

Spanish Town 12 March 2011

Dear Reader,

LETTER FROM JAMAICA (#2): BUILDING JAMAICA

Could this be the beginning? The beginning of a New Jamaica? Perhaps a New Jerusalem, builded here in our green and pleasant land? Surely not? Unemployment is high, businesses have closed down. Well, you never know....

You can easily find lots of negative signs. The Fitch Ratings Agency has the economy at B-minus. On a par with Venezuela for poor 2011 prospects. Unemployment is 13 per cent. Lots more people are struggling with high prices and low pay. Productivity remains poor. We are still importing too much and exporting too little. We are still not growing enough of the food we eat.

And yet. Tourism is up strongly – around 10 per cent so far this winter. Crime is down strongly – murder by 15 per cent on 2009. Interest rates are down again, yet the dollar is doing better. Inflation is down again. And some key players want to invest here.

The Chinese are investing much. They must see a good long-term future. The Chinese company COMPLANT has both planted its sugar estates and started building the first of 3,500 homes.

Spain is struggling at home. But its hotel companies have been pouring money into Jamaica. And they still are pouring. A New York firm is now

shipping large loads of limestone from Ocho Rios. A Russian firm will soon re-open the Kirkvine bauxite mine. A Canadian firm wants to build a cement clinker plant at Port Esquivel.

A few weeks ago, the British government announced a 200 per cent increase in its development budget for Jamaica, to £26 million. More security, policing and help with water for poor communities. Meanwhile, 2010 saw the European Union give more money to Jamaica than anywhere in the area after Haiti.



New airline routes are happening. The first direct flights to Africa are planned for Kingston to Lagos. Caribbean Airlines will start cheap flights from Montego Bay to Heathrow in July. There are more flights to Canada. Cruise ships at Falmouth needed massive investment. The third leg of the toll road is underway, to reach Ocho Rios.

Public infrastructure work may bring few Jamaican jobs in the short-term, what with overseas workers. But new infrastructure can pave the way for big gains in the future.

The Ian Fleming International Airport will bring more change on the north coast. New businesses, hotels and houses. Think how Duncans, Rio Bueno, Discovery Bay and Runaway Bay have grown since the new coast road opened. Think of all the hotels and new houses that are still happening. The same happens across the world. Think Canary Wharf – big new road, new light railway, new tube before much else happened.

So, what of the Ocho Rios toll road? It's vital. But now it's stalled while the government tries to finance at less than 12 per cent. Here's why it's so vital...

For years the main route from west Kingston and the docks to Ocho Rios and the north coast has been the A1/A3. The same for Spanish Town and Portmore. Yet what a drive! Leaving the Spanish Town Bypass, you soon reach Flat Bridge – a single lane block of concrete with no sides. At busy times chaos ensues as people jump both the red light and the line! At rainy times, the Rio Cobre soon floods the bridge. Once across, a road that follows Bog Walk Gorge means more curves than a Formula-1 track. Fast moving buses and route taxis attack you from front and rear!

No sooner are you through Linstead and Ewarton than you start the trek up Mount Rosser. The road snakes its way up this beast of a hill. If you haven't met a concrete mixer or container truck, you soon will. Plenty of time to take in the gorgeous valley - if you dare to look away from what the other road users are up to. Down the mountain can be quicker, though not always. At night there is less traffic, but man you should see their headlights. Anyway, it's fairly plain sailing after that until you reach Fern Gully.

Loads and loads of traffic uses Flat Bridge and Mount Rosser. So just imagine the fall in stress and time savings when the toll road opens. Even if many Jamaicans don't use it, surely some of the big trucks will do. And Kingston office workers will be able to choose beautiful, unspoilt landscapes instead of Portmore or even Redhills. Businesses could relocate, between Kingston and the new Boscobel airport. A re-start soon is vital.

This north-south corridor – sorry, bottleneck – is so important that if we ever do see a new passenger railway the first leg looks like being Spanish Town to Linstead.



My hunch is that people, businesses and housing are going to flock to the Rio Cobre – Mount Rosser area. The first section of the toll road is virtually ready for use. The first junctions are clearly visible. But the government needs to get the road open soon. At least you have some months to get yourself that plot of land before the goldrush begins.

The Chinese have spotted the potential. The Spanish too. The USA knows it. Russia and Canada too. Falling interest rates and inflation will help more investors to follow. If the Government could muster a little more quality leadership – to help further on aid, training/productivity and schooling - it would buy some time. The markets would be happier. More investment would follow. More tax revenues would follow. But first and very soon, the government must get the toll road back on track.

In the recent survey by Facilitators For a Better Jamaica (FFBJ), more than half said the best thing people in Britain could do to help Jamaica was to return or to invest there. Failing either, I reckon their best bet is to travel more here.

Remittances certainly help individuals get over a crisis, but after a time they become dependent. If the 3.5 million Jamaicans abroad would just invest and holiday a little more in the country, we'd be a step nearer to building that New Jamaica.

Every little helps – from you, me, businesses, investors, community groups, the government, the world. Together we can build the New Jerusalem in the New Jamaica.

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