specialists who in turn train teachers to participate in the programme. To date, 4,200 teachers who serve as administrators and guidance counselors have been trained in the technique of imparting Conflict Resolution.

INCOME AND EMPLOYMENT GENERATION

Credit

7.13 Improving opportunities for income generation through the expansion of the informal sector and increased employment are measures which directly tackle urban poverty. Poor households, especially women, often lack access to credit for microenterprises, including home-based businesses, operating in the informal sector of the urban economy. This gap has been identified as a bottleneck to the expansion of employment in the informal sector and an obstacle to its viability as a mechanism to increase the incomes of the poor. Organized self-help support networks, namely the rotating credit associations, or 'partner system', play a major role as a flexible deliverer of speedy credit to participants who are accepted, not on the basis of their collateral, but because of information about their cash-flow and reliability. Efforts which expand access to credit are needed, including the strengthening of credit associations working with the small scale informal sector and building on existing credit mechanisms. Strengthening of these institutions will require both improved outreach capacity, but also credit education for intended beneficiaries (Annex 4). In addition, the functioning of the rotating credit schemes found in Jamaica and elsewhere rely heavily on trust among participants (i.e. social capital). While loans may be used to directly support the start-up of new operations, loans could also be used to improve housing as an asset used in self-employment activities. For example, in the Self Employment Women's Association (SEWA) of India, 40% of small loans were used by women to improve their housing for use in home-based ventures.

7.14 Overcoming the stigma attached to poor and violent urban communities will be difficult. Restoring the communities themselves as viable productive business centers, which in turn generate employment, is an obvious option. Experience elsewhere in revitalizing inner cities has not been very successful. Urban renewal efforts over the last decade in America's inner cities have largely failed, despite substantial investment. One explanation offered for this failure has been an approach based more on social reasons and less on economic realities of these communities (Box 7).

Box 7: The Comparative Advantage of the Inner City

In a recent article called "The Comparative Advantage of the Inner City", Harvard Business School professor Michael Porter claims that "past efforts [of inner city revitalization] have been guided by a social model built around meeting the needs of individuals. Aid to inner cities, then, has largely taken the form of relief programs, such as income assistance, housing subsidies, and food stamps, all of which address highly visible--and real--social needs." This approach is faulty, according to him, because it tries "to cure the problems of the inner city by perpetually increasing social investment and hoping for economic activity to follow". To restore inner cities, he goes on to recommend an economic strategy based on the comparative advantages of the inner cities, including strategic location, local market demand, integration with regional clusters, and human resources. This approach is based on fostering "private, for-profit initiatives and investment based on economic self-interest and genuine competitive advantage--not through artificial inducements, charity or government mandates".

To illustrate his point, he compares the experience of two companies. One is a small company (28 employees) which designs and manufactures multimedia computer peripherals that was induced with special incentives by the New York City Office of Economic Development to move to the South Bronx. The second is a company (with the same number of employees) that supplies trade-show exhibits which relocated in inner-city Atlanta, minutes from the World Congress Center. For the first company, the relocation was a failure: 20 employees who all lived elsewhere refused to travel to and work in the community; potential suppliers and customers refused to visit the offices; and the company faced problems of theft and security. For the second company, which employed local community members, the location was convenient to clients in the exhibition center; response time was faster than in the suburbs; they faced lower rental costs for warehouse space; and the commitment of the local community and police reduced security problems.

Engaging the private sector and community based organizations to identify the comparative advantages of these communities can lead to new locally based activities and businesses. Such advantages could include location (e.g. near harbor), need to meet local market demands (e.g. retail stores, financial services and personal services), and even a pool of potential employees (assuming they are appropriately matched to type of activity). Efforts are already being carried out in at least one Kingston community through the efforts of the Kingston Restoration Company, with the involvement of the private sector and local communities. Vacant lots, often places where crime occurs, are being reclaimed and businesses being induced to return to the once central downtown, Old Kingston.

IMPROVING BASIC INFRASTRUCTURE SERVICES

7.15 Ensuring increased access to better quality basic infrastructure services for the urban poor, and also improving the financial sustainability of those services are government policy goals. However, given the significant impact of violence on both the provision and maintenance of basic infrastructure services in urban areas in Jamaica, any strategy to increase access by the poor to these services will have to take violence into account and devise alternative methods of service delivery and maintenance. One of the most promising strategies for doing so is increased community participation. Increasing the community's role in decision making with regard to the provision of both infrastructure services and transportation, and their responsibility for its maintenance is a promising means of expanding access for the poor in a sustainable way. For example, in one poor urban Kingston community, funds were raised to purchase a bus dedicated to the community and a driver recruited locally from within the community to operate it. Such initiatives should be explored for other communities. Successful examples elsewhere of community involvement in the design and implementation of water and sanitation services provide good models for alternative approaches. (Box 8)(Annex 5)

Box 8: The PROSANEAR Program: Collective Community Efforts

One example of a successful effort to supply basic water and sanitation services elsewhere in the developing world with analogous conditions of urban poverty and violence comes from the PROSANEAR program in Brazil.⁵⁶ The program provides poor urban communities an opportunity to obtain intermediate sanitation and safe water through arrangements that require collective efforts by neighborhood residents to maintain the systems and to pay the recurrent costs. Neighborhoods are grouped by blocks into "condominiums" which share feeder networks for water and sanitation. Agreements are made between the neighborhood association and the public water/sewer authorities for supply/interlinkage of the condominium network and the trunk network, to establish mutual obligations regarding the regularity of supply, the water and sewerage fees, and form of payment for the condominium embranchment. In cases when it is not possible to provide continuous water supply or pressure, the agreement specifies the best way to provide intermittent service-- an agreed-upon service rotation among *favela* dwellings. The rigorous observation of this agreement establishes the credibility of the institutional arrangements and helps ensure satisfaction with the service among the *favela* community. Beneficiaries are billed monthly, with half the charge being for water and the other half for sewerage. The bills are mailed to the address of the block or condominium association (often a grocery store) but issued in the name of each beneficiary; the bills are then picked up by the block representative and distributed to residents.⁵⁷ A number of other such innovative basic infrastructure projects have been funded by the Bank, including ones in Mexico, El Salvador, and Indonesia.⁵⁸

7.16 With respect to financial sustainability, evidence from Jamaica and elsewhere indicate that the poor are willing to pay much more than previously assumed for access to good quality services which they deem important. As the data in Table 5 and Annex 3 show, however, there is large scale evasion of paying for services. Creating community "ownership" of projects which extend basic infrastructure in their neighborhoods can ensure that mechanisms necessary to recover costs and prevent destruction and deterioration of new services are in place. Building community ownership of basic infrastructure projects requires both more time, and a different approach to service delivery. In communities where social capital is low and community based associations with the potential for leadership roles in the process are few, it will also require a more comprehensive approach that strengthens community institutions and builds capacity of local organizations as a prerequisite for more expensive investments in services.

7.17 Sustainable schemes for expanding basic infrastructure in the context of urban poverty and violence will also require innovative approaches to cost recovery, with success dependent on the recognition of the real resources of the poor and taking advantage of the existing social networks of a community. A number of options can be considered to ensure affordability for the poor and can be considered: introduce 'lifeline' tariff schemes; provide various payment alternatives for utility bills; offer credit schemes for initial connection costs; target any remaining subsidies, preferably through transfers directly to users; and provide fair protection against disconnection, but don't disallow it entirely.⁵⁹

7.18 A related area of concern is the impact of potential (or actual) privatization of public services on the government's goal of increasing access of the poor to infrastructure services. Efforts are underway in Jamaica to sell the state-owned light and power company, and consideration is being given to privatize the National Water Commission.⁶⁰ While the poor in Jamaica and elsewhere in Latin America have demonstrated a high willingness to pay for quality services, increasing private fees for service have the potential to negatively affect those least able to pay for them. Moreover, the risks inherent in service provision in crime ridden communities and low cost recovery to date also raises the potential that the private sector may not even provide such services. The failure thus far of subsidies and incentive schemes in the transportation sector, and recent experience of excluding half-fare school children from many urban bus lines, are illustrative of the problems inherent in privatization. The options detailed above can still be considered whether management is in public or private hands, but will need explicit agreement between the government and potential private purchasers.

COMMUNITY POLICING

7.19 Both communities themselves and a 1993 National Task Force on Crime recognize that policing *per se* is not a solution to Jamaica's crime and violence problem. According to the PUA, solutions must come from within the communities themselves and, "it is people who matter", according to the Task Force. Nevertheless, reducing violence also involves a well-functioning police and criminal justice system.

7.20 Based on the PUA, it is evident that there is a major difference in community perception of locally based community police and those in the so-called ACID squads who come in to arrest

wanted individuals, frequently involving the exchange of gunfire and risking the lives of civilians. Community policy initiatives are already underway in Jamaica as a means of bringing crime prevention closer to the community (Annex 6).

8. NEXT STEPS

GOVERNMENT POVERTY STRATEGY

8.1 To tackle poverty, the Government recently approved the National Policy Towards Poverty Eradication and the National Poverty Eradication Program (NPEP). The NPEP has four major sub-programs: (i) community-based activities to create and sustain development activities at the local level; (ii) human resources and social development to provide equitable access to the poor; (iii) protection of the environmental and natural resources; and (iv) building of the enabling environment to strengthen and promote sound economic policies to achieve growth and to establish an institutional framework aimed at more efficient management, coordination and coherency in program implementation. The Government also established a poverty implementation unit in the Office of the Prime Minister and a monitoring unit in the Planning Institute.

8.2 The poverty program is guided by four principles. The first is integration to optimize resources and amplify impact. Partnership is the second to ensure that the Government works closely with the private sector, NGOs and CBOs, communities and external agencies. Third, community-based partnerships will enable communities to identify their needs, and involve them in the design, implementation and evaluation of projects. Last, targeting will be used to reach the most deprived communities island-wide.

ROLE OF THE WORLD BANK

8.3 The World Bank's Country Assistance Strategy for Jamaica broadly supports the Government's poverty strategy. This study recommends a multisectoral approach in addressing the urban poverty and violence issue in Jamaica. The Bank has a relative comparative advantage to assist in a variety of sectors and with lending and other instruments. For example, the Bank is presently assisting the Government to finance a Jamaica Social Investment Fund (JSIF). The JSIF provides a clear opportunity to address a number of the urban poverty issues raised in this report, most specifically by responding to the needs of the most vulnerable groups currently underserved by existing programs and institutional mechanisms (Annex 7). The JSIF's autonomy, transparency and streamlined procedures will allow it to operate more efficiently than traditional ministries in implementing rapidly small-scale community-based projects. Two important findings from this study have been incorporated into the design of the JSIF. The first is the importance of building social capital as a necessary complement to building social and economic infrastructure. As a result, activities that strengthen social capital have been included in the list of eligible subprojects (e.g. conflict resolution, parenting skills). The second finding is that violence will have an impact on both sub-project implementation and sustainability and, therefore, its impact has been taken into account in the JSIF's operating procedures.

8.4 Other areas of Bank involvement which could help meet the challenge of urban poverty are the Parish Infrastructure Project (which also conducted beneficiary assessments), the Reform

of Secondary Education, the Student Loan Project (targeted to poor students unable to afford tertiary education) and discussions concerning microbusiness (aimed at moving microbusiness from the informal sector to formality, increasing skills and information, and expanding access to financial services). There are other areas which may have a great impact on violence and crime, but which the Bank has less of a comparative advantage (e.g. judicial reform) and/or is not involved (e.g. drug and narcotics control); here, other actors are more appropriate.

8.5 Clearly, the World Bank is one of many other actors. Other multilateral development banks and bilateral governments need to join with Government, the private sector, NGOs, CBOs and beneficiaries themselves to assist in reducing poverty and violence in urban Jamaica. Given the heightened focus on social capital and strengthening community-based institutions and networks, empowering local people and including them in both the decision-making process and in the implementation of identified solutions is one of the keys to designing sustainable strategies to reduce poverty and improve the quality of life for poor citizens. The participants in the initial Participatory Urban Appraisal identified some measures to reduce both poverty and violence, but follow-up participatory work is needed. Finally, therefore, this study recommends that the urban poor be consulted again, perhaps revisiting the communities included in the first PUA, to further determine the kinds of interventions needed to break the violence-poverty cycle.

ANNEX 1: CAUSES AND TYPES OF VIOLENCE

1. Underlying Causes of Violence: The Theories

Three main trends of thought have been identified in explaining public violence in Jamaica.⁶⁰ The first has been characterized as the “frustration-aggression” thesis which sees massive increases in unemployment and relative deprivation as the ultimate source of intra-personal violence; a second which could be called the “modernization” approach which adds the social disjunctures inherent in the rapid transition from a traditional agrarian society to a modern industrial urban one, and; a third school which sees the clientilistic political system as the root to public violence. The first school tends to incorporate class analysis and sees violence as a response by poor urban youth to social and economic marginalization. The modernization approach takes account of the socio-cultural changes that accompany urbanization and the advent of market oriented social relations, while the political school highlights the patron-client allocation of scarce resources along partisan lines which causes conflict between the parties and their constituencies.

While all of these theories are somewhat overlapping, they serve to highlight the structural forces, which no doubt in some combination, have created the escalation of violence in Jamaica over the last three decades. The participants in the recent PUA perceived a strong relationship between economic insecurity and the rising levels of crime and violence. For example, one of the most visible types of violence is that perpetuated by gangs. Gangs in Jamaica are of three types: political, drug -related, and “other”--just regular street corner groups that may or may not be involved in either crime, violence or both. Unemployment, lack of work opportunities and general hopelessness were perceived to be a cause of gang violence. The majority of poor urban communities where the appraisal was undertaken perceive themselves to be at war, and that the generalized violence pervades all aspects of social life. The following disaggregation of types of violence follows closely those identified by PUA participants.

2. Dissaggregating Types of Violence

(1) Violent Crime

Violent crime encompasses a large range of offenses, from murder and shooting, to robbery, assault, domestic abuse and rape. Much of the violent crime in Jamaica needs to be understood in the context of its motivation, whether gang, political or associated with drug trafficking or domestic abuse and so will be dealt with separately given the different character of each of these types of crime. Violence as an organizing principle is used by gangs, both drug related and political, and it is this phenomena which has made many of the streets of Kingston unsafe for even neighborhood residents to walk. Firearms were used in almost two thirds of murders and 29% of rape/carnal abuse.⁶¹ Additionally, it should be noted that of the 145 fatal shootings in 1994, 118 (more than 80%) were committed by the police in confrontation with criminals.⁶²

(2) Political Violence

It perhaps makes sense to start with a discussion of political violence as this appears to be the origin of the later rise of local gangs, organized crime and the 'garrison community' phenomena which presents such difficulties to current development efforts in inner city Kingston. Conflict, at times violent, has been a near constant feature of Jamaican party politics. From the first elections in 1944 up through the 1960s, battles between party activists and supporters were common, but tended to sporadic, unorganized and carried out with sticks and stones. It was in the 1960s that people widely credit the political parties with organizing permanent local political

The creation of local gangs to organize local constituencies, distribute political favors, enforce party loyalty and turn out votes is not an unusual political phenomena, however their arming and the subsequent arrival of the cocaine trade created a monster the politicians could no longer fully control. Widespread political conflict that began in 1976 and lasted until the general elections of 1980 left more than 2,000 people dead, almost three quarters of them in KMA.⁶³ At the height of the election violence in 1980, almost 500 people were killed and 20,000 were burned out of their homes. The March 30, 1993 general elections were preceded by a brief but violent campaign during which between 14 and 22 persons were killed by political partisans and/or members of the security forces in February and March.⁶⁴

Local level clientilistic political systems tend to function through a meshing of top-down hierarchical control, and horizontal ties of association organizing people at the block or community level. In Jamaica this has created the 'dons' or local political chiefs who command gangs of supporters to enforce their leaders control of political favors. This has left many urban communities dominated by a political boss, a 'garrison community' armed and ready to attack neighboring communities. Many examples of this continue into the present, with the violence surrounding distribution of jobs at construction sites a clear example. It appears however, that political violence has been on the wane in Jamaica since 1980, and with the advent of the cocaine trade, many local 'dons' and their 'top rankings' found more lucrative sources of patronage and support, in particular protection, guns and money. The division of urban communities along party lines, however, appears to remain in force, and violence associated with cyclical feuding and retaliation between factions continues. The 1995 PUA revealed that the control of a community by a 'don' or other system of top down hierarchical control can, for a time, lead to relative peace and stability. It is often when the 'don' system breaks down, and there are competing 'dons' or no established leadership, that violence is the greatest.

(3) Drug Violence

The evolution of the international drug trade has given rise to significant levels of violence around the world. Jamaica has not escaped this trend. The drug trade in Jamaica encompasses two primary substances that warrant separate discussion: marijuana and cocaine.

Production of marijuana for export appears to have begun in the late 1960s and early 1970s, while the cocaine traffic did not reach Jamaica until the mid 1980s. The economic effects of the trade in the two substances are quite different as well. Because marijuana is produced

locally on both the small and large scale it has significant linkages throughout the rural economy, and has been a source of employment, income generation and an engine for domestic investment.⁶⁵ Coca is not produced locally, and it is unlikely that any cocaine production takes place in Jamaica, although production of crack may be possible. This reduces the cocaine trade to a transportation and distribution operation, with both sources and destinations likely controlled by the large drug cartels and Mafias. Employment generated by the crack trade is likely to be in urban areas and involves relatively educated youth who have basic literacy and numeracy skills required by the business aspects of the transactions involving merchandise and large quantities of cash.

Drug violence in Jamaica is most clearly associated with the rise of Jamaica as a trans-shipment point for powder and crack cocaine from South America to be sold in the North American market. As reflected in both the literature and public perception, widespread violence is not as closely associated with the illegal production, sale and export of marijuana, although one can assume that consolidation within this industry and turf wars over distribution is also a source of conflict and violence. Organized drug gangs, called "posses", use violence regularly in several contexts: to protect sales turf and eliminate rival trafficking operations, to collect debts, to enforce discipline and to escape the police. The often extremely high profits available to cocaine traffickers provide sufficient motivation for the use of violence to protect and extend operations, and provide a seemingly endless source of new recruits to the business as their predecessors are killed or imprisoned. The lack of employment opportunities for urban youth discussed earlier no doubt contributes to the attractiveness with which young men view the high risk/high prestige jobs in illegal drug trafficking.

Although political, drug-related and gang violence capture the attention of the media and the public most often, it is other forms of violence--such as domestic and interpersonal violence--that are perhaps even more pervasive in poor urban communities, at least as indicated by the PUA.

(4) Domestic Violence

Violence against women encompasses a range of crimes from rape and sexual assault to domestic abuse and murder. The term domestic violence can also include child abuse. The escalation of the problem is evident from statistics: with more than 1000 cases of rape reported annually, at least three women are raped every day in Jamaica, while it is estimated that only 25 percent of cases are reported. The National Security and Justice Minister reported that in 1995 some 40 percent of murders nationwide were the result of domestic disputes. Participants in the PUA identified increasing dependence of women on men as a result of the economic crisis, and woman beating as a common occurrence in daily life. Women perceived a direct relationship between female unemployment and increases in domestic violence, and a link between male unemployment and wife beating.

Reports of sexual assaults increased from 1,091 in 1991 to 1,155 in 1992, with reports of further increases in 1993. Complaints filed with the Jamaican Human Rights Commission alleging police attacks on women have also risen dramatically in the past few years.⁶⁶ A study by the UWI released in April of 1993 stated that 13 percent of the eighth grade girls questioned

had faced an attempted rape, while 4 percent had actually been raped, many by a family member. In addition, 22 percent had witnessed acts of violence with weapons at home while 40 percent had witnessed similar acts at school.⁶⁷

The Ministry of National Security's Five Year Plan which ended in 1995 states, "Discovered and reported cases of child abuse are increasing yearly and have become a serious social problem."⁶⁸

(5) Inter-personal Violence

While the term inter-personal can refer to any type of violence that involves more than one person, it is used here to distinguish some acts of violence from the more "public" violence associated with politics, gangs and drugs. Participants in the PUA identified several varieties of inter-personal violence, including 'matey war', 'pickney war' and 'tenant war'. A considerable amount of interpersonal violence takes place between women. 'Matey war' involves conflicts between women over men, 'pickney war' involves conflicts started by children that escalate into feuds between families and 'tenant war' involves conflicts between households in the same yard over use or space or utilities or personal differences.

Each of these types of violence is indicative of communities where both internal and external conflict resolution mechanisms have ceased to function, and because of the pervasiveness of tension, fear and violence at the community level, people increasingly resort to violent means to solve even petty disputes at the personal level.

It was a widespread perception among respondents in the PUA that violence is a cyclical phenomena and that interpersonal violence is exacerbated by a climate of revenge, with conflicts escalating and one type of violence leading to another, such that gang warfare could be the result of what started as a minor personal dispute.

(6) Gang Violence

Many of the types of crimes described above are carried out by gangs. Gangs are mostly clearly identified with the recurrent political disputes in the garrison communities and in battles between drug traffickers or other organized criminal groups and the police. That is to say that there is no one definition of "gang" that can be used to describe the various formal and informal organizations which populate both the criminal underworld and everyday street corner society. Dealing with gangs, who often attract large numbers of both young men and women to their ranks, will be an important element in any solution to the problem of violence in Jamaica. Gangs can represent both proxy (extended) family networks and incipient forms of youth and community association. While gang activities can be easier to control than random acts of crime because they have leaders and followers, turning young people from drugs, crime and violence takes more than a passing commitment or building a new playground or dancehall. The high levels of youth unemployment need to be remedied to begin to loosen the hold of gangs on inner city youth.

ANNEX 2: COMMUNITY POLICING IN JAMAICA

A series of at least seven committees, commissions and task forces have investigated the Jamaican crime scene since 1975-6 and made recommendations, most directly focused on the police and the criminal justice system.⁷⁰ While many of these recommendations have been implemented, much remains to be done. Modernization of both the police and court systems are underway. Expansion of community involvement in reducing violent crime has also begun. These efforts need to be continued and strengthened.

Community Policing

Several initiatives have been underway for a number of years to decrease the distrust between the community and the police. Many of these come under that rubric of 'community policing', the rationale for which was described well by Phillips: "The central ingredient to finding a solution [to the crime problem] relates to the mobilisation of community support. A significant increase in community support for the police would by itself raise the rate at which crimes are solved by providing more information for police detection efforts and by raising the risks to the criminal of being caught. Research done on crime patterns across the U.S. confirm that a 10 percent increased community support for the police achieves more for crime control than a 50 percent increase in resources available to the police."⁷¹

The Neighborhood Watch Committee program began in the late 1980s, and while efforts vary from community to community, the basic idea centers around either neighborhood patrols or other mechanisms for increased reporting of crimes. The police have recently established liaison officers charged with coordinating efforts with the community members of the Neighborhood Watches. In 1989 there were 24 Neighborhood Watch Committees in action, by 1995 that number had increased to 420. Another community-policing effort underway is the Community Consultative Committees. These are entities which are supposed to function at both the Parish and (police) station level and constitute a regular forum for police-community dialogue and interaction. As of 1995, there were Parish level Committees established in nine of the fourteen Parishes, and five of those had established Committees at the station level. The station level Committees are chaired by community leaders.⁷² There are 137 police-sponsored youth clubs island-wide with a membership of over 7,000 young people.⁷³

Community perception of the police remains negative despite improvements by the force over the past few years. "Police are a central part of the everyday life of the urban poor, yet are perceived as reinforcing existing structures based on fear and divisiveness."⁷⁴ Participants in the 1995 PUA, especially teenagers and young adults, consistently associated violence and abuse of force with members of the police. Local police officers, while generally viewed as ineffective and uncaring by poor inner city residents, were less negatively viewed than external forces such as the Anti-Crime Squad or 'ACID'. It should be remembered that over 80 percent of the firearm fatalities were attributed to the use of force by the police against alleged criminals.

Despite advances in community policing and expansion of the youth clubs, there remains a wide gulf of trust between many low-income community residents and the police, with the latter seen to be corrupt and in collusion with local gunmen.⁷⁵ Reform of the police force, with stricter supervision and greater professionalism, remain as ongoing challenges.

ANNEX 3: ELECTRICITY CONNECTIONS

Table 1: Households with Non-Paying Electricity Connections

	Non Paying Connections	Total Connections	Non Paying Connections as % of Total Connections
<u>KMA</u>			
Poor	17	48	35
Non-Poor	71	472	15
<u>Other Towns</u>			
Poor	5	46	11
Non-Poor	8	233	3
<u>Rural</u>			
Poor	3	111	3
Non-Poor	10	397	3
<u>Jamaica</u>			
Poor	25	205	12
Non-Poor	89	1102	8

Source: Kessides background paper from SLC 1993.

ANNEX 4: THE JAMAICAN TRANSPORTATION SYSTEM

1. It was estimated in the late 1980s that Kingston had approximately 770,000 commuters, 60 percent of whom used the public transportation system comprised of buses.⁷⁵ Until March of 1995 Kingston was served 800 or so individual transport owner-operators.⁷⁶ These owner-operators were generally members of the National Transport Cooperative Society, which was formed in 1992.⁷⁷ At the same time, illegal operators continued to operate in areas where licensed operators ceased to run, including the high crime areas of inner city Kingston.⁷⁸
2. Bus fares are charged in accordance with rates approved by the government and are specific to routes and regions. Different scales apply to “hilly” and “flat” routes in and around the KMA, with hilly routes being more expensive and shorter travel discouraged in general. There are concessionary fares which apply to children, students, pensioners and handicapped people as a matter of Government policy.⁷⁹
3. In March 1995 a new bus franchising system was introduced in Kingston, with three franchise owners taking over the responsibility to service the city. The initial results of the new system were disastrous, as many drivers refused to participate and passengers were ill-informed of the route changes, leading to many people being left stranded and angry crowds forming at many bus stops.⁸⁰ The new system also went into effect without a new fare structure, the fare problem having undermined many previous attempts at rationalizing urban transport.⁸¹
4. Transport in Jamaica’s urban areas is overwhelmingly by bus or by taxi rather than by private vehicle, and for the poor taking the bus or walking are the two most common options. Low income people walk considerably more than middle income people do, indicating both the prohibitive expense of transport, and the difficulties of access in many poor communities.
5. The quality of public transport has deteriorated very seriously in recent years, mainly as a result of the breakdown in the system of bus franchising. The most serious weaknesses of the urban transport system have occurred in the officially franchised system, because of failure to reconcile the Government’s desire to subsidize service to the poor and target groups (especially students), with the need for a fare structure that will cover operators’ costs. Operators have refused to accept passengers who pay the concessionary fare, particularly during peak periods, and riots and even deaths of school children have resulted.

ANNEX 5: ACCESS TO CREDIT

Poor households, especially women, often lack access to credit for micro-enterprises (defined as sole proprietorship, partnership, and family businesses with less than 10 employees). They often operate in the informal sector of the urban economy. This gap has been identified as a bottleneck to the expansion of employment in the informal sector and an obstacle to its viability as a mechanism to increase the incomes of the poor.

Formal credit and the poor. Access to formal credit by micro-enterprises and small firms, however, is limited. Of the 90,000 micro-enterprises, only about 5% access formal credit⁸³ In general, small-scale entrepreneurs either do not have the real guarantees necessary to be deemed creditworthy by formal credit institutions, or have the skills or the time required for formal loan processing. Moreover, there are additional costs of "formality" that may make entrepreneurs reluctant to even seek credit (e.g. tax liability, cumbersome and numerous registration procedures and the requirement to meet minimum wage legislation). Hence commercial banks in Jamaica play a relatively limited role in providing equity capital to small entrepreneurs.⁸⁴ In addition, international development agencies have for the most part targeted credit services at small business operators or 'safe' microentrepreneurs.⁸⁵

Disaggregating the poor reveals that women and youth remain the most disenfranchised groups in relation to access to credit and loans.⁸⁶ In addition to domestic responsibilities and barriers to male dominated areas of the labor market, Jamaican urban women in the informal sector lack information about loan sources and are often more hesitant than men to establish a relationship with an institution.

Non formal sources of credit. Studies show that socially generated capital (such as capital obtained through saving, through gifts from relatives and friends and from the wider community) is a significant source of start-up funds for small-enterprise formation.⁸⁷ A recent survey of small-scale manufacturing enterprises revealed that the large majority had to rely on their own savings or on social networks. Many small-scale manufacturers were denied support by commercial banks through their start-up period, but then went on to establish formal credit relationships with banks once under way.⁸⁸

Organized self-help support networks, namely the rotating credit associations, or 'partner system', play a major role as a flexible deliverer of speedy credit to participants who are accepted, not on the basis of their collateral, but because of information about their cash-flow and reliability. The system operates by forcing people to save through group accountability, with periodic payments by all members of the group and a predetermined rotation of a lump sum payout to each group member in turn. Entrepreneurs operating with a larger capital turnover, such as ICIs and taxi drivers, also operate partner systems to finance their operations, but with larger 'shares' or 'hands' (contributions) and 'draws' (payouts).⁸⁹

Alternatively, small enterprises are sometimes able to access informal debt capital. Supplier credit and employer credit are often used when available, and moneylenders continue to

operate in Jamaica despite their illegal status. The comparative advantage of the moneylenders is that, despite substantially higher interest rates compared to the formal sector, they are able to meet the need of the small entrepreneur for rapid processing and disbursement of funds. Clients of money lenders are particularly concentrated among ICIs, who require rapid access to cash for overheads on their trips abroad.⁸⁹ Money lending is not apparent within the manufacturing and repair sector of the Jamaican informal sector, perhaps because the time period for a typical investment exceeds the time limit that moneylenders impose on loans.⁹⁰

The operations of moneylenders and of socially generated capital, such as that of partner systems, in many instances provide timely, rapid and accessible credit and effectively manage the fluctuating cash flow of the urban poor. Where such sources are inadequate or inaccessible, however, and in the absence of other equity sources, the rates of growth and development of these enterprises are constrained.⁹¹ Again, women face particular difficulties even in accessing non-formal credit. This is of particular concern given women's position in the labor market. Not only is a third of the female labor force self-employed, but women are predominant in small-scale and economically marginal one-person vending operations.⁹² Although collateral requirements are waived, personal items of property and guarantors are required which unfortunately many women are unable to provide.

Opportunities and Constraints. One method of increasing credit to the informal sector has been to channel funds directly through Microenterprise lending schemes. For example, the state-run Micro Investment Development Agency (MIDA) was established to provide low-interest credit and technical assistance to small businesses in an attempt to oil the wheels of the informal sector, and the Government has come under increasing pressure to secure a larger amount of international soft loans to support and finance micro-enterprise.⁹³ In February 1993, MIDA assisted in the setting up of two 'Community Development Funds', in Kingston and St. Thomas, based on the pooling of local residents' funds (and the matching of sums by MIDA and other lending institutions) to set up a community lending agency providing interest on savings and capital for local productive ventures. Meanwhile in St. Catherine MIDA made funds of J\$2.7 million available to new local business ventures through the St. Catherine Cooperative Credit Union.⁹⁴ Other channels of credit disbursement have been opened up by non-governmental credit institutions, such as COPE (Canadian Supported NGO for Women), ASSIST (Agency for Selection and Support of Individuals Starting Trade) and MEDA (Mini Enterprise Services/Mennonite Church), as well as by the government's Self-Start Fund.

There are two major issues, however, with respect to this approach. First is the institutional and financial sustainability of these schemes. Under the programs supported by bilateral donors, funds are re-lent at highly subsidized rates compared with both the formal credit market and moneylenders. The second issue regards the outreach capacity of these institutions. Lack of information about the credit market is pervasive within the informal sector, even among actual borrowers.⁹⁵ Encouraging the smallest/poorest microentrepreneurs to access loans and credit requires attitudinal changes, outreach programs and technical services, particularly for women.⁹⁶ Part of the disjuncture between informal entrepreneurs and formal credit systems is linked to distrust "and a pervasive sense that institutions are not set up to serve the small man (sic)".⁹⁷

Improving access, therefore, to credit for the informal sector will require a combination of: reducing the barriers to formalizing businesses; reviewing of the financial environment, including regulation, supervision and the collateral system; examining the interest rate regime, including subsidies, for micro-enterprises; strengthening outreach services to target the poor--particularly woman--including non-financial business services and training; and hands-on demonstration of micro-lending technology for lending institutions.

ANNEX 6: AGGREGATE LISTING OF COMMUNITY RECOMMENDATIONS FOR PROJECT INTERVENTION

Type of Solution	Focus group				Total
	Children	Young men	Young women	Middle aged and older	
Social infrastructure projects					
Training/Training Center	1	9	6	11	27
Education/schools/school equipment		5	3	5	13
Sport's fields/playing area/sports center for both boys and girls - provision, rehabilitation and equipping		4	1	4	9
Health clinic/nurse/family planning			3	2	5
Police station			1		1
Economic Infrastructure Projects					
Provide housing		2	2	7	11
Water supply and sanitation		1	2	4	7
Community rehabilitation of rented/captured housing and zinc fences, and reclamation of open lots		1	1	5	7
Telephone installation		2	1	4	7
Street repairs		1	2	2	5
Drainage/gully repair		2	2	1	5
Reliable garbage collection		2	1	2	5
(Legal) electricity			1	3	4
Fix up physical environment/'war zone'	1			1	2
Street light installation				2	2
Systems to ensure transport can move through commentates				1	1
Income generating projects					
Provide work		8	5	13	26
Program to provide incentives for business to work in inner-city areas		1	1	1	3
Community level workshops, e.g. welding				1	1
Shopping center				1	1
Business center				1	1

ANNEX 7: THE JAMAICAN SOCIAL INVESTMENT FUND

The Government is presently establishing a Jamaica Social Investment Fund (JSIF) with assistance from the World Bank. The JSIF provides a clear opportunity to address a number of the urban poverty issues raised in this report, most specifically by responding to the needs of the most vulnerable groups currently underserved by existing programs and institutional mechanisms. The JSIF's autonomy, transparency and streamlined procedures will allow it to operate more efficiently than traditional ministries in implementing rapidly small-scale community-based projects. It should be noted at the outset, however, that the JSIF is not a panacea which will address all of Jamaica's poverty problems. There are also clear limitations as to the size and scope of JSIF sub-projects, indicating important continuing roles for Government, community groups, NGOs and the private sector.

The Role of the JSIF. There are several presumed strengths of social funds which lead to their creation in the first place. The autonomous nature of the JSIF, its agility in targeting and reaching the poor, the quick turn around time for project approval and implementation, and perhaps most important, its demand driven project allocation process, which allows it to dovetail with community based development efforts, and work with NGOs and CBOs in a way which extends government's ability to reach the poor. These procedures will allow the JSIF to reach the community level and fund small-scale infrastructure, social services and organizational strengthening initiatives that Government lacks both the capacity to carry out efficiently and the non-partisan character to implement fairly. It will also allow the JSIF to experiment with piloting innovative schemes for service delivery in the more traditional social and economic infrastructure projects and in non-infrastructure activities, including social capital.

Lessons. Two key lessons have emerged from this report that have influenced the design of the JSIF. The first is the importance of building social capital as a necessary complement to building social and economic infrastructure. The second is that violence will have an impact on both sub-project implementation and sustainability and, therefore, its impact needs to be taken into account in the JSIF's operating procedures.

Social capital. As was noted above, a process for building social capital which is based on community involvement is perhaps as, if not in some cases more, important than the end physical product. For this reason, the JSIF's promotion strategy, eligibility and appraisal criteria emphasize and require community participation in decision making. Community "ownership" is also a critical link to the sustainability of the sub-projects themselves. The findings of the PUA advocated taking advantage of existing institutions or organizations in order to build on existing stocks of social capital. As many of the existing organizations are informal (e.g. rastafarian-led youth groups), the JSIF has stipulated that sub-project sponsors need not be legally registered. This is facilitated by the fact that sponsors will not be handling any funds (see below).

The PUA also indicated that the types of activities that tend to build social capital are ones which bring people together. Such activities were listed in Table 5 of the main text by PUA

respondents, but can also be considered under social infrastructure subprojects (e.g. integrated community spaces such as teen centers, homework clubs, sports facilities).

Containing Violence. The history of patron-client modalities and violence associated with hiring of contractors and workers for local construction jobs raises a concern regarding both the identification of sub-project sponsors and of contractors to carry out the work, especially social and economic infrastructure sub-projects. Given the inherent danger to individuals and the potential for co-option, eligibility criteria for sub-project sponsors prevent single individuals from sponsorship. Second, the JSIF will undertake all contracting on behalf of the subproject sponsors. In addition, as monetary flows to particular groups may themselves be divisive and paradoxically increase conflict, all disbursements are made directly from the JSIF to the contractor.

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ENDNOTES

¹ Drawn from Moser and Holland, 1995.

² Ibid

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⁴ World Bank 1996a, p.3

⁵ Phillips, 1988, p.22

⁶ Headley, 1994, 24

⁷ Eyre 1983, 236.

⁸ ICRW, 1995, p.19

⁹ Rueter, 16 June 1995

¹⁰ Summary of the Proceedings at the First Annual Research Symposium of the Social Policy Analysis Project (June 1995), PIOJ, p.11.

¹¹ World Bank, 1990. *Jamaica: Country Assessment of Women's Role in Development*, internal document.

¹² Gertler, P. *et al.*, 1992.

¹³ A DALY is used to measure the burden of disease in a population including the total amount of healthy life lost, to all causes, whether from premature mortality or from some degree of disability during a period of time.

¹⁴ ICRW 1994, p.30.

¹⁵ World Bank 1994b, p.47.

¹⁶ World Bank 1994b, p.39.

¹⁷ *The Gleaner*, May 22, 1995

¹⁸ T. Hamilton Associates, *New Horizons Project for Disadvantaged Youths--Jamaica*, Final Report for USAID, p.13.

¹⁹ Ibid., p. 6.

²⁰ World Bank 1995b, p.A-I-30.

²¹ World Bank 1995b., pp A1 28-30.

²² Ibid.

²³ Anderson, 1995, p.45.

²⁴ ICRW 1994, p.32.

²⁵ Anderson & Witter, 1991, p.63

²⁶ World Bank 1996b, p.43.

²⁷ World Bank 1996b, pp.37-38

²⁸ IADB 1994, p.7

²⁹ Holland, 1995.

³⁰ World Bank 1994a, pp. 21-5.

³¹ Holland, 1995, box 2.

³² Anderson 1988, p.16.

³³ As Levitt comments on remunerations for higgler in Jamaica: "It is a favorite myth of the middle classes that the typical higgler is able to buy a fine house for straight cash in the most exclusive residential areas of Kingston. If this were indeed the case, Jamaica's economic problems would long ago have been solved" (1991: 38).

³⁴ Summary of the Proceedings at the First Annual Research Symposium of the Social Policy Analysis Project (June 1995), PIOJ, p. 5-7.

³⁵ ESSJ, 1994, p. 18.1-18.8.

³⁶ Moser & Holland 1995, p.36.

³⁷ Gardner, et.al., PAHO Proposal, p.2

³⁸ Ibid, p.38.

³⁹ Ministry of National Security and Justice, *Sectoral Debate 1995*, pp.70-71.

⁴⁰ Ibid.

⁴¹ Oral Communication by D. Erhard.

⁴² In the SLC91 and SLC92, squatter occupied housing was slightly below one percent of the total housing island-wide, compared to 2.3 percent in the SLC93. The GOJ's National Environmental Action Plan (June 1994) suggests squatting is a major urban environmental problem without citing any figures. See also World Bank 1996b: 21.

⁴³ World Bank 3/15/95 Memo, *Jamaica Water Supply Rehabilitation and Privatization Project- Status of Preparation*, Table 3.

⁴⁴ The Weekend Observer, 7/21/95.

⁴⁵ World Bank 1994a, p17

⁴⁶ At least one study has suggested only a weak link between female headship and poverty, See Grosh, et. al., LSMS Working Paper #96.

⁴⁷ Jeremy Holland, p.293.

⁴⁸ The term social capital has more than one definition, and has been used by non-economist social scientists for more than a decade. See sociologist James Coleman's 1988 article "Human Capital and the Creation of Social Capital" *American Journal of Sociology* Vol94: Supplement S101 for a broader definition.

⁴⁹ See work by Putnam as cited in Moser and Holland.

⁵⁰ See an interesting article by Michael Porter, "The Comparative Advantage of the Inner City", *Harvard Business Review*, May June 1995.

⁵¹ Narayan 1995, p.12.

⁵² Moser/Holland 1995: p.40-43.

⁵³ Moser & Holland 1995, p.53.

⁵⁴ Narayan 1995, p.8.

⁵⁵ World Bank 1995b, Vol.2, A-I-11. Jamaica spends about 4.7 percent of GDP on education, above the average for Latin America and the Caribbean (4.2%), but below the 6% recommended in a 1992 study to improve the quality of education in the country.

⁵⁶ See the Brazil case in the Bank's *Participation Sourcebook* (pp.29-33) for a description of the important differences in the process of implementing a project using a participatory approach.

⁵⁷ Information provided by Alexander Bakalian, LA11U. For more details on the Bank project supporting PROSANEAR, see SAR "Water Project for Municipalities and Low Income Areas", No.2983-BR, June 10, 1988.

⁵⁸ See Narayan 1995, p.41-51, for a description.

⁵⁹ Kessides, C., *The Privatization of Economic Infrastructure*, mimeo.

⁶⁰ The Gleaner, 12/4/95; The Observer 12/6/95.

⁶¹ Munroe, 1988, 3-7.

⁶² PIOJ, 1995, 23.2

⁶³ PIOJ, 1995, 23.2

⁶⁴ Eyre 1983, 236.

⁶⁵ The US Dept't of State, *Jamaica Human Rights Practices, 1993*

⁶⁶ Phillips 1988, p.44-47.

⁶⁷ US DOS, *Jamaican Human Rights Practices, 1994*

⁶⁸ Ibid

⁶⁹ Ministry of National Security, *Five Year Development Plan*, p. 23

⁷⁰ Report of the National Task Force on Crime, April 1993.

⁷¹ Phillips, 1988, p.41.

⁷² Sectoral Debate, pp.6-7.

⁷³ Sectoral Debate, p.37.

⁷⁴ Moser & Holland 1995, p.45.

⁷⁵ Moser & Holland 1995, p.10.

⁷⁶ Anderson, p.235; GOJ; Transport Sector Reform Project, p.5.

⁷⁷ *Jamaica Transport Sector Note*, World Bank 1995d: p.14.

⁷⁸ World Bank 1995d: p. 17.

⁷⁹ World Bank 1995d: p.18.

⁸⁰ World Bank 1995d: p.34.

⁸¹ S. Webb Memo, p.2.

⁸² The Gleaner 9/24/95.

⁸³ Surveys of the GOJ/GON micro-enterprise project and IPC consulting firm reports, 1994.

⁸⁴ Ibid.

⁸⁵ USAID, 1990.

⁸⁶ Ibid, p.2.

⁸⁷ Henry, 1989

⁸⁸ Anderson, 1992

⁸⁹ Salas *et al*, 1991

⁹⁰ Wieland *et al*, 1990.

⁹¹ Honig, 1993

⁹² Henry 1989, p.15.

⁹³ Witter and Kirton, 1990

⁹⁴ *The Financial Gleaner*, 26/02/93b.

⁹⁵ *The Financial Gleaner*, 5/02/93

⁹⁶ Honig, 1993.

⁹⁷ USAID, 1990.

⁹⁸ USAID 1990, p.12,

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