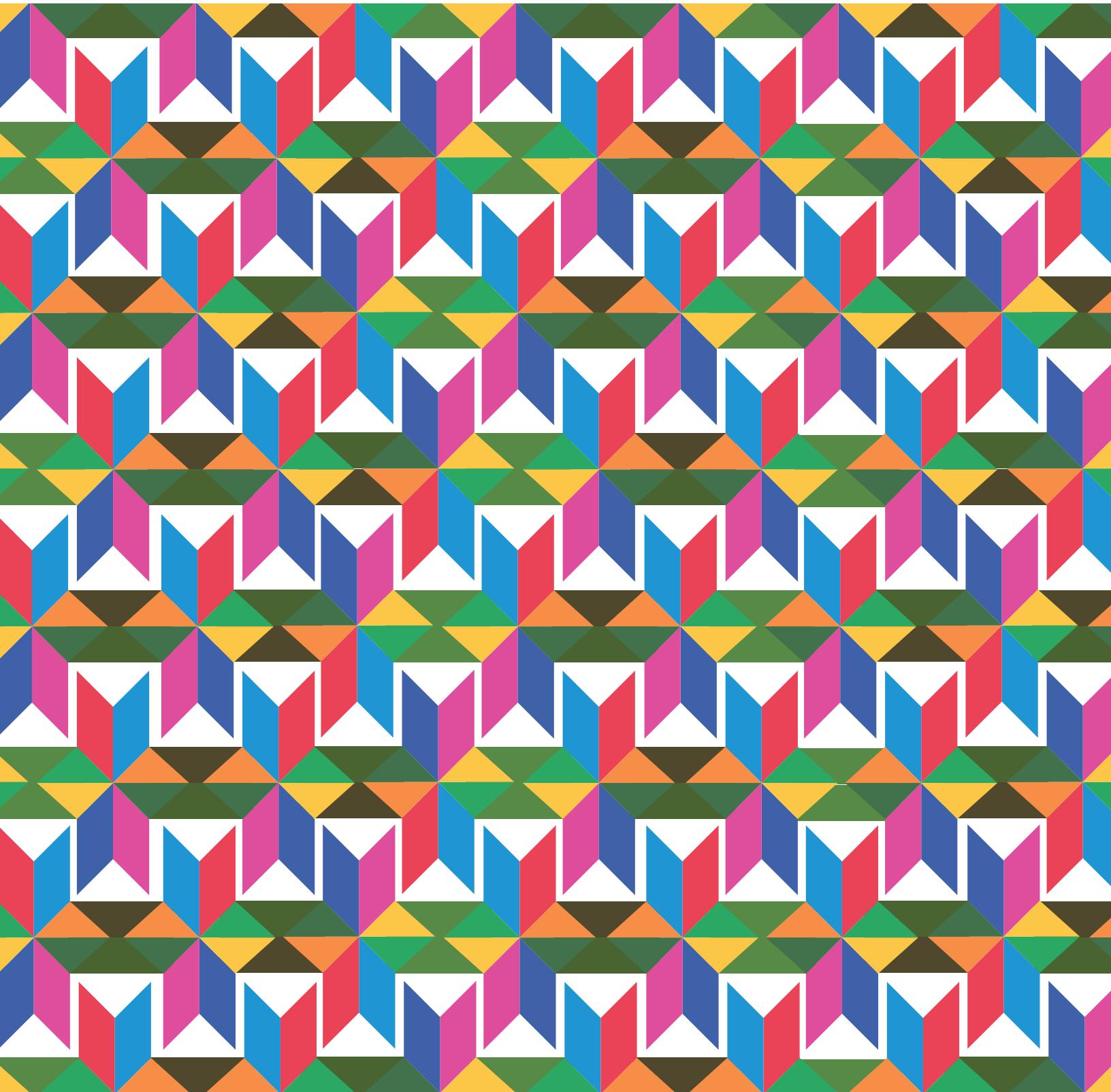


Caribbean Human Development Report

Multidimensional progress: human resilience beyond income



*Empowered lives.
Resilient nations.*



Copyright © 2016

by the United Nations Development Programme
1 UN Plaza, New York, NY 10017, USA

Each Human Development Report since 1990 has focused on some aspect of well-being “beyond income”. The human development approach is precisely about enlarging people’s choices – focusing on the richness of human lives rather than on material wealth or income alone. The 2016 Caribbean Human Development Report focuses on human resilience, and builds on the 2016 Regional Human Development Report for Latin America and the Caribbean. Like the larger regional Report, the Caribbean Human Development Report expands the way we think about progress and multiple dimensions of well-being, applying the human development approach to the new, holistic, sustainable development agenda, and adapting it to the needs and aspirations of Middle Income Countries (MICs) and Small Island Developing States (SIDS) alike.

The key ideas of this report are embedded in its title, Multidimensional progress: human resilience beyond income. The vulnerabilities of Caribbean states are well known: prominent among them are geographic location in a hurricane belt and earthquake zone with climate change exacerbating weather-related threats, and limited scope for economic diversification. Now, bringing the concept of multidimensional progress into the discourse on Caribbean development is an invitation to rethink building resilience in the region. Rather than focusing only on the state, this report also examines vulnerability and resilience at the household and community levels. It is important to recognize that while both state and human resilience are related, and even interdependent, they are not one and the same.



Designed and printed: Phoenix Design Aid, Denmark.
Printed on FSC™ certified paper and with vegetable-based inks.
The printed matter is recyclable.



Multidimensional progress: human resilience beyond income

Caribbean Human Development Report



*Empowered lives.
Resilient nations.*

Published for the
United Nations
Development
Programme
(UNDP)

Foreword

Each Human Development Report since 1990 has focused on some aspect of well-being “beyond income”. The human development approach is precisely about enlarging people’s choices – focusing on the richness of human lives rather than on material wealth or income alone. The 2016 Caribbean Human Development Report focuses on human resilience, and builds on the 2016 Regional Human Development Report for Latin America and the Caribbean. Like the larger regional Report, the Caribbean Human Development Report expands the way we think about progress and multiple dimensions of well-being, applying the human development approach to the new, holistic, sustainable development agenda, and adapting it to the needs and aspirations of Middle Income Countries (MICs) and Small Island Developing States (SIDS) alike.

The key ideas of this report are embedded in its title, Multidimensional progress: human resilience beyond income. The vulnerabilities of Caribbean states are well known: prominent among them are geographic location in a hurricane belt and earthquake zone with climate change exacerbating weather-related threats, and limited scope for economic diversification. Now, bringing the concept of multidimensional progress into the discourse on Caribbean development is an invitation to rethink building resilience in the region. Rather than focusing only on the state, this report also examines vulnerability and resilience at the household and community levels. It is important to recognize that while both state and human resilience are related, and even interdependent, they are not one and the same.

Vulnerabilities are increasing in the Caribbean. The region faces growing multidimensional poverty. There has been persistent low growth and an erosion of human development gains over the past decade – as evidenced

by deteriorating regional human development indicators and multidimensional poverty data. Poverty and unemployment rates, especially among youth, are high, and stand above the regional average for Latin America and the Caribbean as a whole. Public social protection and health expenditures, which contribute to resilience and adaptive capacity, measured as a proportion of GDP, lag behind the population weighted average of 13.2 percent for Latin America. They also lag, except for Barbados and Trinidad and Tobago, behind the worldwide average of 8.6 percent.¹

Economic growth is insufficient on its own for lifting and keeping people out of poverty. Thus, measures to target and address key sources of vulnerability and deprivation and to strengthen adaptive capabilities, as in the areas of education, health, training, employment opportunities, and social protection, are of critical importance. Available data show that real GDP growth for the Caribbean region averaged 2.04 percent between 1971 and 2013, as compared to 3.57 percent for Least Developed Countries (LDCs) and 5.99 percent for developing countries in Asia.²

For Middle Income Countries, “development” does not expire at a GDP threshold. Inequalities, discrimination, and longstanding exclusions – including on the basis of gender and ethnicity – require policy attention. The Caribbean is faced with a dual challenge: to boost **inclusive economic growth, and to build multidimensional progress** which contributes to eradicating poverty in all its forms, tackling vulnerability at the state, household, and individual levels, and ensuring sustainability.

The “multidimensional” focus of this report builds both on past work on human development and on the more recent and pioneering policy work on multidimensional poverty in the region. The explicit measurement of acute deprivations has inspired a generation of

policymakers to also think about policy in a multidimensional and integrated fashion. There is now an interest in addressing multidimensional challenges above the poverty line – to include issues such as the quality of work, social protection across the life cycle, systems of care, use of time between men and women, citizen security, and freedom from shame and humiliation, among others.

All of this relates to the 2030 Agenda for Sustainable Development, including the Sustainable Development Goals (SDGs). Last year, 193 heads of state signed an historic and universal agreement which will shape the development conversation for the next fifteen years. If there ever was a “multidimensional” moment, this is it.

This report relates to the UN development system’s efforts to mainstream, accelerate, and provide policy support on SDGs to Member States. An innovation in the report is a tool to tackle poverty in its multiple dimensions, providing an SDG entry point for each country according to their specific needs.

This year’s report is timely, both because it addresses the vulnerabilities and key strengths of Caribbean countries, and because it kick-starts a new development conversation for Middle Income Countries and Small Island Developing States around the world. Human Development Reports are at their best when they document good practice, measure progress, and push the frontiers of how we think about development in a changing world. This Caribbean Human Development Report should be no exception in its capacity to engage stakeholders across a rich empirical, and conceptual policy debate – and one which will be seminal to our work for at least the next fifteen years.



Helen Clark
Administrator
United Nations Development Programme
(UNDP)

Presentation

Latin America and the Caribbean is a diverse region and does not follow a single pattern of development. This Report is separated into two volumes which share the same narrative: the Regional Human Development Report – the first volume – covers the entire region, while deepening the analysis on Latin America; and this current Caribbean Human Development Report – the second volume – approaches the multidimensional challenges of sustainable development and human progress taking into consideration the particularities of the Caribbean.

We see **multidimensional progress** as a space for development regulated by certain limits: “nothing that diminishes the rights of people and communities or jeopardizes the environmental sustainability of the planet can be regarded as progress.”

The high and increasing exposure of Caribbean countries to hazards, combined with very open and trade dependent economies – suffering from limited diversification and competitiveness – portrays a structurally and environmentally vulnerable region. This Report is an invitation to go beyond the traditional notion of vulnerability, focused on states, and to carefully analyze the multiple dimensions of vulnerabilities and resilience of peoples, households and individuals.

After decades of persistent and volatile low growth, human vulnerability has increased. Most CARICOM countries have had a negative evolution in the HDI ranking over the last five years. Jamaica and Dominica, two extreme cases, have fallen 23 and 10 positions respectively. In this regard, the report lists three challenges.

When the human development results of the Caribbean are situated in a context of slow, volatile and low economic growth, high unemployment and under-employment especially among youth and women, a clear picture

emerges which shows the deep interconnectedness between human progress and the inability of the state to cope. The first challenge is that, despite the very high indebtedness and the fiscal constraints affecting the region, governments should be able to implement combined public policies and interventions that foster inclusive growth while putting in place the necessary targeted policy measures to prevent erosion of human development gains to build resilience of the most vulnerable groups and drive advancement for Caribbean peoples.

To protect the achievements, resuming economic growth will not suffice. This Report shows that **social protection** throughout the life cycle; expansion of **systems of care** for children, elderly and persons with disabilities; broader access to **physical and financial assets**; and continuous improvements in **labour quality** – particularly in the case of young people and women – are vital.

In addition, many forms of exclusion transcend income and are associated with unequal treatment, discrimination, violence or stigmatization based on ethnicity, race, skin colour, identity and sexual orientation, gender, physical or mental disability, religion, migrant status or nationality. Closing material gaps is not enough to eradicate these forms of exclusions. A level playing field for citizenship requires implementing **protection policies, affirmative action, empowering citizens and recognizing individual and collective rights**.

The second challenge is to move towards a new public policy framework that can break sectoral and territorial silos and provide social protection throughout the life cycle. Part of the responsibility lies with States, which should generate and coordinate sustainable financial resources for public policies; but part also lies with the citizens, to the extent that it is necessary to build a culture of resilience and prevention in each household and community. The

third challenge is to adapt the 2030 Agenda for Sustainable Development to the priorities of each country in the region.

Sustainable Development Goals (SDGs) represent an invitation to adopt a new way of building resilience and integrating economic, social and environmental dimensions worldwide, including peace and justice.

Like many in Latin America and the Caribbean, we believe that the challenges of sustainable, holistic and universal development are not resolved by crossing a given income threshold. There is no "graduation" from the development challenges unless appropriate answers are provided to the multiple dimensions that allow people to live a life they have reasons to value.

We believe that one of the main assets of this Report comes from its comprehensive approach to development challenges, given the multi-causal nature of the problems identified. We squeezed the quantitative analysis to the extent possible; and we went further: we challenged its findings, by combining them with perceptions generously shared by citizens of nine countries in the Caribbean region.

The efforts of our own development experts, working from seven country offices and from the Regional Hub of the United Nations Development Programme (UNDP) in Panama – as well as dozens of academics and opinion leaders in the region - are reflected in this Caribbean Human Development Report. Their dedication and joint efforts are truly appreciated.

In an effort to generate practical proposals, specific case studies of public policies in the region were undertaken; challenges faced by national and local institutions were analyzed; success stories were identified, as well as barriers to holistic integration. May this section reflect our sincere gratitude to governments and public institutions in the region for having shared their knowledge and enriched our analysis. A special thanks to the members of the Advisory

Panel of this Report for their comments, suggestions and guidance: Marlene Attzs, Mikael Barfod, Jocelyn Dow, Annicia Gayle-Gedes, Didacus Jules, Mario Michel, Shantal Munro-Knight, Keston Perry, Jennifer Raffoul, Manorma Soeknandan and Alvin Wint. The content of this Report does not necessarily reflect their views.

The Report has also benefited from the attentive work of peer reviewers. Thanks are therefore also due to Keith H. L. Marshall, Sherwyn Everade Williams, Eustace Alexander, Jonathan Hall, Lucia Ferrone, Cassie Flynn, Craig Hawke, Gail Hurley, Aldrie Henry-Lee, Winston Moore, Musheer Kamau, Hopeton Peterson and Rosina Wiltshire.

A special thanks to our academic, institutional and financial partners of the Spanish Cooperation, who shared the multidimensional commitment towards the new 2030 Agenda for Sustainable Development. Thanks to Jesús Gracia, Gonzalo Robles, Mónica Colomer and Marta Pedrajas for their support.

We also appreciate the support of the Sustainable Development Goals Fund (SDG-F) and its Director, Paloma Durán.

Finally, I would like to acknowledge the highly professional work of the team responsible for preparing the Caribbean Report and thank them for their dedication and commitment to the production of an intellectual product that seeks to promote human development. In particular, my thanks to its lead authors, Warren Benfield, Compton Bourne and Kenroy Roach.



Jessica Faieta

UN Assistant Secretary General and Regional Director for Latin America and the Caribbean, United Nations Development Programme (UNDP)

Acknowledgements

United Nations Development Programme (UNDP)

Helen Clark
Administrator, UNDP

UNDP Regional Bureau for Latin America and the Caribbean (RBLAC)

Jessica Faieta
United Nations Assistant Secretary-General and Regional Director for Latin America and the Caribbean, UNDP

Susan McDade
Deputy Assistant Administrator and Deputy Regional Director for Latin America and the Caribbean, UNDP

Rebeca Arias
Director, Panama Regional Hub, UNDP

Human Development Report for Latin America and the Caribbean 2016 Team

General coordination and lead authors

Alison Drayton
Report Coordinator
Senior Advisor
UNDP, New York

Warren Benfield
Lead Author

Compton Bourne
Lead Author

Kenroy Roach
Lead Author
Regional Advisor
UNDP, New York

Report Drafting Team

Claudia Chambers
Author

Earl Boodoo
Author

Edwin St. Catherine
Author

Francesco di Villarosa
Author

Jonathan Lashley
Author

Mark Bynoe
Author

Matilde Mordt

Author

Sustainable Development Regional Team Leader
UNDP, Panama Regional

Ralph Henry

Author

Ransford Smith

Author

Strategic Planning Team**Alejandro Pacheco**

Strategic Advisor
UNDP, New York

Claudia Bresanovich

Programme Associate
UNDP, New York

Silvana Gramajo-Barboni

Consultant
UNDP, New York

Elena García-Ramos

Consultant
UNDP, New York

Maxine McDonnough

Consultant
UNDP, Jamaica

Communications Team**Carolina Azevedo**

Communications Specialist
UNDP, New York

Vanessa Hidalgo

Consultant
UNDP, New York

Armando Carballido

Consultant
UNDP, New York

Danielle Levkowitz

Consultant
UNDP, New York

Research contributions

Maria Jose Abud, Christobel Ashton, Deborah Carrington, Natalie Gomez Arteaga, Jacinda Fairholm, George Gray Molina, Dacia Leslie, Don D. Marshall, Alice Mugnier, Eduardo Ortiz-Juarez, Gonzalo Pizarro, Vanda Radzik, Dianne Roberts, Helena Rovner, Jimmy Vazquez

Contributions

Claudia Aguilar, Liliane Arauz, Richard Barathe, Jean Phillippe Bernardini, Yovanska Cumberbatch, Sergio Vladimir Domínguez, Alfonso Fernandez, Ian King, Yesualda de León, Johanna de Martínez, , Paloma Morazo Pérez, Francesca Nardini, Ana del Carmen Ortega, Donerys Ramos, Marcelino Rodríguez, Karina Servellón, Belita Siu, Álvaro Wong

UNDP Country Offices

Barbados and OECS: Stephen O’Malley, Chisa Mikami, Lara Blanco, Cherise Adjoha, Penny Bowen, Janine Chase, Nathalie Thomas

Belize: Karen Bernard, Diane Wade

Guyana: Khadija Musa, Shabnam Mallick, Patrick Chesney

Haiti: Mourad Wahba, Yvonne Helle, Martine Therer, Safiou Esso Ouro-Doni, Cassandre Bechoua, Rita Sciarra, Marie Doucey, Pierre Levigneron

Jamaica: Arun Kashyap, Bruno Pouezat, Elsie-Laurence-Chounoune, Richard Kelly and the programme team

Trinidad and Tobago: Richard Blewitt, Stacy Richards Kennedy, Ashaki Alexis, Benedict Bryan, Sharla Elcock, Eugene Larsen-Hallock, Isele Robinson-Cooper

Suriname: Armstrong Alexis, Ruben Martoredjo

Advisory Panel

Marlene Attzs

Lecturer in Economics, The University of West Indies, Trinidad and Tobago

Mikael Barfod Ambassador & Head of Delegation of the European Union to Barbados and the Eastern Caribbean countries, OECS and CARICIM/CARIFORUM, Barbados	Sherwyn Everade Williams Executive Director, Inter-American Development Bank, Washington DC
Jocelyn Dow CEO, Liane Cane, Guyana	Eustace Alexander Manager, Conservation Science Conservation International, Guyana
Pamela Coke Hamilton Executive Director, Caribbean Export Development Agency, Barbados	Jonathan Hall Policy Specialist, Human Development Report Office, UNDP, New York
Annicia Gayle-Geddes, Policy/Programme Development, Monitoring and Evaluation Consultant, Jamaica	Lucia Ferrone Social Economic Policy Consultant, UNICEF Office of Research Innocenti
Didacus Jules Director General of the Organization of Eastern Caribbean States (OECS), Saint Lucia	Cassie Flynn Climate Change Advisor, Bureau for Policy and Programme Support, UNDP, New York
Justice Mario Michel Justice of Appeal, Eastern Caribbean Supreme Court, Suriname	Craig Hawke Senior Advisor, Bureau for Policy and Programme Support, UNDP, New York
Shantal Munro-Knight Executive Director, Caribbean Policy Development Center, Barbados	Gail Hurley Policy Specialist, Bureau for Policy and Programme Support, UNDP, New York
Keston Perry PhD Candidate, School of Oriental and African Studies, University of London, London	Aldrie Henry-Lee Senior Research Fellow, University of West Indies, Mona, Jamaica
Jennifer Raffoul Founder, Made in the Caribbean, Co., Trinidad and Tobago	Winston Moore Senior Lecturer, University of West Indies, Cavehill, Barbados
Manorma Soeknandan Deputy Secretary-General, Caribbean Community (CARICOM) Secretariat , Guyana	Musheer Kamau Senior Operations Specialist Inter-American Development Bank, Washington DC
Alvin Wint Professor of International Business, University of the West Indies, Jamaica	Hopeton Peterson Manager,-Sustainable Development Planning Institute of Jamaica, Jamaica
Peer Reviewers	Rosina Wiltshire Independent Consultant, Barbados

Keith H. L. Marshall
Permanent Representative of
Barbados to the United Nations, New York

List of abbreviations and acronyms

AMAP	Arctic Monitoring Assessment Programme	ICM	Integrated Coastal Management
ART	Anti-Retroviral-Therapy	ICT	Information and Communication Technology
ASOPIECAD	Association of Inclusive Community Education Programs Astrid Delleman	IDB	International Development Bank
BSS	Barbados Statistical Service	IFAD	International Fund for Agricultural Development
CANARI	Caribbean Natural Resource Institute	ILO	International Labour Organisation
CAREC	Central Asia Regional and Economic Cooperation Programme	IMF	International Monetary Fund
CARICOM	Caribbean Community and Common Market	INDC	Intended Nationally Determined Contributions
CARPHA	Caribbean Public Health Agency	IPCC	Intergovernmental Panel on Climate Change
CAT-bonds	Catastrophe bonds	JADEP	Jamaica Drug for the Elderly Programme
CBR	Correspondent Banking Relationships	LAC	Latin America and Caribbean
CCHD	Caribbean Commission on Health and Development	LDCs	Least Developed Countries
CCRIF	Caribbean Catastrophe Risk Insurance Fund	LGBT	Lesbian, Gay, Bisexual and Transgender
CCT	Conditional Cash Transfer	LIC	Low Income Countries
CDs	Communicable Diseases	LMIC	Low Middle Income Countries
CDAP	Trinidad & Tobago Chronic Disease Assistance Programme	MDGs	Millennium Development Goals
CDB	Caribbean Development Bank	M&E	Monitoring and Evaluation
CFNI	Caribbean Food and Nutrition Institute	MICs	Middle Income Countries
CFRM	Caribbean Regional Fisheries Mechanism	MICS	Multiple Indicators Cluster Surveys
CLME	Caribbean Sea Large Marine Ecosystem	MIF (FOMIN)	Multilateral Investment Fund
COMTRADE	United Nations Commodity Trade Statistics database	MSM	Males who have Sex with Males
CRC	Convention on the Rights of the Child	MPI	Multidimensional Poverty Index
CSS	Caribbean Small States	NCDs	Non Communicable Diseases
GDP	Gross Domestic Product	NDU	Barbados National Disabilities Unit
GNI	Gross National Income	NGO	Non-Governmental Organisation
ECLAC	Economic Commission for Latin America and the Caribbean	NHF	Jamaica National Health Fund
EEZ	Exclusive Economic Zones	ODA	Official Development Assistance
EVI	Economic Vulnerability Index	OECD	Organization of Economic and Cooperative Development
FAO	Food and Agriculture Organization	OECS	Organization of Eastern Caribbean States
FOMIN (MIF)	Multilateral Investment Fund	OPHI	Oxford Poverty and Human Development Initiative
HDI	Human Development Index	PAHO	Pan American Health Organization
HIV-AIDS	Human Immunodeficiency Virus - Acquired Immunodeficiency Syndrome	PANCAP	Pan Caribbean Partnership Against HIV and AIDS
ICESDF	Intergovernmental Committee of Experts on Sustainable Development Financing	PATH	Jamaica Programme for Advancement through Health and Education
		PES	Payment for Ecosystems Services

PMTC	HIV mother-to-child-transmission prevention programs	TDA/SAP	Transboundary Diagnostic Analysis/Strategic Action Programme
PWD	People with Disability	UNAIDS	United Nations Programme on HIV/AIDS
REDD	Reducing emissions from deforestation and forest degradation	UNCTAD	United Nations Conference on Trade and Development
REN21	Renewable Energy Network for the 21st Century	UNEP	United Nations Environment Programme
SDGs	Sustainable Development Goals	UNFCCC	United Nations Framework on Climate Change
SDSN	Sustainable Development Solutions Network	UNFPA	United Nations Population Fund
SIB	Statistical Institute of Belize	UNICEF	United Nations Children's Fund
SIDs	Small Island Developing States	UNODC	United Nations Office on Drugs and Crime
STATIN	Statistical Institute of Jamaica	UOPES	National Observatory for Social Poverty and Social Exclusion in Haiti
STEM	Science, Technology, Engineering, Mathematics	UWI	University of the West Indies
STI	Sexually Transmitted Infection	VAT	Value added tax
SWIPA	Snow, Water, Ice, Permafrost in the Arctic	WDI	World Development Indicators
TACKLE	Tackle Child Labour through Education Programme	WHO	World Health Organization
		WTO	World Trade Organization

Table of Contents

Foreword	iv
Presentation	vi
Acknowledgements	viii
List of abbreviations and acronyms	xi
Executive Summary	1
CHAPTER 1	
A new paradigm for assessing vulnerability: embracing human development	31
Introduction	32
Caribbean vulnerability paradigm reconstructed: Shifting beyond state vulnerability to multidimensional progress	33
The Caribbean multidimensional challenges	35
The Caribbean and the SDGs	41
The SDGs: From global to local	42
Multidimensional focus of the 2030 Agenda for Sustainable Development	44
The remainder of the Report	48
CHAPTER 2	
Human vulnerability in the Caribbean: who are the most vulnerable and why?	51
Introduction	52
What types of vulnerabilities?	52
Who are the most vulnerable in the Caribbean and to what?	52
Gender and vulnerability - the case of women	58
The Youth as a vulnerable group	66
Vulnerabilities of the elderly	74
People with disability as a vulnerable group	80
Vulnerabilities of children at risk of or actively participating in exploitative labour conditions and street children	86
Indigenous and Maroon Peoples	93
Concluding remarks and recommendations	95
CHAPTER 3	
Persistent poverty and inequality influence human vulnerabilities and affect multidimensional progress in the Caribbean	99
Introduction	100
Poverty	101
Drivers of economic mobility – the case of Jamaica	111
Income inequality	114
Labour and employment	115
Education	116
Health	119
Access to water, sanitation and electricity	124
Summary and conclusions	127
CHAPTER 4	
Economic transformation, inclusive, environmentally sustainable growth and role in multidimensional progress	129
Introduction	130
Financing multidimensional progress and inclusive growth in a constrained fiscal space	133
Economic growth sectors	139
International competitiveness	148
Economic growth enablers	149
Summary and conclusions	162
CHAPTER 5	
Charting a course: multidimensional policy solutions for multidimensional problems	167
Introduction	168
Resilience basket 1 – policy approaches policies for reducing human vulnerability	170
Resilience basket 2 – removing structural barriers for inclusive growth	176
Resilience basket 3 – environmental sustainability and resilience	179
Selectivity among priorities	182
Bibliography	184
Notes	200
ANNEXES	203
Annex 1A: Antigua and Barbuda	204
Annex 1B: The Bahamas	205
Annex 1C: Barbados	206
Annex 1D: Belize	207
Annex 1E: Dominica	208
Annex 1F: Guyana	209
Annex 1G: Haiti	210
Annex 1H: Jamaica	211
Annex 1I: St. Vincent and the Grenadines	212
Annex 1J: St. Lucia	213
Annex 1K: Suriname	214
Annex 1L: Trinidad and Tobago	215
Annex 2	216

BOXES

1.1 Multidimensional poverty	35
1.2 Human vulnerability and resilience	36
2.1 Training programmes to increase the employability of women in Trinidad and Tobago	61
2.2 Promising policy approaches to teenage pregnancy	62
2.3 Help-seeking by victimized women in Jamaica: ineffectiveness of institutional services	64
2.4 Open School Programmes in Brazil	71
2.5 Social services for the elderly in Trinidad and Tobago	80
2.6 Participatory management in community-based rehabilitation (CBR) in Nicaragua	85
3.1 The power of census data: Mapping an asset index in St. Lucia	104
3.2 Jamaica's income transformation: A middle class and vulnerability focus	112
3.3 Estimating a multidimensional measure of poverty in Haiti	126
4.1 Blue economy environmental impacts	147
4.2 Sea level rise may be even greater than expected	157
4.3 Economic costs	158

FIGURES

1 The set of multidimensional development indicators: from measurement to practice	2
2 Unemployment is more severe among youth, with the exception of Belize, Guyana and St. Kitts & Nevis	3
3 Public Health Care and Social Protection Expenditure in the Caribbean lag for all Caribbean countries as a proportion of GDP behind the population weighted average of 13.2 percent for Latin American and the Caribbean as a whole	4
4 Caribbean HDI Rank and Performance	5
5 The achievement of the goals and their targets requires interventions based on an integrated focus that enables the connections and synergies between these targets to be identified, in line with the specific priorities of each country	6
6 Between 1901 and 1910 there were 82 recorded natural disasters, but between 2003 and 2012 there were more than 4,000	7
7 Vulnerability trajectories and SDGs	8
8 Percentage of population poor	12
9 Households transitioning in and out of poverty, vulnerability and middle class in Jamaica during the period 2000-2010	15
10 Differences between the expected and actual social achievements observed in the Caribbean	19
11 Percentage average annual real GDP growth 2011-2015	23
12 Economic growth enablers	24
13 Summary of Caribbean people's perception of progress	26
14 Framework for Policy Planning and Approach	27
15 Policy baskets for advancing multidimensional progress in Caribbean	27
1.1 Unemployment is more severe among youth, with the exception of Belize, Guyana and St. Kitts & Nevis	38
1.2 Public health care and social protection expenditure in the Caribbean (%GDP)	38
1.3 Caribbean GDP - Secular low growth	39
1.4 Caribbean HDI Rank and Performance	40
1.5 The relationship between human development and the environmental footprint: the missing link	45
2.1 A life course approach	54
2.2 Vulnerability trajectories and SDGs	56
2.3 SDGs and vulnerable groups	57
2.4 Caribbean unemployment rate 2000-2013 by gender	60
2.5 Caribbean, school enrolment in secondary education 2004-2013	67
2.6 Caribbean, lower secondary completion rate 2009 and 2013	68

2.7 Intercensal contrasts of employed youth occupations for selected countries	75
2.8 Employed youth status, occupation and industry in Belize (April 2015)	76
2.9 Population aged 65 and over as a percentage of total population, selected Caribbean countries, 2015	77
2.10 Old-age dependency ratio (ratio of population aged 65+ per 100 population 15-64), LAC and Caribbean regions, selected Caribbean countries, 2015	78
2.11 Percentage of children working in exploitative labour conditions in the age group 5-14, selected	87
2.12 Child labour by gender and type of work, age group 5-11, selected Caribbean Countries, different years	88
2.13 Child labour by gender and type of work, age group 12-14, selected Caribbean Countries, different years	88
2.14 Child labour by gender and type of work, age group 5-14, Guyana 2006	89
2.15 Factors associated with child labour, age group 5-11, selected Caribbean Countries, different years	89
2.16 Factors associated with child labour, age group 5-14 Guyana 2006	90
2.17 Children working in exploitative working conditions attending schools and children in school and in child labour, selected Caribbean Countries, different years	92
3.1 Multidimensional progress in the Caribbean: the structural challenges	101
3.2 Percentage of population poor	102
3.3 Factors influencing the odds of being poor, vulnerable or middle class relative to each other in Antigua and Barbuda	106
3.4 Factors influencing the odds of being poor, vulnerable or middle class relative to each other in Belize	107
3.5 Factors influencing the odds of being poor, vulnerable or middle class relative to each other in St Kitts and Nevis	108
3.6 Factors influencing the odds of being poor, vulnerable or middle class relative to each other in St Vincent and the Grenadines	109
3.7 Factors influencing the odds of being poor, vulnerable or middle class relative to each other in Trinidad and Tobago	110
3.8 Households transitioning in and out of poverty, vulnerability and middle class in Jamaica during the period 2000-2010	112
3.9 & 3.10 Changes in the probability of moving from vulnerability to poverty (left) and Changes in the probability of moving from middle class to vulnerability (right)	113
3.11 Gini coefficients %	114
3.12 Mid-year unemployment rates (%) 2015	116
3.13 Mean years of schooling 2014	119
3.14 Infant mortality rate per 1,000 live births in 2014	120
3.15 Mortality due to cardiovascular diseases and diabetes per 1,000 people in 2008	122
3.16 Overweight and obese adults by gender in the Caribbean (1998–2002)	122
3.17 Adolescent fertility births per 1,000 women 15-19 (2014)	123
3.18 Access to improved water service % total pop 2015	124
3.19 Access to improved sanitation facilities % total population 2015	125
4.1 Differences between the expected and actual social achievements observed in the Caribbean	131
4.2 Percentage average annual real GDP growth 2011-2015	140
4.3 Ecological footprints for selected countries in the Caribbean	141
4.4 Economic growth enablers	149
4.5 Costs related to youth rates that are over and above adult rates	153
4.6 Consumption of energy in BTUs per unit of GDP	159
4.7 Electricity rates, 2012, US cents/kWh	159
5.1 Summary of Caribbean people's perception of progress	169
5.2 Framework for Policy Planning and Approach	169
5.3 Policy baskets for advancing multidimensional progress in Caribbean	181

DIAGRAMS

1 Multidimensional progress: poverty, vulnerability and sustainability indicators	20	
1.1 The set of multidimensional development indicators: from measurement to practice	33	
1.2 Multidimensional progress: poverty, vulnerability and sustainability indicators	37	
1.3 In this Report, the achievement of the objectives and targets contained in the 2030 Agenda for Sustainable Development is considered from a multidimensional perspective	46	
1.4 The achievement of the goals and their targets requires interventions based on an integrated focus that enables the connections and synergies between these targets to be identified, in line with the specific priorities of each country	47	

TABLES

1 Jamaica mobility matrix 2009 – 2010 (raw percentage of households)	14	
2 Jamaica mobility matrix 2009 – 2010 (percentage of households)	14	
3 Thirteen countries be classified as upper middle or high income countries based on their GNI per capita	21	
2.1 Vulnerability indices for Caribbean SIDs	53	
2.2 Caribbean, female participation in firms' senior management and ownership, different years	58	
2.3 Selected Caribbean countries, women stating to have been victims of violence, different types of violence and aggressors, different yearsa	63	
2.4 Caribbean countries, percentage of seats in Parliament held by women, 2014	65	
2.5 Self-reported criminal accusations and arrests, 2010	69	
2.6 Adult unemployment rate (%) 2015	73	
2.7 Youth unemployment rate (%) 2015	73	
2.8 Population aged 65 and over as a percentage of total population, Caribbean and LAC regions, 1960-2015	77	
2.9 Main causes of disability by sex, Antigua and Barbuda, St. Lucia, St. Vincent and the Grenadines 2000-2001	81	
2.10 Disability prevalence by age and sex, Antigua & Barbuda, St. Lucia, St. Vincent & Grenadines, Trinidad & Tobago, 2000-2001	82	
2.11 Distribution of working-age (15-64 years) people with disability (PWD) and people without disability (non-PWD) by highest level of educational attainment, Trinidad and Tobago and Jamaica, 2000 and 2001	83	
2.12 Distribution of working-age (15-64 years) people with disability (PWD) and people without disability (non-PWD) by labour force indicators, Trinidad and Tobago and Jamaica, 2000 and 2001	83	
2.13 Monthly income by disability status, Trinidad and Tobago, 2000	84	
2.14 Indigenous population 2001/2014	94	
3.1 Jamaica mobility matrix 2009 – 2010 (raw percentage of households)	111	
3.2 Jamaica mobility matrix 2009 – 2010 (percentage of households)	111	
3.3 CARICOM gross enrolment rates in education 2008-2014	117	
3.4 Secondary school completion rates, 2009 & 2013 (%)	117	
3.5 Gross tertiary enrolment rates (%)	118	
3.6 Gender differences in gross tertiary enrolment rates (%) 2013	118	
3.7 CARICOM health status outcomes	120	
3.8 Caribbean mortality rates for communicable diseases (CDs) & non-communicable diseases (NCDs) 2014 (numbers per 100,000 population)	121	
3.9 Obesity rates in the Caribbean in 2014 (% of persons 18 years and older)	123	
3.10 Electrification rates 2012	125	
4.1 Per capita GDP for selected Caribbean countries	133	
4.2 Government gross debt, revenue, exports, and country GDP	134	
4.3 Average net direct foreign investment (US\$ mn)	137	
4.4 Tax revenue as a percentage of GDP and total tax rate	137	
4.5 Structure of fiscal revenue in LAC (percent of GDP)	138	
4.6 Shares of overeducated and undereducated youth by occupation (%) for Jamaica and Barbados	150	
4.7 Summary of costs incurred as a result of youth unemployment	151	
4.8 Cost estimates of youth unemployment for 2013	152	
4.9 Cost estimates of youth pregnancy for 2013	154	
4.10 Natural hazards impacting BMCs, 1988-2012	156	
4.11 Ease of doing business: 2014	160	
4.12 Doing business 2014 ranks & DTF on selected aspects	161	
5.1 Public social protection expenditure in the Caribbean	175	
5.2 Payout by the CCRIF to Caribbean countries (2007–2015)	180	

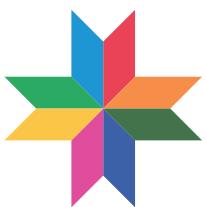


Executive Summary

“What is progression? I don’t think anybody can say they start to progress in 2005 and they continue all through without stopping. In some cases you go low and you go again.”

Woman, focus group, Antigua and Barbuda





Executive Summary

Chapter 1 – A new paradigm for assessing vulnerability, embracing Human Development

“Only good choices are free, bad ones always come with a cost.”

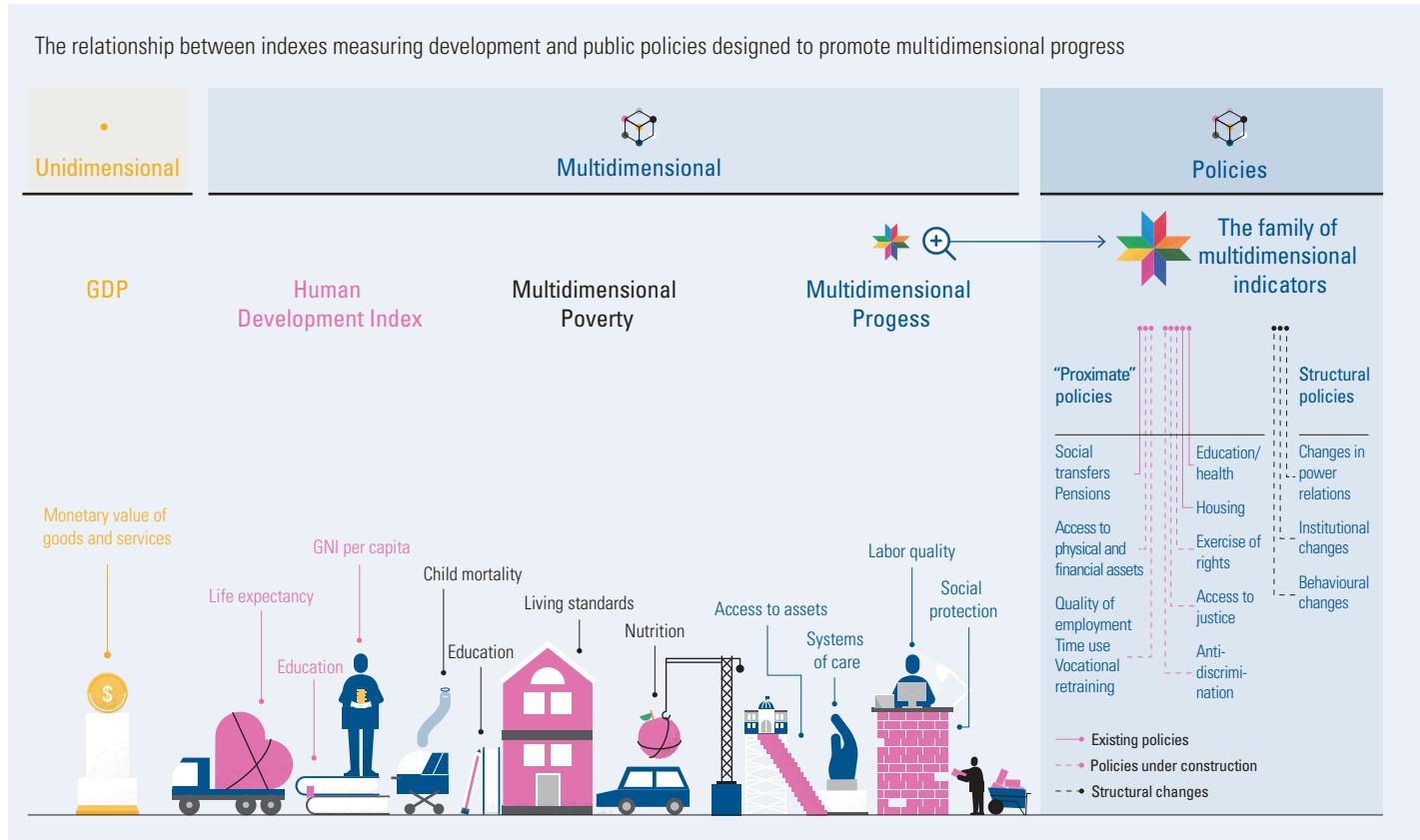
Sir Arthur Lewis, St. Lucian Nobel Laureate

Today, in a fragile economic context, the Caribbean is faced with a dual challenge: to boost **inclusive economic growth** and to build **multidimensional progress** that

can contribute to eradicating poverty in all its forms, tackling vulnerability at the state, household and individual levels and generating sustainability. This Report focuses on the specific human development challenges of the Caribbean in a holistic and inter-connected manner. This Report probes the specific circumstances and deep structural challenges that continue to hinder the Caribbean regarding its wide, progressive agenda for human development and economic transformation. It focuses on the challenges of upper-middle

FIGURE 1

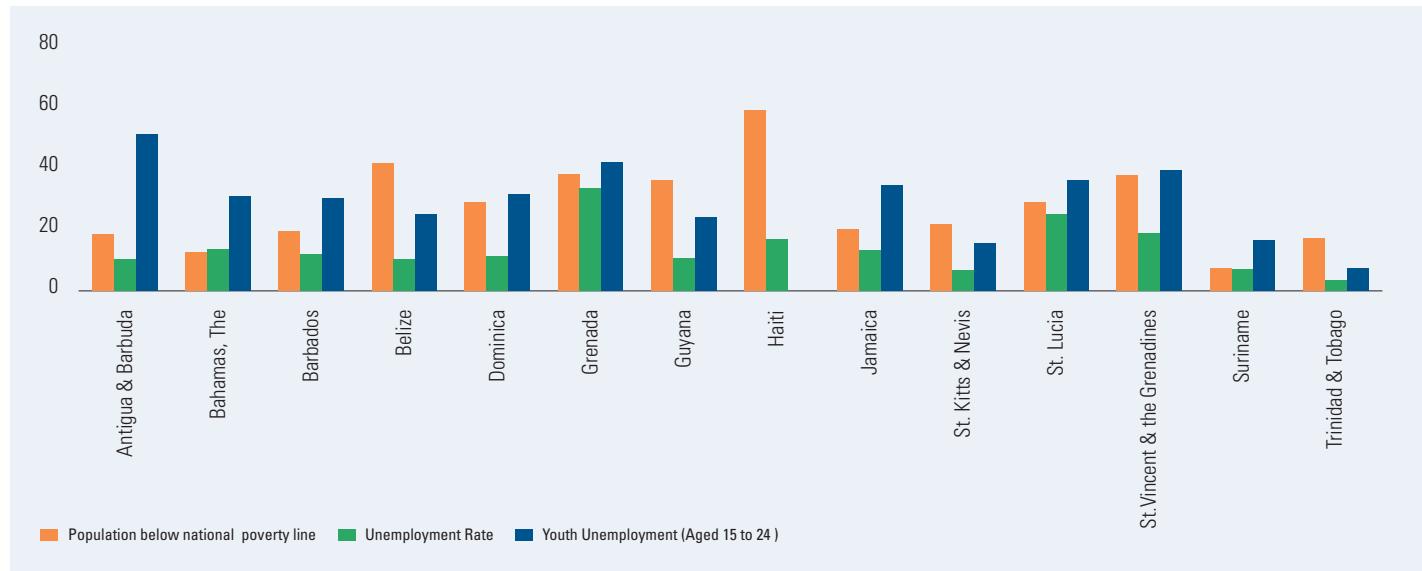
The set of multidimensional development indicators: from measurement to practice



Source: Latin America and Caribbean Human Development Report (2016).

FIGURE 2

Unemployment is more severe among youth, with the exception of Belize, Guyana and St. Kitts & Nevis



Source: CARICOM Regional Statistical Database; 2015 Economic Review and 2016 Forecast, Caribbean Development Bank; and World Databank <http://data.worldbank.org>¹

income countries that require new metrics and new policies to move forward.

In this Report, multidimensional progress is defined as a space for human development regulated by normative limits: nothing that diminishes the rights of people and communities or jeopardizes the environmental sustainability of the planet can be regarded as progress. To achieve this progress, the definition of well-being must be expanded to include decent work, quality education, gender equality, social protection and care systems that are within reach of households, the development of safe communities, and care for the environment.

This Report contains evidence from a number of countries indicating that the factors associated with people escaping poverty are **not the same** factors as those associated with resilience to adverse economic, personal and environmental events. The former tend to be related to educational attainment and the labour market, while the latter tend to be related to the existence of social protection (in the form of social transfers or non-contributory pensions) access to physical and financial assets and access to systems of care (for children and dependents). These dimensions provide

additional information to existing multidimensional poverty measurement tools.

The insertion of the **concept of multidimensional progress** into the discourse on Caribbean development **introduces a fundamental new dimension**: importantly, it is one that is not focussed, as hitherto, on state vulnerability and resilience, and thus primarily on the constraints on state capacity, or the diminution of state attributes and assets. Rather **this perspective ensures that in examining Caribbean reality account is taken not only of state vulnerability, but that there is also a focus on human vulnerability and human resilience at the household and community level**.

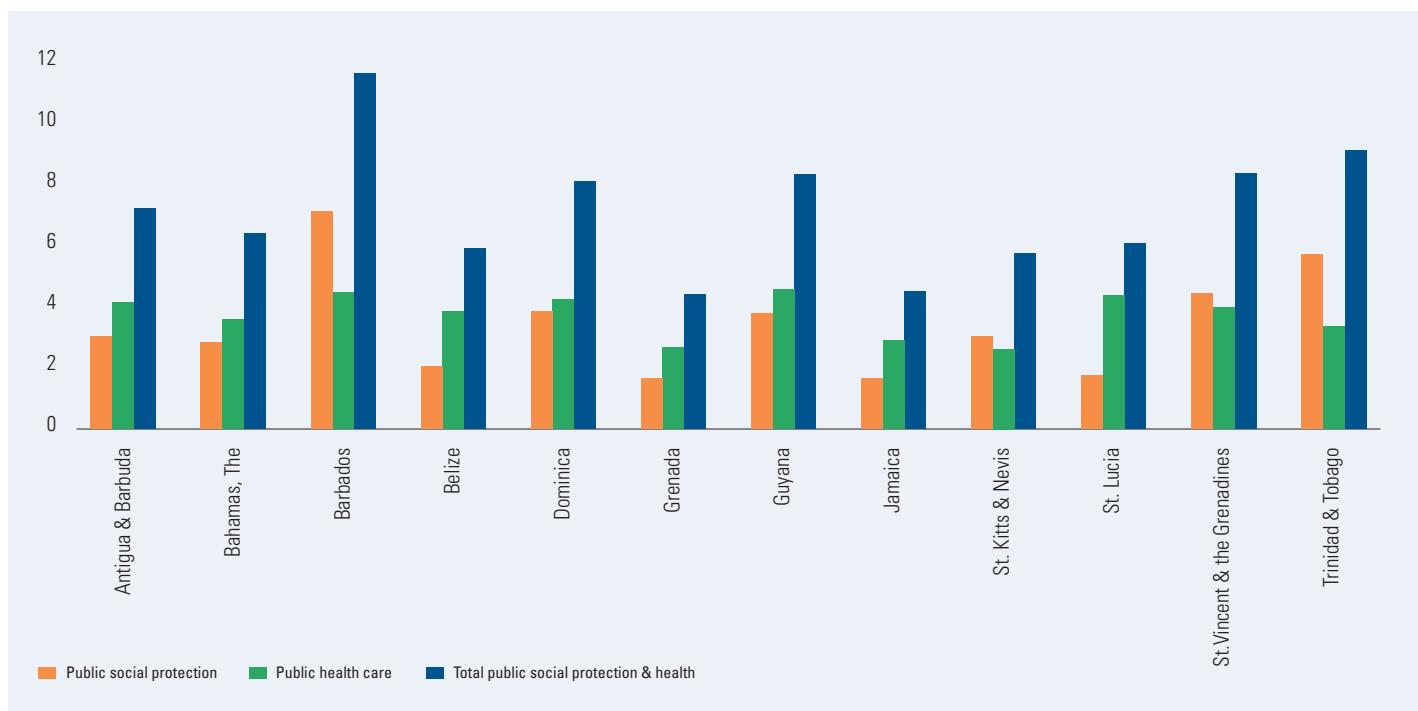
Figure 2 suggests strong evidence of increasing human vulnerability in the Caribbean.

Poverty and unemployment rates, especially among youth, remain high. Figure 3 shows that combined public social protection and health expenditures, which contribute to resilience and adaptive capacity, lag for all Caribbean countries as a proportion of GDP behind the population weighted average of 13.2 percent for Latin America and the Caribbean as a whole. They also lag, as would be expected, well behind Western Europe's 26.7 percent and,

Combined public social protection and health expenditures, which contribute to resilience and adaptive capacity, lag for all Caribbean countries as a proportion of GDP behind the population weighted average of 13.2 percent for Latin America and the Caribbean as a whole.

FIGURE 3

Public Health Care and Social Protection Expenditure in the Caribbean lag for all Caribbean countries as a proportion of GDP behind the population weighted average of 13.2 percent for Latin America and the Caribbean as a whole



Source: World Social Protection Report 2014/15, ILO.
2010 data for: Barbados, Dominica, Grenada, Guyana, St. Kitts & Nevis, St. Lucia, St. Vincent & Grenadines and Trinidad & Tobago
2011 data for: Antigua & Barbuda, The Bahamas, Belize and Jamaica

notably, except for Barbados and Trinidad & Tobago, behind the world-wide average of 8.6 percent (2010 -2011).²

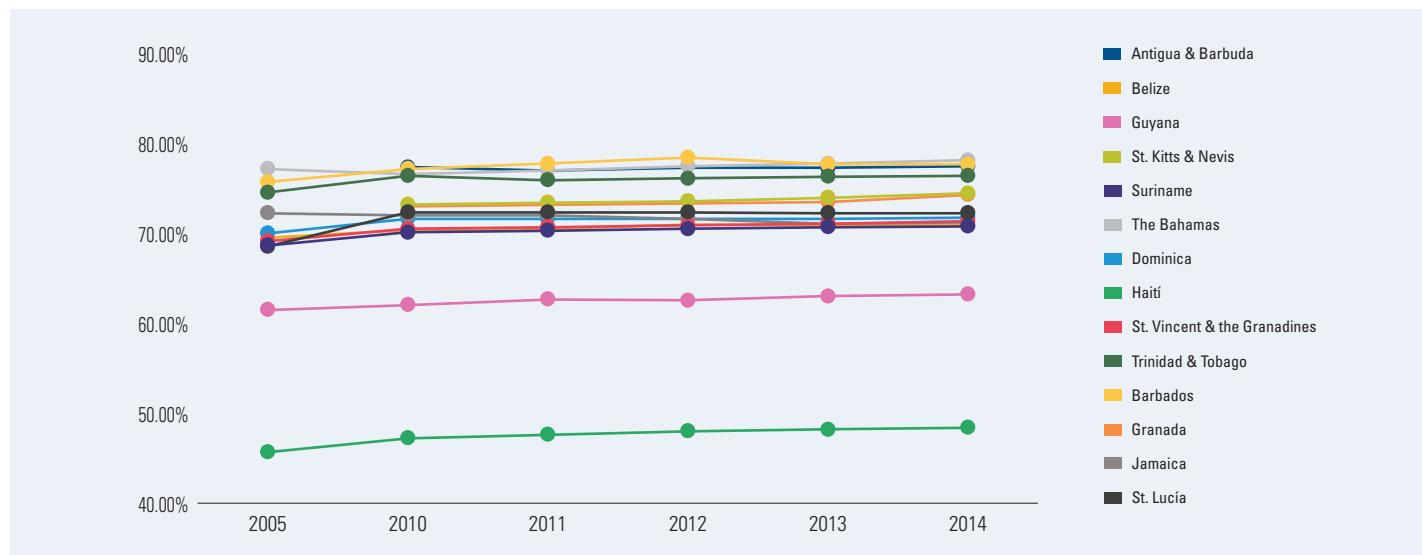
At the core of the multidimensional perspective on progress is the recognition that economic growth and income accretion are insufficient for lifting and keeping people out of poverty. As a consequence, measures to target and address key sources of vulnerability and deprivation and to strengthen adaptive capabilities, such as in the areas of education, health, training, employment opportunities, and social protection are of critical importance. In this regard, the Caribbean faces a distinct challenge amongst developing countries since poverty as traditionally measured, and growing multidimensional poverty, which takes account of the near-poor and vulnerable, exist alongside persistent low growth, and the incipient erosion of the human development gains that have been long regarded as the region's strong suit relative to other developing countries.

Policies insufficiently oriented towards protecting and consolidating human development gains - even during the period that was in large measure coterminous with the pursuit of the Millennium Development Goals by the global community - have begun to erode the region's human development gains and its relative standing in this important area. Figure 4 indicates this retrogression over the past decade or more - retrogression that the region must act decisively to halt and reverse.

Most CARICOM countries have had a negative evolution in the HDI ranking over the last five years. Jamaica and Dominica, two extreme cases, have fallen etc. 23 and 10 positions respectively. This fact becomes more relevant considering that, since 2008, there has been a deceleration in the growth of all three components of the Human Development Index in most regions of the world.

FIGURE 4

Caribbean HDI Rank and Performance



Source: Prepared by the authors based on UNDP Human Development Report 2015.

The Caribbean and the SDGs

The holistic and multidimensional nature of the SDG agenda require an integrated approach capable of moving beyond narrow bureaucratic mandates to encourage coordination and efforts to achieve strategic goals specific to each country. The process of grouping SDG targets into clusters is not random. It begins with the identification of a strategic objective established by government policy.

When grouping the targets into clusters, two temptations arise. The first is the temptation to make selections based on narrow sectoral mandates. Rather than choosing two or three SDGs, it is more effective to link various targets, corresponding to many more SDGs, with a single political strategic objective — for example, “no one is left behind”— to include targets that address actions linked to education, health, the fight against poverty and various other dimensions. The second temptation is to break down the 2030 Agenda, gap-by-gap, sector-by-sector. In this case, identifying a critical mass of interventions has a greater impact than promoting dozens of actions with a low level of funding, high territorial dispersion and high

bureaucratic fragmentation. If political decision makers can increasingly and persistently focus their attention on strategic and structural matters, there will be a better chance of achieving sustained impacts.

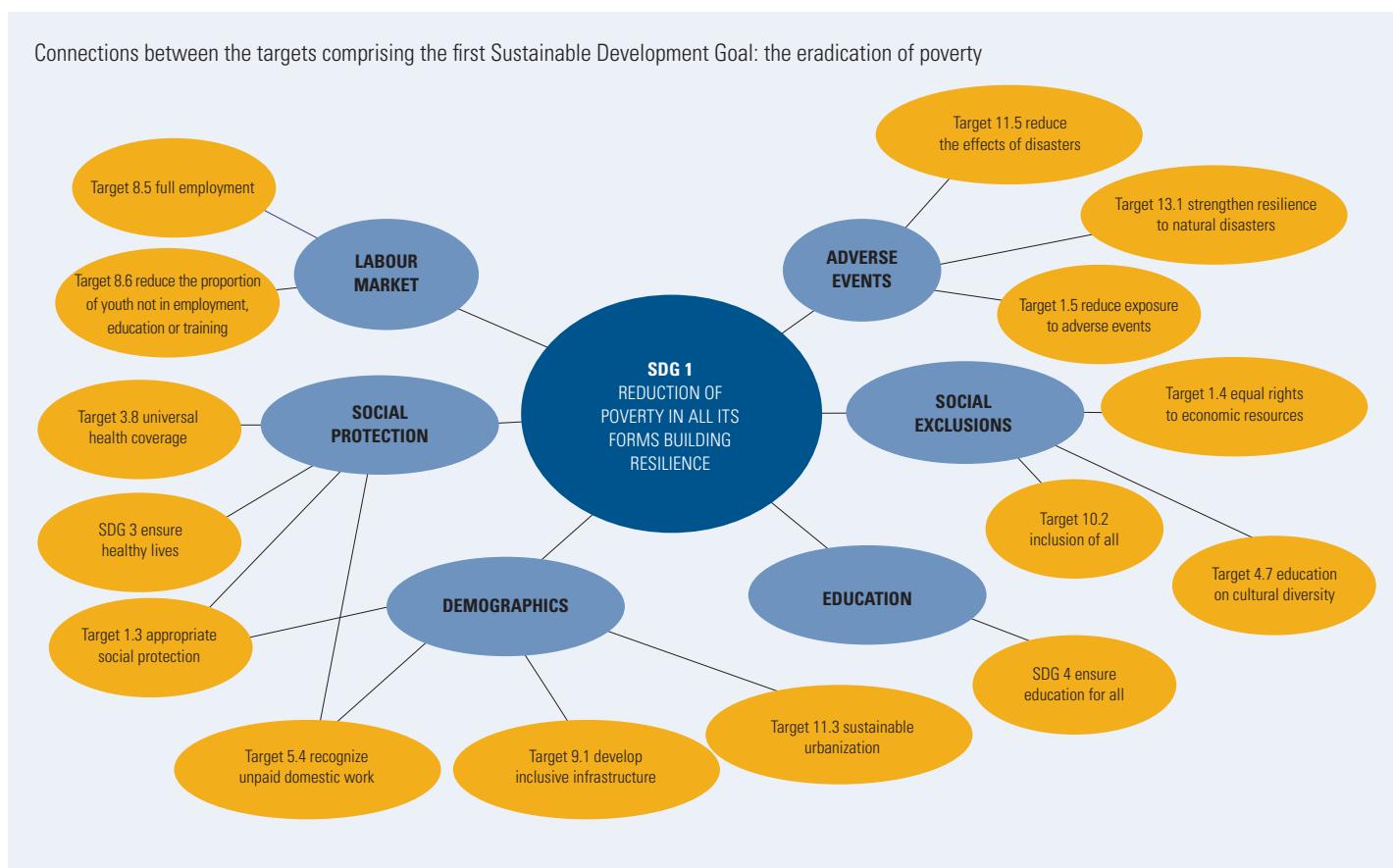
For example, an approach focusing on the eradication of poverty should use data on income poverty and multidimensional poverty, as well as long-term trends illustrating a structural situation characterized by the presence of hard exclusions. In order to make progress on poverty eradication, 20 to 30 targets are set linked to employment, social protection, gender equality, the prevention of natural disasters, climate change, and access to assets that can strengthen people’s capacity to weather a crisis.

Understanding how targets are interconnected helps guide policymakers to identify the specific challenges that require political actions to achieve the desired results. This approach also makes it possible to monitor those targets that contribute to the achievement of the specific agenda in each country. Ultimately, it enables areas to be identified where there are structural problems that need to be addressed through democratic dialogue, the creation of a consensus, the strengthening of institutions, and so on.

The process of grouping SDG targets into clusters is not random. It begins with the identification of a strategic objective established by government policy.

FIGURE 5

The achievement of the goals and their targets requires interventions based on an integrated focus that enables the connections and synergies between these targets to be identified, in line with the specific priorities of each country



Source: Prepared by the authors based on the correlation of indicators carried out according to data taken from household surveys.

Note: The grouping of the Sustainable Development Goals (SDGs) is not restricted to the connections discussed here.

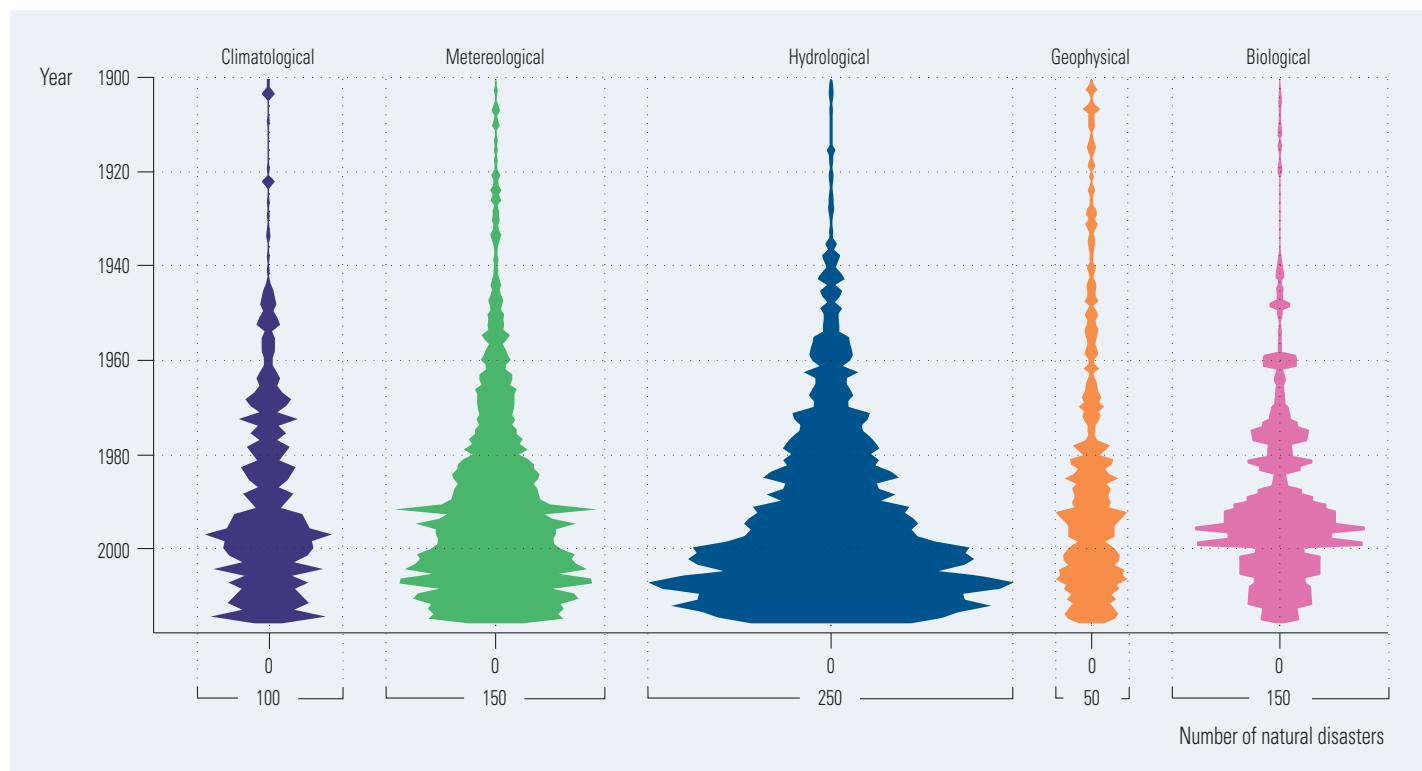
The definition of clusters of targets will provide a starting point for the inter-sectoral and inter-territorial coordination of policies. Exercises to accelerate achievements by eliminating obstacles to specific targets can be used to expand the impact of a group of targets. The definition of clusters of targets will also clarify the action of sectoral ministries, subnational government levels and specialized agencies providing real political support. Political dialogue, coordination and the exchange of information will be essential throughout this process. Only a holistic, inter-sectoral agenda makes it possible to address the interconnections behind a critical mass of policy interventions.

Chapter 2 – Profiling human vulnerability in the Caribbean: who are most vulnerable and why?

In principle, everyone is vulnerable to some adverse event or circumstance. However, the degree to which people are exposed to social, economic or environmental hazards depends on their capabilities to prevent and absorb a given shock, which change over a life cycle. Vulnerability and exposure are dynamic, varying across temporal and spatial scales. The 2014 *Human Development Report* showed that many people face overlapping structural constraints on their ability to cope –for example, people who are poor and from a minority group, or women with disabilities. Social, economic and

FIGURE 6

Between 1901 and 1910 there were 82 recorded natural disasters, but between 2003 and 2012 there were more than 4,000



Note: The main types of disasters include extreme temperatures and droughts (climatological), storms (meteorological), floods (hydro logical), earthquakes (geophysical) and epidemics (biological).
Source: CRED 2013.

environmental vulnerabilities may differ in their origins, but their consequences tend to be interrelated and mutually reinforcing.

Economic vulnerability is deeply analyzed in the 2016 *Regional Human Development Report for Latin America and the Caribbean*, which pays special attention to people who, despite being above the poverty line, have not become part of the middle class (measured in terms of US\$10 – US\$50 per day). The Report covers the factors associated with the risk of falling back into poverty and the types of macro and micro policies and mechanisms that should be put in place to prevent it, developing the concept of baskets of resilience. The current Report will look at these transitions in chapter 3.

Environmental vulnerability, along with those arising from political, economic, physical, health, and other insecurities are covered in the 2014 *Human Development Report*, which highlights that intensity of natural and human-made disasters has increased dramatically over the last decades, impairing human capabilities and threatening human development everywhere

– especially in the poorest and most vulnerable areas. The Caribbean region's high exposure and vulnerability to natural hazards has resulted in tremendous costs in terms of loss of human lives, productive assets, physical infrastructure, output supply and product demand especially in agriculture and tourism. The Caribbean Development Bank's estimates of the monetary impact for the 1988-2012 period accounted for over US\$ 18 bn.

Social vulnerability often results in, or is the result of, discrimination and violation of social, political, civil or cultural human rights. Some key vulnerable groups are identified in this report which present an opportunity for developing targeted public policy aimed at building human resilience. While there are many other vulnerable groups, the Report focuses particularly on: women, elderly, young males, children in exploitative labour conditions and street children and people with disabilities. Indigenous and Maroon groups received attention albeit not comprehensively. These groups reveal deep complexities especially when vulnerabilities add-up and make it very difficult to

Intensity of natural and human-made disasters has increased dramatically over the last decades, impairing human capabilities and threatening human development everywhere – especially in the poorest and most vulnerable areas.

FIGURE 7

Vulnerability trajectories and SDGs

	Vulnerable to what (outcomes)	Why Vulnerable (risk factors)	SDG Targets (examples)
Women	Poverty and unemployment Violence Low productivity Low participation in political and social life	Lower labour force participation Lower-level and -pay jobs Teenage pregnancy Growing in violent families Economic dependence Age at first union Ineffective school system Underrepresentation in politics	Targets: 1.5, 3.5, 3.7, 3.8, 5.1, 5.2
Older people	Poverty Chronic diseases and disability Loneliness (mainly older men)	Low coverage and value of pensions (mainly older women) Longer life expectancy and lifestyle (older women) Attitudes leading to low access to health care (older men) Health care costs Reduced size of, and changing attitudes, in family; migration of younger family members	Targets: 1.5, 3.5, 3.8, 4.5, 4.a
Young males	Drugs abuse, crime (as perpetrators & victims) Imprisonment, death, disability	Poverty Educational underperformance Violent families and communities Risky behaviours	Targets: 1.5, 3.5, 3.8
Children in exploitative labour conditions and street children	Hazards at work and in the streets, school dropout, abuse	Poverty, ineffective schools, (child fostering), abusive families Ineffective legislation Low awareness	Targets: 1.5, 3.5, 3.7, 4.5, 5.2
People with disabilities	Exclusion or underperformance in education and labour market Neglect and abuse Poverty	Negative expectations on outcomes Social and physical barriers Illnesses from old age, accidents from risky behaviours in the young Lack of institutional and family support Costs of care and supportive devices	Targets: 1.5, 3.5, 3.8, 5.2, 5.5

Source: Prepared by the authors based on Villarosa (2016, forthcoming).

achieve sustainable outcomes when addressed in isolation. The Report therefore proposes a life-cycle approach to policymaking which challenges policy makers to plan and work intersectorally and holistically to ensure that public policy address the interconnected nature of these vulnerabilities.

Trajectories of vulnerabilities for these groups can be synthetized as in the following table.

Gender and vulnerability – the case of women

When analyzing women's human vulnerability from a multidimensional perspective, findings indicate that women are more vulnerable to personal insecurity almost everywhere, their economic vulnerability is higher – for they

receive lower salaries for equal jobs and dedicate three times more time to unpaid work than men – and their social vulnerability over the life cycle requires specific measures and changes in certain behaviours of the society as a whole. These dimensions are intertwined.

The situation of women in the labour market is unequal as women tend to have lower level and lower paying jobs than men (even when other variables such as educational level and time in job are controlled). This may result in lower income and lower social protection (for instance in terms of unemployment benefits), making them more vulnerable to the effects of unemployment and, in the end, to the risk of poverty.

Further, inequality for women derives from teenage pregnancy and consequent childbearing (often with no support from absent fathers), contributing to school drop-out and limited time and opportunities for work, further reinforcing gender gaps in the labour market. In addition, women who are victims of domestic violence tend to show low self-esteem, reduced social and political participation, weak interpersonal relationships and low productivity at work – all factors that narrow down their capabilities, life opportunities and options.

In contrast, women show higher access to, and performance in, secondary and tertiary education than men. Good educational attainment or education at the secondary and post-secondary level is found to be associated to both lower teenage pregnancy and a reduction in violence against women. In addition, it is argued that education is already reducing gender gaps in the labour market and can lead to mitigating the earning gap with men.

Policies that focus on strengthening women's agency by broadening women's life options and introducing a life cycle approach look promising, for instance providing pregnant teens with support to avoid school drop-out and facilitating young mothers' access to employment within an overall approach fostering participation in social and economic life.

The Youth as a vulnerable group

Youth³ is an age of transitions – from childhood to adulthood, into and out of school and into work, partnership and parenthood

(Hardgrove et al., 2014). Such transitions usually imply challenges and choices, which may not be immune from risks.

Caribbean youth are underachieving educationally at the secondary school level and this is associated with poverty, juvenile crime and violence (influenced by exposure to violence at home, in the community and in juvenile gangs). Young males are both the main victims and the main perpetrators of crime in the Caribbean, and violence is starting at younger ages than in the past. Successful strategies against youth violence are discussed. These are based on re-addressing the role and improving the capacities of families, schools, communities and state institutions within a multidimensional approach in order to strengthen the agency of the young.

Youth unemployment rates range between 18 percent and 47 percent except in Trinidad and Tobago where it is 10 percent. Unemployment rates are much higher among youths whose unemployment rate is twice to three times the adult unemployment rate. Youth comprise between 28 and 50 percent of all unemployed persons and female youth are more likely to be unemployed than the male. Generally, youth employment is clustered in low skill, low education kinds of jobs (Lashley and Marshall, 2016), with little opportunity for upward mobility. The availability of facilities for continuing education and training, flexible entry requirements for education and training programmes, support and encouragement from employers, family and friends can make a positive difference to upward labour market mobility of youth by providing them with the ambition and motivation for personal progress. Financial support for tertiary education and training from the public sector, businesses and private benefactors would encourage the entry of youth in tertiary education and enhance their prospects after graduation for employment in the middle and upper job echelons.

Generally, youth employment is clustered in low skill, low education kinds of jobs (Lashley and Marshall, 2016), with little opportunity for upward mobility.

Vulnerabilities of the elderly

Old age is often associated with vulnerability because of poor health and disability, loneliness, isolation from social life and insufficient income. Care for the elderly is also associated with increase in financial shocks and health

The main causes of disability are respectively illnesses associated to old age, lifestyle, and accidents related to risky behaviours of young men or hazardous works.

costs particularly in cases of elderly with little or no financial savings. Due to patriarchal and cultural norms, in most cases women carry the brunt of the care responsibilities for the elderly. Three interrelated dimensions of vulnerability for the elderly are discussed and reviewed – financial, health-related and social vulnerability along with the attendant cross-cutting gender issues. Elderly individuals face several vulnerabilities to reduced or unstable sources of income, increased health care costs, poverty, discrimination and exclusion. This is more likely in cases where the elderly rely on noncontributory pensions, public assistance or other social protection programmes which have come under increased pressure due to demographic changes, reduced fiscal space and increased demand.

People with disability as a vulnerable group

Another vulnerable group that continues to face discrimination, exclusion, poverty and stigma are the disabled. Disability is a social phenomenon that goes beyond an individual's permanent functional abilities with respect to the physical, mental and sensory spheres and is reflected in the limited interaction or absence of interaction between the individual and the physical, sociocultural, economic and political environment (Gayle-Geddes 2015:9). Available data indicate that disability in the Caribbean is concentrated in the elderly – women more than men – and, to a lesser extent, among the young (in this case, boys more than girls). The main causes of disability are respectively illnesses associated to old age, lifestyle, and accidents related to risky behaviours of young men or hazardous works. Qualitative information indicates that access to education of people with disability has improved in the last twenty years but both environmental accessibility in educational facilities and sensitization to the disabled's needs of school and university staff have not, thereby keeping inequalities in educational outcomes of people with disability (*ibid.*).

Vulnerabilities of children at risk of or actively participating in exploitative labour conditions and street children

Labouring and street children are vulnerable to several infringements of children's human rights. These have been spelled out in 1989 by the UN General Assembly in the convention on the Rights of the Child, which recognizes, among others, the rights to: health; to fully participate in family, cultural and social life; a standard of living adequate for the child's physical, mental, spiritual, moral and social development with parents having the primary responsibility for care and guidance; to education directed to the development of the child's personality, talents and mental and physical abilities to their fullest potential; to rest and leisure, to engage in play and recreational activities. Specifically, article 32 of the Convention on the Rights of the Child states: "States Parties recognize the right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development, to be protected against all forms of exploitation prejudicial to any aspects of the child's welfare" (UN 1989). In Caribbean countries the child labour rate fluctuates between 0.7 percent in Trinidad and Tobago and 16.4 percent in Guyana – the only country above LAC average (11 percent).

The recommendations to improve policies and programmes against child labour include to strengthen social assistance (e.g. food stamp programmes) to parents and community-based multidimensional support (education, counselling, training etc.), promote return to school and remedial education, apprenticeship, legislation against the presence of children in bars and clubs, awareness-raising campaigns, immunisation (Cooke 2002).

Indigenous and Maroon peoples

Defining indigenous people as people born or descended from the original inhabitants of the territory, the indigenous population of CARICOM is about 142,399 persons. The

largest numbers of indigenous peoples are in Guyana, Belize and Suriname. The Belize numbers include Mayans who have migrated from other Mesoamerican countries and the Garifuna, who comprise 32 percent of the total, are descendants of Black Carib from St Vincent and the Grenadines who were deported by the British to Roatan, Honduras, in the late 19th century. In St Vincent and the Grenadines, the indigenous people are Black Caribs or Garifuna, descendants of Caribs and African slaves. In Guyana and the other Caribbean countries, the indigenous peoples are Amerindians. In Guyana, 11 to 25 percent of indigenous people live in the hinterland where they are the most populous ethnic group with a 42 to 89 percent population share in the various administrative districts. Maroons numbered 117,567 persons (21.7 percent of total population) in Suriname in 2012. No reliable estimates were found of the Maroon population in Jamaica but they are unlikely to exceed 10,000 persons. Multiple deprivations are high in Indigenous communities, ranging from limited health care, to poor quality educational facilities. Issues of access to land and land rights are some of the persistent challenges faced by indigenous people in countries such as Guyana and Suriname, notwithstanding some progress in the case of the former on land tenure.

Conclusions

We have observed that often vulnerability is the product of the lack of or limited capabilities to deal with overlapping risk factors – at the same time or over the life cycle – and that such risk factors are to different degrees concentrated into specific groups or behaviours. In addition, as risk factors are to some extent intertwined, a certain overlaying of different vulnerable groups can occur.

Vulnerabilities at the individual level and at the country level interact and are mutually reinforcing. For instance, the disabled and the elderly can be more vulnerable than other groups to natural hazards because of impaired mobility. Groups that are most at risk of poverty and unemployment are also likely to be more vulnerable to external economic shocks and experience most acutely the impact of a disaster. External

shocks can also affect vulnerable groups overall due to shrinking public budgets and reduced social services. This implies that vulnerability must be addressed at different levels at the same time. This would suggest the implementation of measures at the country level for mitigating the impacts of natural hazards, increasing the resilience of ecosystems on which livelihoods depend, improve the fiscal policies and widen space, promoting employment-intensive economic growth and reducing poverty.

The main recommendations to improve social protection and safety nets in the Caribbean are the following: (i) harmonise social protection systems across the region to attend migrant workers; (ii) reduce the plethora of programmes and implementing agencies through consolidation and better coordination; (iii) strengthen human capital interventions moving from social assistance to social development (e.g. associating unemployment benefits or social assistance/safety nets to improvements in education and skills, and broadening the adoption of conditionalities in health and education); (iv) foster integrated and intersectoral programmes focussing on households rather than individuals; (v) improving data collection and use for programme design together with monitoring and evaluation – M&E; (vi) increase partnerships with civil society and the private sector (including for the detection of labour market demands); (vii) improve responsiveness to environmental and economic shocks moving from a reactive to a proactive/preventive approach; (ix) gradually extend coverage; and (x) improve (or, in some cases, create) the legislative framework of social assistance (Barrientos, 2004, Williams et al., 2013, Morlachetti, 2015).

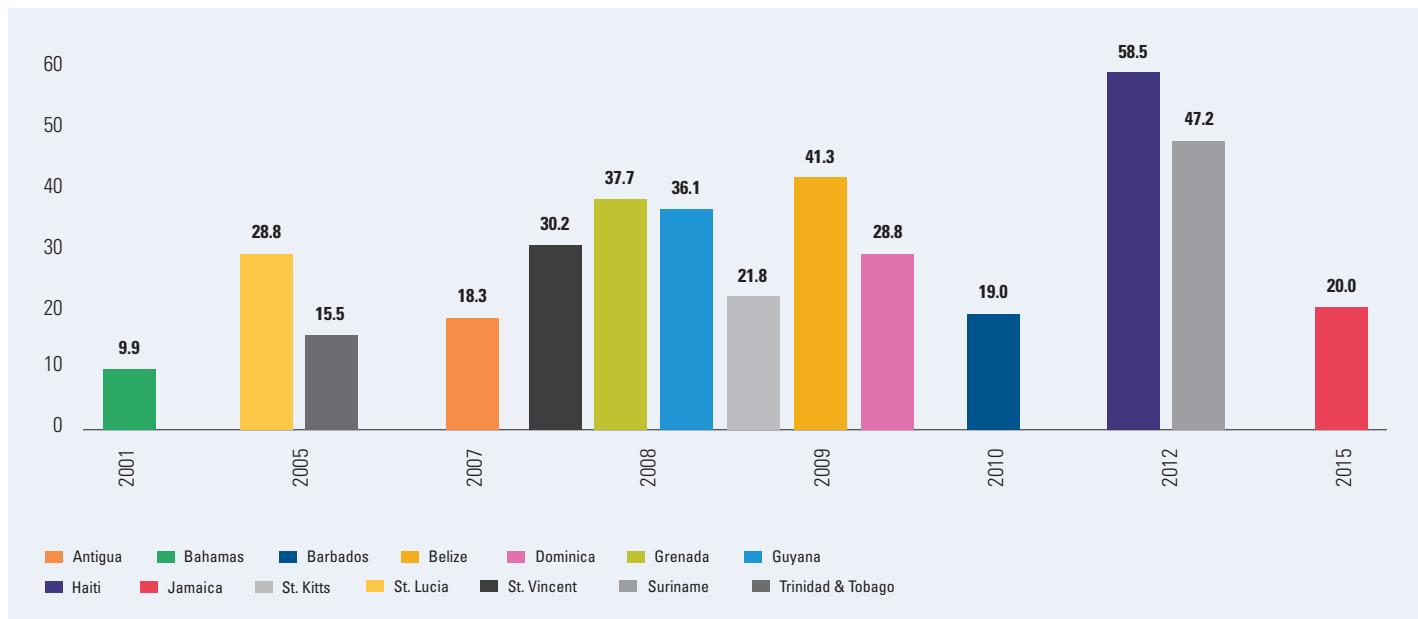
This suggests the implementation of measures at the country level for mitigating the impacts of natural hazards, increasing the resilience of ecosystems which livelihoods depend on, improve the fiscal policies and widen fiscal space, promoting employment-intensive economic growth and reducing poverty.

Chapter 3 – Persistent poverty and inequality influence human vulnerabilities and affect multidimensional progress

Understanding the linkage and nature of vulnerabilities at the state, household, and individual levels and how they determine deprivation, social exclusion and hard inequalities in the Caribbean is fundamental to the formulation of targeted evidence based policies

FIGURE 8

Percentage of population poor



Source: Caribbean Development Bank (2016)

Key multidimensional priorities include reducing the debt burden, building resilience to shocks at all levels and addressing significant challenges in youth employment.

and interventions to help the region achieve the ambitious and universal targets of the new Agenda 2030. The 2014 *Human Development Report* indicates that poverty and vulnerability are linked, multidimensional and, at times, mutually reinforcing. But they are not synonymous. The poor are inherently vulnerable because they lack sufficient core capabilities to exercise their full agency.

For most CARICOM economies, the obstacles to multidimensional progress are deeply structural and linked to an extremely high debt burden, vulnerabilities to natural disasters and the additional costs of Small Island Developing States – high costs for food imports and high costs for energy. Therefore, key multidimensional priorities include reducing the debt burden, building resilience to shocks at all levels and addressing significant challenges in youth employment, and social inclusion of vulnerable groups.

Poverty indicators for Caribbean Community countries are not current. Figure 8 shows high levels of poverty for the most recent years, based on estimates compiled for 13 countries. The population weighted average poverty rate is 43.7 percent for CARICOM.

Poverty rates in CARICOM exceed those in Latin America and the Caribbean as a whole and are also higher than those in countries classified as low and middle income countries by international agencies. Haiti, because of its high share in the CARICOM population and its poverty rate being much higher than those of the other countries, elevates the average for the region. If Haiti is excluded from the calculation the average poverty rate becomes 24 percent. There has been a reduction in poverty in 6 countries and worsening of poverty in 5. It is possible that countries experiencing economic growth recovery in 2011-2015 may have recovered from any slippage in their poverty rates or may have prevented slippage while those with negative or no growth would have experienced some deterioration.

There is also a problem of indigence, i.e. extreme poverty, where indigence is defined as an individual's incapacity to afford the basic food basket. The percentage of population estimated to be indigent is as high as 23.8 percent in Haiti, 18.6 percent in Guyana, 17 percent in St. Kitts and Nevis and 15.8 percent in Belize. The estimate is 9.1 percent for Barbados in 2001. In the other countries the range is between 1.2

percent and 3.7 percent. Indigence rates decreased in several countries, namely Dominica, Grenada, Guyana, Haiti and St Vincent and the Grenadines but increased in Belize and St Kitts and Nevis.

There is a two-way connection between poverty and economic growth. "Poverty has multiple effects on economic growth. They include levels and standards of consumption inadequate for nutritional and physical health, for safe and healthy living, for accumulation of knowledge and skills, for child care and protection and for advancement of the welfare of future generations. Furthermore, when poverty causes health problems and energy deficiency, it may contribute to irregular work and limited capacity for extended periods of work. Deficiencies in levels of education and training (resulting from nutrition induced) differences in cognitive capacity directly constrain productivity. In these various ways, human poverty may cause under-achievement of productivity and economic growth." (Bourne, 2009).

Beyond income: lives in poverty and transitions in and out of poverty

In the absence of data on incomes across most Caribbean countries, information from censuses conducted between 2010 and 2012 – which record household assets – has been used in this Report in order to profile living standards and categorize the population into three socio-economic groups: poor, vulnerable and middle class.

Regarding the first group, statistical analysis identified many factors which increase the chances of being poor. They include no access to public water sources, overcrowded dwellings, poor housing quality, household demographic variables e.g. size of household and age distribution, household unemployment rate, educational assistance from friends and relatives, and residence in urban or non-urban districts.

When it comes to vulnerable households, they are distinguishable from poor households by receipt of remittances from abroad, health insurance, receipt of pensions and dwellings with more rooms. The heads of vulnerable households are likely to be self-employed, work in technical and associated professions

and have secondary and tertiary education. Vulnerable households also tend to have more children aged 6–17, more adult members and more elderly female members. Relative to the middle class, vulnerable households have a disabled member, poorer living standards, more unemployed members and more children aged 1-17 years.

Middle class households are categorized by receipt of remittances from abroad, health insurance and pensions. They have better living standards, more rooms in their dwellings and more household members in decent work. The heads of households are either self-employed or in technical and associated professions and to have acquired secondary and tertiary education.

The odds of being in one of the three categories are profiled for Antigua and Barbuda, Belize, St. Kitts and Nevis, St. Vincent and the Grenadines and Trinidad and Tobago.

Drivers of economic mobility – case study of Jamaica

Data from *Surveys of Living Conditions* in Jamaica allow some conclusions about the transitions of households from their initial economic class measured by consumption equivalences. Focusing on movement in the 2009-2010 period, transition matrices computed by UNDP – see table 1 – reveal that for every 100 poor households defined as living on less than \$4 per day, 35 percent moved up to the vulnerable class (\$4-\$10 per day) and 3 percent to the middle class (\$11-\$50 per day). For every 100 vulnerable households, 15 percent moved into the middle class while 19 percent slipped into the poor class. For every 100 middle class households, 35 percent slipped into the vulnerable class and 2.2 percent into the poor class. Overall, individual patterns of change in income over the period 2009 to 2010 – see table 2 – suggest that approximately 15 percent of the population experienced an improved economic situation that allowed them to move into a higher income group; for example from poverty to economic vulnerability or from vulnerability to middle class. It is worrisome that 20 percent of the population experienced downward mobility, for example

TABLE 1**Jamaica mobility matrix 2009 – 2010 (raw percentage of households)**

	Poor	Vulnerable	Middle class	Total
Poor (< \$4/day)	62.8	34.6	2.7	100
Vulnerable (\$4 - 10)	18.9	66.0	15.1	100
Middle class (\$10 - 50)	2.2	34.7	63.1	100
All	23.3	50.3	26.4	100

Source: UNDP calculations based on *Jamaica Survey of Living Conditions 2009–2010*.

TABLE 2**Jamaica mobility matrix 2009 – 2010 (percentage of households)**

	Poor	Vulnerable	Middle class	Total
Poor (< \$4/day)	13.3	7.3	0.6	21.1
Vulnerable (\$4 - 10)	9.4	32.9	7.5	49.9
Middle class (\$10 - 50)	0.6	10.1	18.3	29.9
All	23.2	50.3	26.4	100.0

Source: UNDP calculations based on *Jamaica Survey of Living Conditions 2009–2010*.

from middle class to economic vulnerability or from vulnerability to income poverty. These findings, admittedly only for one country, are strongly suggestive of the tenuousness of the economic reality of many Caribbean households.

Data constraints from the household surveys did not allow replication of this analysis. The exercise was nonetheless further developed for 18 Latin American countries, in the 2016 *Regional Human Development Report for Latin America and the Caribbean*.

For these 18 countries, individual patterns of change in income over the period 2003 to 2013 suggest that between 49.6 and 65.4 percent of the region's population experienced upward mobility, whereas downward mobility just affected 0.5 to 3.6 percent of the population.

Therefore, despite differences in terms of mobility, findings from transition analysis in Jamaica are consistent with those carried out in 18 countries in Latin America.

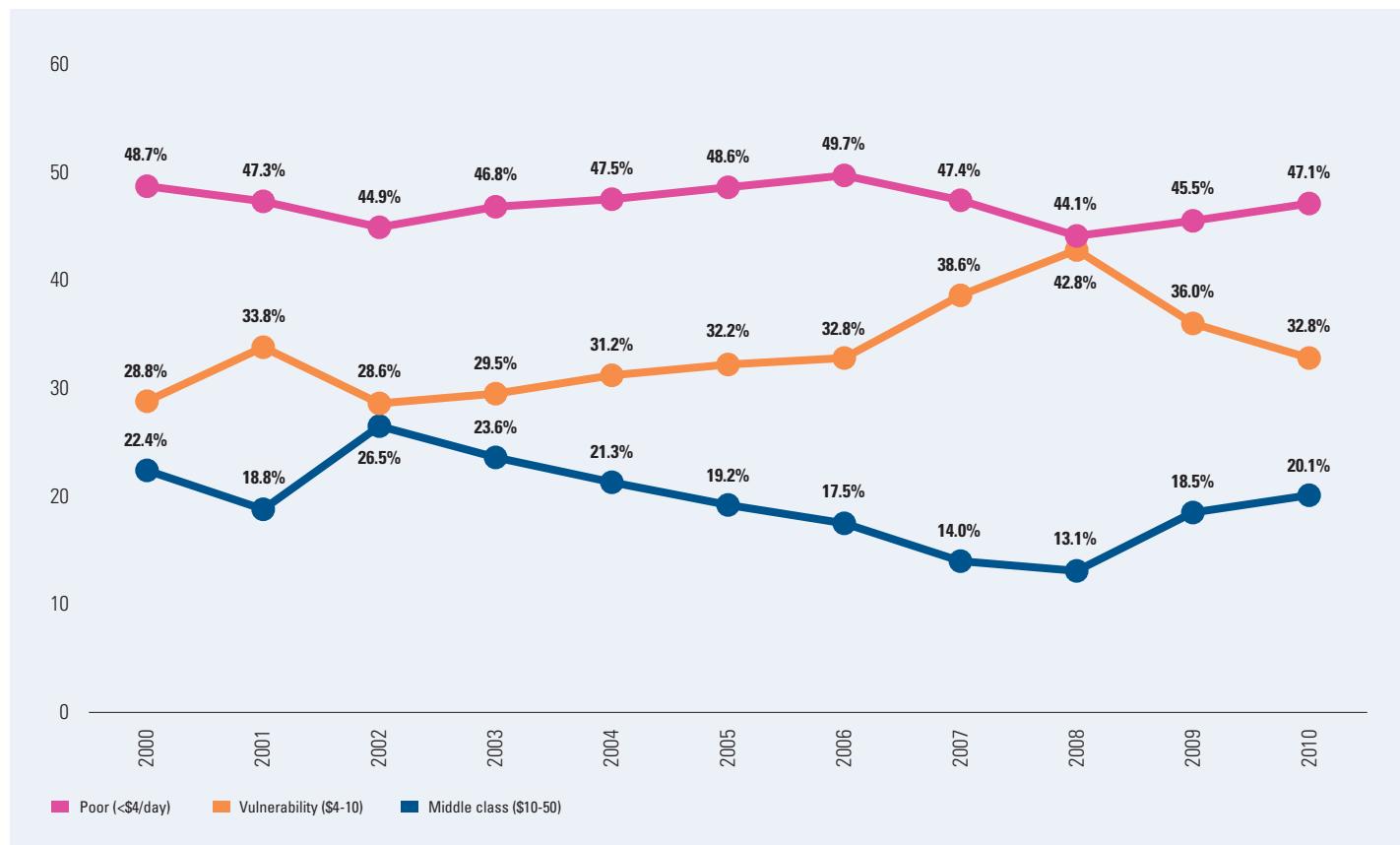
The data contained in the household surveys facilitate the tracking of transitions between

different socio-economic classes as well as a deeper analysis of the factors associated with these transitions. A key finding, both for Latin American countries as well as for Jamaica, is that the factors associated with people escaping poverty are not the same as those associated with people's resilience to adverse economic, personal and environmental events.

The data collected for both 2002-2003 and 2009-2010 in Jamaica suggest that social protection significantly reduces the probability of downward mobility, while demographics, geography and the ownership of assets significantly increases the probability of upward mobility.

Income inequality

Data inadequacies are considerable obstacles to the measurement of progress and the formulation of appropriate public policies. Gini coefficient values, which extend from 0.0 (perfect equality) to 1.0 (perfect inequality) are available for the 1996- 2015 period variously

FIGURE 9**Households transitioning in and out of poverty, vulnerability and middle class in Jamaica during the period 2000-2010**

Source: Benfield, et al. (2016). Authors' calculations based on Jamaica Survey of Living Conditions 2000-2010.

for the Caribbean Community member states. They show high degrees of income inequality in the Caribbean. The degree of inequality is highest in Haiti, The Bahamas, Antigua and Barbuda and Barbados where the Gini coefficient is between 0.47 and 0.61, but inequality is still high in the other countries, considering that their Gini coefficient varies between the 0.35 – 0.45 range. Inequality has tended to diminish in Belize, Grenada, Guyana, Jamaica, St Kitts and Nevis, St Lucia and St Vincent and the Grenadines, but has tended to increase in Barbados and Dominica.

Labour and employment

Between 2011 and 2013, female labour force participation rates stayed at 40.5 to 69 percent, depending on the country, while they varied

between 69 and 82 percent for men. However, the countries have not succeeded in restoring proportionate levels of employment achieved immediately prior to the onset of the global economic crisis in 2008. The unemployment data, though patchy, is indicative of substantial unemployment in 2015. Unemployment rates were 13.4 percent in The Bahamas, 12 percent in Barbados, 10.2 percent in Belize, 13.1 percent in Jamaica, and an astounding 25 percent in St. Lucia. Trinidad and Tobago is a strong exception in the region with a low unemployment rate of 3.2 percent.

Employment growth is conditional upon economic growth while of course contributing to it. The downturn in Caribbean economic growth is likely to have been a principal explanation of weak employment outcomes and poor job prospects. Resuscitation of the economies would be expected to generate a return

In the Caribbean as a whole, only one in four children achieve the minimum standard of five passes in the Caribbean Examination Council's lower secondary examinations.

to higher levels of employment and reduction of the unemployment rate. Employment prospects could also be improved by productivity gains provided they are not offset by increases in wage rates and compensation to management and other higher level staff or consumed by dividends. If productivity gains translate into investments in improved technology, greater utilization of capital goods, enhanced skills development, research and development of new products and organizational changes, the initial productivity gains could lead to greater demand for labour (Downes, 2014).

Education

CARICOM countries have made much progress in terms of gross enrolment rates for pre-school and primary education. Nonetheless, there are concerns about under-provision of early childhood education, especially in rural areas, and about the quality of the provision in situations where private suppliers are predominant, teacher training is often lacking and there is a blurring of the lines between early childhood education and child care among the providers. In primary education, enrolment rates have a limited role as performance indicators because they do not approximate school attendance rates, especially in rural and remote areas where is often a choice made between school and economic work in household enterprises at times in the agricultural production cycle, and also in economically depressed urban communities where poverty might militate against the ability of parents to send their children to school on a sufficiently regular basis.

Educational outcomes are less uniform for secondary education where gross enrolment rates increased in Barbados, St Kitts and Nevis, Belize, Guyana and Suriname; remained unchanged in Grenada and Antigua and Barbuda; and fell in Bahamas, Dominica, Jamaica, St Lucia and Trinidad and Tobago. While gross secondary enrolment rates are indicative of educational progress in most of the Caribbean, there are challenges in relation to secondary school throughput. Secondary completion rates in 2013 are lower than those achieved in 2009. For the Caribbean as a whole, only one in four children achieve the minimum standard

of five passes in the Caribbean Examination Council's lower secondary examinations. Pass rates for mathematics have been low (37 percent) over the 2005-2013 period; similarly for English, the pass rate for which is 59 percent.

Dropout rates are estimated to be 2 percent in most countries, except in St Vincent and the Grenadines for which the estimate is 15 to 20 percent. High absenteeism from examinations (30 percent or higher) has been reported for several subjects. The problems of school drop-outs and absenteeism are not unconnected to household poverty, household dwellings and neighbourhoods which are unconducive to study and good prospects of successful examination performance, quality of schools, adolescent pregnancy, gang violence and peer pressure.

Although there has been an expansion in technical and vocational education in the Caribbean, this is still an underdeveloped sub-sector. This might be attributable to its treatment as a second-tier choice for the less academically gifted (Jules, 2011), with the associated undervaluing of its importance as a provider of technical skills much needed by the Caribbean.

Caribbean countries need several qualitative changes in their tertiary education system to situate them better in the global society and economy and to advance their own social and economic progress. The balance of student enrolment between science and technology and the other disciplines needs to shift decisively in favour of the former. All graduates need to know more about their region, hemisphere and the rest of the world, and should be fluent in a foreign language.

Health

The Caribbean has made considerable but variable progress in relation to the health status of its population. World Health Organization – WHO – World Health Statistics 2015 showed the rate of achievement in relation to some of the targets set in the Millennium Development Goals 1990–2015. For instance, with respect to mortality for which the MDG target is a two-third reduction, some Caribbean countries achieved reductions of 32 to 57 percent

With respect to mortality for which the MDG target is a two third reduction, some Caribbean countries achieved reductions of 32 to 57 percent between 1990 and 2013.

between 1990 and 2013, while others were well below these rates and in the case of Guyana deteriorated. With respect to child mortality, where the MDG target was also two third reduction, Caribbean achievement rates ranged between 24 to 58 percent, except in Antigua and Barbuda (65 percent) and St. Kitts and Nevis (66 percent). Overall there is still much room for improvement in the health status of Caribbean peoples.

Non-communicable diseases are a major problem. The latest available set of statistics are for 2012, taken from WHO Health Statistics 2015. They show mortality rates measured in number of persons inflicted per 1000 inhabitants. The lowest rates in the Caribbean are in Suriname with 375, Barbados 404, and Belize 471. Jamaica's mortality rate is 519, Trinidad and Tobago 705, Haiti 725 and Guyana 1024. The Caribbean mortality rates are generally above the average for low middle income countries and upper middle income countries. The latest available statistics for cardiovascular diseases and diabetes show high mortality rates for these specific non-communicable diseases in 2008. Hypertension is present in 25 to 26 percent of men and 15 to 22 percent of women in the Caribbean.

The loss of life to communicable diseases in the Caribbean exceeds mortality rates in upper middle income countries, sometimes by a large margin. In Guyana and Haiti, the mortality rates are as high as 177 and 405 respectively. For Belize, Jamaica, Suriname and Trinidad and Tobago, the range is 80 to 105.

In 2014 there were 280, 000 persons living with HIV in the Caribbean according to UNAIDS Fact Sheet 2015. New HIV infection declined by 50 percent between 2000 and 2014. An estimated 8, 800 died from AIDS-related causes in 2014. HIV prevalence in the population aged 15-49 years in 2014 ranged between 1.0 to 1.9 percent for the five countries which reported, namely Belize 1.2 percent (2,105 persons), Guyana 1.8 percent (13,240 persons), Haiti 1.9 percent (189,937 persons), Jamaica 1.6 percent (44,784 persons) and Suriname 1 percent (5,382 persons). Fifty percent of diagnosed HIV cases are among women. Youth infection rates seem to be higher among females than among males (PAHO, 2013). Caribbean countries have in place

several programmes and policies to reduce the incidence of HIV and to assist persons suffering from HIV.

Conclusions

The Member States of CARICOM are part of the 193 governments committed to the SDG 2030 Agenda, which is consistent with their own earlier, independent signaling of a multidimensional approach to development policy in the region.

The connections between economic growth, income inequality and poverty are not unidirectional or separable, thus making it advisable to treat them collectively and to assess progress in any one component not in isolation but as an element in a matrix of challenges and possibilities. This is particularly sensible because of the multiple dimensions or faces of poverty identified in the chapter.

The Caribbean has made substantial progress in many areas, especially education and health, but there are old and new challenges in relation to many of them which need to be addressed if human vulnerability is to be substantially lessened: in the education sector, they include under-provision and quality issues in early childhood education, attendance rates in primary schools, under-performance and drop outs in secondary schools, low enrolments in technical and vocational education, and curriculum relevance and balance between disciplines in tertiary education; with respect to the health sector, further advances need to be made with infant, child and maternal mortality, communicable and non-communicable diseases, obesity in adults and children, neuropsychiatric illnesses and adolescent fertility.

Unemployment remains a major problem because of the high rate of unemployment among adult males and much higher rates among women and youth. The consequences to individuals, households and communities in monetary terms as well as in terms of self-esteem, feelings of exclusion, powerlessness, alienation, emigration, and involvement in criminal activities are serious. In addition, there are gender inequality issues in the labour markets and in business.

The connections between economic growth, income inequality and poverty are not unidirectional or separable, thus making it advisable to treat them integrally and to assess progress in any one component not in isolation but as an element in a matrix of challenges and possibilities. This is particularly sensible because of the multiple dimensions or faces of poverty identified in the chapter.

Chapter 4 – Economic transformation, environmentally sustainable growth and role in multidimensional progress

Caribbean economic growth has not been inclusive. Many disparities and vulnerabilities are evident in the assessment of poverty, inequality and multidimensional progress. A fundamentally new approach to economic growth focused on human progress is needed. The new economic growth perspective must have inclusivity as a central strategic element and cannot be at the detriment of the environment. The new growth paradigm should give prominence to the knowledge that economic growth is enhanced by multidimensional progress, while not ignoring the important role of growth in enabling multidimensional progress if it is inclusive, pro-poor and environmentally sustainable. In this Report, multidimensional progress is defined as a space for development regulated by certain limits: nothing that diminishes the rights of people and communities or jeopardizes the environmental sustainability of the planet can be regarded as progress. Multidimensional progress fosters faster, more stable and inclusive economic growth which, synchronously, enables multidimensional progress.

Over the past 25 years, new additions to the set of human development indicators have made

it possible to reorient the development agenda, moving from the idea of economic growth as an aim in itself to the concept of human development. This concept, which forms the foundations of this Report, is framed by existing agreements within the United Nations system; namely, the Universal Declaration of Human Rights of the United Nations (1948), the International Convention on the Elimination of All Forms of Racial Discrimination (1965), the Declaration on the Rights of Indigenous Peoples (2007), the Beijing Declaration and Platform for Action (1995), the 2030 Agenda for Sustainable Development (2015), and the Paris Climate Change Conference (2015).

On the basis of quantitative analysis using 188 countries and 21 Human Development Indicators (HDI), UNDP has found strong evidence that if the Caribbean's development was to be measured only on a per capita basis the region's development challenges and needs will go unrecognized because the region performs well on many of the 21 HDI. Yet, we have also seen from the discussion in previous chapters, there is increasing levels of income and non-income poverty, high levels of state, household and individual vulnerability and acute issues in health, education and labour particularly with regards to high rates of unemployment especially among the youth. Figure 10 confirms that social, economic and environmental progress

Source: Prepared by the authors based on data from the Human Development Report Office of the United Nations Development Programme (UNDP) and the World Bank's World Development Indicators (WDI) database. **Note:** The indicators outside the circle are those that have shown better than expected development according to gross per capita income for the region, while the indicators situated inside the circle are those that have shown poorer performance than expected. The results shown in the figure on the Caribbean should be interpreted in the context of a world comparison. In other words, the data is obtained from a regression based on information on 188 countries in which the dependent variable is the value observed for each of the 21 indicators taken into consideration, and is explained by the logarithm of gross national income per capita. Based on the coefficient obtained from each regression, an expected value is calculated for each of the 21 indicators for each country. The difference between the values observed and those expected is then standardized based on the standard deviation of the observed value for each indicator. The exercise follows the method employed by the Organization for Economic Cooperation and Development (OECD) in their series of country diagnostic studies entitled *Development Pathways*. The aggregate for the Caribbean is the weighted average per population of the values of each of the indicators for the 12 countries for which information was available: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Guyana, Haiti, Jamaica, Saint Lucia, St Vincent and the Grenadines, Suriname, and Trinidad and Tobago. Different countries were taken into account for each of the indicators considered. For indicators on life expectancy, infant mortality, average years of education, CO₂ emissions, rural electrification, teenage pregnancy, and homicide rates, all countries were included. For the maternal mortality indicator, Antigua and Barbuda, and Dominica were excluded. In the case of the indicator for child malnutrition, The Bahamas, Barbados, Antigua and Barbuda, Saint Lucia and Dominica were excluded. For education indicators (dropout rates, pupil-teacher ratio, gross enrolment in secondary school education), Haiti was excluded. For the indicator related to the depletion of natural resources, Antigua and Barbuda was excluded. The improved water resources indicator excludes Dominica. For the indicator on improved sanitation, Antigua and Barbuda was excluded, along with Dominica, St Vincent and the Grenadines. In the case of labour participation rates (total and female), Antigua and Barbuda, and Dominica were excluded. In the case of youth unemployment, Haiti was excluded. For the pension's indicator, Cuba and Suriname were excluded, and for the indicator on the percentage of parliamentary seats held by women, Dominica was excluded. The definition, year and specific source for each indicator are indicated below. The following data comes from the UNDP Human Development Report Office: gross national income per capita at 2011 prices adjusted to purchasing power parity (2014); life expectancy at birth measured in years (2014); maternal mortality measured as the number of maternal deaths registered in a year for every 100,000 births (2013); child malnutrition, which corresponds to the indicator on chronic malnutrition, measured as a percentage of children aged under five with a low height-for-age (2008–2013); child mortality, measured as the number of deaths in under-fives registered in a year per 1,000 live births (2013); average schooling, measured as a mean of accumulated years of education (2014); primary school dropout rates, defined as the percentage school dropout rate for the education level in question (2008–2014); the pupil-teacher ratio in primary education, measured as the number of pupils per teacher at this education level (2008–2014); gross enrolment rates at secondary school, defined as the total enrolment corresponding to this education level, regardless of age, as a percentage of the school-age population at this education level (2008–2014); the indicator on the depletion of natural resources, measured as a proportion of gross national income (2008–2013); CO₂ emissions, measured as the volume of carbon dioxide emissions per capita in tonnes (2011); rural electrification, measured as the proportion of the rural population with an electricity supply (2012); female labour participation, measured as the proportion of the female population aged 15 years or over that is economically active (2013); youth unemployment, measured as a proportion of the workforce aged between 15 and 24 years that is unemployed (2008–2014); vulnerable employment, measured as a proportion of the people working as unpaid family workers and self-employed workers (2008–2013); homicide rate, measured as the number of homicides registered per year per 100,000 people (2008–2012); pensions indicator, measured as a percentage of legal beneficiaries of old-age pensions of an age to receive these pensions (2004–2012); teenage pregnancy, measured as the number of births registered per year per 1,000 women aged between 15 and 19 years (2010–2015); and the position of women in Parliament, measured as the proportion of parliamentary seats held by women (2014). The WDI database created by the World Bank provides data on improved sanitation and water indicators, measured as the percentage of the population with access to these services (2013).

FIGURE 10

Differences between the expected and actual social achievements observed in the Caribbean

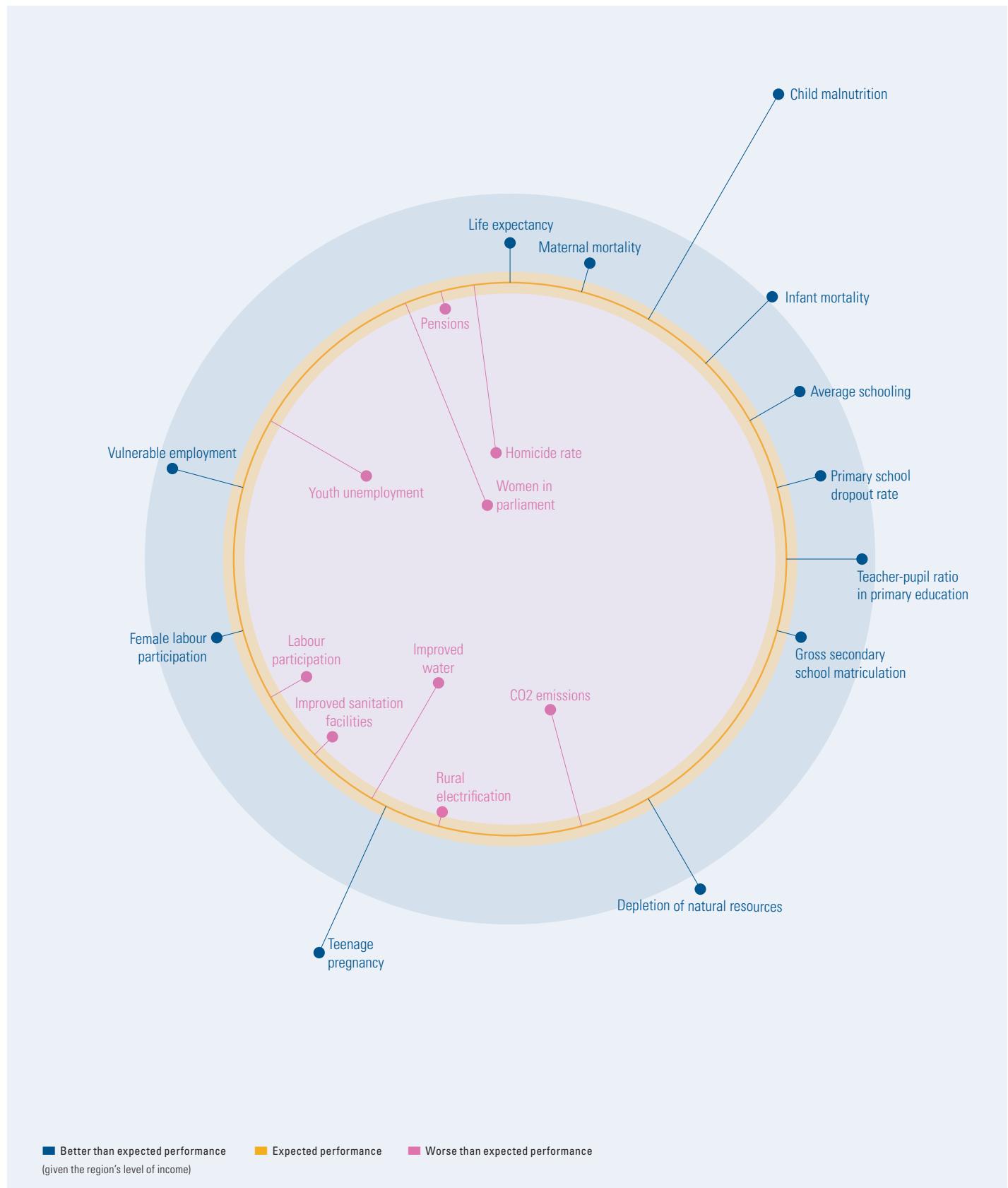
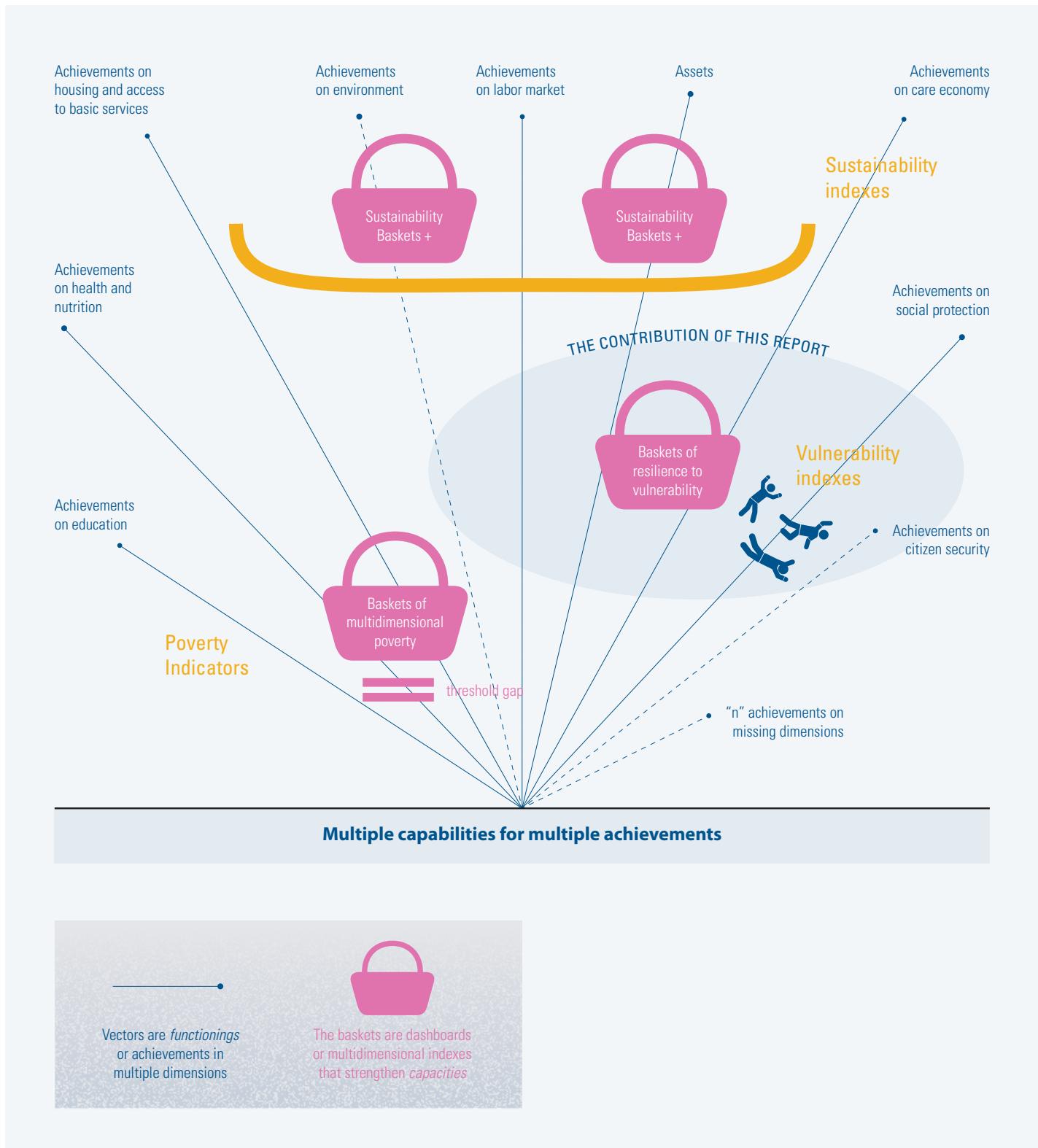


DIAGRAM 1

Multidimensional progress: poverty, vulnerability and sustainability indicators



Source: Prepared by the authors.

does not depend solely on the region's economic growth. The Caribbean has shown better performance than expected based on income levels in all of the indicators outside the circle such as maternal mortality, infant malnutrition, life expectancy, or access to basic services such as rural electricity, and improved sanitation facilities. This does not mean, however, that there are no challenges left in relation to these indicators. Based on this logic, it should be noted that although some of these indicators are inside the circle (such as teenage pregnancy and labour participation), this does not mean that no progress has been made in the region in these dimensions but rather that the current level of achievement is lower than expected based on income levels in the region. This analysis highlights the fact that greater economic growth in the Caribbean is not enough on its own to maintain the achievements of recent decades, nor to accelerate the eradication of poverty in its multiple dimensions. See annex 1 for country specific performance on a per capita basis using indicators published in the 2015 *Human Development Report*.

We consider the notion that multidimensional progress in the Caribbean cannot be measured on the basis of per capita GDP alone, as

important as GDP performance is to Caribbean at this point in time. Multidimensional progress is defined as a space for development regulated by certain limits: nothing that diminishes the rights of people and communities or jeopardizes the environmental sustainability of the planet can be regarded as progress. As has been noted, a basket of resilience indicators with factors beyond income should be considered. The UNDP Regional Human Development Report for Latin America and the Caribbean (2016) has outlined how this basket can be constructed.

Related to this critical issue of measurement of progress, is the Caribbean's inability to access much needed development financing to finance a multidimensional agenda which we argue is critical for improving inclusive economic growth in the region.

Financing multidimensional progress and inclusive growth in a constrained fiscal space

Moving forward, Caribbean governments will have to make tough decisions to be able to mobilize both domestic and international resources to finance the 2030 Agenda. The

TABLE 3

Thirteen countries be classified as upper middle or high income countries based on their GNI per capita

Country	GNI Per Capita in US\$ millions 1	Income category 2
Antigua and Barbuda	20,070	High-income
The Bahamas	21,540	High-income
Barbados	15,080	High-income
Belize	8,160	Low-middle income
Dominica	9,800	Upper-middle income
Dominican Republic	11,150	Upper-middle income
Grenada	11,120	Upper-middle income
Guyana	1,240	Low-middle income
Jamaica	8,480	Upper-middle income
Saint Kitts and Nevis	20,400	High-income
Saint Lucia	10,350	Upper-middle income
Saint Vincent and the Grenadines	10,610	Upper-middle income
Trinidad and Tobago	20,070	High-income

1. Source: World Bank, World Development Indicators (2014).

2. Source: SIDS Statistics, World

Slow growth of fiscal revenues relative to government expenditures has resulted in chronic current accounts deficits in most countries and unsustainably high levels of public sector debt.

discussion on fiscal space has to be set against the disparities in per capita GDP in the region.

Out of the thirteen countries in table 3, five are classified as high-income, another six are labelled as upper-middle income with only two considered low-middle income.

This has implications for Official Development Assistance (ODA) and access to concessional finance. Many low-income countries can access developmental assistance. This is not the case for most of the countries of the Caribbean whose GNI per capita acts as a barrier to access ODA.

In principle and historically, government finances have assisted economic growth through capital expenditures on social and economic infrastructure and subsidies and transfers to households and enterprises. The current situation is one of considerable cutbacks in public capital expenditures because of fiscal stringency reflected in current account deficits and high debt service obligations and accumulation of debt arrears to local businesses. Slow growth of fiscal revenues relative to government expenditures has resulted in chronic current accounts deficits in most countries and unsustainably high levels of public sector debt (Bourne, 2015, Henry and Boodhoo, 2016).

A new financing problem of a different sort has arisen in 2015 in the Caribbean. Global banks have reacted to stricter regulatory standards by treating some jurisdictions in developing countries as being too risky or costly to retain correspondent banking relationships. In the Caribbean, the problem is not limited to one or a few banks and countries. As of June 2015, according to Caribbean Corner (2015), “at least 10 banks in the region in five countries lost all or some of their correspondent banking relationships (CBRs) including two central banks.” Correspondent banking relationships so far have been integral to many kinds of cross-border international financial transactions involving Caribbean governments, businesses and individuals. Loss of correspondent banking relationships could disrupt foreign trade in goods and services including tourism, direct foreign investment, and capital transfers including migrant remittances which, as analyzed in chapter 3, is a characteristic feature of middle class households.

Domestic savings of enterprises and households are another source of finance for economic growth. Aggregate savings rates in the Caribbean are not generally low, being in excess of 15 percent of gross domestic product in Trinidad and Tobago, St Kitts and Nevis and Antigua and Barbuda, and within a range of 10-15 percent in the Bahamas, Belize, Jamaica and St Lucia. The low savings rate countries are Barbados (8 percent), Dominica (close to 0 percent), Grenada (slightly over 5 percent) and Guyana (about 7 percent). They coexist with high levels of commercial bank liquidity and unsatisfied demand for production and investment loans by business enterprises, especially small and medium size enterprises.

Foreign direct investment can contribute to economic growth by increasing the stock of productive capital, introducing new and improved technologies, establishing or developing export markets, and introducing new organizational systems within the business sector. Foreign direct investment flows to the Caribbean are considerable. Between 2008 and 2013, accumulated flows were \$25.7 billion. The annual average was \$4.3 billion. Major recipients are Trinidad and Tobago with 25 percent of the cumulative total, Bahamas 24.3 percent, Jamaica 13.5 percent and The Barbados with 10.2 percent. Foreign direct investment inflows are quite substantial relative to economic size of Caribbean countries.

Caribbean governments have also committed to improving tax revenues as a source of public financing under the Addis Ababa Agenda for Action on financing for development. This is a significant challenge for the region in the context of the very sluggish economic performance of most countries. The first is the present tax burden faced in the Caribbean, second is the issue of tax evasion, and determining the potential to raise taxes further to increase the fiscal space. Finally, an aspect of fiscal policy that needs to be addressed is the issue of fiscal incentives critical for environmentally harmful activities, such as fossil fuel subsidies.⁴

Economic growth sectors

From the turn of the 21st century to 2007 Caribbean countries enjoyed positive economic

growth. Average annual rates of growth of Real GDP were positive in all countries between 1998 and 2007, with a few countries growing at 4 percent or better. The global economic and financial crisis in 2008 abruptly changed the Caribbean growth experience from positive to negative in seven countries. For the 2008-2010 period, the services exporting countries had negative economic growth rates in the order of 1.1 percent to 5.9 percent. Positive economic growth outcomes were achieved mainly in commodity exporting countries, especially mineral exporters.

The International Monetary Fund has projected positive economic growth in all CARICOM countries except Suriname and Trinidad and Tobago in 2016. The outlook is positive for all countries in 2017. The IMF projections are conditional upon projections of international commodity prices. However, the problems of long term, sustained and inclusive economic growth in the Caribbean are deep-seated, requiring attention to the structure of the economies and international competitiveness. Laying a sound foundation for future economic growth will necessitate a combination of sector development and innovation policy, economic diversification,

attention to environmental sustainability, substantial improvements in cost efficiency in the public sector as well as in private enterprise, fiscal reform and completion of the Caribbean economic integration agenda especially with respect to the mobility of capital and labour. It must entail reversing the long term decline of exports, noting that economic growth in export propelled and import dependent economies is not feasible if the severe long term decline indicated by a fall in the ratio of exports to gross domestic product from approximately 60 percent in 1995 to slightly more than 40 percent in 2014 is not halted and reversed. Direct foreign investment will continue to be important as will official development assistance. Without strong, growing and sustainable economies, Caribbean governments, the private sector and civil society will be severely handicapped in their separate and combined efforts to achieve multidimensional progress.

This Report examines four sectors where the Caribbean does have some competitive advantages and in which growth should be combined with longer term environmental sustainability: *tourism; cultural services; agriculture and forestry; and blue economy. Information and communication technology*

FIGURE 11

Percentage average annual real GDP growth 2011-2015



Source: Prepared by the authors and computed on bases of data in Table A .4, *IMF World Economic Outlook*, April 2006, International Monetary Fund.

FIGURE 12

Economic growth enablers



Source: Prepared by the authors and computed on bases of data in Table A .4, *IMF World Economic Outlook*, April 2006, International Monetary Fund.

Because of their small economic size and high economic openness, the chances of Caribbean countries strongly revitalizing their economies and sustaining inclusive economic growth will rest heavily on success in substantially improving international competitiveness.

is viewed both as enabler of economic growth and as economic sector.

Because of their small economic size and high economic openness, the chances of Caribbean countries strongly revitalizing their economies and sustaining inclusive economic growth will rest heavily on success in substantially improving international competitiveness. The four countries ranked in the Global Competitiveness Report 2015-2016 are all below the median of the distribution of the 140 countries ranked. Jamaica is ranked the highest with a rank of 86, followed by Trinidad and Tobago with 89, Guyana with 121 and Haiti with 134. Their low overall rankings correlate with the rankings they obtained on institutional quality, macroeconomic environment, infrastructure, labour market efficiency and goods market efficiency.

Economic growth enablers

1990 *Human Development Report* already advanced that people are the real wealth of a nation. Economic growth is enabled by people in addition to several other factors, some of which have been identified in the 2030 Agenda, such as the environment, affordable energy, institutional efficiency, non-human resources, social stability and security, and the availability of financial resources, as shown in Figure 12. Each of these enablers is related to the notion of multidimensional progress. Some of the enablers of economic growth are discussed selectively in this chapter in order to clarify and emphasize the importance of policies aimed directly and with priority at multidimensional progress for achievement of sustainable economic growth.

Conclusion

A fundamentally new approach to Caribbean economic growth focused on human development and environmental sustainability is needed. Prominence must be given to the role of multidimensional progress in enhancing economic growth while not ignoring the role of economic growth in facilitating multidimensional progress. Issues affecting human progress should be treated as central and priority elements in comprehensive growth and development strategies. Similarly, the longer term viability of economic sectors should be ensured through the adoption of more sustainable production and consumption patterns.

Recovery from the loss of economic growth in 2008-2010 has been mild, not uniform and uncertain among Caribbean countries. Problems of long term, sustained economic growth are deep seated and require attention. Without strong and growing economies, governments, the private sector and civil society will be handicapped in their efforts at achieving multidimensional progress. It is necessary to lay a sound foundation for future growth through development and innovation in economic sectors, economic diversification, improvements in cost efficiency and in international competitiveness, fiscal reforms and completion of the Caribbean economic integration agenda. Tourism, agriculture, utilization of the region's exclusive economic zone, fisheries, mining and cultural industries could all be incorporated into strategic policies and actions for multidimensional progress. The "Blue Economy" broadly defined as *"A sustainable ocean economy emerges when economic activity is in balance with the long-term capacity of ocean ecosystems to support this activity and remain resilient and healthy"* (*The Economist*, 2015) is an area of economic possibility that has already delivered many economic benefits to the region. However, there are many environmental threats which need to be considered and managed in the further pursuit of economic opportunities in this area.

Caribbean economic growth is enabled by people in addition to several other factors, such as the environment, affordable energy, institutional efficiency, social stability and security availability of finance and support for

entrepreneurship including small and medium enterprise development. The contribution of people to economic growth is effectuated directly through the amount of quality labour, regularity and dependability of labour supply and productivity. Labour force participation rates are influenced by labour market experiences such as job loss and duration of unemployment, gender norms and practices, adolescent pregnancy, labour force exclusion or restricted employment opportunities for particular groups like elderly persons and persons with disabilities, education and training and health. The quality of labour is determined by education and training as well as work experience.

There are gaps between education and skill levels of the Caribbean work force and requirements of the jobs as employers perceive them. The gaps might be signaling limitations on both supply and demand sides of the labour market. Regularity and dependability of labour supply are influenced by worker health, economic and social infrastructure including transport, water and electricity. Institutions, namely, laws, regulations and trade unionism, have overarching influence.

The impact of natural hazards on people and their livelihoods, on productive capital, and on social and economic infrastructure is costly in terms of economic growth sacrificed. Recent studies have estimated 0.5-1 percent loss of GDP from moderate storms and 1 percent losses from hurricanes. Sea level rise and climate change could also have severe adverse consequence on people and economies if adaptation policies and programmes are not put into effect.

It is the juxtaposition of what is needed by the citizens of the Caribbean Community with the current policies and programmes of the governments, that truly reveal whether or not "progress" is being achieved.

Chapter 5 – Charting a course: multidimensional policy solutions towards multidimensional progress

This Report would only be meaningful to policy makers and development practitioners when full account is taken of how Caribbean people define progress. For it is the juxtaposition of what is needed by the citizens of the Caribbean Community with the current policies and programmes of the governments, that truly reveal whether or not "progress" is being achieved.

FIGURE 13

Summary of Caribbean people's perception of progress



Source: Prepared by the authors.

In this regard, UNDP conducted focus group discussions with nine countries in the region to get a more nuanced assessment of the region's progress and the aspirations of its people.

In general, Caribbean peoples defined *progress* as an intended outcome mainly achieved as a result of a deliberate, strategically applied, but often lengthy and incremental process. Desire and motivation for development were identified as catalytic and enabling determinants. For many, progress also means the *process*, hence could be described both as journey and destination: continuity in building, making changes and transitioning, with an eventual "*stepping up in a positive way*". Applied at personal and familial levels, it spoke of success, self-development and the efforts, especially relative to what was tangible. In this respect, progress was more evident using intergenerational lens. Whatever one's social or economic status, progress described improvement, resulting in more *after* than there was *before*. Only rarely did progress "just happen", and if it did, such an event would be due to e.g. inheriting money, winning a lottery, marrying a wealthy person, examples which suggested the importance of money. Regardless of genesis, personal or familial progress were unlikely to be reversed if attained successfully.

There was no disputing the importance of money to people's lives, but it was its management that was highlighted as really what defines progress. And prudent management was also expected at national level, in order to effect progress. For

example, the non-poor from Barbados and Jamaica tended firstly to define progress based on what their country had achieved historically, with some reference to the economic climate that might have facilitated such development.

Regardless of where they were from or their economic status, Figure 13 shows that Caribbean people's lists invariably included the importance of "education" as a change-agent – its access, affordability, and meaning. Other key indicators included: housing and its utilities; employment and income opportunities and the meaning of livelihoods; economic conditions; physical infrastructural works and the varying impacts of health facilities, roads, transportation; and information, communication and technology (ICT).

Against this backdrop, three broad sets of possible *policy baskets* are examined for Caribbean governments to further align the ambition of progress as defined by Caribbean peoples and the empirical findings of this Report:

1. Broaden and deepen advances made in human and social development with a focus on the most vulnerable (social policies);
2. Unlock inclusive growth potential of the Caribbean by removing persistent structural barriers (growth sectors and growth enablers);
3. Fast-track efforts to achieve environmental sustainability and resilience (risk informed development planning, monitoring and evaluation);

Underlying these policy baskets are **prerequisite enabling actions** which are critical to improving the quality of policy governance, and more efficacious public policy making:

1. Improving the availability, quality and use of data for evidence based policy making;
2. Improving public participation in policy making and evaluation processes, especially the voice of the most vulnerable and excluded;
3. Strengthening of systems, tools (including technology) and processes of national, municipal and local level institutions of the state and civil society for proactive development planning, implementation, monitoring and evaluation;

These three enabling actions and the three policy baskets form part of a holistic agenda and care should be considered to avoid 'cherry picking'.

These policy baskets are not predetermined. There is much room to add and remove elements. They are also not meant to

FIGURE 14
Framework for Policy Planning and Approach



Source: Prepared by the authors.

be prescriptive, and certainly do not aim at addressing all of the dimensions of a complex economic, social, political, environmental and

FIGURE 15

Policy baskets for advancing multidimensional progress in Caribbean

Resilience Basket 1- Policy Approaches for reducing Human Vulnerability	Resilience Basket 2- Policy Approaches for removing structural barriers to Inclusive Growth	Resilience Basket 3 -Policy Approaches for building Environmental Sustainability
<ul style="list-style-type: none"> • Policy Objectives: • Increase opportunities for decent and productive employment • More strategic approach to youth empowerment and promote holistic development • Improving resilience of women • Improve social protection, care and supportive environment for the elderly • Invest in an enabling environment for persons with disabilities • Protect the rights of children especially those in high-risk and vulnerable circumstances • Build economic resilience and improve social services for indigenous peoples and Maroons • Ensure access to assets, health insurance, systems of care and family planning services • Strengthen social protection policies and improve targeting of the most vulnerable groups • Ensure access to safe drinking water for all 	<ul style="list-style-type: none"> • Policy Objectives • Develop national energy diversification strategies • Strengthen fiscal management • Close Tax loopholes • Develop Strategic international partnerships on financing for development • Reassert Caribbean leadership on global development issues 	<ul style="list-style-type: none"> • Policy Objectives: • Strengthen planning frameworks by including strong emphasis on risk management • Intensify focus on climate change mitigations and adaptation • Transition to green economy models • Improve environmental stewardship, management and conservation

Source: Prepared by the authors.

cultural context in the Caribbean. They are identified based on the foregoing analysis and aimed only at identifying some entry points around how to help the region to further advance on a very challenging and demanding 2030 Agenda.

UNDP also recognizes that the Caribbean continues to face some serious obstacles to efficacious policy making in three critical areas: i) evidence based decision making – that is the absence of good quality gender disaggregated data which has, for example, limited some of the analysis in this report; ii) the need to further

improve public participation and consultation in the process of design, implementation, monitoring and evaluation of public policies; and iii) improve the rate of implementation – that is making the fundamental leap from planning to good and effective implementation. The stark implementation deficit in the region is heavily influenced in some cases by limited institutional capacity in the form of skills due in great part to the impact of migration, lack of appropriate technology and mechanisms for efficient and effective policy coordination, implementation and evaluation.



A new paradigm for assessing vulnerability: embracing human development



"That is something that should be defined, because you know progress is something that could be defined in different ways. For example you might look at it economically, you can also look at it educationally, different ways. But honestly speaking I think that we have been stagnant over the last few years, I think it may even be moving backwards to some extent, because when you look at even health care, you know we have some problems with health care right now, you can't get certain simple medication."

Non-poor adult, focus group, St. Vincent & the Grenadines



A new paradigm for assessing vulnerability: embracing human development

The region must boost inclusive economic growth and build **multidimensional progress** that can contribute to eradicating poverty in all its forms by tackling vulnerability at the state, household and individual levels and generating sustainability.

Introduction

“Only good choices are free, bad ones always come with a cost.”

Sir Arthur Lewis, St. Lucian Nobel Laureate

The Caribbean is faced with a dual challenge in today's fragile economic context. The region must boost inclusive economic growth and build **multidimensional progress** that can contribute to eradicating poverty in all its forms by tackling vulnerability at the state, household and individual levels and generating sustainability. This report focuses on the specific human development challenges of the Caribbean in a holistic and interconnected manner. It examines specific circumstances and deep structural challenges that continue to hinder the Caribbean in meeting its wide, progressive agenda for human development and economic transformation. Additionally, it focuses on the challenges of uppermiddle income countries that require new metrics and new policies to move forward.

This Report defines multidimensional progress as a space for human development regulated by normative limits: nothing that diminishes the rights and well-being of people and communities or jeopardizes the environmental sustainability of the planet can be regarded as progress. To achieve this progress, the definition of well-being must be expanded to include decent work, quality education, gender equality, social protection and care systems that are within reach of households, and contribute to the development of safe communities, and care for the environment.

The pioneering work of Alkire and Foster (2009) on multidimensional poverty, disseminated at the international level since 2010 through the UNDP's Human Development Report, paved the way for the development of a multidimensional approach in many

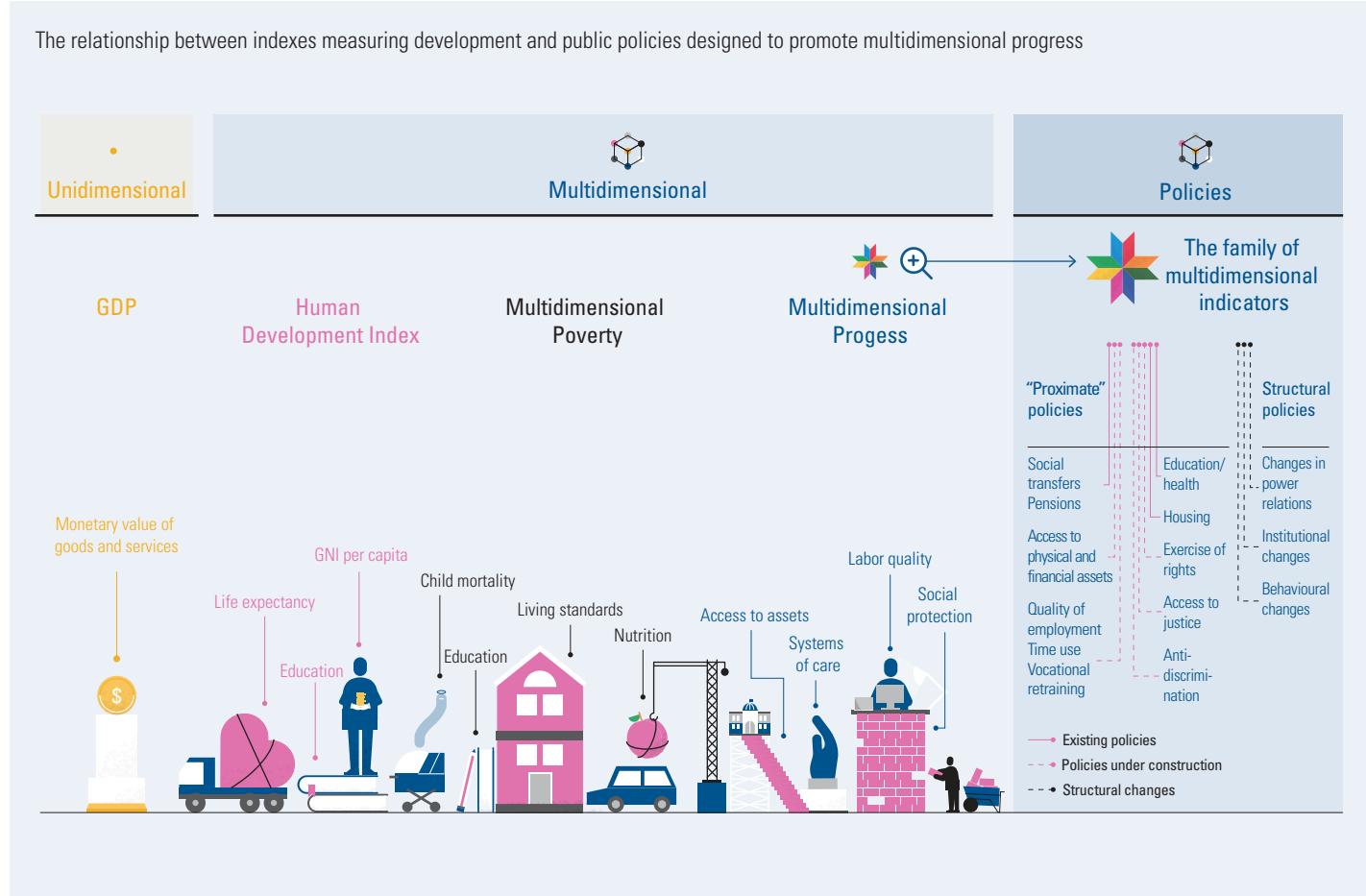
countries of the Caribbean. The concept of multidimensional progress follows the human development approach, and understands development as a process of expanding people's capacity for multiple “beings” and “doings”. This approach, conceptualized by Amartya Sen and Mahbub Ul Haq, was put into practice for the first time with the genesis of the Human Development Index (HDI) published in the first Human Development Report (UNDP, 1990). The HDI put forward a solid alternative that went beyond per capita income as the way of measuring well-being. Since then, the demand for multidimensional measurements and inter-sectoral policies has gained in strength and importance at the global level, with the publication of the 2009 report by Stiglitz, Sen and Fitoussi on economic and social progress and the definition of the current 2030 Agenda for Sustainable Development, which was adopted at the United Nations General Assembly in September 2015.¹ One of the pillars of the 2030 Agenda, which is based on the 17 Sustainable Development Goals (SDGs), is the elimination of poverty in all its forms.

Evidence from a number of countries indicate that the factors associated with people escaping poverty are **not the same** factors as those associated with resilience to adverse economic, personal and environmental events. The former tend to be related to educational attainment and the labour market, while the latter tend to be related to the existence of social protection (in the form of social transfers or non-contributory pensions) access to physical and financial assets and access to systems of care (for children and dependents). These dimensions provide additional information to existing multidimensional poverty measurement tools.

In the Caribbean region, the multidimensional approach has some practical implications.

DIAGRAM 1.1

The set of multidimensional development indicators: from measurement to practice



Source: Prepared by the authors.

Will more-of-the-same, in terms of economic growth and public policy, be enough to catalyse social gains in the coming decade? Or, will it be necessary to adopt concepts of progress and development based on a more holistic approach to social, economic and environmental changes? What does well-being beyond income mean for middle income countries and small island developing states (SIDS)? This Caribbean Human Development Report concentrates on the challenges of **multidimensional progress** in countries, focusing on the need to deliver progress both in terms of better, more predictable income for its citizens as well as on improved human well-being, especially for those that are most vulnerable, and face exclusion and discrimination both above and below the poverty line.

The central premise of this Report is that economic growth and multidimensional progress are symbiotic, that is, more stable, sustainable and inclusive economic growth is fostered by multidimensional progress which synchronously enables multidimensional progress.

1.1 Caribbean vulnerability paradigm reconstructed: Shifting beyond state vulnerability to multidimensional progress

The structural and environmental vulnerabilities of small states have long been recognized: the former a consequence of size and openness, the latter due to geography, and to ecological fragility.²

Will more-of-the-same, in terms of economic growth and public policy, be enough to catalyse social gains in the coming decade? Or, will it be necessary to adopt concepts of progress and development based on a more holistic approach to social, economic and environmental changes?

This perspective ensures that in examining Caribbean reality account is taken not only of state vulnerability, but also of human vulnerability and human resilience at the household and community levels.

Both of these aspects – the structural and the environmental – have been captured to greater or lesser degree in various vulnerability indices. The United Nations' Committee on Development Planning Economic Vulnerability Index (EVI) is among the best known and probably has had the greatest consequential impact of the several composite indices that were developed in institutions and by academia in the wake of the 1992 United Nations Conference on Environment and Development.³ Two years later the 1994 Barbados Programme of Action for the Sustainable Development of SIDS specifically called for the continuation of “work on the development of vulnerability indices and other indicators that reflect the status of Small Islands Developing States and (that) integrate ecological fragility and economic vulnerability.”⁴ More recently, and as will be seen in subsequent chapters, a number of indexes have been developed that combine exposure to natural hazards in combination with social factors.⁵

The vulnerability and resilience of Caribbean small states have, thus, been on the global agenda for more than a quarter of a century, with attention focussed on the structural and environmental characteristics that impede Caribbean development. Such characteristics include limited land resources, geographic location in a hurricane belt and earthquake zone, limited scope for economic diversification, very open and highly trade dependent economies, and low lying coastal and inland areas that place a disproportionately large number of people and assets at risk from natural hazards.

Over this period, a body of wide ranging literature has evolved around the concepts of resilience and adaptive capacity. The Intergovernmental Panel on Climate Change (IPCC), for example, has described resilience as the ability of a system and its component parts to anticipate, absorb, accommodate, or recover from the effects of a hazardous event in a timely and efficient manner.⁶ A similar descriptive framework is provided by Smit and Wandel. They observe that:

“(c)onsistent throughout the literature is the notion that the vulnerability of any systemis reflective of the exposure and sensitivity of that system to hazardous conditions and the

ability or capacity or resilience of the system to cope, adapt or recover from the effects of those conditions... Adaptations are manifestations of adaptive capacity, and they represent ways of reducing vulnerability.”⁷

Of particular relevance for the Caribbean is the approach and point made recently by Angeon and Bates in their presentation to the Caribbean Futures Forum in Port of Spain in May 2015.⁸ They express the view that vulnerability and resilience should not be seen in a deterministic way:

“(w)e adopt a nuanced definition of vulnerability and resilience that accepts policy responsiveness for both concepts.... We assume that vulnerability derives also from non-convenient political choices, actions or strategies. In that sense vulnerability should not be conceived merely as a given asset but, as a result of policy, it may be transient. Thus, the conceptual framework we carry out allows for a definition of vulnerability and resilience which admits that both of them are built.”⁹

Whether or not vulnerability can, as a result of policy – i.e. the implementation of adaptive measures demonstrative of resilience – be made entirely “transient” may be debated. The more fundamental point for the purposes of this chapter is directional. As suggested by Smit and Wandel, adaptive measures “represent ways of reducing vulnerability” in any organ or structure that coheres as a system – i.e. state, society as a whole, or in local communities.

The insertion of the **concept of multidimensional progress** into the discourse on Caribbean development **introduces a fundamental new dimension**. Importantly, it is not focussed, as hitherto, on state vulnerability and resilience, but, primarily, on the constraints of state capacity, or the diminution of state attributes and assets. **Rather, this perspective ensures that in examining Caribbean reality account is taken not only of state vulnerability, but also of human vulnerability and human resilience at the household and community levels.** It is important to recognize that while the two – state and human vulnerability and resilience – are related and even interdependent, they are not

one and the same. To conflate them, therefore, may be to risk losing sight of critical regional priorities among the region's pressing and overwhelming needs, with implications for the sustainable progress of Caribbean peoples. Boxes 1.1 and 1.2 elaborate on the concepts of multidimensional poverty and human vulnerability and resilience.

How can we define dimensions to measure achievements that go beyond poverty thresholds? The objective of leaving no one behind implies not only lifting people out of poverty but preventing them from falling back into it. Diagram 1.2 shows functioning vectors that are potentially unlimited for each person and each household and depend on idiosyncratic characteristics linked to the life cycle, cultural identity, interests, and lifestyle preferences. Subsets of these vectors can also encompass unlimited capacities that make achievements possible in each specific context. For example, in order to start a new craft business, someone might need to have the initial skills of creative abilities, educational tools, work experience, access to physical and financial assets, and access to a potential market where they can sell or exchange their products. As the achievements increase, so do the capacities required.

Diagram 1.2 shows three subsets of functionings that might be useful in the definition of public policy in Small Island Developing States and middle income countries. One of these subsets covers multidimensional poverty indicators, already described earlier, while

the other two subsets describe baskets of indicators yet to be estimated: one related to indicators of resilience to vulnerability, also mentioned above, and another to sustainability indicators. Conceptually, these baskets of indicators constitute multidimensional subsets of achievements concerning social, economic and environmental factors, which also correlate with the capacities required to realize these achievements. A basket of indicators of resilience to vulnerability would, for example, consider aspects to reduce the risks related to falling into poverty.

1.2 The Caribbean multidimensional challenges

1.2.1 Rising human vulnerability

Figure 1.1 provides strong evidence that human vulnerability is increasing in the Caribbean. Poverty and unemployment rates, especially among youth, remain high. For all Caribbean countries, combined public social protection and health expenditures (figure 1.2) — which contribute to resilience and adaptive capacity — as a proportion of GDP, lag behind the population weighted average of 13.2 percent for Latin America and the Caribbean as a whole. They also lag, as would be expected, well behind Western Europe's 26.7 percent and, notably, except for Barbados and Trinidad & Tobago, behind

BOX 1.1

Multidimensional poverty

Multidimensional poverty refers to deprivations faced by individuals and households in areas essential to their well-being and to human development. The term and the approach seek to overcome the limitation inherent in making income level the sole determinant of poverty. Multidimensional poverty encompasses, therefore, the multiple deprivations that people may experience in their lives, simultaneously or over the life cycle, such as lack of education, poor health and nutrition, poor housing and sanitation, social exclusion and personal insecurity.

The global Multidimensional Poverty Index, developed by the Oxford Poverty and Human Development Initiative (OPHI), was launched by UNDP in the 2010 Human Development Report. The Index identifies multiple deprivations at the household and individual levels in health, education, and standard of living. Importantly, as well, it measures not only the prevalence of deprivations but their intensity, that is, how many deprivations individuals and households experience at the same time, presenting thereby a more comprehensive picture of people living in poverty.

BOX 1.2

Human vulnerability and resilience

The 2014 Human Development Report was expansive in its discussion of human vulnerability and resilience. It noted that human vulnerability derives essentially from the restriction of choices critical to human development in areas such as health, education, living standards and personal security; thus “people are vulnerable when they lack sufficient core capabilities, since this severely restricts their agency and prevents them from doing things they value or from coping with threats.”¹⁰ In this context, the poor are inherently vulnerable, but those at risk of falling into poverty through, for example, a sudden change in circumstance, are also vulnerable. “Ill-health, job losses, limited access to material resources, economic downturns and unstable climate all add to people’s vulnerability, especially when risk mitigation arrangements are not well-established and social protection measures and health systems are not sufficiently robust and comprehensive.”¹¹ It may be

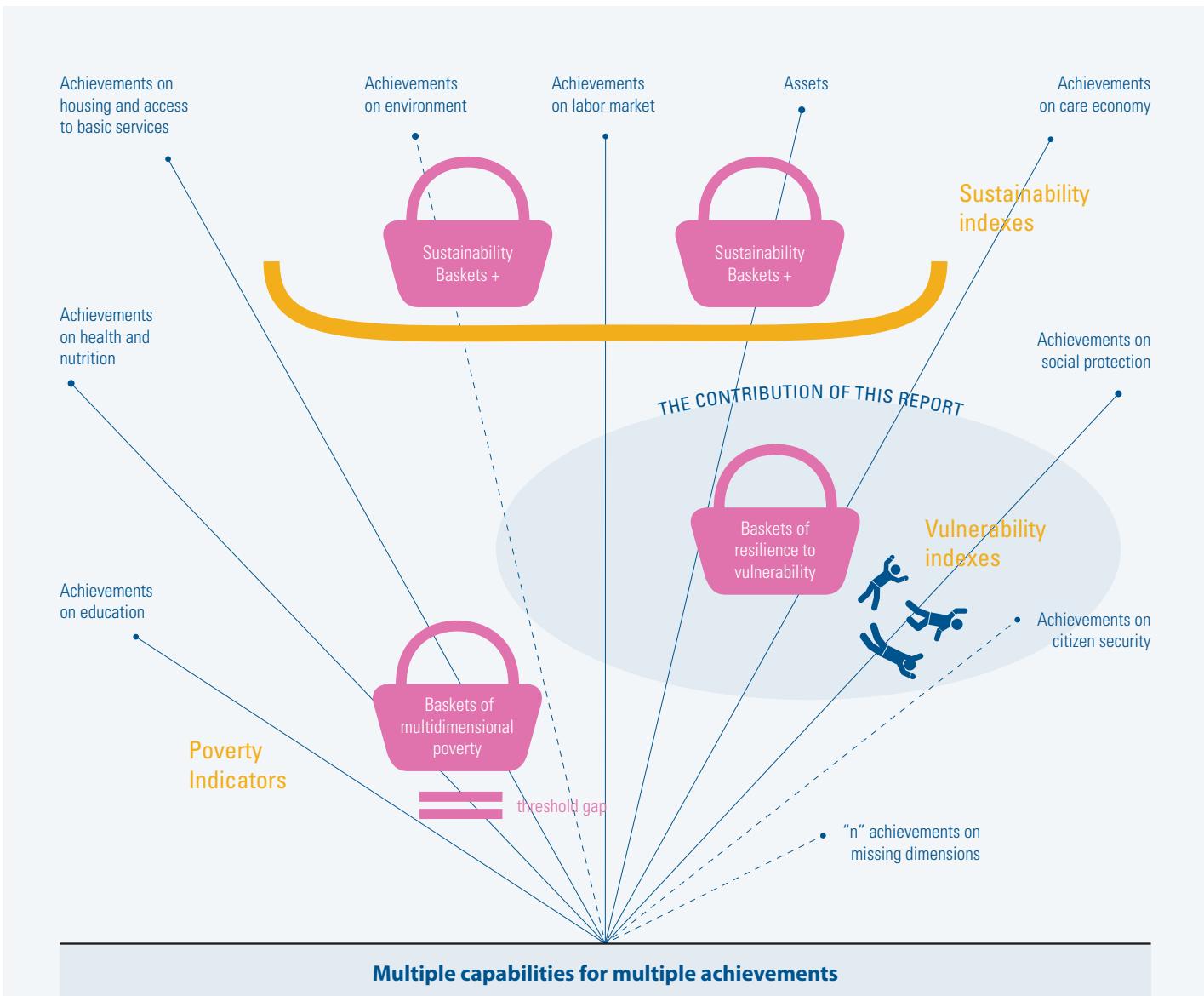
noted that when viewed in the context of a restriction on choice and capabilities, human vulnerability becomes even more far-reaching and encompassing, reflective of a wide range of social, economic and environmental deprivations and threats, including those rooted in factors such as age, gender, ethnicity, social status, and geographic location.

Human resilience lessens vulnerability. Narrowly construed, resilience may be viewed as people’s ability to adjust and to cope with shocks. But a human development perspective entails much more than this. The 2014 HDR emphasises this broader scope, one that encompasses empowerment and human agency. “Human resilience is about removing the barriers that hold people back in their freedom to act. It is also about enabling the disadvantaged and excluded groups to express their concerns, to be heard and to be active agents in shaping their destinies.”¹²

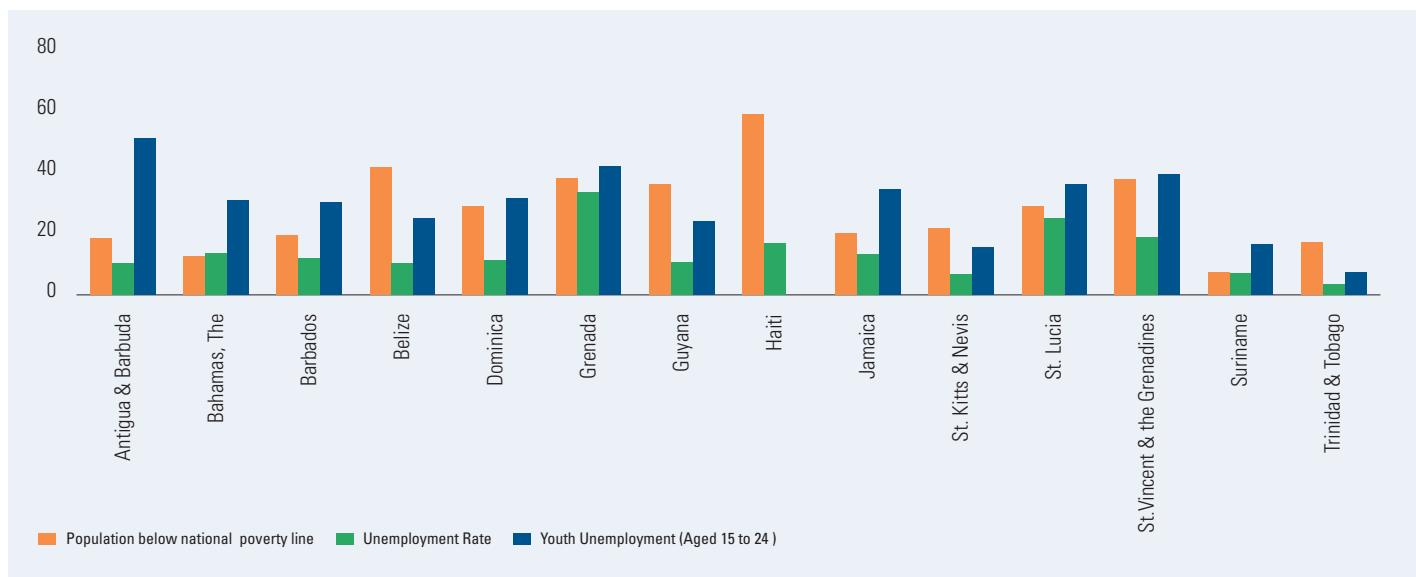
TABLE 1.1

Country	Year and survey ^a	Multidimensional Poverty Index ^b						Population living below poverty line						
		HDRO specifications ^c		2010 specifications		Population in multidimensional poverty ^c		Contribution of deprivation to overall poverty				(%)		
		Index	Head-count	Index	Head-count	Head-count	Intensity of deprivation	Population near multidimensional poverty ^c	Population in severe multidimensional poverty ^c	(%)	(%)	National poverty line	PPP \$1.25 a day	
	2005-2014	Value	(%)	Value	(%)	(thousands)	(%)	(%)	(%)	Education	Health	Living standards	2004-2014 ^e	2002-2012 ^e
Barbados	2012 M	0.004 ^h	1.2 ^h	0.003 ^h	0.9 ^h	3 ^h	33.7 ^h	0.3 ^h	0.0 ^h	1.5 ^h	95.9 ^h	2.6 ^h	..	..
Belize	2011 M	0.030	7.4	0.018	4.6	23	41.2	6.4	1.5	36.2	34.8	29.0	..	..
Guyana	2009 D	0.031	7.8	0.030	7.7	61	40.0	18.8	1.2	16.8	51.2	32.0	..	..
Haiti	2012 D	0.242	50.2	0.248	49.4	5,104	48.1	22.2	20.1	24.8	23.4	51.8	58.5	..
Jamaica	2010 N	0.014 ^{h,i}	3.7 ^{h,i}	0.008 ^{h,i}	2.0 ^{h,i}	102 ^{h,i}	38.8 ^{h,i}	9.1 ^{h,i}	0.5 ^{h,i}	7.7 ^{h,i}	59.3 ^{h,i}	33.0 ^{h,i}	19.9	0.2
Suriname	2010 M	0.033 ^h	7.6 ^h	0.024 ^h	5.9 ^h	40 ^h	43.1 ^h	4.7 ^h	2.0 ^h	31.0 ^h	37.2 ^h	31.8 ^h	..	..
Trinidad & Tobago	2006 M	0.007 ^f	1.7 ^f	0.020 ^f	5.6 ^f	23 ^f	38.0 ^f	0.5 ^f	0.2 ^f	2.2 ^f	86.1 ^f	11.7 ^f	..	..

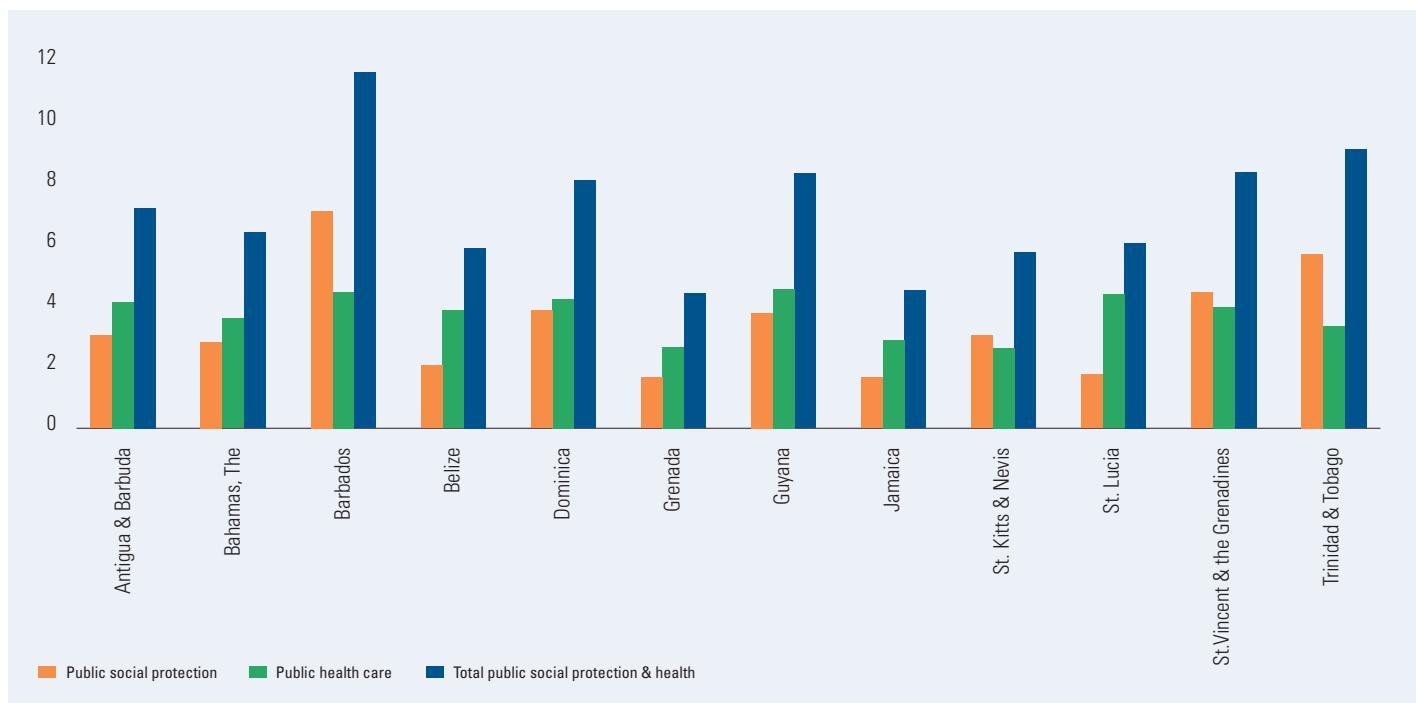
Source: CARICOM Regional Statistical Database; 2015 Economic Review and 2016 Forecast, Caribbean Development Bank; and World Databank <http://data.worldbank.org>.

DIAGRAM 1.2**Multidimensional progress: poverty, vulnerability and sustainability indicators**

Source: Prepared by the authors.

FIGURE 1.1**Unemployment is more severe among youth, with the exception of Belize, Guyana and St. Kitts & Nevis**

Source: CARICOM Regional Statistical Database; 2015 Economic Review and 2016 Forecast, Caribbean Development Bank; and World Databank <http://data.worldbank.org>¹³

FIGURE 1.2**Public health care and social protection expenditure in the Caribbean (%GDP)**

Source: World Social Protection Report 2014/15, ILO.

Note: 2010 data for: Barbados, Dominica, Grenada, Guyana, St. Kitts & Nevis, St. Lucia, St. Vincent & Grenadines and Trinidad & Tobago. 2011 data for: Antigua & Barbuda, The Bahamas, Belize and Jamaica.

the world-wide average of 8.6 percent (2010–2011).¹⁴ In regard to public social protection expenditure as a percentage of GDP, data for 2010 show that the strongest regional performers are Brazil (15.5 percent); Cuba (13.10 percent); Uruguay (13.05 percent); Argentina (12.79 percent); and Costa Rica (8.88 percent). At the other end of the spectrum are Honduras (0.94 percent); Haiti (1.06 percent); Jamaica (1.61 percent based on 2011 data); Grenada (1.64 percent); and St. Lucia (1.72 percent); and St. Lucia (1.72 percent). Significantly, all other CARICOM members, with the exception of Barbados (7.07 percent) and Trinidad and Tobago (5.64 percent), expend less than five percent of GDP on social protection.¹⁵

At the core of the multidimensional perspective on progress is the recognition that economic growth and income accretion are insufficient for lifting and keeping people out of poverty. As a consequence, measures to target and address key sources of vulnerability and deprivation and to strengthen adaptive capabilities, as in the areas of education, health, training, employment opportunities, and social protection, are of critical importance. In this regard, the Caribbean

faces a distinct challenge among developing countries since poverty as traditionally measured, and growing multidimensional poverty, which takes account of the near-poor and vulnerable, exist alongside persistent low growth, and the incipient erosion of the human development gains that have been long regarded as the region's strong suit relative to other developing countries. Figure 1.3 highlights the Caribbean's low growth in recent decades, as well as the volatility of that growth. Available data show that real GDP growth for the region averaged 2.04 percent between 1971 and 2013, as compared to 3.57 percent for Least Developed Countries (LDCs) and 8.22 percent for East Asian developing countries.¹⁶

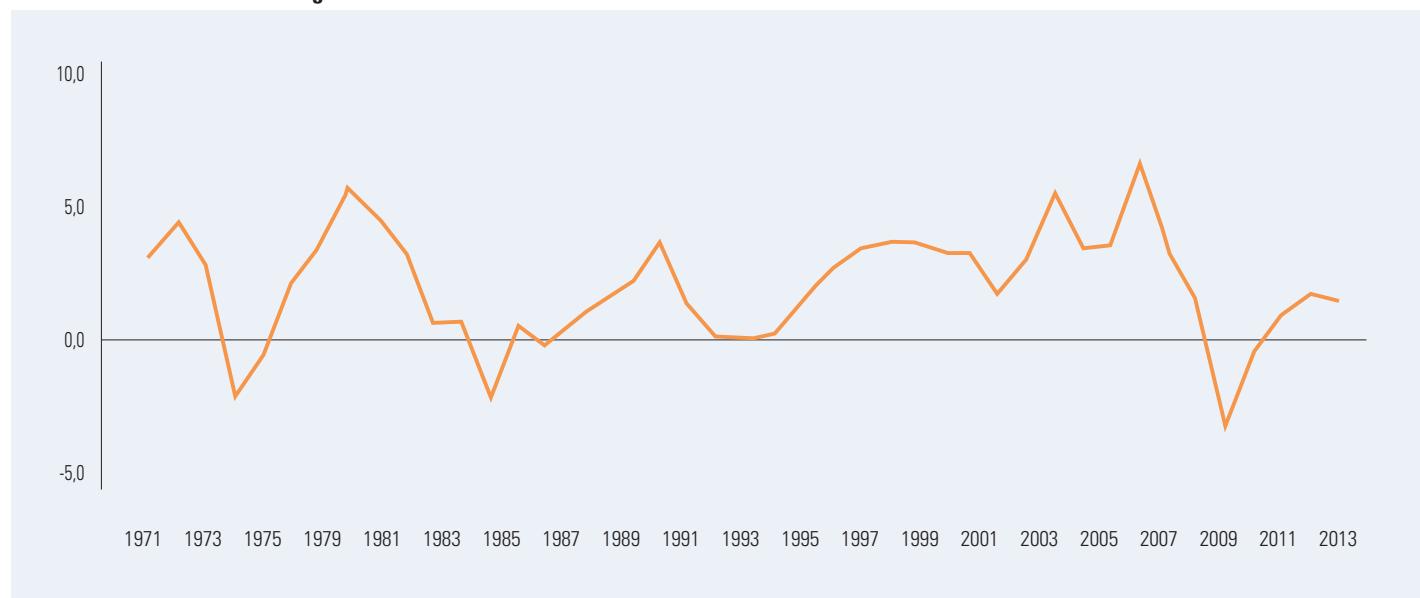
Policies insufficiently oriented towards protecting and consolidating human development gains – even during the period that was, in large measure, coterminous with the pursuit of the MDGs by the global community – have begun to erode the region's human development gains and its relative standing in this important area. Figure 1.4 indicates this retrogression over the past decade or more – retrogression that the region must act decisively to halt and reverse.

At the core of the multidimensional perspective on progress is the recognition that economic growth and income accretion are insufficient for lifting and keeping people out of poverty.

Policies insufficiently oriented towards protecting and consolidating human development gains – even during the period that was, in large measure, coterminous with the pursuit of the MDGs by the global community – have begun to erode the region's human development gains and its relative standing in this important area.

FIGURE 1.3

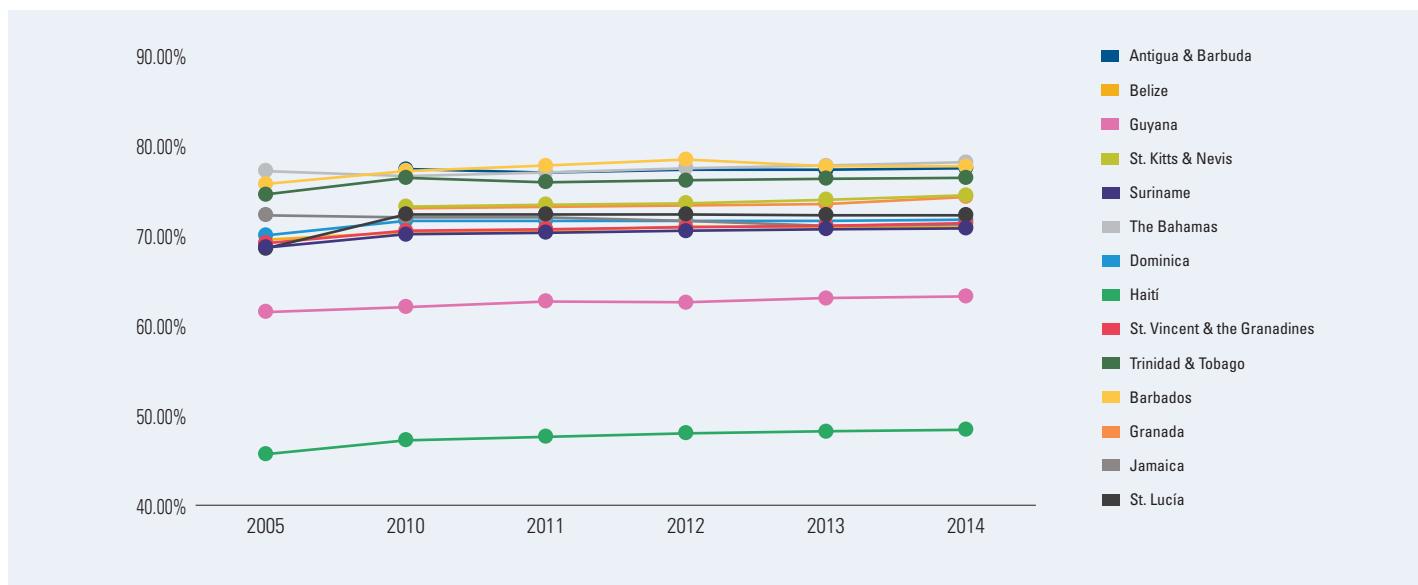
Caribbean GDP - Secular low growth



Source: UNCTAD.

FIGURE 1.4

Caribbean HDI Rank and Performance



Source: Prepared by the authors based on UNDP Human Development Report 2015.

Challenges have emerged at several levels. The persistent threat posed by natural hazards, and the environmental fragility, which is a feature of small islands and low-lying coastal states, exacerbate human vulnerability in the Caribbean. The poor and near poor are affected severely and disproportionately. Their vulnerability is increased and adaptive potential undermined by the inability of low growth states and resource-constrained governments to respond effectively to needs, even in the presence of political will, given fiscal and resource constraints. Simultaneously, environmental vulnerability is expressed through the degradation of ecosystems that underpin economic development and local livelihoods which also lead to diminished resilience, i.e. the capacity to resist and recover from natural shocks. As will be seen in chapter 4, the ecological footprint of Caribbean countries shows a substantive deficit in comparison with their internal biocapacity.¹⁷

In this context, the private sector in the region has been slow to innovate and to adapt to meet changing production, trade and consumption trends in the global economy and to move towards practices that are environmentally sustainable. Furthermore,

a significant proportion of individuals and households, on the whole, lack the resources, the skills, and other empowering capabilities necessary for actualization of their roles as social and economic actors.

It is evident that the multidimensional challenges that exist at various levels – the state, the private sector, the citizen – can only be responded to effectively in like terms, that is, with a multidimensional response. Such a response must be alert to priorities and to the complex web of inter-linkages and interconnections – economic growth, social inclusion, environmental protection – that must be taken into account in furthering Caribbean transformation.

1.2.2. Priorities: a focus on multidimensional vulnerabilities

Against this background, what should the nature of Caribbean priorities be? A key priority should be to ensure that the region and its people are able to continue to broaden and deepen the advances that have been made in their human and social development through the consolidation and strengthening

of the initial progress that had been made in the post-colonial years. This entails, first and foremost, strengthening and enhancing the gains made in health, education, and gender equality, the continuing reduction of poverty and inequality, the deepening of social inclusion and substantially improving on the limited provision of social protection. This also requires a focus on the most vulnerable in the Caribbean such as women, children in exploitative labour, youth, indigenous peoples, people with disabilities and the elderly. This Report argues that a multidimensional approach is critical to addressing multiple, covariate vulnerabilities especially for youth and women.

But this will only be possible – and sustainable – if there are accompanying initiatives to address the main structural problems that contribute to the Caribbean’s lagging economic growth, and which impede the emergence of competitive economies capable of providing, especially, decent jobs for the region’s youth and women. Two critical variables in this regard are (a) the burden of debt which, even in the presence of political will to do so, currently undermines the capacity of Caribbean states to respond to social and human development needs, and (b) the cost of energy, which constrains the productive capacity of the private sector and the wider economy, and pushes segments of the regional population below minimal living standards. It is critically important that Caribbean priorities respond to the need to promote and preserve the region’s biodiversity and to protect the ecosystems that are vital to Caribbean livelihood and to a healthy and habitable environment.

These are important foundational elements of the envisaged transition to sustainable and ‘smart’ development for a region which has been struggling both to consolidate and maintain its early gains in human development and to find its competitive legs in the modern global economy.

In light of the priorities earlier cited it can be argued that, for the Caribbean region, the essential foundation and framework for the transition to sustainable development may be found in the goals and targets adopted by the United Nations Summit for the Adoption of

the Post-2015 Development Agenda at the 70th session of the General Assembly in New York on September 25-27, 2015.

The SDGs and their targets are universal. Adapted and prioritized, as necessary, to meet regional and national circumstances, they can contribute substantially and simultaneously to multidimensional progress and to the reduction of multidimensional poverty. The latter now highlights the threat faced by more than 200 million across the Latin American and Caribbean region,¹⁸ and is a growing concern in the Caribbean. From this perspective, the wide-ranging SDGs provide a vital vehicle for the building of resilience and adaptive capabilities at various levels in the Caribbean – state, private sector, and communities – with the potential for moving the region and its people to a safer place, if not beyond vulnerability.

For the Caribbean region, the essential foundation and framework for the transition to sustainable development may be found in the goals and targets adopted by the United Nations Summit for the Adoption of the Post-2015 Development Agenda at the 70th session of the General Assembly in New York on September 25-27, 2015.

1.3 The Caribbean and the SDGs

The United Nations Secretary General has described the MDGs as galvanizing the most successful anti-poverty movement in history with the potential to reshape decision-making in developed and developing countries alike.¹⁹ In the Caribbean region, Mendoza and Stuart found, mid-term, “significant progress” towards the MDGs in a number of areas such as primary education, child survival, maternal health, combatting HIV and AIDS, and designating marine and terrestrial protected areas while also drawing attention to the dearth of timely and relevant data to track progress within and across countries.²⁰ With the approach of 2015 — the target date for the realization of most MDGs — it was evident that the region lagged behind several other regions in regard to certain goals and targets: most conspicuously, Goal 5 – Improving Maternal Health, and Goal 3 – Promoting Gender Equality and Empowering Women.²¹ This is confirmed in the Economic Commission for Latin America and the Caribbean’s (ECLAC) region-wide assessment of progress in meeting the MDGs and their related targets.²² Further, given the region’s classification as middle income by multilateral institutions and development partners, it is not entirely surprising that the MDGs

Global in scope and ambition, the SDGs must now: (i) be tailored and prioritized to address region specific issues, (ii) serve a catalytic role in stimulating resource flows to and within the region, and (iii) be a multidimensional, medium-term anchoring development framework for the region as a whole.

failed to garner the attention of the Caribbean's public and policy-makers, as they had in many other regions of the world, particularly in regions such as Sub-Saharan Africa and South Asia.

It is now recognized that in absolute terms the largest number of the world's poor are to be found in populous middle income states. However, in the case of small states in the Caribbean, middle income status has contributed to obscuring the fact that a **high proportion** of the region's population live below nationally-defined poverty levels – approximately a fifth to more than a third in 12 of 14 countries in the region. And, given high levels of unemployment, especially of youth, combined with low levels of social protection, the vulnerable population in the Caribbean includes and exceeds the already high number living below formal national poverty lines.²³

The region's development paradigm for the 21st century must respond to these issues. The multidimensional and holistic scope of the SDGs is, in this context, particularly important for the region. The present situation calls for measures that can, through their synergies and interconnectedness, reduce human vulnerability and proneness to multidimensional poverty, halt and reverse the erosion of human development gains, promote growth in competitiveness and output, and address environmental degradation.

Agenda 2030 and the 17 goals and 169 targets that comprise the SDGs, seen through the lens of multidimensional progress, are of considerable relevance to the Caribbean region. Global in scope and ambition, the SDGs must now: (i) be tailored and prioritized to address region specific issues, (ii) serve a catalytic role in stimulating resource flows to and within the region, and (iii) be a multidimensional, medium-term anchoring development framework for the region as a whole.

To ensure that this role and the desired results are achieved, the gap between policies pursued and outcomes achieved in the region must be eliminated. This is an even more consequential deficit than that historically associated with the region's current and fiscal accounts. The implementation of the SDGs can contribute to the reduction or elimination of the gap between measures taken and outcomes achieved. This is

ensured by greater reliance on evidence-based policy making; on transparency of results; and the development of and adherence to accountability frameworks.

1.4 The SDGs: From global to local

In adopting the 2030 Agenda for Sustainable Development, the United Nations Summit declared the 17 goals and 169 targets to be “integrated and indivisible” balancing the three dimensions of sustainable development: the economic, social and environmental.²⁴ United Nations Secretary General Ban Ki Moon echoed this theme in his opening remarks to the Summit for the Adoption of the Post-2015 Development Agenda when he described the new Agenda as a “universal, integrated and transformative vision for a better world.” The deliberately broad scope of the SDGs which, unlike the MDGs, seeks to address concerns faced by developed and developing countries alike, and, substantively, across all three sustainable development pillars, poses an implementation challenge for all, but perhaps most so for small developing countries with human, institutional and financial resource constraints. The tension between the broad scope and integrated nature of the goals and the need to prioritize their implementation is real and unavoidable. While no goal can be forgotten, it seems evident that some goals, in the context of specific national or regional circumstances, will, unavoidably, be left behind in some measure. That is to say, from the point of view of prioritization, sequencing, and/or pace of implementation.

In this regard, Heads of Government of the Caribbean Community indicated their priority concerns when they met at Dickenson Bay, Antigua and Barbuda, in July 2014. According to Caribbean Heads who, it might also be noted, envisioned a “single, comprehensive and integrated agenda that is responsive to the diverse development realities with which individual countries and regions are confronted” – climate change, energy security, water security, sustainable agriculture, food security and nutrition,

employment, economic growth and diversification, debt sustainability, health (addressing both communicable and non-communicable diseases), gender equality and the empowerment of women, challenges facing youth and children, crime and security, and governance – “should be featured in the development agenda in order to address critical challenges that constrain the development prospects and performance of CARICOM member states.”²⁵ All the issues in this expansive agenda from Caribbean Heads have been, in fact, addressed in the wide-ranging 2030 Agenda for Sustainable Development. It may be argued, however, that three areas, identified by the Heads – debt sustainability, crime and security, and governance²⁶ – were not addressed as extensively and substantively as may have been warranted.

Significantly, also, in their 2014 Declaration, pertaining to what was at the time the emerging Agenda for Sustainable Development, Caribbean leaders emphasized the importance of “definitive arrangements, including effective partnerships ...to provide adequate financial and other resources to assist developing countries to implement the post-2015 development agenda.” The issues of capacity and resources for implementation were clearly uppermost in the minds of Caribbean leaders in their discussion of the 2030 Agenda for Sustainable Development at Dickenson Bay.

Estimates of resource needs for implementing the SDGs, while varying widely, have been uniformly large. In its 2014 *World Investment Report*, UNCTAD estimated a financing requirement of US\$3.3 to US\$4.5 trillion a year in developing countries, with an estimated annual funding gap of US\$2.5 trillion.²⁷ The Intergovernmental Committee of Experts on Sustainable Development Financing (ICESDF), while observing that estimates were imprecise and varied widely, noted that estimates of annual investment requirements in infrastructure – water, agriculture, telecoms, power, transport, buildings, industrial and forestry sectors – amount to between US\$5 trillion to US\$7 trillion globally.²⁸

Notably, the Sustainable Development Solutions Network²⁹ has undertaken what

it describes as the first comprehensive needs assessment for the SDGs, while emphasizing its “preliminary and incomplete nature.” The study concluded that low and lower middle income countries may need to increase both public and private expenditure by around US\$1.4 trillion per year (US\$343 – US\$360 billion for LICs and US\$900 – US\$944 billion for LMICs) in order to attain the SDGs. But almost half – on average 39-45 percent – of this incremental financing for the SDGs in low income and lower middle income countries, according to the SDSN study, might be financed through **private** sources, in particular expenditures for the provision of access to modern energy, and telecommunications and transport infrastructure. The study bases its illustrative assessment of **public** financing needs and potential resource availability on current data, and on projections and estimates related to several variables, including levels of domestic revenue mobilization, share of government expenditure devoted to SDGs, and average economic growth rates through 2030. On this basis, the study projects that low income countries should face a public financing gap of US\$152-US\$163 billion per year, on average, from 2015 to 2030, while lower middle income countries, over the full period, would be able to self-finance their incremental SDG public investment/expenditure from increased domestic revenue raised, with US\$380-US\$415 billion to spare each year.

The central and key conclusions of the SDSN’s preliminary analysis are that the financing needs of the SDGs are **manageable**. This is based on: i) the extent of global savings and the fit of certain areas to private financing; ii) the potential for the mobilization of domestic revenue to meet incremental public financing requirements; and iii) the scope for utilizing concessional finance, such as ODA, to meet public financing shortfalls. The latter would need to rise significantly but with the capability of meeting public financing needs for the SDGs **without exceeding the existing commitment of 0.7 percent of GNI**.³⁰

These findings – though preliminary in nature – would seem to underscore the dominant concern facing the region in regard to the 2030 Agenda for Sustainable Development. As the

The issues of capacity and resources for implementation were clearly uppermost in the minds of Caribbean leaders in their discussion of the 2030 Agenda for Sustainable Development at Dickenson Bay.

The current model of economic growth which in many regions of the world — including Latin America and the Caribbean — is based mostly on the extraction of natural resources leads to pressure on the environment and the degradation of natural resources.

SDSN study concludes from its preliminary financing analysis: “Achieving the SDGs (in low-income countries) will require not only significant increases in domestic resource mobilization and private investments, but also expanded international concessional and non-concessional public finance. The situation is different in lower-middle income countries that – as a group and averaged over the entire period – will likely be able to self-finance the vast majority of SDG investments through private and domestic public resources.”³¹ Significantly, only two CARICOM members, Haiti and Guyana, are even covered by this analysis. The former a low income country and the latter classified as lower middle income.³² All other CARICOM members are classified as upper middle income or high income countries.

The SDSN study, while not contending that these latter countries should not receive international transfers which, it observes, have been helpful in the past in addressing complex challenges, emphasizes that its preliminary analysis “suggests that upper-middle income and high-income countries should be macro-economically able to self-finance the needed investments if sound policies are put in place.”³³ Thus, it can be inferred that almost all Caribbean countries, classified as middle and high income countries, would be expected to meet the substantial incremental financing requirements of the SDGs through their mobilization of private financing and public domestic revenues. This expectation – and Caribbean Member States would hope it is not widespread – belies the region’s burden of debt, faltering human development gains, and persistent low growth.

Importantly, this underscores the imperative to undertake regional and national needs assessments that include identifying the financing and other resource requirements related to the SDGs, as also the regional and national institutional mechanisms that are required for their expeditious and efficient implementation. It also points, especially in the absence of the “definitive arrangements” for financing and/or partnerships which were referred to by Caribbean leaders at their 2014 meeting, to the importance of undertaking the implementation of the goals and targets with an ambitious but

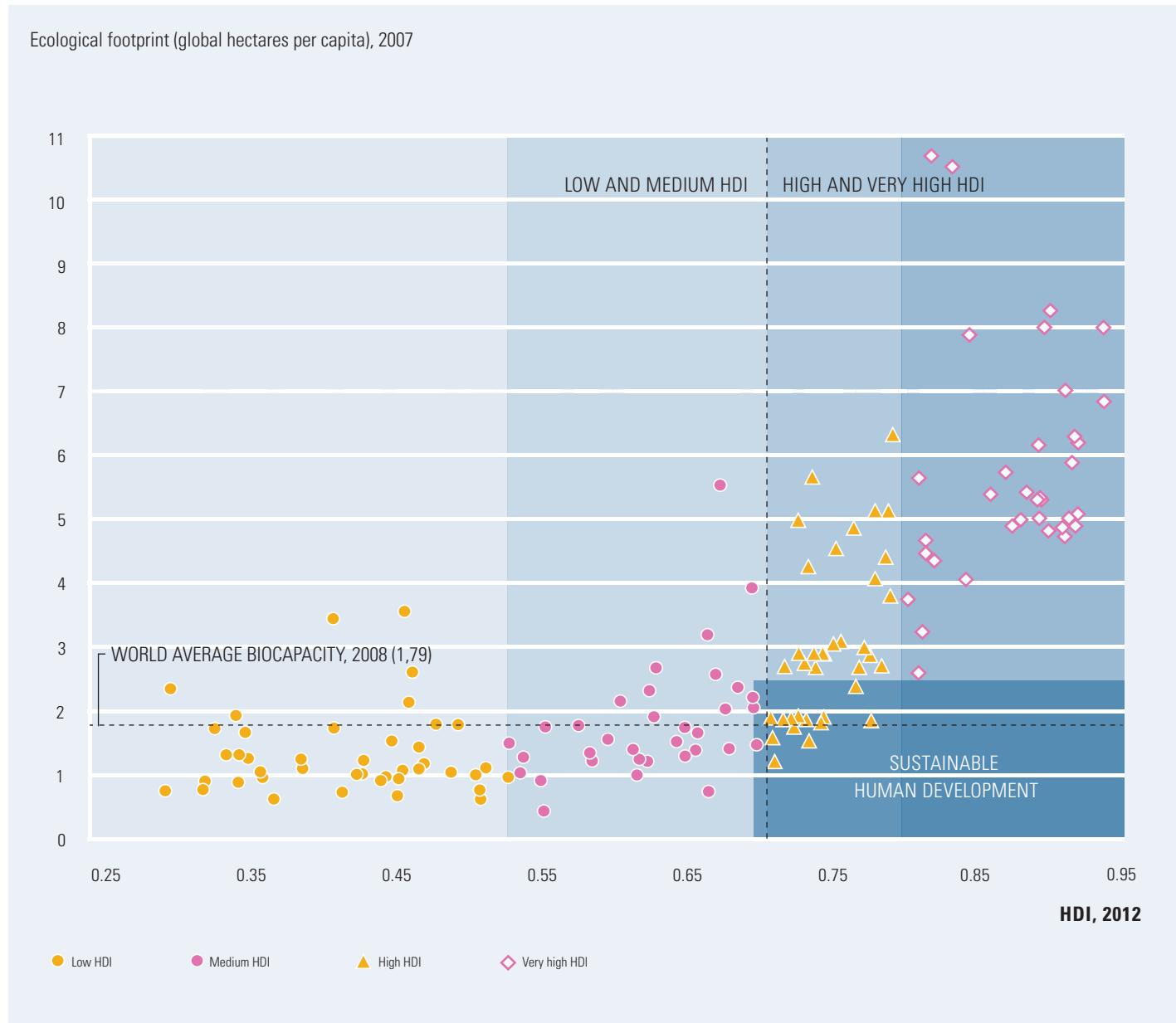
realistic sense of what can be achieved in the region within public resource constraints and within attainable levels of private financing. This should entail focusing, at the outset, on those measures and activities which, from the perspective of the region, are likely to prove most catalytic and transformative in terms of the 2030 Agenda for Sustainable Development Goals.

In this regard, we consider that an essential yardstick to be applied is that of the contribution to multidimensional progress and to the reduction of human vulnerability in the Caribbean region.

1.5 Multidimensional focus of the 2030 Agenda for Sustainable Development

The multidimensional approach set out in this Report is inspired by the 2030 Agenda for Sustainable Development which proposes holistic and universal goals that respond to the legacy of Rio+20 — the United Nations Conference on Sustainable Development — and expresses the links between economic,³⁴ social and environmental dimensions. The implementation of this agenda will require additional coordinating activities and synergies among the global, regional and national levels. Multidimensional progress recognizes the existence of a fragile relationship between human development and environmental protection (see figure 1.3). The current model of economic growth which in many regions of the world — including Latin America and the Caribbean — is based mostly on the extraction of natural resources leads to pressure on the environment and the degradation of natural resources. In turn, this environmental degradation has irreparable economic and social repercussions, particularly for people who are in a situation of income poverty, given that almost 70 percent of those living on less than US\$1.25 per day in the world depend on natural resources for their livelihood (UNDP and UNEP, 2015).

Figure 1.5 shows the relationship between human development and the ecological footprint, indicating a negative correlation: the higher the HDI, the greater the ecologic impact. This is mainly related to the economic

FIGURE 1.5**The relationship between human development and the environmental footprint: the missing link**

Source: UNDP (2013, p. 35, figure 1.7).

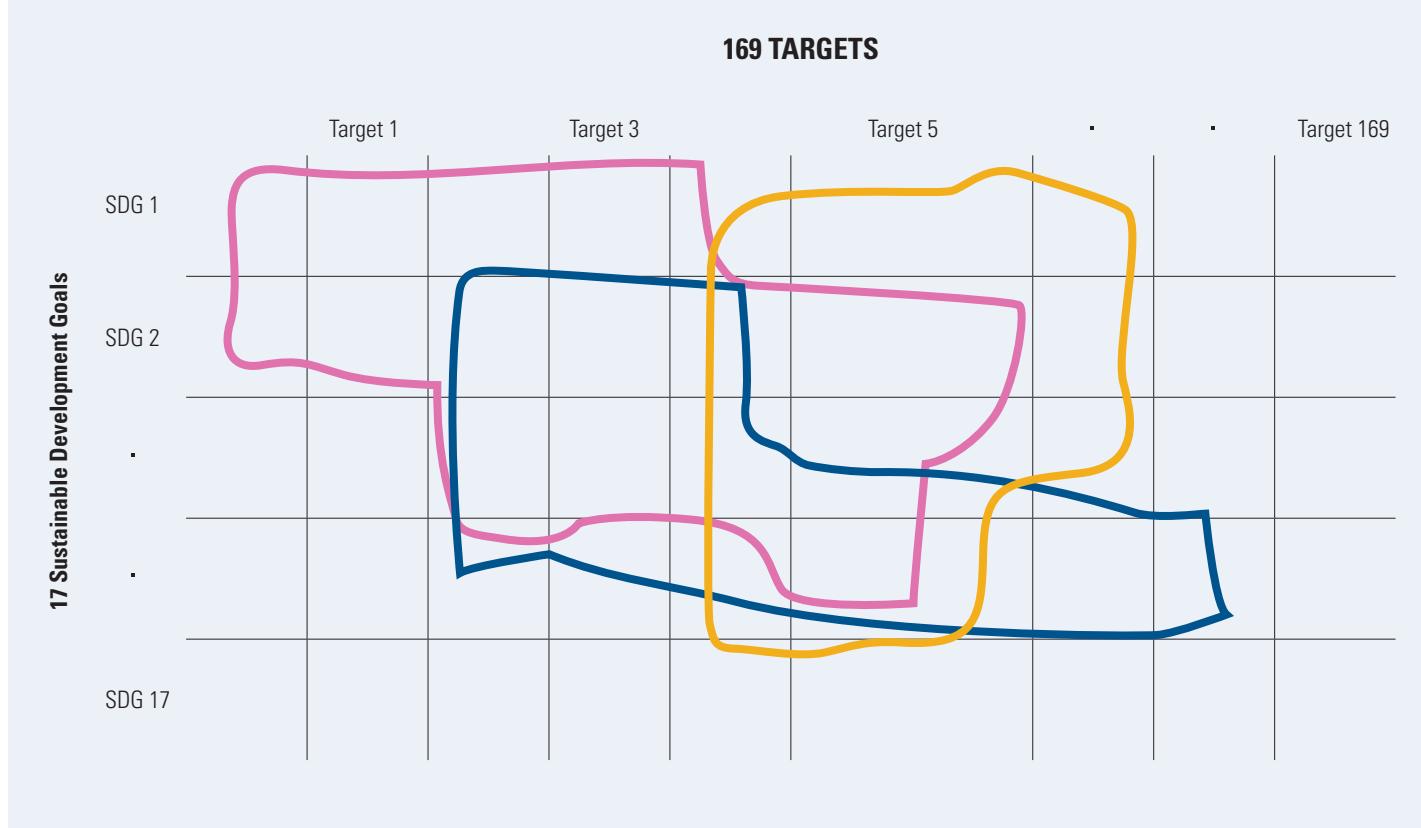
dimension of the HDI, which relates to countries' levels of GDP. The figure, thus, represents the "missing link" in sustainable development, which is the challenge of de-coupling economic growth from environmental impact. This challenge remains unsolved in Latin America and the Caribbean. Thus, in line with the specific characteristics of each country, efforts targeted at implementing the 2030 Agenda must focus

directly on this challenge: the achievement of sustainable human development and the acceleration and intensification of the structural transformations currently under way. This Report sets out a series of strategies to advance the implementation of the Agenda based on the combination of data and methodologies, with a view to defining goals that are consistent with the strategic objectives of the range of

DIAGRAM 1.3

In this Report, the achievement of the objectives and targets contained in the 2030 Agenda for Sustainable Development is considered from a multidimensional perspective

Grouping of the targets contained in the SDGs based on the strategic objectives of each country in Latin America and the Caribbean



Source: Prepared by the authors.

governments in the region. It is hoped that this contribution will prove useful to those making decisions on public policy at the various levels of governments, as well as to those involved in economic, social and environmental sectors.

The holistic nature of the SDG agenda requires an integrating approach capable of moving beyond narrow bureaucratic mandates, to encourage coordination and efforts to achieve strategic goals specific to each country.

The process of grouping SDG targets into clusters is not random. It begins with the identification of a strategic objective established by government policy, such as the eradication of all forms of poverty and inequality, building resilience to natural disasters and climate change or the promotion of citizen security and social cohesion. This starting point can be pinpointed

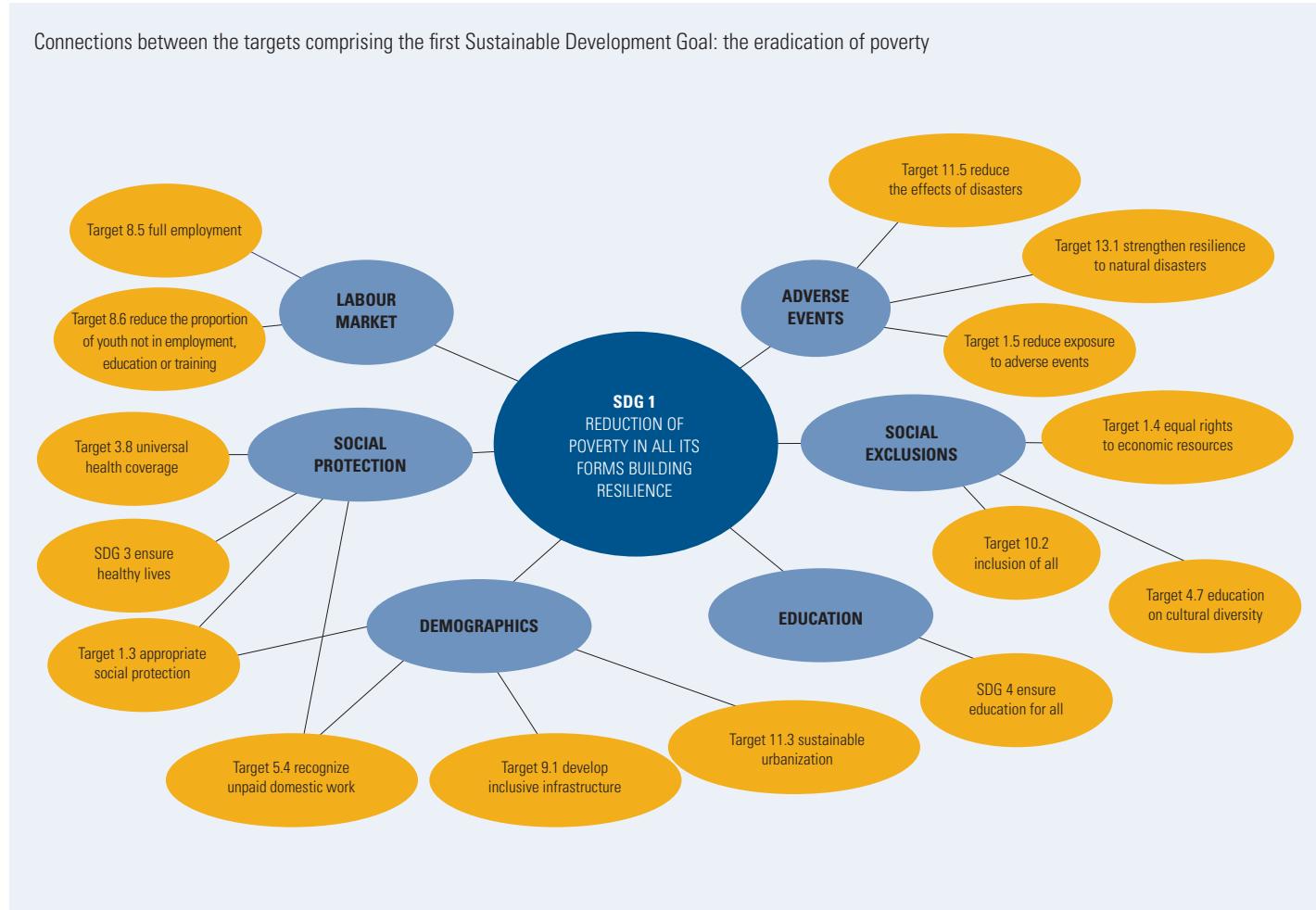
on the matrix of 169 targets and 17 goals described in Diagram 1.3.

When grouping the targets into clusters, two problems arise. The first is the temptation to cherry pick goals based on narrow bureaucratic mandates. Rather than choosing two or three SDGs, it is more effective to link various targets corresponding to many SDGs with a single political strategic objective so as ‘to leave no one behind’, and to include targets that address actions linked to education, health, the fight against poverty and various other dimensions. The second temptation is to fragment the 2030 Agenda, gap-by-gap and sector-by-sector. In this case, identifying a critical mass of interventions has a greater impact than promoting dozens of actions with a low level of funding, high territorial dispersion and high bureaucratic

DIAGRAM 1.4

The achievement of the goals and their targets requires interventions based on an integrated focus that enables the connections and synergies between these targets to be identified, in line with the specific priorities of each country

Connections between the targets comprising the first Sustainable Development Goal: the eradication of poverty



Source: Prepared by the authors based on the correlation of indicators carried out according to data taken from household surveys.

Note: The grouping of the Sustainable Development Goals (SDGs) is not restricted to the connections discussed here.

segmentation. If policymakers can focus their attention on strategic and structural matters, there will be a better chance of achieving sustained impacts.

For example, an approach focusing on the eradication of poverty should use data on income poverty and multidimensional poverty, as well as long-term trends illustrating a structural situation characterized by the presence of hard exclusions. In order to make progress on poverty eradication, 20 to 30 targets are linked to employment, social protection, gender equality, the prevention of natural disasters, climate change, and access to assets that can strengthen people's capacity to weather a crisis.

Understanding how targets are interconnected helps guide policymakers to identify the specific challenges that require political actions to achieve the desired results. This approach also makes it possible to monitor those targets that contribute to the achievement of the specific agenda in each country. Ultimately, it enables areas to be identified where there are structural problems that need to be addressed through democratic dialogue, the creation of a consensus, the strengthening of institutions, and so on.

The definition of clusters of targets will provide a starting point for the inter-sectoral and inter-territorial coordination of policies.

Exercises to accelerate achievements by eliminating obstacles to specific targets can be used to expand the impact of a group of targets. The definition of clusters of targets will also clarify the action of sectoral ministries, subnational government levels and specialized agencies providing real political support. Political dialogue, coordination and the exchange of information will be essential throughout this process. Only a holistic, intersectoral agenda makes it possible to address the interconnections behind a critical mass of policy interventions.

1.6 The remainder of the Report

Chapter 2 of the Report offers an in-depth assessment of the **state of human vulnerabilities among some key vulnerable groups** that require urgent public policy attention. The chapter also highlights the **most important trends in social and economic advancement** and the challenges yet to be addressed with some proposals on a life cycle approach to addressing **human vulnerabilities and building human resilience**. This analysis paves the way for an overview, in chapter 3, of the **region's score-card on key multidimensional progress indicators in the areas of poverty, education,**

health and labour market. The chapter reviews the situation of poverty, including the **issue of economic vulnerability and the factors that affect individuals and households moving in and out of poverty based on the case of Jamaica.** It also discusses the link between addressing the constraints faced by the region in preventing a further slide in social sector performance linked mainly to the sluggish economic performance of the region for over a decade. Subsequently, in chapter 4 attention will be turned to the **need for even more attention to the issue of inclusive and sustainable economic growth.** An account is taken of the main growth sectors and enablers in the region, the importance of inclusive economic growth for multidimensional progress and the need for a fundamentally new approach to Caribbean economic growth focused on human progress.

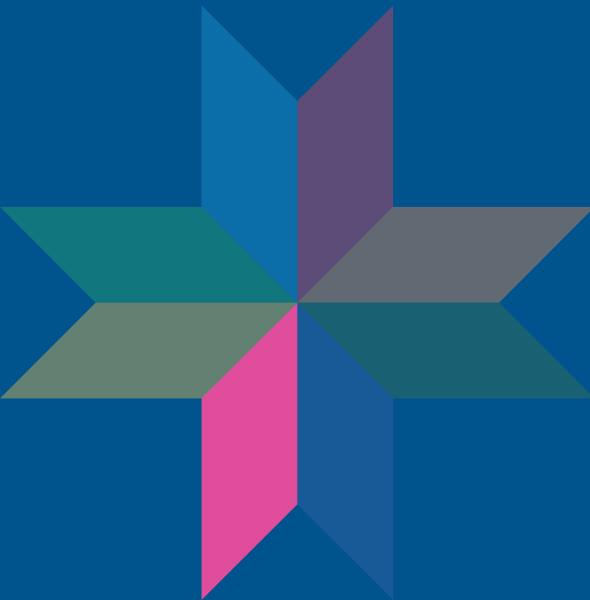
The last chapter of the Report considers a **policy agenda for addressing both inclusive growth and human development agenda** with a focus on the **most vulnerable**. This section shares lessons learned on the application of intersectoral policies and describes a set of potential strategies to achieve the SDGs based on the analysis of national indicators and the specific concerns of public policy.

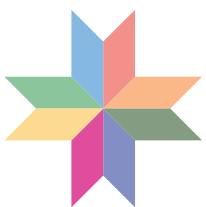


Human vulnerability in the Caribbean: who are the most vulnerable and why?

"Vulnerability as an individual citizen comes down to your external forces...even if you do have the internal talent, ambition, drive and will, external forces try to fight you down...unless you leave the country."

Female, Santa Rosa
Woman, focus group in Santa Rosa, Trinidad and Tobago





Human vulnerability in the Caribbean: who are the most vulnerable and why?

Vulnerability at the regional or country level interacts with vulnerability at the levels of the household and the individual, mutually reinforcing and leading to greater levels of overall vulnerability for both the individual and the region or country.

Introduction

Vulnerability is defined as the limited capacity of communities, households or individuals to protect themselves against covariate risks, exogenous shocks or contingencies threatening their living standards (Barrientos, 2004, v). Vulnerability at the regional or country level interacts with vulnerability at the levels of the household and the individual, mutually reinforcing and leading to greater levels of overall vulnerability for both the individual and the region or country.

This chapter addresses the main challenges, obstacles and setbacks faced by some critical vulnerable groups in the Caribbean and the policies, programmes and initiatives pursued by both governments and civil society to reduce vulnerability, promote inclusion and build resilience. The chapter analyzes the outcomes for key vulnerable groups: women, the youth, indigenous peoples and Maroons, the elderly, children in exploitative labour conditions and street children, and people with disabilities. For each of these groups a number of actions are taken: (i) available data are provided and analyzed to quantify the size of the group and discuss the main challenges and vulnerability dimensions – the ways in which vulnerability is experienced; (ii) risk factors that lead to vulnerability are identified and discussed; and (iii) policies, programmes and, possibly, institutional arrangements that are in place to attend each group are addressed.

2.1 What types of vulnerabilities?

The Caribbean is characterized as a vulnerable region. It is exposed to natural hazards, such as hurricanes, earthquakes and volcanic activity, as well as climate change effects on coastal communities, fisheries, fresh water and marine life,

generating loss in human lives and livelihood sources, as well as in infrastructure, productivity and economic output in key sectors such as tourism and agriculture. The Caribbean is also very vulnerable to external economic shocks because of the small size of its domestic markets, high dependency on both imports of food and industrial inputs and export concentration, and reduced fiscal space due to high sovereign debt (UNDP, 2016, Bourne, 2015). Vulnerability indexes have been elaborated, combining exposure to both natural hazards and external economic shocks. Table 2.1 presents vulnerability indexes at the country level. Antigua and Barbuda, The Bahamas, Saint Lucia and Suriname show the highest vulnerability depending on the index.

As was pointed out in chapter 1, there is a need to include the human development dimensions of vulnerability in order to get a complete understanding of how state, household and individual level vulnerabilities interact. This understanding is important in developing integrated policy responses to ensure that the most vulnerable in the Caribbean are not inadvertently left behind or negatively impacted by policy tradeoffs. As such, this chapter is focussed on individual and household level vulnerabilities rather than regional or country levels. However, the interactions between the effects of external economic shocks, natural disasters or other contextual factors (such as legislative and policy framework, governance and institutional capacity, or social cohesion) and the behaviour of specific vulnerable groups is addressed in the analysis when relevant.

2.2 Who are the most vulnerable in the Caribbean and to what?

Conceptual clarity is important when we talk about individual vulnerability. The degree of

TABLE 2.1

Vulnerability indices for Caribbean SIDs

Country	Patkins & Mazzi	Briguglio & Galea	
	Composite Vulnerability Index - CVI	Economic Vulnerability Index - EVI	Economic Vulnerability Index Adjusted for Economic Resilience - EVIAR
Antigua & Barbuda	11.246	NA	NA
Bahamas	10.433	NA	NA
Belize	6.652	0.588	0.762
Dominica	8.122	0.588	0.762
Dominican Republic	4.858	NA	NA
Grenada	7.848	0.645	0.777
Guyana	7.953	0.605	0.793
Haiti	4.474	NA	NA
Jamaica	7.484	0.706	0.820
St. Kitts & Nevis	6.362	0.685	0.756
Saint Lucia	7.449	0.765	0.833
St. Vincent & the Grenadines	6.563	0.647	0.790
Suriname	4.921	0.724	0.844
Trinidad & Tobago	5.264	0.408	0.651

Source: Source: Bourne (2015).

Note: the higher the scores the higher the vulnerability. For the purpose of comparison EVI for USA and Mexico are, respectively, 0.221 and 0.887, and EVIAR respectively 0.134 and 0.461.

vulnerability of individuals varies according to dimensions such as social class, place of residence, gender, age, sexual orientation, disability and lifestyle, among other factors.

This is the reason why we talk about vulnerable *groups*. However, it would be incorrect to assume that such conditions, which define these groups as vulnerable, are the problem in itself: instead, the problem is that such conditions tend to put people *at risk of getting poor, destitute, abandoned, sick and so on*. The implication is that vulnerability analysis needs to focus on two key questions. Firstly, what are the risks most frequently correlated with each vulnerable group, or, in other words, *what are certain groups vulnerable to?* Secondly, what factors increase or diminish such risks for each vulnerable group – *why are these groups vulnerable?* If we consider the definition of vulnerability to be the limited capacity to deal with risks that threaten living standards, these

questions can be better expressed as follows. What are the most common *outcomes* in terms of reduced living standards of each vulnerable group? And, what are the *determinants* that strengthen or weaken the capacity of each vulnerable group to cope with risks?

These two questions have different policy implications. Outcomes of vulnerability need to be addressed by “curative” policies that mitigate the negative effects on living standards, for instance, by providing conditional cash transfers to low-income families and health treatment to the disabled. In contrast, determinants of vulnerability need to be addressed by “preventive” policies that respectively weaken the *risk factors* (such as exposure to violence, high risk behaviours, school drop-out etc.) that impair the capacity of individuals to cope with threats to their living standards, and strengthen the *protective factors* (like family, community and school) that boost such capacity and

Vulnerability is dynamic as different risk factors can accumulate and concentrate into specific groups or behaviours, or add up over the life cycle of individuals.

resilience.³⁵ Protective factors provide support and broaden the opportunities available to vulnerable individuals, thereby reinforcing their agency and capabilities.

In addition, vulnerability is dynamic as different risk factors can accumulate and concentrate into specific groups or behaviours, or add up over the life cycle of individuals. As risk factors are to some extent intertwined, overlaying of different vulnerabilities can occur simultaneously where an individual faces multiple vulnerabilities due to gender, age, sexual orientation and so on. When different risk factors or different vulnerability outcomes coexist, their overall effect is magnified: for instance, the disadvantage of women in the labour market is exacerbated when teenage pregnancy adds up, and women's labour productivity is reduced when they are victims of violence.

This implies that successful policies must not only be capable of mitigating the risk factors and strengthening the protective and resilience capacity of individuals through actions at the community, household and individual levels, they also need to address individual vulnerability *trajectories* in an integrated and intersectoral

way along the life cycle rather than through sectorally-specific approaches. These are the pillars of a human development approach focusing on enhancing capabilities and widening opportunities.

2.2.1 A shift in Approach

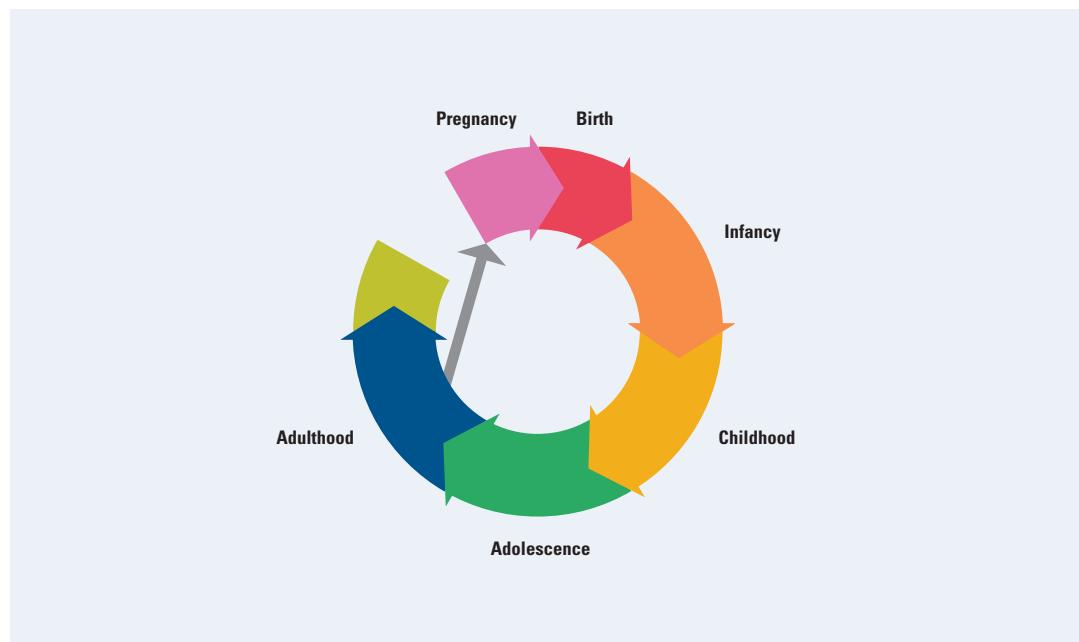
UNDP proposes a life cycle approach (see figure 2.1) to policy formulation that addresses the multiple, covariate vulnerabilities that may exist at any point in time in an individual's life. A life cycle approach is both preventative and curative in that it addresses the root causes of vulnerabilities at each stage of life. In so doing, policy makers prevent the accumulation of vulnerabilities which predisposes the individual to multiple shocks and undermines their ability to recover in the shortest possible time.

The findings of the present study show different trajectories where different vulnerabilities combine and accumulate.

Gender is often linked to vulnerability. In the Caribbean, women are disadvantaged in the labour market as they tend to be concentrated

FIGURE 2.1

A life course approach



Source: World Health Organization (WHO), 2010.

in lower level and lower paying jobs than men, resulting in higher risk of poverty, especially when teenage pregnancy occurs. Women are also under-represented in politics. Finally, women are vulnerable to gender violence which is not only a negative outcome in itself, but also generates a chain effect to other negative outcomes such as psychological stress, lower participation in social life and lower labour productivity. However, women showed greater resilience than men in retaining jobs during the 2007 economic crisis, possibly due to better secondary and tertiary educational performance.

The youth are a critical vulnerable group in the Caribbean. Boys, especially from poor households, underperform at the secondary level. When other risk factors are combined, such as growing up in abusive families and violent communities, deviant behaviours such as drug abuse and violence are likely, leading young males to be both the main victims and the main perpetrators of crime in the Caribbean.³⁶

Elderly people are another vulnerable group in the Caribbean. On average, the region has a higher rate of population aged 65 years and above, ageing faster than Latin America and the Caribbean (LAC) region as a whole. Older women are more at risk of poverty and chronic diseases than older men (whose life expectancy is lower and who are less likely to access health care and detect disease especially at earlier stages), but benefit more from family support. Pension schemes, especially non-contributory ones, are often inefficient and inadequate both in coverage and value. An example of vulnerabilities accumulating over the life cycle is provided by older women whose contributory pensions tend to be lower than men's as a consequence of women being concentrated in lower paying jobs in their earlier years.

Disability is a further source of vulnerability. Disability in the Caribbean is concentrated among old people and especially older women (who live longer than men and then show a higher incidence of chronic diseases) and it is mainly related to determinants such as illnesses deriving from old age and lifestyle. In contrast, at a young age, disabilities are more frequent among boys than girls, and they are associated with both congenital diseases and accidents as a consequence of high risk

behaviours of young men. The persons born with disabilities experience lifelong exclusion, particularly in the areas of education and employment – that are critical for individual independence and sustainable livelihood – producing a negative economic impact on their families. This contributes to poverty and its intergenerational transfer.³⁷ Social and physical barriers, discrimination, shared negative expectations on educational or productive outcomes, poor care by institutions to the disabled and their families and consequent costs for the household for care and supportive devices are the risk factors that exacerbate their vulnerability.

Vulnerable groups analyzed in this chapter include children working in exploitative labour conditions. They are exposed to hazards at work, violence and illnesses in the streets, and a higher probability of educational underperformance and school drop-out. In Caribbean countries, except Guyana, the average child labour rate is lower than that for Latin America and the Caribbean (LAC) as a whole, and it is more frequent i) among the very young (age group 5-11) than among those aged 12-14; ii) among boys than girls in some countries; and iii) in rural rather than urban areas. It shows negative association with risk factors such as family wealth and mothers' educational level.

Indigenous peoples and Maroons are also acutely vulnerable to poverty, unemployment, teenage pregnancies, and substance abuse. Limited data do not allow more in-depth analysis of these groups, hence they have not been thoroughly presented here.

Trajectories of vulnerabilities for these various groups are synthesized in Figure 2.1. It shows the recurrence of certain risk factors for different types of vulnerabilities, e.g. poverty, growing up in abusive families and violent communities, and ineffective school systems. This suggests that by focussing on such risk factors, several vulnerabilities and different vulnerable groups could be addressed simultaneously. Further, as previously said, vulnerabilities can be mutually reinforcing or overlap over the life cycle, e.g. women's lower participation in the labour force or concentration in low level and low paying jobs affect the coverage and level of pensions later in life; consequently, policies should focus on the whole "chain of

An example of vulnerabilities accumulating over the life cycle is provided by older women whose contributory pensions tend to be lower than men's as a consequence of women being concentrated in lower paying jobs in their earlier years.

FIGURE 2.2

Vulnerability trajectories and SDGs

	Vulnerable to what (outcomes)	Why Vulnerable (risk factors)	SDG Targets (examples)
Women	Poverty and unemployment Violence Low productivity Low participation in political and social life	Lower labour force participation Lower-level and -pay jobs Teenage pregnancy Growing in violent families Economic dependence Age at first union Ineffective school system Underrepresentation in politics	Targets: 1.5, 3.5, 3.7, 3.8, 5.1, 5.2
Older people	Poverty Chronic diseases and disability Loneliness (mainly older men)	Low coverage and value of pensions (mainly older women) Longer life expectancy and lifestyle (older women) Attitudes leading to low access to health care (older men) Health care costs Reduced size of, and changing attitudes, in family; migration of younger family members	Targets: 1.5, 3.5, 3.8, 4.5, 4.a
Young males	Drugs abuse, crime (as perpetrators & victims) Imprisonment, death, disability	Poverty Educational underperformance Violent families and communities Risky behaviours	Targets: 1.5, 3.5, 3.8
Child labourers and street children	Hazards at work and in the streets, school dropout, abuse	Poverty, ineffective schools, (child fostering), abusive families Ineffective legislation Low awareness	Targets: 1.5, 3.5, 3.7, 4.5, 5.2
People with disabilities	Exclusion or underperformance in education and labour market Neglect and abuse Poverty	Negative expectations on outcomes Social and physical barriers Illnesses from old age, accidents from risky behaviours in the young Lack of institutional and family support Costs of care and supportive devices	Targets: 1.5, 3.5, 3.8, 5.2, 5.5

Source: Prepared by the authors based on Villarosa (2016, forthcoming).

transmission” of vulnerabilities rather than on single dimensions of vulnerability alone.

Vulnerability often results in, or is the result of, discrimination and violation of social, political, economic, civil or cultural human rights. Considering that SDGs are anchored to human rights, they become essential to this Report. They stress universality, the need to combat discrimination and to focus on specific vulnerable groups such as women,

children, youth, people with disability, indigenous peoples and the elderly, among others.

Relevant SDGs – that indeed cover every vulnerable group addressed in this chapter – are presented in figure 2.3. Their applicability is to some extent restricted, especially as far as the youth are concerned. Youth are emphasized under SDG 8, when dealing with economic growth and employment – topics that are dealt

FIGURE 2.3**SDGs and vulnerable groups**

SDGs	Vulnerable Groups addressed in this chapter to whom SDGs are applicable
1.5. By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters	All vulnerable groups
3. Ensure healthy lives and promote well-being for all at all ages	
3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol	Youth
3.7 By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes	Women and youth
3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all	All vulnerable groups
4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations	Especially relevant for People with Disability, Indigenous Peoples and children working in exploitative labour conditions
4.a Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all	Children in working exploitative labour conditions, People with Disability, Women
5. Achieve gender equality and empower all women and girls	
5.1 End all forms of discrimination against all women and girls everywhere	
5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation	
5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Women
5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	

Source: Prepared by the authors based on Villarosa (2016, forthcoming)

with in chapters 3 and 4 of the present Report.

Reference to SDGs in this chapter is also important insofar as they represent a guide to policy-making.

Policies, addressed in this chapter include legislative measures, national plans, and specific interventions providing health care, educational support, training and social assistance

to specific groups. They are already in place for most of the vulnerable groups in, at least, Jamaica, Trinidad and Tobago and Barbados; and depending on the group, they also exist in other Caribbean countries. However, they have provided mixed results. Relevant cases from the Caribbean or other regions are highlighted in several boxes within this chapter.

2.3 Gender and vulnerability - the case of women

Gender inequalities are associated with vulnerability when they narrow the capabilities and options of women according to socially-constructed gender roles. While significant progress has been achieved in the case of women in the Caribbean, many vulnerabilities and types of discrimination remain.

In this section we focus on those gender inequalities that have a negative impact on women's vulnerability in different dimensions. Labour markets, education, health and violence are analyzed from a gender perspective. The structure and performance of the institutional arrangements for gender mainstreaming in policy, plans, programmes and projects are also addressed.

2.3.1 Women's vulnerabilities in the labour market

Between 2000 and 2013, the labour force participation rate of women aged 15-64 increased in Caribbean Small Islands (CSS)³⁸ by 2.2 percent whilst that of men decreased by 2.5 percent. However, gender differences in this regard are still large: in 2013, the percentage of women in the labour force was 59.3 percent versus 78.7 percent for men (World Bank

Gender Statistics). Similar trends are seen when looking at employment to population rate by gender: between 2000 and 2013 it increased by 3 percent for women and decreased by 2.1 percent for men. Despite this improvement, the gender gap is still significant, as in 2013 the figures were respectively 45.5 percent for women and 67.3 percent for men (*ibid.*).

Even when women succeed in entering the labour market, they still face disadvantages compared to men. Caribbean women's participation is concentrated in middle- and low-level jobs and in sectors that are characterized by lower salaries and in lower levels in the employment hierarchy (ECLAC, 2010). According to ECLAC (2009a), a large number of women in the Caribbean work in community, social and personal services, whereas men tend to dominate better paid jobs in the construction sector, craft, plant and machine operation. In 2004, in the growing tourism industry of Barbados, almost 60 percent of jobs were filled by women, but mainly in clerical positions or as maids and waitresses, whilst management, professional and technical positions were held mainly by men (*ibid.*).

Table 2.2 shows that women's participation in senior managerial jobs is still limited to less than one quarter of these jobs in all analyzed Caribbean countries, with the exceptions of St. Vincent and the Grenadines and Barbados. Women's participation in firms'

TABLE 2.2

Caribbean, female participation in firms' senior management and ownership, different years

Indicators	% of firms with female top managers	% of firms with female participation in ownership
Trinidad & Tobago	20.8	45.1
Jamaica	24.1	38.2
Barbados	25.4	43.5
Antigua & Barbuda	17.5	21.3
Dominica	23.6	41.0
Grenada	24.0	57.3
St. Lucia	23.7	32.1
St. Kitts & Nevis	21.1	57.8
St. Vincent & Grenadines	38.6	76.0

Source: Prepared by the authors based on data obtained from the World Bank Country Database (individual countries' data), World bank.

ownership shows a great variation among countries, ranging between 21.3 percent in Antigua and Barbuda and 76 percent in St. Vincent and the Grenadines. However, in six out of nine countries the figure is below 50 percent.

Most importantly, women also tend to earn less than men when other relevant variables are controlled. World Bank Report (2005) states that the difference in remuneration for women versus men in the Caribbean is between 23 and 28 percent. A joint World Bank-Inter-American Development study (Ñopo, 2013) using 2003 data for Jamaica and 2004 data for Barbados focuses on gender earning gaps that are not explained by individual characteristics different from those rewarded by the labour market (such as age, education, time in the job etc.). This study finds that men, with the same education level and age, earn 25 and 12 percent more than women in Barbados and Jamaica, respectively. It also indicates that unexplained gender earning gaps are smaller in high-skilled jobs and larger in low-skilled ones. Occupational experience in Barbados and job tenure in Jamaica succeed in explaining part of the gender earning gaps in these countries. Finally, gender earning gaps are larger among low-income workers in Jamaica as in most of LAC (data on earnings distribution for Barbados are not available), suggesting an association between gender earning gaps and poverty.

The linkage between gender inequalities and poverty paves the path for a key question in the present discussion: To what extent, and under what circumstances, do *gender-related disadvantages in the labour market represent vulnerability risk factors leading to negative outcomes for women's living standards?*

Gender earning gaps and the concentration of women in lower income, lower status jobs can be a source of vulnerability for women, leading to unemployment and poverty, especially when other risk factors, such as female-headed households,³⁹ domestic violence, disability and old age, add up. Some of these issues will be treated separately later on. This section focuses on economic dimensions.

Female-headed households are often associated with poverty and vulnerability: according to (ECLAC, 2010), in the Caribbean

approximately half of households are headed by women. According to IFAD (2000), poverty is slightly higher in female-headed than in male-headed households, as in 1999, 52 percent of poor households were female-headed versus 48 percent of male-headed ones. Marriage shows a positive impact on well-being in most Caribbean countries.

Also, the high concentration of women working in the informal sector is often mentioned as a factor associated with poverty and vulnerability. Ellis (2003) notes that in Barbados and Grenada there are more women in the informal than in the formal sector, whereas in Jamaica about 50 percent of informal workers are women, in Trinidad and Tobago 36.1 percent and in Guyana 34.8 percent.

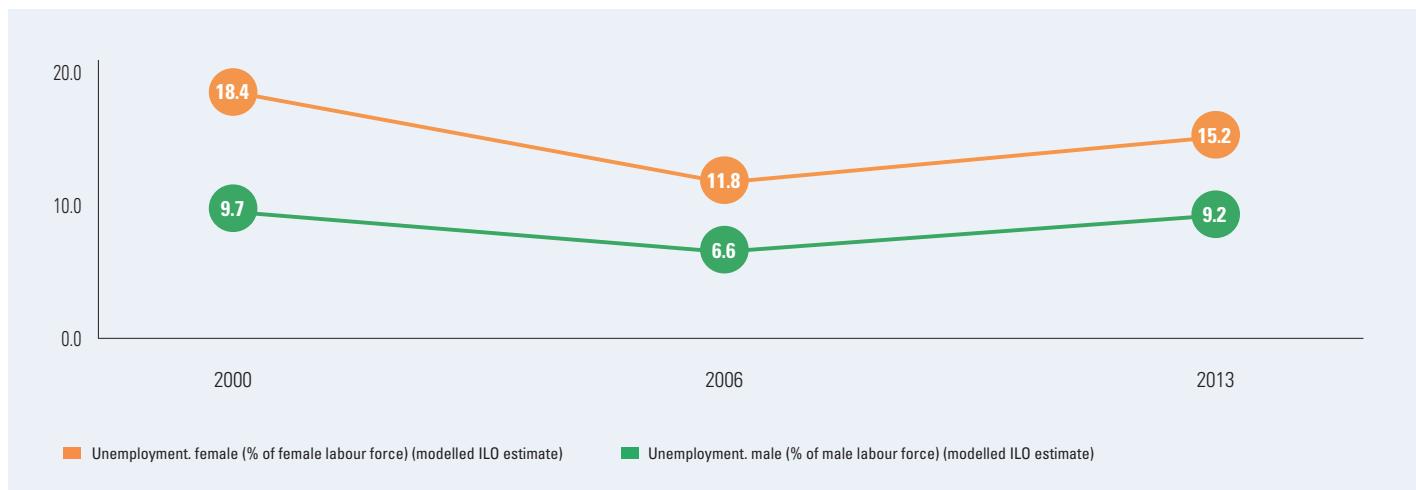
A more relevant factor, possibly associated with women's vulnerability in the labour market, is represented by the occurrence of external shocks. According ECLAC (2009), women are more vulnerable to economic or financial crises because (i) in female-headed households women are often the only family earner, (ii) their jobs are lower paying and provide less benefits (including unemployment coverage) than men's, and (iii) public sector budget cuts resulting from financial crises in already highly-indebted countries hit women most as jobs in education, health and social services are predominantly held by women. In addition, unemployment in the context of an economic crisis can incentivize women to outmigration, and participation in the sex trade or other high-risk jobs. Data on trends in unemployment by gender can be useful to assess the different responses of women and men to the recent global crisis.

In the Caribbean, women are more affected by unemployment than men, although the gap is reducing over time. The unemployment rate of women in 2000 was almost twice that of men, but in 2013 the ratio was reduced to 1.65. More significantly, during the recent economic downturn women seemed to show more resilience than men in retaining or retrieving their jobs: unemployment for both women and men improved in the period 2000-2006 and worsened in the period 2006-2013, but only women's level of unemployment was significantly better in 2013 than in 2000 (men's recovery improved just by 0.5 percentage points in 2013

During the recent economic downturn women seemed to show more resilience than men in retaining or retrieving their jobs.

FIGURE 2.4

Caribbean unemployment rate 2000-2013 by gender



Source: World Bank Gender Statistics.

Education can be seen as a potential protective factor against women's disadvantages in the labour market, although the school-to-work transition still remains a major concern in the Caribbean.

compared to 2000, versus 3.2 percentage points for women). This might be related to women's better educational outcomes.

The educational outcomes for women surpass those of men on several fronts – literacy, secondary school enrolment and completion, and graduation at tertiary institutions. Literacy rates in the Caribbean are generally high but there are gender differences. In the region as a whole, the literacy rate of women aged 15 years and above was 3.7 percent higher than that of men in 2010 (World Bank Gender Statistics). In 2013, gross secondary school enrolment was 6.7 percent higher for girls than for boys, and once in secondary school, girls also performed better than boys, with a 5 percent higher completion rate. Gross tertiary school enrolment of women more than doubles that of men (*ibid.*).⁴⁰

More women are taking advantage of educational opportunities in the Caribbean and are outperforming men at all educational levels. This is seen in their higher levels of school completion rates and passes at the Caribbean Examination Council examinations. In addition, more women are registered at the University of the West Indies in all faculties but they are still outnumbered in the Science, Technology, Engineering, and Mathematic (STEM) departments.

The overall picture shows that in the Caribbean the gap between women and men in education has been widening in recent years in favour of women, and the gap also increases as we move upward in the education system. Therefore, education can be seen as a potential protective factor against women's disadvantages in the labour market, although the school-to-work transition still remains a major concern in the Caribbean.

With regard specifically to the impact of economic and financial crises, policy responses to alleviate women's vulnerability in the Caribbean labour market can be classified into (i) legislative measures and (ii) interventions aimed at improving women's employability or women's self-employment and involvement in small businesses.

Legislative measures include, among others, the establishment in Belize of minimum wages for domestic workers and shop assistants; in Trinidad and Tobago minimum wages, equal opportunity laws and equal pay for equal work laws have been passed, together with occupational safety and health norms and counting of women's unpaid work in official statistics and GDP; in The Cayman Islands and Dominica, both 12 to 14 weeks maternity leave and paternity leave (the latter for civil servants only) have been regulated (ECLAC, 2010).

Among the programmes for promoting women's employment, specific women targeted vocational training and employment programmes have been introduced in Belize and Trinidad and Tobago (ECLAC, 2010).

Young women's vulnerability from disadvantages in the labour market is exacerbated when teenage pregnancy occurs.

2.3.2 Teenage pregnancy and early childbearing

Teenage pregnancy and early child bearing increase the risk of women's school dropouts, reinforcing the barriers to women's access or permanence in the labour market. Overall, fertility levels have declined throughout the region contributing also to the reduction in the fertility rate of women aged 15-19 in CSS, from 71.6 per thousand in 2000 to 57.1 per thousand in 2014 (World Bank Gender Statistics). This is below estimates for LAC in 2014 (65.5/1000). Country-specific data are available for 2010 for both Jamaica (whose figure is 72.8, above the region's average) and Trinidad and Tobago (where the figure is below 50, among the lowest in LAC)

(World Bank, 2012b). However, according to the UNFPA's Jamaica Country Profile, 18 percent of all births occur to teenagers – a figure that is defined as "alarming". Teenage pregnancy is also very high in St. Kitts and Nevis.

Despite its broader geographical scope beyond the Caribbean region, World Bank's study on teenage pregnancy and early childbearing in LAC (World Bank, 2012b) is relevant to the current analysis. Teenage pregnancy is a clear case of overlapping vulnerabilities: it is both a risk factor in itself (to women's life chances) and the product of further risk factors in young women's lives. In fact, the risks of teenage pregnancy are associated, at the micro level, with low income, short and low-quality education, growing up in a single parent family, being the daughter or the sister of an adolescent mother, early sexual initiation, not being married, and lack of participation in the labour force and in wage employment. The negative outcomes of early pregnancy for mothers include the reduction in years of schooling, in school attendance and completion, and in available working time. In addition, these outcomes further reinforce existing inequalities both of a gender-related

BOX 2.1

Training programmes to increase the employability of women in Trinidad and Tobago

Trinidad and Tobago's Ministry of Gender, Youth and Child Development acknowledges that the economic dependence of women on one's spouse/partner is a source of vulnerability for women, thus set up specific programmes to increase women's employability.

- The Women in Harmony Programme was established in 2002 to foster employment opportunities of low-skill, low-income women between 26 and 45. Single female heads of household are a priority target group. A 12-week, full time intensive training in Elderly Care or Agriculture/Landscaping and Life Skills is offered free of charge across Trinidad. Child care is offered at training sites to ease the participation of mothers of young children. So far, the programme has trained 6000 women.

- The Women in Non-traditional Skills Training Programme provides low-income and unskilled women 18-50 years old with training in male-dominated fields such as the construction industry, auto and computer repairs, through a 350-hour, part-time course over six months. In-site child care is also provided. In the last five years more than 300 women have been trained, some of whom have set up their own businesses, but some reluctance by women in learning non-traditional skills has been reported.

- The Craft Training Programme for Women is run by the Ministry of Community Development and is focused on single, unskilled or unemployed mothers between 25-50 years old. By teaching craft, business and life skills, the programme aims at promoting women to set up their own, home-based craft business.

BOX 2.2

Promising policy approaches to teenage pregnancy

A World Bank study (World Bank, 2012b) evaluates a new generation of programmes from different countries including the Dominican Republic, Brazil, Chile, Ecuador, Mexico, Peru, Colombia, Kenya, Bangladesh, Zambia, Mongolia, Pakistan and Malawi. Projects are classified around six categories: peer education, contraceptive use, extended school hours programmes, conditional cash transfers, and youth training programmes, and address either risk factors of teenage pregnancy or its consequences. Among the programmes that focus on the risk factors, the most successful are found to be those that adopt a multi-sectoral approach and aim at strengthening girls' assets and agency by broadening options available to young women, their autonomy and participation in economic and social life, so as to enhance their decision making capacity based on rational choices about

attainable life goals. Such an approach, aimed at raising the opportunity cost of early pregnancy by encouraging girls not to drop out of school and/or by increasing their access to employment, seems to be more promising than traditional programmes focused on youth-friendly reproductive health services and information. This has mainly to do with aspirations. Girls from poor backgrounds tend to believe that their life options are limited anyway, education is useless and employment hardly attainable. In this case, the opportunity cost of early pregnancy is perceived as low (or pregnancy might even provide a higher social status). In contrast, higher school participation can broaden the perception of opportunities (as well as increasing self-confidence), thereby increasing the opportunity cost of childbearing.

Different types of violence – physical, sexual, psychological or a combination of them – affect between 20 and 35 percent of women in Caribbean countries

nature – the burden of early childbearing is disproportionately on (often single) mothers – and of a socioeconomic nature, as the capacity to cope with early childbearing is unequally distributed according to income, education level, location and ethnic origin, among other factors. The negative outcomes of teenage pregnancy also affect the parental household (due to the extra costs and the substitution of family members' working or studying hours for time for childbearing) and children themselves (who show higher probability of high risk behaviours or behavioural problems later on in life), therefore contributing to the intergenerational transmission of poverty and vulnerability (*ibid.*).

The issues of teenage pregnancy and early childbearing are particularly relevant in the context of the present chapter as they focus on the concept of girls' *agency* in interaction with limitations of choice imposed by the socioeconomic environment and cultural norms. Agency is the basis on which individual survival and resilience strategies are built through interaction with the social structure, available opportunities and expectations.

Women's vulnerabilities associated to disadvantages in the labour market and teenage pregnancy are mutually reinforced by a further dimension in gender inequality – violence.

2.3.3 Violence against women and femicide

Domestic violence narrows, overall, women's capabilities by means of physical injury and psychological harm. Its outcomes affect self-esteem, participation capacity in social and political life and in the labour force, and work productivity (ECLAC, 2007b).

Different types of violence – physical, sexual, psychological or a combination of them – affect between 20 and 35 percent of women in Caribbean countries for which data are available⁴¹ – these figures, despite being high, are not uncommon in LAC as a whole, where the highest incidence occurs in Bolivia affecting 53 percent of women (ECLAC, 2014).

Several risk factors are associated with violence against women, such as women's economic dependence.⁴² In Trinidad and Tobago, 76 percent of women victims of domestic violence are economically dependent on their partners as housewives (ECLAC, 2007b). Violence is also inversely linked to the age of women at first union.⁴³ In Jamaica, in 2008-2009, for example, 12 percent of women victims were less than 15 years at first union with a partner, 7 percent were aged 15-19, 3 percent were aged 20-24 and just 3 percent were aged 25 and over at first union (ECLAC, 2014). Violence against

TABLE 2.3**Selected Caribbean countries, women stating to have been victims of violence, different types of violence and aggressors, different years^a**

	Year	Type of violence	Type of aggressor	% of women* who state to have been victims of violence
Antigua & Barbuda	1990 ^a	Physical, sexual psychological	Intimate partner	30.0
Barbados	1990 ^a	Physical, sexual psychological	Partner	30.0
Jamaica	2001–2011 ^b	Including emotional violence	Intimate partner	35.0
	undefined ^c	Sexual violence	Intimate partner	7.6
	undefined ^c	Sexual violence	Any aggressor including intimate partner	11.9
Trinidad & Tobago	undefined ^d	Domestic violence	undefined	30.0
Dominica	undefined ^d	Domestic violence	undefined	21.3

Source: Prepared by the authors based on data obtained from the UN Women Violence against Women Prevalence Data: Surveys by Country (updated 2011), ECLAC, 2007^b, UNDP, 2015. The data on violence against women in the 2015 Human Development Report refer to the period 2001-2011 without specifying the precise year for each country.^c Bott et al., 2013^d, ECLAC 2007b.

women often starts at a young age in households and communities where violence on and between children is common and where young boys follow socialization models that emphasize aggressiveness (ECLAC, 2014). According to ECLAC (2007b), in 1990 30 percent of women in Barbados and approximately 9 percent in Guyana were victims of sexual abuse when children. The figure for Barbados is similar to the average LAC data, e.g. 32 percent in Costa Rica and 26 percent in Nicaragua.

As far as femicide is concerned, official data⁴⁴ are highly questionable and possibly underestimated. Independent evaluations put Lesser Antilles,⁴⁵ and especially Jamaica's figures, among the highest in the world – respectively at almost 7/100,000 and 11.9/100,000 – ranking 8th and 2nd, respectively, among 25 surveyed countries (Nowak, 2012).

All Caribbean countries have enacted some type of legislation against domestic violence, to protect and provide care services to victims, and educational programmes to mitigate domestic violence (ECLAC, 2010). However, apparently no country has passed any specific legislation on femicide (ECLAC, 2014, p.66).

With regard to national plans on violence against women, four Caribbean countries (Antigua and Barbuda, Belize, Guyana and St. Kitts and Nevis) had an approved and operational national plan in 2014, although not targeted specifically at violence against

women, but rather at domestic/family violence in general. In Barbados, Protection Orders against Domestic Violence were passed recently. In addition, six countries were developing plans: The Bahamas, Grenada, Jamaica, Saint Lucia, Dominica and Suriname. Two others, St. Vincent and Grenadines, and Trinidad and Tobago, had no plans nor were they developing any at the time (ECLAC, 2014, pp.73-74).

However, according to ECLAC (2007b), the operationalization of these plans often suffers from problems such as insufficient funding, inadequate staffing and infrastructure, and poor monitoring and evaluation. Institutional weakness is reinforced, in LAC as a whole, by the persistence of a patriarchal and discriminatory culture that subordinates women and that is still pervasive in many sectors of society, institutions (police, health services, legal system) and the media (ECLAC, 2007b).

Programmes and actions focusing on reducing and preventing violence against women in the Caribbean include awareness-raising and public education campaigns, a broadened definition of domestic violence including financial abuse, the creation of family court systems, support and legal aid to victims, creation of victim support groups, the sensitization of police and social workers, specialized assistance, financial, integration of health and family education, strengthened protection (including women outside marriage) in the streets and public transport, shelters, the establishment of

All Caribbean countries have enacted some type of legislation against domestic violence, to protect and provide care services to victims, and educational programmes to mitigate domestic violence.

BOX 2.3

Help-seeking by victimized women in Jamaica: ineffectiveness of institutional services

Despite massively disagreeing with wife-beating (in Jamaica only 2.9 percent of married women agree that wife-beating is justified),⁴⁶ women victims of violence are more reluctant to seek help from institutions than from family or friends (because of shame, subordination, fear of retaliation by the aggressor, perception of a lack of understanding or emotional support from often unfriendly and ineffective services). Data on help seeking by women victims of violence by intimate partners are available only for Jamaica.⁴⁷

The share of women who seek help from friends or families (61.7 percent) is almost double the share of women who seek help from some institutions (31.4 percent), e.g. police, health services etc.⁴⁸ In LAC, as a whole, women who are victims of physical violence are less reluctant to seek assistance than women who suffered psychological aggression, and their actual search for help is a function of access to information, awareness of their rights, past experiences and resources that are available in the community.

Source: Bott et al, 2013.

a 24/7 hotline, increased police powers, recrudescence of penalties, and improvement in data management (ECLAC, 2014, ECLAC, 2010, ECLAC, 2007b).

2.3.4 Women are also victims of human trafficking

Human trafficking just recently caught the attention of authorities and the media. According to ECLAC (2010), awareness about the issue is relatively new and the intensity of the problem in the Caribbean is unclear. However, as reported by ECLAC (2007b), trafficking of women in the Caribbean has increased, in association with illegal migration where poor and vulnerable women are often victims of international criminal networks and of sex tourism.

Only four Caribbean countries have enacted specific legislation against trafficking in persons: Antigua and Barbuda, Barbados, Grenada and Guyana (ECLAC, 2014). In addition, Jamaica and Barbados have ratified the International Convention Against Transnational Organized Crime and the three protocols including the Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially of women and children. Barbados is also planning to elaborate a protocol of interventions and remedies together with research. Belize passed the Trafficking in Persons Act, including the creation of a Task Force (ECLAC, 2010). In St. Vincent and Grenadines, legal protection has been provided to trafficking victims; health

and psychosocial support in Barbados and St. Vincent and the Grenadines; shelter has been made available by public authorities and NGOs in Barbados and by NGOs, only, in Trinidad and Tobago (UNODC, 2009).

National plans and legislation on violence against women – and for gender equality in general – are gradually being drawn up in the Caribbean. However, the effectiveness of the legal and policy framework's implementation for gender equality is influenced by the existence and performance of institutional arrangements (“national machineries”) specifically responsible for gender mainstreaming. A brief overview of such institutional arrangements is provided in the next sub-section.

2.3.5 Institutional arrangements

In most Caribbean countries, gender equality issues are regarded as part of the overall social policy framework. In addition, most of the national machineries for gender equality are divisions or units within other bodies. Several Caribbean countries have set up consultative national councils or commissions with broad membership from government, civil society and academia; pressures and inputs from these bodies have been crucial for the adoption or preparation of the previously mentioned national plans (Fernós, 2010). Programmes of gender studies are provided at the tertiary level and the University of the West Indies (UWI) hosts a Gender Research Unit.

Overall, machineries for gender equality in the Caribbean have been improving slightly, over time, mainly in terms of staffing, capacity building and allocation of budget, although professionalism and finances are still in need of further strengthening, together with gender-related broken down data management (ECLAC, 2010).⁴⁹

Unlike in most of Latin America, the machineries for gender equality in the Caribbean tend to be far from the highest centres of state power in institutional terms. (Fernós, 2010). However, the passing of a comprehensive legislation on violence against women seems to have a stronger association with the presence of a national plan specifically targeted at this type of violence than with the hierarchical position of machineries for gender equality in the state apparatus (ECLAC, 2014). Besides national plans or policies that provide mandates and guidelines, having effective monitoring strategies in place is key to allowing machineries to strengthen gender mainstreaming in other sectors' programmes and projects (*ibid.*)

Although gender issues go beyond women, the fact that women have access to, or presence at the decision-making levels in the state apparatus facilitates gender mainstreaming and intersectoral partnerships to operationalize gender equality measures across different ministries and departments. In this way, both

legitimacy and authority are provided to solve clashes with other sectors' priorities, disputes on budget funding allocation, and to guarantee the recognition of the validity of agreements and their successive implementation (*ibid.*). But, unfortunately, despite – fluctuating – progress, women's political participation – as measured by seats in Parliament – is still lagging behind in the Caribbean.

Only in Antigua and Barbuda, Grenada and Guyana one-quarter or more of seats in Parliament are held by women. For the purpose of comparison, the share in LAC is 27 percent.

Overall, improvements are registered in legislation,⁵⁰ policy and institutional arrangements addressing gender inequality as a source of women's vulnerability, although shortcomings emerge in implementation, thereby reducing their effectiveness. Consequently, women are still experiencing inequalities and vulnerabilities in several dimensions.

In this section we have seen that vulnerability for women is multidimensional and results from a combination of factors that place women at a disadvantage. Women's vulnerability is increased when factors overlap, such as the household being female-headed, teenage pregnancy and women being victims of violence. Teenage pregnancy and violence against women reduce their capabilities and agency with negative consequences on economic and

Teenage pregnancy and violence against women reduce their capabilities and agency with negative consequences on economic and social outcomes which may show up as reduced labour force participation, low productivity, reduced social and political participation, and limited interpersonal relationships.

TABLE 2.4

Caribbean countries, percentage of seats in Parliament held by women, 2014

	% of seats held by women in parliament (2014)
Antigua & Barbuda	25.7
Trinidad & Tobago	24.7
St. Kitts & Nevis	6.7
Grenada	25.0
St. Lucia	20.7
Dominica	21.9
St. Vincent & the Grenadines	13.0
Jamaica	16.7
Belize	13.3
Guyana	31.3

Source: Prepared by the authors, based on the 2015 Human Development Report, United Nations Development Programme.

social outcomes which may show up as reduced labour force participation, low productivity,⁵¹ reduced social and political participation, and limited interpersonal relationships (ECLAC, 2007b). This also exacerbates the disadvantages women face in the labour market, where they tend to fill lower level and lower paying jobs and suffer an earning gap compared to men's income, making them more vulnerable to the risk of unemployment and poverty.

Education emerges as one of the pillars for a strategy to reduce women's multidimensional vulnerability. It is effective in mitigating gender and earning gaps in the labour market for younger cohorts of women. Also, teenage pregnancy and violence against women are shown to vary inversely with the level of educational attainment of girls.

Broadly, two innovative and promising policy approaches for reducing women's vulnerability deserve to be highlighted. The first derives from teenage pregnancy programmes and is focussed on agency in women's decision-making and behaviour, stressing the importance of widening the number and quality of options that are made available to women. This can be seen as an incentivizing strategy to elevate the aspirations of women and show that they can mould their future by taking the right decisions (i.e. fostering their *protagonism*). This approach needs to be complemented by the provision of concrete support to achieve better outcomes, for instance in education and employment. A similar approach could be extended to violence against women, provided that more institutions capable of responding are put in place. The second policy approach is focused on recognizing the multidimensional nature of vulnerability, recommending the adoption of an intersectoral approach – a human development approach – acknowledging the need for combinations of different and necessary conditions to stimulate women's agency. Another general recommendation is to increase investment in capacity building and institutional strengthening of gender-disaggregated data, including collection and management, as a necessary condition for monitoring and evaluation of the effectiveness of gender mainstreaming.

So far, we have addressed the vulnerabilities experienced by women broadly, including teenage pregnancy which is also related to

vulnerabilities and exclusion experienced by youth. In the next section we focus on the youth, where a gender dimension is also relevant as differences exist between the vulnerabilities experienced by boys and girls.

2.4 The Youth as a vulnerable group

Youth⁵² is an age of transition – from childhood to adulthood, into and out of school and into work, partnership and parenthood (Hardgrove et al., 2014). Such transitions usually imply challenges and choices which may not be immune from risks.

In this section educational outcomes of young people in the Caribbean are discussed together with exposure to violence and the way this leads to vulnerability. We will see that educational underachievement among Caribbean youth at the secondary level is associated with poverty, juvenile crime and violence – influenced by exposure to violence at home, in the community and in juvenile gangs. Young males are both the main victims and the main perpetrators of crime in the Caribbean, and violence is starting at younger ages than in the past. Successful strategies against youth violence are based on readdressing the role and improving the capacities of families, schools, communities and state institutions within a multidimensional approach in order to strengthen agency (allowing for better choices) and resilience of the young.

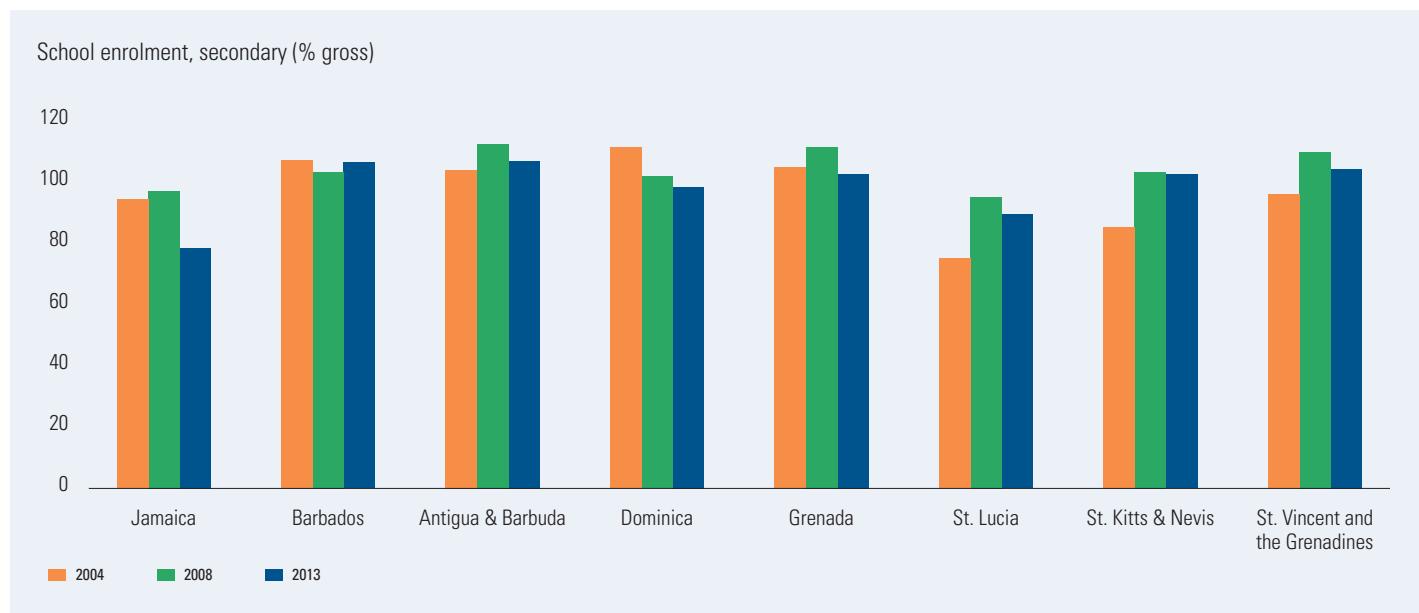
2.4.1 Educational outcomes and juvenile high risk behaviour

Educational outcomes of the youth are influenced by economic conditions at the country and household levels.

Overall, school enrolment at the secondary level showed an upward trend between 2004 and 2008 and a downward trend between 2008 and 2013 in most countries – Jamaica, Antigua and Barbuda, Grenada, St. Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines.

Inequality in access to school seems to be associated with household income level (World Bank, 2004). Between 1991 and 2001,

Young males are both the main victims and the main perpetrators of crime in the Caribbean.

FIGURE 2.5**Caribbean, school enrolment in secondary education 2004-2013**

Source: Prepared by the authors based on information consulted in the World Bank Country Database.

Note: Secondary school enrolment data for Barbados refer to 2011 instead of 2013; for Antigua & Barbuda to 2007 instead of 2004 and to 2012 instead of 2013, for Dominica to 2011 instead of 2013. Total is the total enrollment in secondary education, regardless of age, expressed as a percentage of the population of official secondary education age. Rates can exceed 100 percent due to the inclusion of over-aged and under-aged students because of early or late school entrance and grade repetition.

enrolment in secondary education grew in Jamaica from 70 percent to 86 percent, but over the same period the enrolment of the poorest quintile slightly decreased (35 percent in 1991 and 32 percent in 2001) (ibid.). Inequality in access to education also grows with age: whilst enrolment of the richest and the poorest quintiles starts at the same level, by the ages of 15 and 16 the difference is 20 percentage points, and at 17 and 18 it grows to 50 percentage points. Other factors related to being poor which are likely to affect school performance and school completion rates include growing up in a disadvantaged household environment and, thus, being excluded from the best (private, expensive) schools, thereby receiving a lower level of education. This, in turn, further incentivizes a high dropout rate or low school attendance. In 2001, only 60 percent of the poorest students had full school attendance (ibid.).

Updated information on the link between household economic status (poor, middle class etc), and youth school enrolment, access and performance are not available, impeding our

ability to draw conclusion as to whether trends observed in Jamaica between 1991 and 2001 are still valid. Recent data, however, show a general fall in lower secondary school completion rate in the Caribbean.

Between 2009 and 2013 CSS, as a whole, registered a decrease of more than 10 percentage points in lower secondary completion rate. Individual countries' performance fluctuated between losses higher than 20 percentage points in St. Lucia and St. Vincent and the Grenadines, 17.6 percentage points in Jamaica, and approximately 10 to 13 percentage points in Trinidad and Tobago, Dominica, and St. Kitts and Nevis. The only country that showed a positive trend (22.7 points) is Antigua and Barbuda – where the comparison is between 2009 and 2012.

Low enrolment and poor performance at school are considered risk factors that can lead to vulnerability for the youth by reducing future working and overall life options and increasing the probability of high risk behaviours e.g. teenage pregnancy (Grant, 2006). Combining the present discussion with data

Inequality in access to education also grows with age: whilst enrolment of the richest and the poorest quintiles starts at the same level, by the ages of 15 and 16 the difference is 20 percentage points, and at 17 and 18 it grows to 50 percentage points.

FIGURE 2.6

Caribbean, lower secondary completion rate 2009 and 2013



Source: prepared by authors based on information from the World Bank Country Database and World Bank Gender Statistics (aggregated data for Caribbean Small States), World Bank.
Note: Lower secondary completion rate for Antigua & Barbuda refer to 2012 instead of 2013.

Direct costs of fighting crime and indirect costs from lost economic outcomes from youth imprisonment and decline in revenues from tourism are estimated at between 2.8 percent and 4 percent of GDP of CARICOM countries annually (UNDP, 2012).

on the gender gap in education previously observed, we can conclude that being poor and male are the individual characteristics associated with highest risks stemming from poor education for the young.

Violence is among the highest risks of the youth in the Caribbean where young, poor males are both the main victims and main perpetrators of crime (UN Post, 2010). Violence can generate, for the victims, negative outcomes such as death, injuries and loss of assets; for aggressors, crime can lead to trials, imprisonment, and the risk of eventually becoming victims. Juvenile crime is also linked to vulnerability at the country and regional levels – direct costs of fighting crime and indirect costs from lost economic outcomes from youth imprisonment and decline in revenues from tourism are estimated at between 2.8 percent and 4 percent of GDP of CARICOM countries annually (UNDP, 2012).

We look first at the youth as a negatively affected group. In Jamaica – the only country with relatively updated data – the homicide rate per 100,000 inhabitants by age group and gender in 2004 reached 55.7/100,000

for the whole population. Disaggregated data show 188/100,000 homicides for males aged 15-29 years old, while females account for 14.8/100,000 homicides for the same age cohort (World Bank, 2008). Young males are almost three and a half times more likely to be victims of homicide than the population at large, and almost 13 times more likely than girls.

The youth are exposed to other types of violence besides homicide. In 2010, 19.4 percent of the youth in the Caribbean were declared to have been victims of a crime in the last ten years, and in 28.6 percent of these cases the crime had been perpetrated by peers (UNDP, 2012). The young are exposed to violence at school, in the community and at home. According to ECLAC (2007b), in 2000, 78.5 percent of students in Jamaica had been victims of violence in the community, 60.8 percent in school and 44.7 percent at home. When all the young are considered beyond students, in Jamaica more than 7 percent report having suffered violence in the community in 2010 (UNDP, 2012).

Based on a self-reporting survey among the young in 2010, UNDP (2012) looked at the

TABLE 2.5**Self-reported criminal accusations and arrests, 2010**

	Violent crime with weapon	Violent crime without weapon	No crimes
Antigua & Barbuda	0.6	0.5	82.9
Barbados	4.0	1.3	85.3
Guyana	1.4	4.2	87.9
Jamaica	0.0	1.9	90.9
St. Lucia	2.7	4.3	83.4
Suriname	0.5	1.5	86.6
Trinidad & Tobago	3.0	2.6	88.9

Source: Prepared by the authors based on information from the 2010 UNDP Citizen Security Survey, quoted in the 2012 Human Development Report, United Nations Development Programme.

Note: The table above does not report other types of crime (property crime, drug use, other crimes).

young as perpetrators of crime. According to the report, juvenile offending involved 44 percent of all individuals under 18 in Barbados, 53 percent in Dominica and 54 percent in St. Lucia – with a prevalence among males more than twice that among females, although female prevalence may be under-reported. The major offences were, in sequence, stealing, drug-related offences and assault with violence, followed by sexual offences, deviant behaviour, gang-related activities, and wandering. Juvenile offences are also fostered by the widespread habit of carrying firearms – about 20 percent of CARICOM male students reported carrying a gun to school and a similar percentage affirmed having been involved in a fight in which a weapon was used (World Bank, 2003b). In addition, 21.7 percent of Caribbean youth admitted to carrying weapons at night, 16.2 percent during the day, and 32.5 percent at home (UNDP, 2012). Carrying guns is meant to be a response to the fear of victimization as a result of living in a dangerous environment.

However, these data on juvenile offending need to be analyzed with caution as most of the young who are caught by the police and charged are not necessarily involved in crime, but are escaping from situations of abuse instead. These are “status offences”⁵³ that would not be considered crimes if they were committed by adults. Girls, more than boys, fall prey to this type of offence. In Jamaica, 52 percent of girls who appeared in court in 2007 were

found to be searching for protection and care, versus 23 percent of males. In contrast, only 1.6 percent in the age group 18-24 self-reported criminal accusations and arrest for violent crimes with weapons, and 2.5 percent without weapons (UNDP, 2012). Disaggregated data by country show that the large majority of the young reported not having been accused nor arrested, ever.

According to the World Bank (2003b) and UNDP (2012), violence is being perpetrated at increasingly younger ages, including among pre-adolescents, as confirmed by a school-based survey of Jamaican children 10 to 15 years old, 10 percent of whom report to having participated in a fight with a weapon, and 50 percent had witnessed a dead body, usually from a violent killing. New forms of violence are emerging, the most apparent being juvenile gangs. Prevalence of gang membership in the Caribbean is significant. According to self-reported data from school-aged young in ten Caribbean countries,⁵⁴ between 17–24 percent of males and 11–16 percent of females admitted to having been involved in gangs, as well as 12.5 percent in Trinidad and Tobago (UNDP, 2012).

Gang homicide numbers are substantial and growing over time. In Jamaica, gang homicides represented 32.5 percent of all homicides in 2006 and 48.1 percent in 2009. The same figures for Trinidad and Tobago were, respectively, 26.4 percent and 34.8 percent. In-depth

20 percent of CARICOM male students reported carrying a gun to school.

Violence is being perpetrated at increasingly younger ages, including among pre-adolescents.

Family can represent either a mitigating force (protective factor) or conduit for deviance and criminal activity (risk factor).

analyses suggest that these data might even be underestimated (UNDP, 2012). The growing prevalence of gangs is perceived as a threat. In seven Caribbean countries⁵⁵ 12.5 percent of the population stated in 2010 that a gang exists in their neighbourhood and 32.4 percent that gangs (when they exist) are a big problem in the neighbourhood.

2.4.2 Risk and protective factors

Several factors have been found to be associated with juvenile delinquency, violence and crime. Some of them can either be risk factors or protective factors, depending on their features.

Family can represent either a mitigating force (protective factor) or conduit for deviance and criminal activity (risk factor). Violent, abusive families, where deviant behaviours such as drug use represent socialization models, and parental guidance and support are lacking, can lead the young to embrace violence (World Bank, 2003b). In contrast, caring families are an effective protective factor against juvenile delinquency, crime and violence.

Poverty, and especially unemployment, which results in limited socio-economic opportunities, can push the young to the only available, and often illegal, options, such as drug dealing and crime in general (World Bank, 2003b, UNDP, 2012).

Cultural norms that tolerate violence, especially non-criminalised ones – including school, where corporal punishment is still largely permitted and considered as appropriate by 90 percent of Caribbean people (ECLAC, 2007b) can contribute to generating a fertile terrain and behavioural models that negatively influence the expectations of the young. These attitudes are registered as common, especially in Jamaica and Trinidad and Tobago (UNDP, 2012).⁵⁶

The same applies to *exposure of the youth to violence in the community*. According to UNDP (2012), more than 20 percent of the young reside in neighbourhoods where murders had been committed in 2010; 29.1 percent lived in areas where shootings had occurred; whilst other percentages are 16.4 for rapes, 44.2 for fights in the streets, 16.1 for gang violence, and 29.7 for witnessing threats among community members. These figures are highest in St. Lucia,

Jamaica and Trinidad and Tobago, and lowest in Barbados (UNDP, 2012).

High violence is also linked to *low school attendance and low educational performance*, amplifying the exposure to other risks such as future unemployment and drug abuse among others (UNDP, 2012). Negative school experiences also lead underachievers to feel socially excluded and “worthless” (World Bank, 2003b). In contrast, positive experiences in school seem to mitigate the risk of criminal behaviour. The key issue in this case is *connectedness*. Connectedness means perceiving that someone at school cares for your well-being (Cunningham et al., 2008). Connected students avoid high risk behaviour in order to safeguard their future, implying that connectedness has a long-term effect even after boys or girls conclude school (World Bank, 2004).

In CARICOM countries young individuals who feel connected at school (who are the large majority: 88 percent) are less than 10 percent likely to exhibit high risk behaviour. In contrast, among those who are not connected 55 percent of boys and 30 percent of girls use drugs and 70 percent of both sexes embrace violence (World Bank, 2004). Early sexual behaviour also decreases by 30 percent among boys and 60 percent among girls who feel connected at school (World Bank, 2003b). Connectedness at school is reinforced by home and community care (World Bank, 2004), however, the effects of these are weaker than the effect of connectedness at school: according to Cunningham et al. (2008), parental connectedness reduces the risk of smoking, using alcohol or being violent by 10 percentage points versus 50 percentage points for school connectedness.

High risk behaviours among the youth tend to be interconnected and cumulative – although the same is true for protective factors. In the Caribbean, among the age group 16-18 years, 64.6 percent of those who are not connected with the family, other adults or school, use drugs; this figure diminishes to 22.9 percent when school connectedness is included, to 16 percent when parental connection is also in place, and to 11 percent when the young are connected to other adults in the community. In contrast, on average in the same age group, 12 percent use drugs overall, which grows to 32 percent without school connectedness and

BOX 2.4

Open School Programmes in Brazil

The provision of public spaces for supervised youth activities has shown a positive effect on school attendance and school grades of the young. When such activities are offered in after-school hours in schools, connectedness to school is fostered.

The Ministry of Education of Brazil, with technical assistance from UNESCO, finances the *Escola Aberta* (Open School) programme for interested State and Municipal Education Departments, which usually run it under different names. In the Open School Programme cultural, sport, leisure and income generating activities are implemented during weekends

in schools. Supervision is provided by local residents, thereby reinforcing connectedness of the young to the community too (and to the family insofar as other family members also participate in the after-school activities). An evaluation of the *Abrindo Espaços* (Opening Spaces) programme in the State of Pernambuco shows a 60 percent decrease in violence, together with positive results also on the rates of sexual assault, suicide, drugs use, theft and armed robbery. Similar results are reported in other Brazilian states.

Source: Cunningham et al, 2008.

to 43 percent if proxies for parental connection are absent (Cunningham et al., 2008).

In a broader sense, lack of connectedness is related to gang membership also, as living in areas with gangs is associated with a lack of sense of belonging, no interest in community participation, isolation and apathy (UNDP, 2012).

2.4.3 Strategies and policy implications

Successful strategies against youth violence are generally twofold: (i) addressing the control of risk factors; and (ii) fostering the resilience of the youth by widening the space for youth agency, building upon protective factors such as school, community and family (UNDP, 2012). Specifically, the following policy recommendations have been suggested.

In the first place, policies and programmes should adopt a life cycle, age- and gender-specific approach, following the stages of life from early childhood development, including all types of youth at risk, and tailoring interventions accordingly. This is consistent with the argument put forward by Cunningham et al. (2008) that programmes focussed on different dimensions of youth behaviour are more effective and efficient than programmes targeting single dimensions.

Similarly, the youth must be approached from a multidimensional perspective and different protective factors must be coordinated to

address different risk factors at different stages and strengthen resilience intersectorally within an overall human development approach. This suggests identifying and mobilizing the diverse actors that contribute to shaping the environment where youth live: family, school, community and peers, and state institutions. First, family, and parents in particular, must be a priority on the public agenda and mentoring programmes must be designed to strengthen families' stability and parenting skills as well as to make parents accountable for their children. Second, peer support groups and participation in associations should be promoted together with after-school programmes for in-school youth; second-chance programmes for drop-outs; and youth service or structured community voluntary service for the out-of-school, out-of-work youth; the development and use of youth-friendly spaces in public buildings should be incentivized, too. Third, with regard to state institutions, intersectoral coordination must be strengthened among excessive and often fragmented programmes for the youth. In order to provide this type of support, partnerships have to be built between the state and the civil society and between adults and the youth (*ibid.*).

In addition, the approach to youth violence that prioritizes law enforcement, criminal justice and institutionalization of the youth as a problem, which has been dominant so far, needs to be readdressed. Behaviours like

In the first place, policies and programmes should adopt a life cycle, age- and gender-specific approach, following the stages of life from early childhood development, including all types of youth at risk, and tailoring interventions accordingly.

Unemployment rates among Caribbean youth are twice to three times that of adults. Youth comprise between 28 percent and 50 percent of all unemployed persons, and female youth are more likely than male youth to be unemployed.

running away from abuse and neglect in search of care and protection should not be considered offences. Importantly, when conflict with the law is unavoidable, alternative approaches to juvenile incarceration can be suggested such as non-custodial sentences and restorative justice. This implies reform of the legislative framework as well as promoting different relationships between youth and the judicial system and the police (*ibid.*).

Specifically, strategies may be implemented to suppress and prevent gang activity. Suppression can be improved through better intelligence together with human rights abuse control. Prevention may be achieved by way of partnerships among schools, health services, churches, criminal justice agencies, social outreach, and support programmes for those who exit gangs and for gang victims – who often are gang members themselves (*ibid.*).

Finally, research, data collection and monitoring systems need to be strengthened to improve evidence-based evaluation of the large array of youth programmes in the Caribbean and so improve their targeting, performance and coordination. Integrated databases are required in order to adequately capture the multiple vulnerabilities experienced by youth and to inform the formulation of intersectoral programmes and policies (*ibid.*). This can facilitate the development of a youth portfolio coupled with well-targeted interventions that can address the multiple vulnerabilities and risks where successful interventions can be appropriately scaled up (*ibid.*).

In this section, the underperformance of Caribbean youth at the secondary level was analyzed, especially that of the boys, and the associated vulnerability and risk factors such as growing up in abusive families, violent communities, drug abuse, early sexual initiation, gang membership and violence. It was established that young males are both the main victims and perpetrators of crime in the Caribbean – although often what is classified as “crime” is just an attempt to escape abuse and neglect in search of care and protection.

Some of the risk factors that lead to violence, if properly supported and readdressed, can be transformed into protective factors that broaden the space for resilience among youth.

This is the case of the family, community and especially school. In the same way that risk factors are intertwined and cumulative, successful strategies for the reduction of youth violence need to be multidimensional and intersectoral, following and supporting all stages of the youth life cycle and mobilizing, coordinating and strengthening different protective agents from family, school, community and state institutions.

2.4.4 Youth employment

Youth unemployment rates range between 18 and 47 percent, except in Trinidad and Tobago where it is 10 percent. Unemployment rates among Caribbean youth are twice to three times that of adults. Youth comprise between 28 percent and 50 percent of all unemployed persons, and female youth are more likely than male youth to be unemployed (tables 2.6 and 2.7).

Youth seeking to enter the labour market for the first time often find the length of the transition from school to work demotivating. The Statistical Institute of Jamaica (STATIN) in collaboration with the International Labour Organization (ILO) conducted a survey in 2013 which revealed that youth from the poorest quintile took as long as 73 months to make the transition, while youth from wealthier quintiles took 50 months. The duration of the transition is long for both groups of youth, but the youth from the poorest quintiles are more adversely affected as their households are less capable of coping with delayed employment.

The positive association between education and employment prospects observed for adults is less certain for youth. In Belize, the youth unemployment rate is lowest among those with only primary school education and highest among those with tertiary education. However, in Barbados in 2010, 22 percent of unemployed male youth and 21.6 percent of unemployed female youth had at least secondary school certification. Higher proportions of employed male youth (33 percent) and of employed female youth (39 percent) were similarly qualified. The equivalence in secondary qualifications but differences in job-seeking

TABLE 2.6**Adult unemployment rate (%) 2015**

Country	All	Males	Females
Bahamas	11.6	11.6	11.5
Barbados	10	9.7	10.3
Belize	8.5	4.8	13.8
Guyana	6.9	5.3	9.3
Haiti	4.9	4.2	5.6
Jamaica	10.3	14	7.2
St. Lucia	14	18.1	10.4
St. Vincent & the Grenadines	15.7	13.7	17.2
Suriname	6.3	3.6	10.7
Trinidad & Tobago	3	2.6	3.5

Source: ILO Key Indicators of the Labour Market 2015, International Labour Organization.

TABLE 2.7**Youth unemployment rate (%) 2015**

Country	All	Males	Females
Bahamas	28.4	24.4	33
Barbados	30.4	28	33.4
Belize	22	14.2	33.7
Guyana	25.1	20.6	34
Haiti	17.7	14.8	20.5
Jamaica	32.7	25.4	42.4
St. Lucia	47.2	33.9	62.9
St. Vincent & the Grenadines	39.6	35.2	46.3
Suriname	18.6	11.5	35
Trinidad & Tobago	9.6	7.6	12.3

Source: ILO Key Indicators of the Labour Market 2015, International Labour Organization.

experience raises questions about secondary education as a screening device and about its effects on employment prospects in Barbados.

In Jamaica 2012/2013, 34.9 percent of unemployed youth had no more than primary education, 34.2 percent no more than secondary education and 21.8 percent had tertiary education. There seems to be no significant difference in the employment prospects of primary education graduates and secondary education

graduates but a significant difference between those two education categories and tertiary education graduates.

Kairi Consultants (2009), on the basis of household survey data for Barbados, Dominica and Grenada, have suggested that youth unemployment rates are inversely correlated with household consumption quintile.

Several reasons have been advanced for the difficulties youth experience in finding

Eighty-five percent of youth surveyed would migrate, given opportunity to do so. High rates of youth emigration imply tremendous loss of an important segment of the present and future work force.

employment. Lack of jobs in the labour market, education below or above required levels, lack of relevant skills and work experience, low wage offers relative to reservation wages, and lack of ability to negotiate labour market participation are some of the factors put forward by Lashley and Marshall (2016) and STATIN (2014). Whatever the weight given to particular reasons, the outcome of a fruitless job search, if it is repetitive and prolonged, can give rise to strong demotivation and loss of confidence in the Caribbean society. The Caribbean Commission on Youth Development (2010) found that Caribbean youth are ambivalent about life in the Caribbean and express deep feelings of frustration, uncertainty, hopelessness, despair, anger and hostility. Eighty-five percent of youth surveyed would migrate, given opportunity to do so. High rates of youth emigration imply tremendous loss of an important segment of the present and future work force.

Generally, youth employment is clustered in low skill, low education kinds of jobs (Lashley and Marshall, 2016), (figures 2.7 and 2.8), with little opportunity for upward mobility. The availability of facilities for continuing education and training, flexible entry requirements for education and training programmes, support and encouragement from employers, family and friends can make a positive difference to upward labour market mobility of youth by providing them with the ambition and motivation for personal progress. Financial support for tertiary education and training from the public sector, businesses and private benefactors would encourage the entry of youth in tertiary education and enhance their prospects after graduation for employment in the middle and upper job echelons.

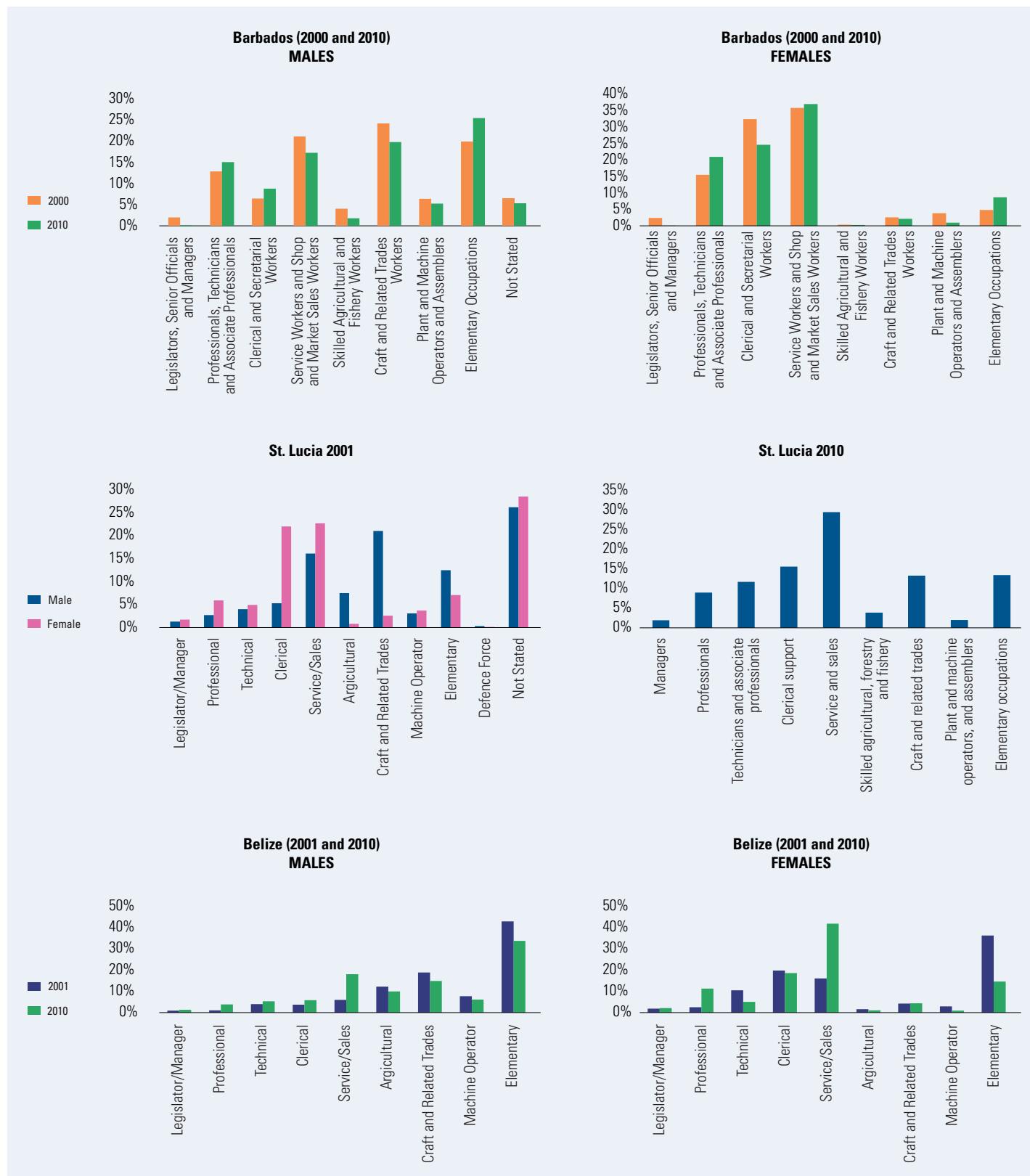
Both male and female youth are highly vulnerable to job loss. This might be partly a consequence of the last in-first out industrial relations culture in unionized Caribbean labour markets, partly a consequence of the low-skilled and casual employment kinds of jobs youth obtain, and partly, also, because of the lesser value-added brought to the enterprise because of inadequate work experience. From the policy perspective, the provision of substantially more opportunities for decent

work for youth through targeted initiatives, particularly by linking private sector and education institutions at the time of school to work transition, can contribute to multidimensional progress in other areas. This issue, which is extremely critical for the region, is revisited in chapters 4 and 5.

2.5 Vulnerabilities of the elderly

Old age is often associated with vulnerability because of poor health and disability, loneliness, isolation from social life and insufficient income. Care for the elderly is also associated with increase in financial shocks and health costs, particularly in cases of those elderly with little or no savings.⁵⁸ Due to patriarchal and cultural norms, in most cases women carry the brunt of the responsibility of care for the elderly.

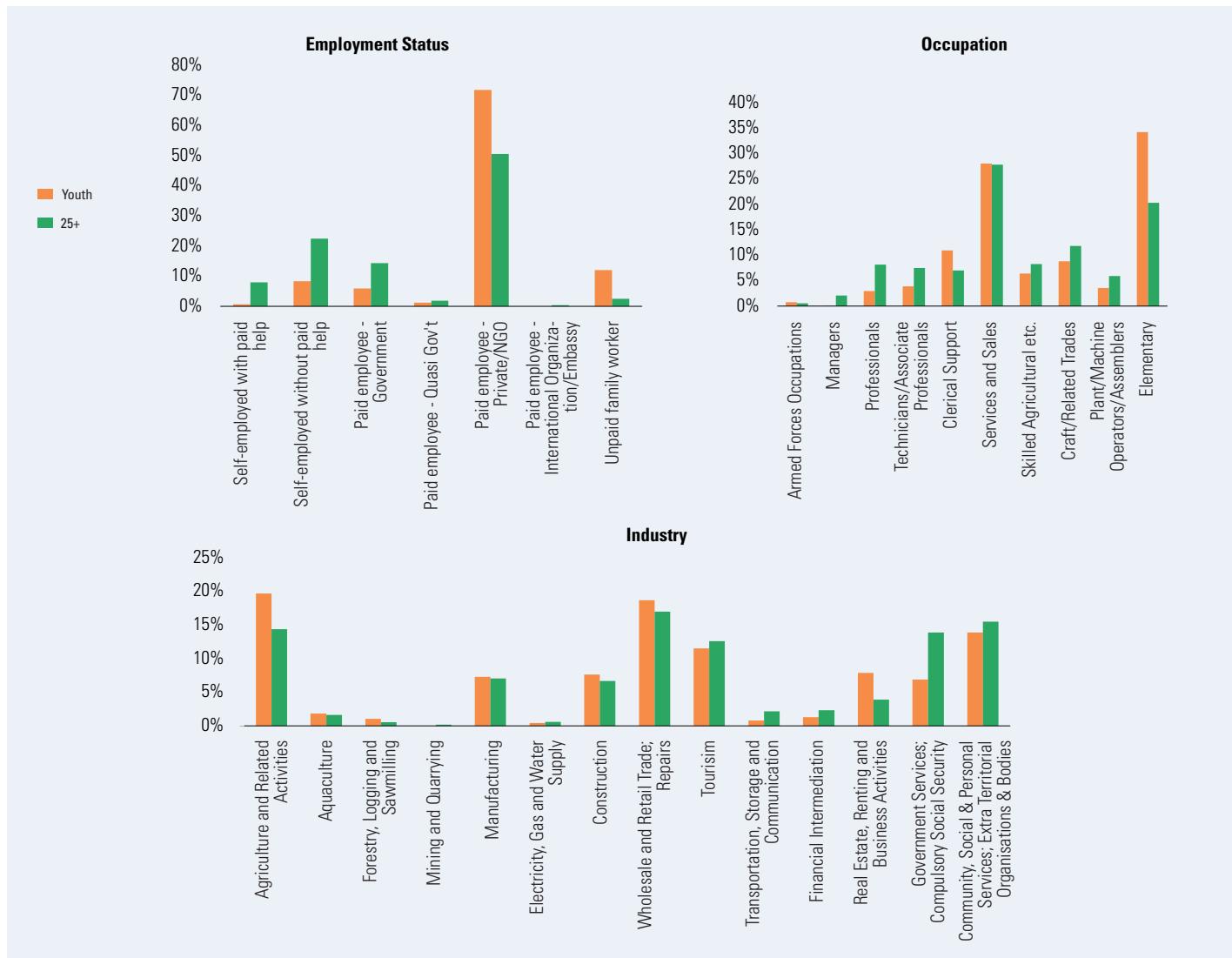
Three interrelated dimensions of vulnerability for the elderly are discussed in this section – financial, health-related and social vulnerability, with crosscutting gender issues. Elderly individuals face several vulnerabilities to reduced or unstable sources of income, increased health care costs, poverty, discrimination and exclusion. This is more likely in cases where the elderly rely on noncontributory pensions, public assistance or other social protection programmes which have come under increased pressure due to demographic changes, reduced fiscal space and increased demand. The elderly, also, face greater need for health services and medication. This is especially so in the case of older women who show a higher prevalence than men for chronic diseases and are more aware of the available health services, thus using them more frequently. While health care programmes for the elderly exist in Barbados, Jamaica and Trinidad and Tobago (subsidized or free drug provision and, in some cases, user fees free treatment), there are issues in terms of the Jamaican programme that indicate that the poor, including poor old people, hardly benefit from them because of low coverage, high copayment of drugs and understaffed public health services. On the social side, the elderly are vulnerable to loneliness, abandonment and isolation.

FIGURE 2.7**Intercensal contrasts of employed youth occupations for selected countries**

Source: Barbados 2000 and 2010 Censuses of Housing and Population

Source: St. Lucia 2001 and 2010 Censuses of Population

Source: Belize 2001 and 2010 Censuses of Housing and Population

FIGURE 2.8**Employed youth status, occupation and industry in Belize (April 2015)**

Source: Belize Labour Force Survey (April 2015)

It is estimated that by 2025, 11.4 percent of the Caribbean population will be 65 years or above.

The number and visibility of old people and their problems are amplified by demographics. On the one hand, as fertility slows down and life expectancy increases, the percentage of old people is growing compared to other age groups. On the other hand, as the average size of families is reducing, less opportunities exist for the elderly to be cared within the household.⁵⁹

In the Caribbean the effects of the demographic transition are apparent in terms of the ageing population and worsening old age dependency ratio which will put further pressure on an already inefficient pension system.

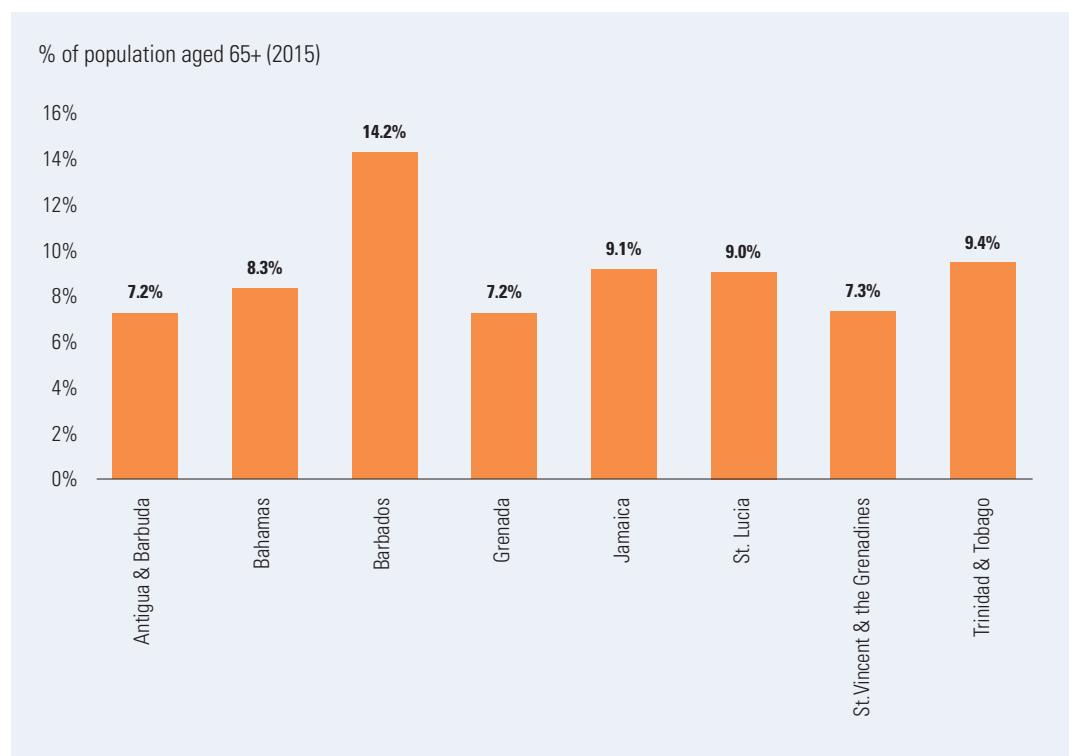
Pensions are generally low, especially non-contributory pensions.

In 2015, the population aged 65 and over in the Caribbean was 9.4 percent of the total population, almost 2 percentage points above the average of LAC. Not only is the elderly population higher in the Caribbean than in LAC, but it is also growing faster. During the period 1960 to 2015 it increased 2.29 times in the Caribbean versus 2.11 times in LAC. It is estimated that by 2025, 11.4 percent of the Caribbean population will be 65 years or above (Bourne, 2012). Data on old-age population by country are provided in figure 2.9.

TABLE 2.8**Population aged 65 and over as a percentage of total population, Caribbean and LAC regions, 1960-2015**

	1960	1980	2000	2015
Caribbean	4.1%	5.9%	7.4%	9.4%
LAC	3.6%	4.4%	5.6%	7.6%

Source: Prepared by the authors, based on the 2015 United Nations Human Development Report (Population Division), United Nations Development Programme.

FIGURE 2.9**Population aged 65 and over as a percentage of total population, selected Caribbean countries, 2015**

Source: Prepared by the authors, based on the 2015 United Nations Human Development Report (Population Division), United Nations Development Programme.

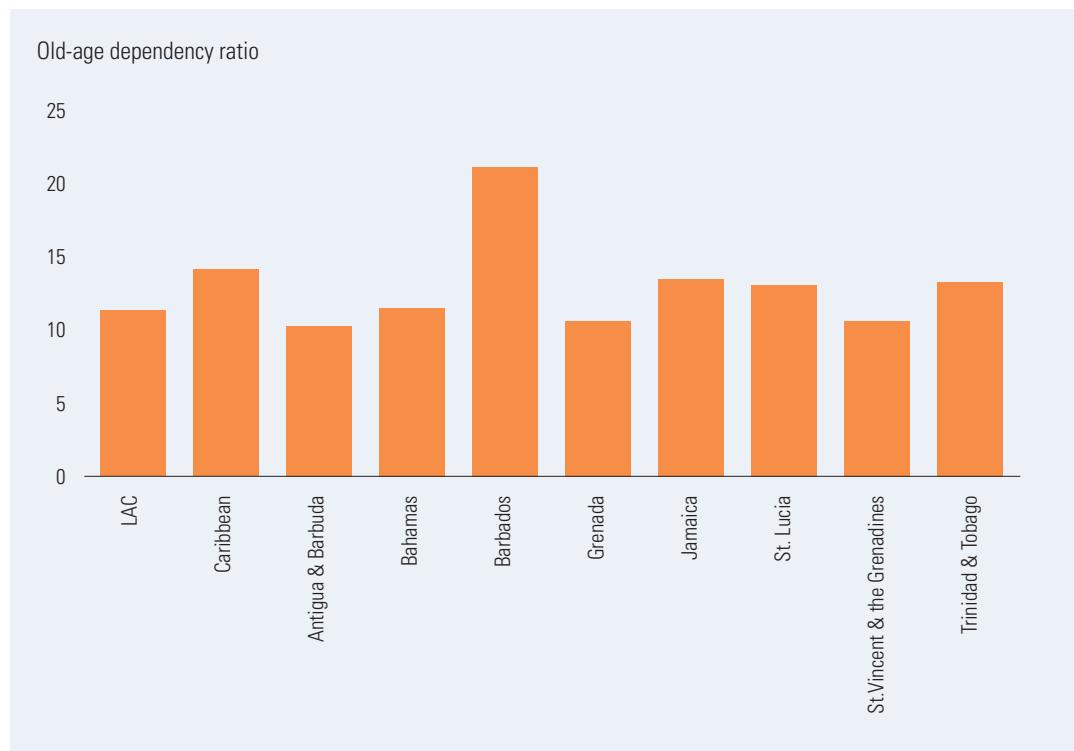
Differences in the proportion of old-age population are high among Caribbean countries. In Barbados it is almost double the rate of Grenada, Antigua and Barbuda and St. Vincent and the Grenadines. Jamaica, St. Lucia and Trinidad and Tobago are close to the region's average. Countries like Belize and Suriname show much lower rates (3.8 and 6.9 percent, respectively).

The old-age dependency ratio follows the distribution of the 65 and over. Most Caribbean countries have achieved the

lowest old-age dependency ratio already and their young/adult population has started decreasing compared to the older population, whilst other countries are very close to reaching this turning point (Guyana is estimated to reach it in 2018, Jamaica in 2017, St. Vincent and the Grenadines in 2019, Suriname in 2017). The only exception is Belize where the lowest point in the old age dependency ratio curve will be reached in 2035 (Cotlear, 2011).

FIGURE 2.10

Old-age dependency ratio (ratio of population aged 65+ per 100 population 15-64), LAC and Caribbean regions, selected Caribbean countries, 2015



Source: Prepared by the authors, based on the 2015 United Nations Human Development Report (Population Division), United Nations Development Programme.

In Barbados more than 50 percent of old people receive financial support from their adult children and in Trinidad and Tobago 41 percent of older women rely on the family as an additional income source.

2.5.1 Vulnerability among the elderly and related programmes

Vulnerabilities among the elderly are associated with economic, social and health-related risk factors and outcomes, with different implications for men and women.

Economic insecurity is reported to be the main concern in terms of vulnerability outcomes among the elderly in The Bahamas, Barbados, Guyana, Jamaica, Trinidad and Tobago and Suriname. This is the case especially for those who had never contributed and were dependent on old-age pensions, which hardly allowed beneficiaries to live above the poverty line⁶⁰ (Rawlins, 2010) and therefore represent a risk factor. A simulation for the Senior Citizens Pension (a non-contributory retirement scheme for low-income people aged 65 or more) in Trinidad and Tobago shows that if the pension value were doubled in real terms it would move about 20 percent of retired

people out of economic vulnerability into the non-poor status (Beuermann et al., 2014). As a result, the elderly often lack financial independence, depending on external support to survive. In Barbados more than 50 percent of old people receive financial support from their adult children and in Trinidad and Tobago 41 percent of older women rely on the family as an additional income source (Rawlins, 2010). This makes old people also vulnerable to economic downturns in their siblings' households.

Economic insecurity and risk of poverty in old age are more acute for women, who accumulate different risk factors over their working lives. Women tend to spend less time in full employment than men or tend to be employed in lower-pay, lower-benefit jobs as previously seen. As a consequence, fewer women than men receive pensions – in Trinidad and Tobago, the percentages are, respectively, 12 percent for women and 36 percent for men (Rawlins, 2010). Inequalities experienced by

women in the labour market earlier in life have a long-term effect that extend and amplify vulnerability in the old age. Vulnerability in old age is further exacerbated for women as in all Caribbean countries life expectancy for women is 4 to 5 years higher than for men (*ibid.*). As a consequence, illness and disability are more likely for women, which, in turn, bring about higher costs for health care and personal assistance, adding up to economic insecurity.

If older women are most affected by financial problems, older men tend to suffer more frequently from lack of family care and social interaction. Women generally have greater social capital and in old age this is evident in greater family protection and care relative to elderly men. This puts old men at risk of isolation, depression and worsening health, possibly leading to further economic insecurity due to additional health care and personal assistance costs. The reduction of family size that has occurred in most of the Caribbean⁶¹ and the fact of many women working outside the home, together with migration, has reduced the number of family members who can take care of the elderly. In 2005, in Barbados about 20 percent of the elderly lived alone, but among the 80 percent who lived with at least one sibling, 23.1 percent were women and only 16.3 percent were men.⁶² House-ownership is a protective factor against vulnerability in old age, both directly in terms of economic security and, indirectly, as being home-owner – or having resources in general to share – positively affects the interaction of the elderly with relatives. In Trinidad and Tobago, 18.5 percent of older women lived alone but 79 percent owned their home and had relatives living with them (Rawlins, 2010).

In the absence of systems of care, the responsibilities of care for the elderly fall disproportionately on women. Time-use surveys from LAC suggest that women spend as much as three times more hours than men on unpaid care at the household level (Maier, 2015). This ratio blows up to about 6 to 1 in rural areas. The implications for policy are important: women already face a labour participation gap with respect to men – of between ten and 15 percentage points (UNDP, 2016). Female participation will not increase unless care systems and social protection move incentives towards active labour market parity. Systems of care

are also a major determinant of long-lasting poverty reduction (Abud, Gray Molina and Ortiz-Juarez, 2016).

Besides financial insecurity, lack of care from family and poverty, the elderly in the Caribbean report worrying about ill health and related health care costs as well as care provision both from families and institutions. These are risk factors that can reinforce vulnerability to destitution and abandonment. In 2008, chronic illness affected 73.8 percent of older men and 85.3 percent of older women in Trinidad and Tobago (Rawlins, 2010). The difference by gender can be attributed to both longer life expectancy of women and to the fact that older men underutilized health care services (*ibid.*),⁶³ consequently, prevalence of chronic illnesses among men might be underestimated.

Health programmes for the elderly in the Caribbean include: drug supplies for some chronic illnesses in Barbados – the Barbados Drug Service provides free drugs to all patients above 65 years; Trinidad and Tobago – the CDAP (Chronic Disease Assistance Program) supplies 47 drugs free of charge to citizens including old people suffering from several chronic diseases;⁶⁴ and in Jamaica through the JADEP – Jamaica Drug for the Elderly Program (*ibid.*).

The case of Jamaica has been the object of evaluation (Chao, 2013). In Jamaica the National Health Fund (NHF) was established in 2003 and user fees were abolished in 2008. Under the NHF Card programme, subsidized drugs are provided to vulnerable groups – including the elderly who move from the NHF Card programme to JADEP automatically at 60 years – for 15 chronic diseases against a copayment by users, ranging between 25-53 percent of the cost of medications. Jamaica's evaluation of its approach to universal coverage has shown mixed results. First, because coverage is far from being universal – NHF covers only 19 percent of the population; second, because copayment is considered to be high by users; besides, copayment for drugs, health care users are obliged to use private services as the understaffed public health sector demonstrated inability to attend the increased demand, considering also that chronic illnesses are growing together with HIV and tuberculosis (Chao, 2013, Rawlins, 2010)

House-owning is a protective factor against vulnerability in old age, both directly in terms of economic security and, indirectly, as being home-owner – or having resources in general to share – positively affects the interaction of the elderly with relatives.

BOX 2.5

Social services for the elderly in Trinidad and Tobago

In Trinidad and Tobago, besides CDAP, other social services are made available by the Ministry of the People and Social Development to the elderly or to wider groups including the elderly. Being a beneficiary of the Senior Citizens (non-contributory) Pension is one of the targeting criteria of these services, which addresses some of the vulnerabilities of the elderly we previously discussed. Services include grants (i) to purchase building material for constructing or repairing homes; (ii) for buying medical equipment such as wheelchairs, commodes, special beds, dentures etc.; (iii) for contracting part-time domestic help or caregiving during three and up to six months; (iv) for special diets, for instance for renal patients and people with uncontrolled diabetes; and (v) for purchase (once a year and during not more than three months) of prescriptive medication that are not available under CDAP or in

public dispensaries. In addition, free treatment is provided for cancer and respiratory diseases as well as emergency dental care at specific medical centres. Free bus passes are provided also to citizens aged 65 and older.

Under the Ministry of the People and Social Development, also, a Division of Ageing has been set up to inform the population on ageing issues and coordinate the execution of the National Policy on Ageing, as well as managing senior activity centres where old people can attend educational and recreational activities. Finally, under the Ministry of Community Development, the Geriatric Adolescent Partnership Programme aims at linking the young to older people by supplying training to the at-risk young in geriatric care, which then becomes affordable to the elderly poor.

Source: (Rofman et al., 2015).

The increasingly ageing population in the Caribbean is progressively getting more vulnerable to poverty, social and family exclusion and illness. These vulnerabilities are mutually reinforcing and put pressure on the pension systems and social and health care services at the country level.

putting further pressure on the health services. As a consequence, poor people, including the poor elderly, are penalized most as they have to spend a higher part of their income for health care (Chao, 2013). This makes them vulnerable to further economic insecurity or worsening health or both.

The increasingly ageing population in the Caribbean is progressively getting more vulnerable to poverty, social and family exclusion and illness. These vulnerabilities are mutually reinforcing and put pressure on the pension systems and social and health care services at the country level. The elderly is also the group most affected by disability, which is analyzed in the next section.

2.6 People with disability as a vulnerable group

Another vulnerable group that continues to face discrimination, exclusion, poverty and stigma is the disabled. The United Nations Convention on the Rights of Persons with Disabilities recognized "... that the majority of persons with disabilities live in conditions of poverty, and in this regard recognizing the critical need to address the negative impact of poverty on persons with disabilities."⁶⁵ Disability is a social

phenomenon that goes beyond an individual's permanent functional abilities with respect to the physical, mental and sensory spheres and is reflected in the limited interaction or absence of interaction between the individual and the physical, sociocultural, economic and political environment (Gayle-Geddes, 2015, 9). There are several types of disabilities: physical, sight, mental retardation, slowness of learning, hearing, speech, mental illness. However, the most prevalent forms of disability are physical and sight.⁶⁶ The disabled face a number of challenges that are intertwined, reinforcing their exclusion and marginalization which show up in their underachievement in education, labour force participation and, in some cases, neglect and abuse. Considering that the concept of multidimensional progress defines rights of peoples as its lower limit, disabilities represent a perfect example of vulnerabilities threatening human development.

Available data indicate that disability in the Caribbean is concentrated among the elderly – women more than men – and, to a lesser extent, among the young (in this case, boys more than girls). The main causes of disability are, respectively, illnesses linked to old age, lifestyle and accidents related to high risk behaviours of young men or hazardous work. The family is the main care giver, especially of older

women. However, disability status also tends to be underreported because of stigma – the elderly are more likely to report disability because it is seen as natural to the ageing process, but information for the working age population⁶⁷ is less readily available. People without disability demonstrate better educational outcomes and better labour force indicators, including employment, access to senior job positions and wages. Poor labour force performance seems to be associated with negative expectations regarding the possible outcomes of the disabled by both employers and disabled applicants themselves. The disabled also have to face a higher cost of living as they need to purchase aid devices and personal assistance services. As a result, people with disability are highly vulnerable to poverty. Programmes for the disabled are in place in some Caribbean countries but hardly within an overall inclusive approach.

In this section causes and prevalence rates of disabilities in the Caribbean are addressed searching for the most at-risk groups, followed by a discussion of the main vulnerabilities of the disabled and of existing programmes.

2.6.1 Disability: types, prevalence and risk factors by age and gender

Estimates based on the year 2000 census micro-data for different Caribbean countries

(Schmid et al., 2008, ECLAC, 2009b) show that: (i) the main causes of disability are diseases resulting from old age and lifestyle, including poor nutrition or changes in diets associated with reduced physical exercise, lack of access to health care, lack of early detection and preventive education, affecting mainly the elderly, especially older women; (ii) among the youth, disability is more frequent among boys than girls because males are more vulnerable to genetic diseases at the early stages of life, engage later on in risk-taking behaviours that may lead to accidents, or are victims of injuries in hazardous works (Schmid et al., 2008).

Table 2.9 shows that illnesses are the first cause of disability in three Caribbean countries for which data are available. This is clearly associated with the high prevalence of disability among the elderly and especially among older women (see below), among whom there is a greater incidence of illnesses. In contrast, other causes of disability such as birth and accidents are significantly more frequent among males.

The most frequent forms of disability among the elderly are related to sight, upper limb, lower limb (or mobility, gripping and movements, depending on the format of the questions in the census questionnaire) and hearing. In the age group 5-39 the main types of disability are related to sight and possibly speech among females, and to upper/lower limb, learning and behavioural disorders among males – although

TABLE 2.9

Main causes of disability by sex, Antigua and Barbuda, St. Lucia, St. Vincent and the Grenadines 2000-2001

Indicators	Antigua & Barbuda	St. Lucia	St. Vincent & the Grenadines
Illnesses	51%	52.3%	44.2%
Illnesses in females	53%	57.2%	50.5%
Illnesses in males	47%	46.7%	37.6%
From birth	15%	20.6%	21.5%
From birth in females	13%	18.6%	18.3%
From birth in males	17%	22.9%	25%
Accident	11%	12.8%	14.3%
Accident in females	7%	8.2%	9.8%
Accident in males	18%	18%	19%

Source: Schmid et al. (2008).

TABLE 2.10

Disability prevalence by age and sex, Antigua & Barbuda, St. Lucia, St. Vincent & Grenadines, Trinidad & Tobago, 2000-2001

Indicators	Antigua & Barbuda	Barbados	Belize	Grenada	St. Lucia	St. Vincent & Grenadines	Trinidad & Tobago
Disability prevalence	5.1%	4%	5.9%	4.4%	4.9%	4.3%	4.1%
Disability prevalence in females all ages	5.7%	4.2%	5.9%	4.7%	5.1%	4.6%	4.2%
Disability prevalence in males all ages	4.4%	3.8%	6%	4%	4.7%	4.3%	4%
Disability prevalence in females 60+ years	23.6%				19.9%	19.2%	17.7%
Disability prevalence in males 60+ years	20.0%				17.5%	15.7%	15.6%
Disability prevalence in females 5-19 years	2.2%				2.3%	2.0%	1.4%
Disability prevalence in males 5-19 years	2.1%				2.6%	2.3%	1.7%

Source: Schmid et al. (2008) and ECLAC (2009b).

learning and behavioural disabilities are relevant also among females in St. Lucia, and speech among males in St. Lucia, St. Vincent and the Grenadines and Trinidad and Tobago – (Schmid et al., 2008).

According to analyses of 2000-2001 census data (Schmid et al., 2008, ECLAC, 2009b), disability prevalence stands between 4 percent (Barbados) and 5.9 percent (Belize) in the surveyed countries. With the exception of Belize, disability prevalence is higher among women than among men, basically because of its concentration among older women, where the difference with older men is more accentuated. The prevalence in the age group 5-19 is almost one-tenth of that among the elderly, and gender differences are smaller, too, than those between older men and women, with young males showing a higher prevalence than young women, except in Antigua and Barbuda.⁶⁸ Data from the same sources and years (Gayle-Geddes, 2016) indicate a much higher prevalence rate of disability – 15.3 percent in both Jamaica and Trinidad and Tobago, – possibly because of different criteria or definitions. However, the latter figures are consistent with the worldwide average which is estimated at 15 percent (WHO, 2011).

Disabled individuals and families with a disabled member are more likely to be poor.

2.6.2 Vulnerabilities' outcomes associated to disability

While there are ongoing changes and greater acceptance and care, society sometimes sees the disabled as inferior, coupled with rejection and exclusion, devalues the individual and denies the normality of disability. This also stems from the failure of the social environment to adjust to the needs and aspirations of disabled citizens. As an outcome, disabled individuals and families with a disabled member are more likely to be poor. World Bank (2004) estimates that in LAC, 82 percent of persons with disabilities live in poverty. In 2010, 23 percent of persons with disabilities in Jamaica were poor, with a higher incidence for males.

Investigations in Jamaica and Trinidad and Tobago (Gayle-Geddes, 2016) show inequalities for people with disability in educational and labour market access and outcomes.

In these two countries, disabled people attain a lower level of education at secondary and tertiary levels than non-disabled people.

Qualitative information indicates that access to education for people with disability has improved in the last 20 years but both environmental accessibility in educational facilities and sensitization to the needs of the

TABLE 2.11

Distribution of working-age (15-64 years) people with disability (PWD) and people without disability (non-PWD) by highest level of educational attainment, Trinidad and Tobago and Jamaica, 2000 and 2001

Highest level of education	Trinidad & Tobago (census data 2000)		Jamaica (census data 2001)	
	Non-PWD %	PWD %	Non-PWD %	PWD %
None	1.2	10.5	0.3	5
Pre-primary	0.1	0.4	0.3	0.8
Primary	33.2	55.6	17.7	30.6
Secondary	60.3	30.6	68.7	51.9
Tertiary	5.2	2.9	12.4	8.3
Special			0.6	3.4

Source: Gayle-Geddes (2016).

TABLE 2.12

Distribution of working-age (15-64 years) people with disability (PWD) and people without disability (non-PWD) by labour force indicators, Trinidad and Tobago and Jamaica, 2000 and 2001

	Trinidad and Tobago 15-64 (census data 2000)		Jamaica 15-64 (census data 2001)	
	Non-PWD 11.6%	PWD %	Non-PWD %	PWD %
Labour force participation %	62	31	75	57
Male	78	38	85	65
Female	46	24	65	49
Employment rate %	57	28	64	49
Male	73	35	72	54
Female	42	21	56	42
Unemployment rate %	5	3	11	9
Male	5	3	13	11
Female	4	3	9	7
Job-seeking rate %	5	3	11	9
Male	5	3	13	11
Female	4	3	9	7
Outside labour force %	38	69	25	42
Male	22	62	15	35
Female	54	76	34	50

Source: Gayle-Geddes (2016).

disabled among school and university staff have not, thereby maintaining inequalities in educational outcomes of people with disability (*ibid.*).

Access to the labour market is also unequal for the disabled.

People with disability show worse indicators in all labour force dimensions, with women's outcomes worse than those of men – the pattern of labour market inequalities for women is confirmed and reinforced when disability is considered. Employers' expectations are that

TABLE 2.13

Monthly income by disability status, Trinidad and Tobago, 2000

Trinidad & Tobago (census data 2000)			
Income categories (\$)	Non-PWD %	PWD %	Total %
Less than 500	47.3	58.3	47.6
500-999	7.4	15.3	7.6
1000-1999	18.6	12.2	18.3
2000-2999	11.8	6.8	11.6
3000-3999	4.2	2.3	4.2
4000-4999	4.8	2.3	4.7
5000 and above	5.9	2.9	5.8
Total	100	100	100

Source: Gayle-Geddes (2016).

Disability can also affect groups which, otherwise, would have their life opportunities enhanced, such as women who would perform well in secondary and tertiary education.

the disabled would not be able to perform as well as non-disabled or that the range of tasks that people with disabilities can perform is very restricted. Similar expectations are shared by disabled people themselves regarding their attainable employment outcomes (*ibid.*), thereby generating a self-fulfilling prophecy resulting in further barriers to qualified access to the labour market.

Even when employed, the disabled experience accessibility and accommodation barriers. In addition, the participation of people with disabilities in professional jobs that bring about higher remuneration and benefits is usually limited (*ibid.*). Income inequalities between non-disabled and disabled people are apparent.

A further vulnerability deriving from disability refers to the higher cost of living for the disabled due to the need to purchase the necessary supporting devices and services (e.g. special software, braille paper, mobility aids, personal assistance services, besides specialized health care services) (Huggins, 2009) unless provided by public or non-governmental programmes.

Finally, research in St. Lucia showed that some parents or caregivers, especially in the rural areas, keep their children isolated because of shame (UNICEF, 2006a), thereby jeopardizing their opportunities in education and their socialization.

Disability tends to be concentrated in groups that already experience other types of poor life outcomes, inequalities or exclusion as previously seen, thereby adding up further vulnerabilities: the elderly, especially older women; young males; and those outside the labour force, unemployed or in lower-paying and less protected jobs, who also tend to be women rather than men. Disability can also affect groups which, otherwise, would have their life opportunities enhanced, such as women who would perform well in secondary and tertiary education. One of the results is higher poverty among the disabled.

Needs of people with disabilities change over the life cycle. In the case of young boys and girls with disability, support must be provided to them and to their families who are usually the main caregivers. At school age, inclusive education must be provided to allow full participation in education and learning. Later on in the life cycle, arrangements at the workplace are necessary in order to allow their full productive contribution. In old age, participation in social life has to be safeguarded, and in the final stages of life, adequate care facilities are essential (ECLAC, 2009b).

Policies and programmes aimed at mitigating the vulnerabilities from disability and, to some extent, to mainstream the disabled into full productive and social life are in place in some Caribbean countries. Jamaica, Trinidad

and Tobago and Barbados have set up specific agencies and programmes to mitigate the vulnerability of people with disability over most of the life cycle. Programmes exist in education, employment, health care, for accessibility and mobility, and for financial support, but, apparently, not for supporting caregiving by families. In Antigua and Barbuda, St. Lucia and St. Vincent and the Grenadines, programmes for the disabled are basically limited to the provision of simple assistive devices (canes, walkers and prostheses broadly, orthopedic devices, braillers or adapted cars just to a minority of people with disability).

Service provision for the disabled in Jamaica and Trinidad and Tobago has been assessed (Gayle-Geddes, 2016, 2015). Jamaica adopts an impairment-focussed approach to disability, whereas Trinidad and Tobago embraces a more inclusive and participatory one. Even so, and notwithstanding the relatively wide range of services provided, in both countries the dominant approach in service provision to the disabled is typically health-centred. Core services are the medical ones and a rights-based

legislation for disability is hardly in place to empower the disabled through full access to development opportunities in education and work.

In this section we have discussed the main types and factors influencing disabilities and the gender and age cohorts most affected. The disabled continue to face discrimination, rejection and exclusion, yet many of them can function normally when society embraces their limitations and provides an enabling environment which are evident in increased educational achievement and labour force participation rates in Jamaica. However, there are still hurdles to be overcome in integrating persons with disabilities into society and the economy and providing appropriate rehabilitative programmes to both the disabled and caregivers.

Children are not among the most at-risk groups with regard to disability. Nevertheless, such a risk is not irrelevant for children who are exposed to hazardous situations, such as children working in exploitative labour conditions and street children, who are the object of analysis in the following section.

The disabled continue to face discrimination, rejection and exclusion, yet many of them can function normally when society embraces their limitations and provides an enabling environment which are evident in increased educational achievement and labour force participation rates in Jamaica.

BOX 2.6

Participatory management in community-based rehabilitation (CBR) in Nicaragua

This case is relevant for disability policy in the Caribbean because it is focused on an approach to CBR that evolved from a non-participatory and medically-oriented model to a comprehensive and human rights-based one. The project is run by ASOPIECAD (Association of inclusive community education programs Astrid Dellemann) in Juigalpa, Nicaragua, a network of governmental and non-governmental organizations, covering a total of 320,000 inhabitants and 2,700 direct beneficiaries as in 2010.

The project objective is to allow PWD to participate at all levels in community development planning, monitoring, and evaluation, with equal opportunities based on legal definitions of their rights.

The project implementation strategy includes: (i) a self-assessment/mapping process by PWD, family, community members, leaders and representatives from various organizations, of individual, family and community needs and resources including PWD's rights; (ii) the consolidation of the assessment results into a three-year action plan, the implementation of which

is (iii) monitored annually by CBR committees made up of representatives of the same PWD, family, community members, leaders and representatives from various organizations, resulting in the publication of yearly reports and statistics. Through this process it has been possible to include the rights of people with disabilities in the work plans of community organizations and governmental institutions.

So far, the project has achieved results in terms of (a) increased accessibility and inclusion of PWD in local health care, educational services, livelihood and social activities, built environments of schools and health centres, teacher training for inclusive education with courses in Braille and sign language, vocational training activities and microfinance programmes at the community level; (b) capacity building of PWD in local vocational training courses and home microenterprise start-ups; and (c) inclusion of PWD in social protection systems of social security institutions and support to PWD self-help groups.

2.7 Vulnerabilities of children at risk of or actively participating in exploitative labour conditions and street children

Children working in exploitative labour conditions and street children are vulnerable to several infringements of children's human rights. These were spelled out in 1989 in the Convention on the Rights of the Child by the UN General Assembly. The Convention recognizes, among others, the right to health; to fully participate in family, cultural and social life; to a standard of living adequate for the child's physical, mental, spiritual, moral and social development where parents are the primary responsible agents; to education directed at the development of the child's personality, talents and mental and physical abilities to their fullest potential; to rest and leisure, to engage in play and recreational activities. Specifically, article 32 of the Convention on the Rights of the Child states:

"States Parties recognize the right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development, to be protected against all forms of exploitation prejudicial to any aspects of the child's welfare" (UN, 1989).

Child labour is harmful when it interferes with schooling, deprives children of their childhood, potential and dignity, and when it is dangerous for children's physical and mental development. In its worst forms, child labour – as defined by Article 3 of ILO Convention No. 182 – includes slavery, human trafficking, recruitment in armed forces, prostitution, pornography and drug trafficking. It is defined as hazardous when it endangers the physical, mental or moral well-being of a child, either because of its nature or because of the conditions in which it is carried out.⁶⁹ Children who live and work in the streets are often engaged in hazardous activities or in the worst forms of child labour.

In the first place, children working in exploitative labour conditions might come from an already vulnerable environment – poverty, destitution and abuse. In addition, the life

chances of children working in exploitative labour conditions are further jeopardized because they are absent from school, get sick or injured because of working conditions, have little access to health care from unprotected jobs, have poor parental guidance and reduced socialization with their peers, thereby missing family and social life. Working in the streets or in hazardous activities such as prostitution and drug trafficking exposes them to violence and risk of injury or death.

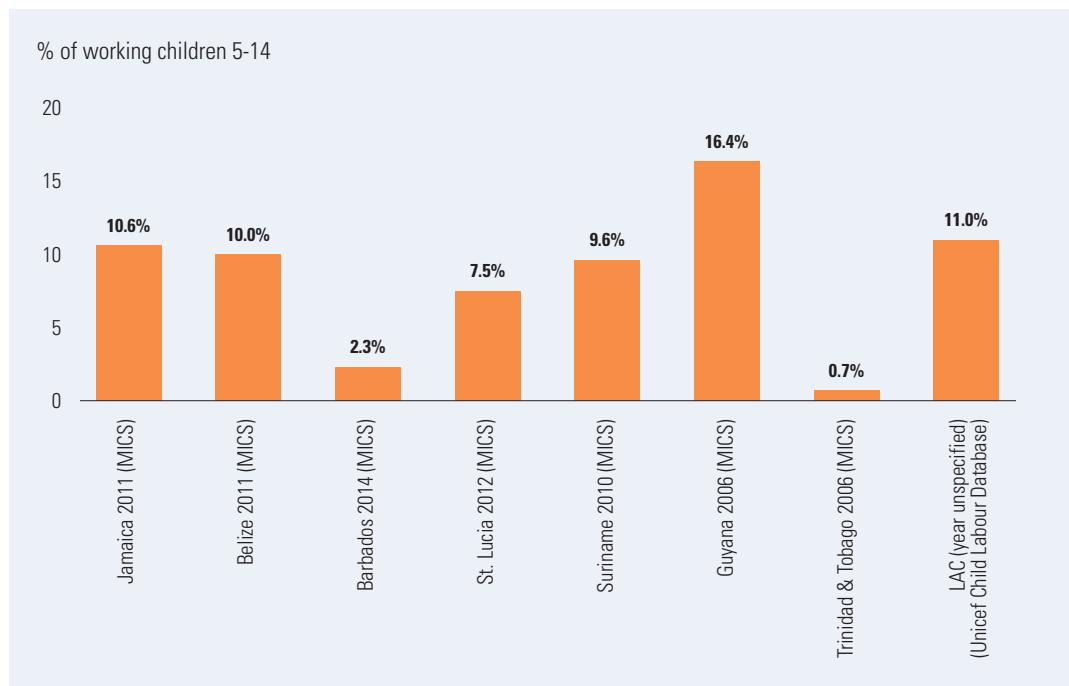
In this section we present quantitative data on the estimated size of child labour and its distribution by gender and age, together with qualitative data on the most common types of work in which children are involved, focussing on its worst forms. Risk factors that are associated with child labour are discussed, such as location, household poverty and mothers' educational level, migration and child-shifting. Along with these factors, the negative outcomes of child labour, including children who work in the streets, are addressed. Eventually, policies and programmes against child labour are summarised.

It is important to stress that, notwithstanding the fact that since the 1990s most Caribbean countries ratified the Convention on the Rights of the Child, the issue of child labour has not been a priority in public policy agenda in large part in the Caribbean (UNICEF, 2006b). Support has been provided by ILO's Regional Child Labour Project to several Caribbean countries to include the issue in social policy, focussing on the association between child labour, poverty and education. The ILO also advocated the inclusion of key principles from international treaties such as the ILO Convention 182 on the Worst Forms of Child Labour and ILO Convention 138 on the Minimum Age for Employment in national legal frameworks. The Convention on the Rights of the Child Committee (CRC) has also provided recommendations to Trinidad and Tobago on the legal minimum age for employment, the enforcement of national legislation on child labour, and on the need for specific programmes to protect children from exploitative labour. As in Suriname, the legal minimum age for employment is 14 years and the legal maximum age of compulsory education is 12 years. The CRC Committee has recommended that the latter be raised to at least 14 years in

Child labour is harmful when it interferes with schooling, deprives children of their childhood, potential and dignity, and when it is dangerous for children's physical and mental development.

FIGURE 2.11

Percentage of children working in exploitative labour conditions in the age group 5-14, selected Caribbean countries



Source: Prepared by authors based on statistics obtained from the Guyana Bureau of Statistics and UNICEF 2006, Statistical Institute of Jamaica and UNICEF 2013, Barbados Statistical Service 2012, Saint Lucia Ministry of Social Transformation, Local Government and Community Empowerment and Central Statistics Office 2014, Suriname Ministry of Social Affairs and Housing and General Bureau of Statistics 2012, Trinidad and Tobago Ministry of Social Development, UNICEF and Central Statistical Office 2008, Statistical Institute of Belize and UNICEF 201.

order to fill the legislative vacuum for children aged 12-14 (ECLAC, 2006).

As part of a worldwide effort, UNICEF and other UN Agencies have supported national statistical institutes in the Caribbean in conducting several surveys (Multiple Indicators Cluster Surveys or MICS) on the situation of women and children – including child labour. Participating countries included Barbados, Belize, Guyana, Jamaica, St. Lucia, Suriname and Trinidad and Tobago.⁷⁰ In MICS a child is considered to be involved in child labour activities at the moment of the survey if during the week preceding the survey he/she had done 28 hours of domestic work or at least one hour of economic work for those aged 5-11, or at least 14 hours of economic work or 28 hours of domestic work for those aged 12-14.

Child labour rates in the Caribbean fluctuate between 0.7 percent in Trinidad and Tobago and 16.4 percent in Guyana – the only country above the LAC average (11 percent). As the

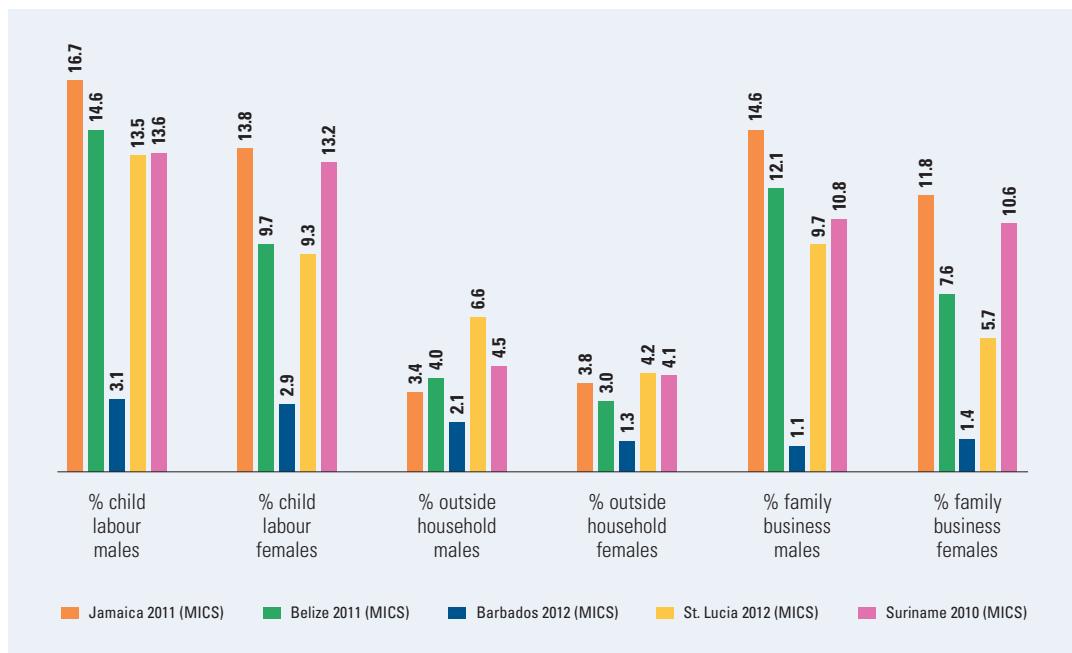
figure for Trinidad and Tobago is so small, the characteristics have not been investigated by MICS in this country and do not appear in figures 2.10-2.15.

Data for all countries except Guyana are broken down by age cohorts 5-11 and 12-14. Child labour is concentrated among boys more than girls and especially among children aged 5-11 more than among the young aged 12-14. The only country where the child labour rate is close between these two age groups is Belize. Among the 5-11 years old, boys more than girls work both outside the household (with the exception of Jamaica) and helping in the family business. In the age group 12-14 both these indicators show variability among the countries. Child labour is also higher among indigenous populations – Maya in Belize and Amerindians and Maroons in Suriname (Suriname Ministry of Social Affairs and Housing and General Bureau of Statistics 2012; Statistical Institute of Belize and UNICEF, 2012).

Child labour is concentrated among boys more than girls and especially among children aged 5-11 more than among the young aged 12-14.

FIGURE 2.12

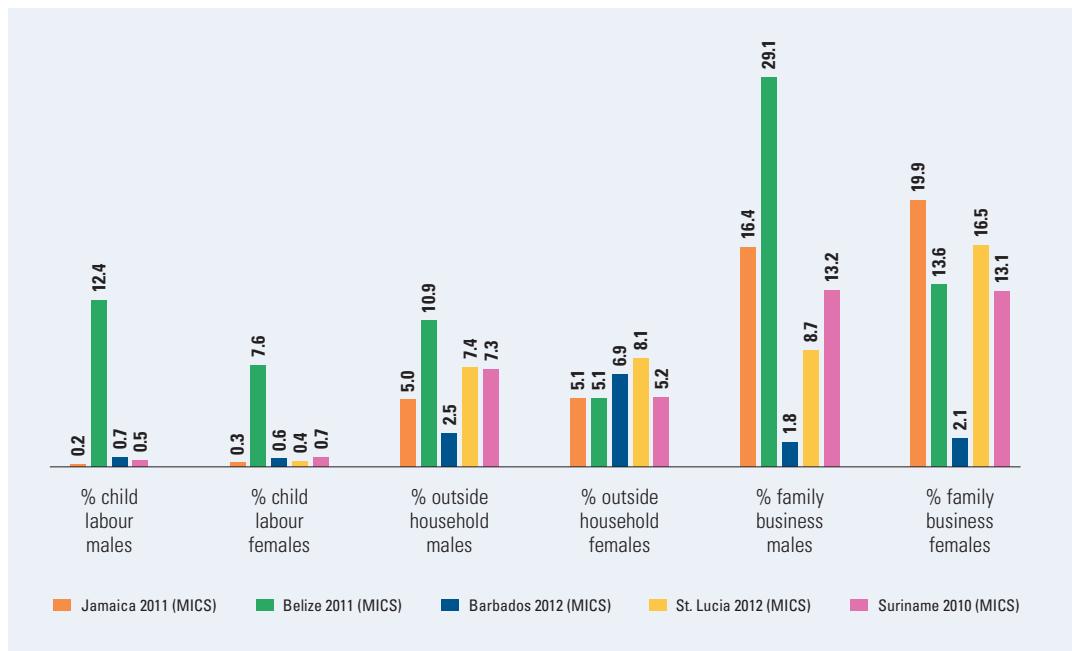
Child labour by gender and type of work, age group 5-11, selected Caribbean Countries, different years



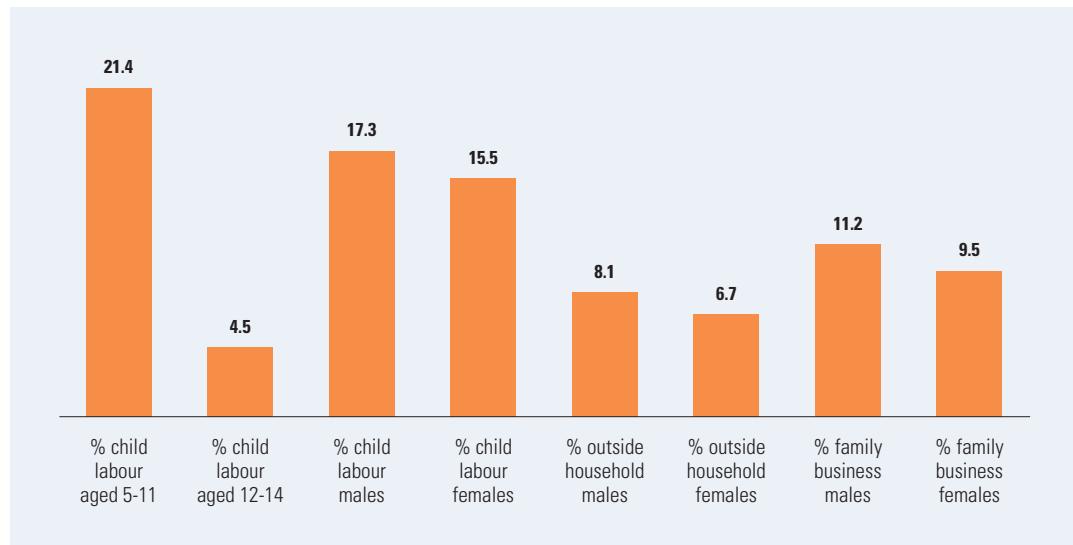
Sources: Prepared by the authors based on data obtained from the Statistical Institute of Jamaica and UNICEF 2013, Barbados Statistical Service 2012, Saint Lucia Ministry of Social Transformation, Local Government and Community Empowerment and Central Statistics Office 2014, Suriname Ministry of Social Affairs and Housing and General Bureau of Statistics 2012, Trinidad and Tobago Ministry of Social Development, UNICEF and Central Statistical Office 2008 and the Statistical Institute of Belize and UNICEF 2012.

FIGURE 2.13

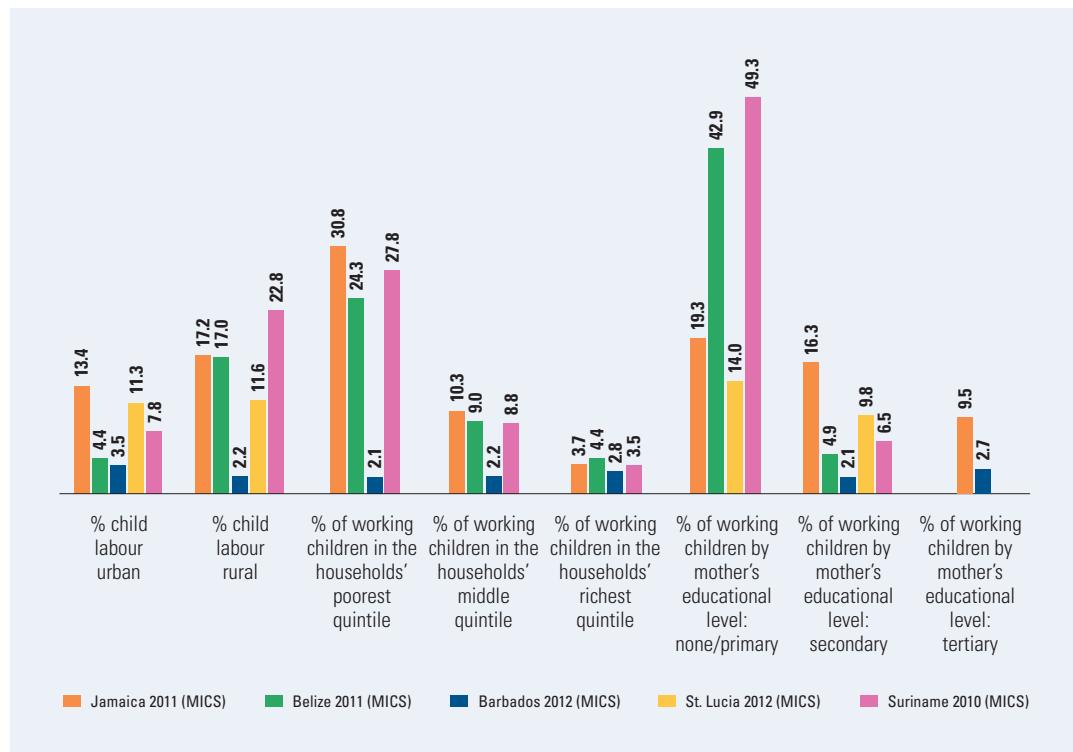
Child labour by gender and type of work, age group 12-14, selected Caribbean Countries, different years



Sources: Statistical Institute of Jamaica and UNICEF 2013; Barbados Statistical Service 2012; Saint Lucia Ministry of Social Transformation, Local Government and Community Empowerment and Central Statistics Office 2014; Suriname Ministry of Social Affairs and Housing and General Bureau of Statistics 2012; Trinidad and Tobago Ministry of Social Development, UNICEF and Central Statistical Office 2008; Statistical Institute of Belize and UNICEF 2012.

FIGURE 2.14**Child labour by gender and type of work, age group 5-14, Guyana 2006**

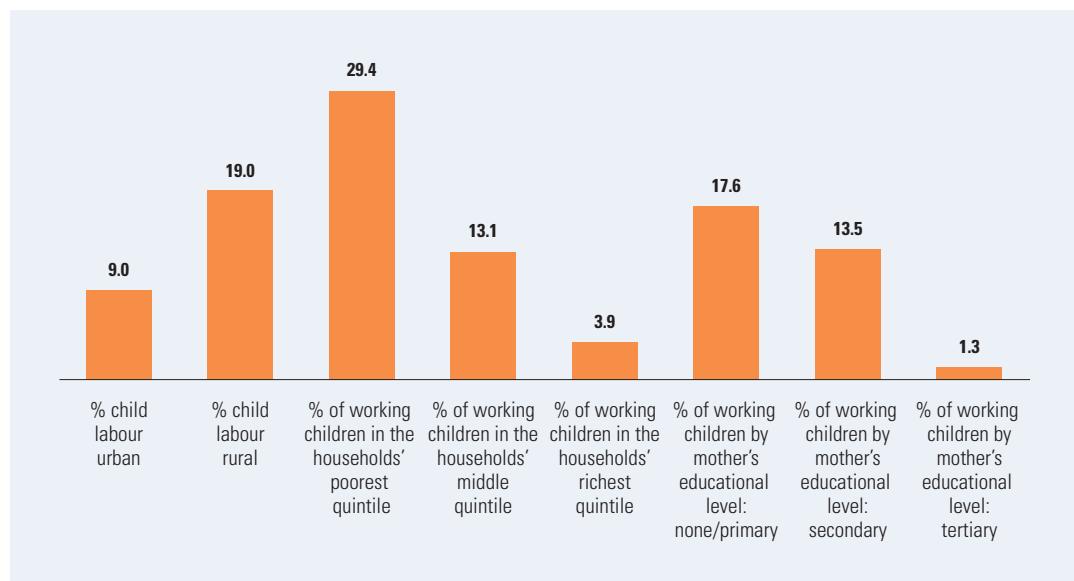
Source: Guyana Bureau of Statistics and UNICEF 2006.

FIGURE 2.15**Factors associated with child labour, age group 5-11, selected Caribbean Countries, different years**

Sources: Prepared by the authors based on data obtained from the Statistical Institute of Jamaica and UNICEF 2013, Barbados Statistical Service 2012, Saint Lucia Ministry of Social Transformation, Local Government and Community Empowerment and Central Statistics Office 2014, Suriname Ministry of Social Affairs and Housing and General Bureau of Statistics 2012, Trinidad and Tobago Ministry of Social Development, UNICEF and Central Statistical Office 2008 and the Statistical Institute of Belize and UNICEF 2012.

FIGURE 2.16

Factors associated with child labour, age group 5-14 Guyana 2006



Source: Prepared by the authors based on data obtained from the Guyana Bureau of Statistics and UNICEF 2006.

What is appalling is that 43 percent of children who are involved in the sex trade say that they had been pushed by parents to do so.

Given that child labour is much more concentrated in the age group 5-11, the following discussion does not take into account risk factors for the age group 12-14 (with the exception of Guyana where data are available for a single age group 5-14).

Child labour occurs more frequently in rural areas than in urban ones, except in Barbados. This is possibly related to the fact that help by children in family agriculture is diffused and widely accepted. The incidence of child labour decreases as the household wealth increases, again with the exception of Barbados where the child labour rates are similar (and generally low) for all wealth-index quintiles (data for St. Lucia is not available). Child labour is also negatively linked to the educational level of mothers.

Studies in Barbados, St. Lucia and St. Vincent and the Grenadines (UNICEF, 2006a) suggest that the main risk factor for child labour is food insecurity related to poverty and chronic illness of a parent. These risk factors are not explicitly associated with child labour, although it is arguable that they can force children to work, eventually. In fact, children are often compelled to work in order to contribute to the family income (including, in some cases, for a

parents' drug consumption). This kind of help by children is regarded as culturally acceptable and normal (UNICEF, 2006b): 83 percent of children working in the streets in Jamaica state that they work with their parents' consent, pushed by destitution (31.5 percent), with the aim of providing money for food and clothes (43.2 percent) and to support the household's income (31.6 percent). What is appalling is that 43 percent of children who are involved in the sex trade say that they had been pushed by parents to do so. The same study indicates that child labour in the streets is associated with the family composition and employment situation eventually leading to poverty, as 53 percent of children working in exploitative labour conditions are from female-headed households, 14 percent from households with no parents, and respectively 29.2 percent and 45 percent from households where one parent or guardian is unemployed or marginally employed (vendor, domestic helper, self-employed or unskilled worker) (*ibid.*). However, almost 40 percent of these children state that they started to work of their own volition (*ibid.*) Child labour, then, seems to be the result of an explicit choice by children and parents together to pursue a survival strategy that maximizes the household

work force to stand against destitution, whatever the immediate or long-term consequences. This is also the product of lack of agency, as well as lack of capabilities and options, and its by-product is the family abdicating its caregiver, educational and supporting role towards children.

Child labour is also linked to migration which affects between 0.2 percent and 39 percent of the Caribbean population depending on the country. Migrant children, especially undocumented ones, are more likely to have no access to education or other social services, which leaves them more vulnerable to work, including in the worst forms (drug trafficking, sex trade). Also, children who are left behind when their parents migrate are highly vulnerable, as they tend to suffer from psychosocial and behavioural problems and are more easily victims of abuse and exploitation, including human trafficking. Both migrant children and left behind children often turn to labour as the only available survival strategy (Bakker et al., 2009). This has been the case especially for Guyanese boys who are employed in construction and agriculture in Barbados, Trinidad and Tobago, Brazil, Suriname, and Venezuela. Belize is an important transit point for children moving to meet their migrant parents. In Belize, often the children of migrant families from South America help their parents by selling goods in the streets (*ibid.*).

A possible risk factor, at times related to migration, is represented by child-shifting among different households. This is quite a common phenomenon in the Caribbean: for instance, more than 5 percent of children in Barbados, St. Lucia and St. Vincent and the Grenadines move between different households every year, and almost 50 percent of children who are shifted among households in Barbados are immigrants from other countries (UNICEF, 2006a). Arguably, children who are shifted among different households – unless they move to better-off households in a stable way – are likely to be engaged in domestic duties or in economic activities to help support the families who receive them.

All these factors – being young males, living in rural areas, household poverty, low educational level, sickness and food insecurity, migration, failing role of the family and possibly child-shifting – generate an intergenerational

transmission of vulnerability based on the use of all the household's resources – including the work of children – to guarantee the household's survival. However, what are the additional and mutually reinforcing vulnerability outcomes that child labour produces by itself?

Vulnerability outcomes largely depend on the type of child labour. Most working children are domestic servants, rural workers, street or shop vendors, and beggars. They are also present in the tourism and fishing informal sector, among others. Worst forms of child labour or hazardous works are rare but do exist, as cases are reported of children engaged in the sex trade, drug trafficking and other hazardous forms of work. In Jamaica two peculiar categories of child sex workers that have been identified are boys and girls exchanging sexual favours for cash or kind with "sugar daddies/mommies", and "sacrificial sex worker", that is, children who are sexually exploited to "cleanse" men from sexually-transmitted infections. In Trinidad and Tobago cases have been reported of hazardous work in scavenging, agriculture, and commercial sex including through sugar daddies/mommies and human trafficking, and in sexual tourism. In Belize, children working in the streets are identified as vulnerable both to violence from their parents if they do not sell all goods and to sexual exploitation from adults in exchange for purchasing most of their sales. In Guyana, 22 percent of children are reported to have been injured when working and 10 percent of people involved in the sex trade are reported to be children. In Suriname, cases are reported of children's exposure to sand, dust, mercury vapour (probably related to gold digging) and carrying heavy loads (UNICEF, 2006b, US Dept. of Labor, 2017). The physical and moral implications of vulnerabilities embedded in these forms of work are apparent in terms of exposure to violence, degradation and accidents.

Low school attendance – with its long-term impairing effects on life chances – is usually assumed to be a negative outcome of child labour. Quite surprisingly, this does not seem to be the case in the Caribbean, where approximately 90 to 100 percent of working children also go to school, as portrayed in figure 2.17. But, the type of child work can be influential in this respect as specifically for children who work

Children who are left behind when their parents migrate are highly vulnerable, as they tend to suffer from psychosocial and behavioural problems and are more easily victims of abuse and exploitation, including human trafficking.

School does not seem to present an effective antidote to child labour, as the percentages of children at school who also work are similar to, or even slightly higher than, overall child labour rates.

in the streets in Jamaica school drop-out rate is higher – 20 percent – and, at times, school attendance is irregular – 12.8 percent (Cooke, 2002). However, the interest for school of part of these children seems to be partially confirmed by the statement of 17.3 percent of them that the main motivation to work is to pay schooling and purchasing school supplies (Cooke, 2002).

In contrast, school does not seem to present an effective antidote to child labour, as the percentages of children at school who also work are similar to, or even slightly higher than, overall child labour rates in each country as demonstrated in figure 2.17.

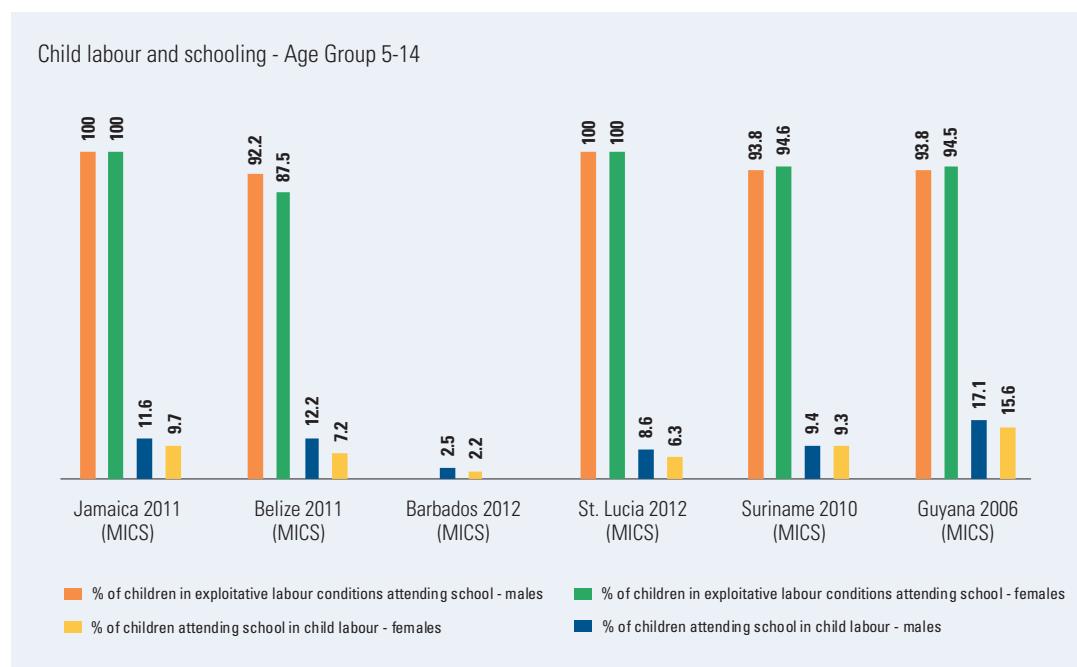
Further vulnerability outcomes have been investigated of children who work in the streets in Jamaica (Cooke, 2002). According to the children's own perception, vulnerability to violence in the streets is high, from gunmen – 17.6 percent of answers; bullies robbing them – 11.7 percent; police and soldiers – 11.5 percent. Vulnerability to sickness

is also relevant – 63 percent of children stated that they had suffered illnesses in the last 12 months, whilst approximately 50 percent had not visited a doctor (*ibid.*). When different risk factors are considered altogether to identify children at high-risk who work in the streets – children who were substance abusers *and* were sexually active with several partners without using a contraceptive device *and* were either physically or sexually abused *and* were either armed *or* had been stabbed or shot – percentages range between 21.5 percent and 38.8 percent, depending on the parish in Jamaica (*ibid.*).

Possibly, the main perceived vulnerability outcome of children working in the streets is abandonment and lack of support: although in Trinidad and Tobago street children are reported to be sociable with counterparts from mainstream society (Mills, 2015), in Jamaica 49.8 percent state they receive support from no one versus 32.8 percent who are supported by the family and 14.4 percent from the community

FIGURE 2.17

Children working in exploitative working conditions attending schools and children in school and in child labour, selected Caribbean Countries, different years



Sources: Prepared by the authors based on data obtained from the Guyana Bureau of Statistics and UNICEF 2006, Statistical Institute of Jamaica and UNICEF 2013, Barbados Statistical Service 2012, Saint Lucia Ministry of Social Transformation, Local Government and Community Empowerment and Central Statistics Office 2014, Suriname Ministry of Social Affairs and Housing and General Bureau of Statistics 2012, Trinidad and Tobago Ministry of Social Development, UNICEF and Central Statistical Office, 2008.

or church. The failure of the educational system as a supportive institution for vulnerable youth is confirmed by the insignificant percentage (0.5 percent) of children working in the streets who say they receive support from a teacher (Cooke, 2002).

Institutions in general are not proactive against child labour in the Caribbean. With the possible exception of Jamaica, legislation on child labour in the Caribbean is unhelpful, as – depending on the country – the minimum age for full-time employment can be as low as 12 to 16 years (ECLAC, 2006). Relevant legislation can also be ambiguous: for instance, in Barbados laws are not clear with regard to the type and load of work that is legitimate at different ages, especially in agriculture and domestic duties (UNICEF, 2006a).

A few countries have programmes in place against child labour, such as Belize, where a programme against the worst forms of child labour has been implemented, and Jamaica, where a National Plan of Action on Child Labour has been drafted; but, according to the last available information this plan was still under review in 2012 (UNICEF, 2006b, US Department of Labor, 2012). The National Plan adopts a comprehensive human development approach focussing on different dimensions such as income generation, health, education and public awareness raising (UNICEF, 2006b). Jamaica issued in 2004 the Child Care and Protection Act which allows light forms of work for children aged 13-14, whilst the minimum age for employment is set at age 15, excluding hazardous and night work which is permitted from the age of 18 on. It also aims at protecting children from street begging by considering as offenders the adults who promote it. Other legislative measures that protect children from dangerous work are the Occupational Safety and Health Act of 2010, the Trafficking in Persons Act of 2007 and the Child Pornography Prevention Act of 2009. The institutional framework that deals with child labour in Jamaica includes an interagency commission made up of representatives from the Ministry of Labour and Social Services, the Child Development Agency, the Office of the Children's Advocate and the Office of the Children's Registry. The Ministry of Labour and Social Services has a specific Child Labour

Unit but, according to ILO, it is understaffed as are other agencies responsible for enforcing child labor laws. Finally, Jamaica participates in the EU-financed Tackle Child Labor through Education – TACKLE – project, including through partnerships with the NGOs RISE and Children First for preventing child labour and rescuing children already engaged in it (US Dept. of Labor, 2012).

Other Caribbean countries such as Trinidad and Tobago, St. Vincent and the Grenadines, St. Lucia, Suriname and Guyana show moderate to minimum advancement towards the eradication of the worst forms of child labour. Actions are often limited to participation in regional dialogues and training of officials, but legislative gaps have not been filled and the institutional arrangements to combat child labour are still embryonic (US Department of Labor, 2012).

Recommendations to improve policies and programmes against child labour include the strengthening of social assistance (e.g. food stamp programmes) to parents and community-based multidimensional support (education, counselling, training etc.), promoting return to school and remedial education, apprenticeship, law enforcement of presence of minors in bars and clubs, awareness-raising campaigns, immunisation (Cooke, 2002).

Child labour is often the product of destitute families and contributes to the intergenerational reproduction of poverty and vulnerability by denying children opportunities for their full development and life chances. Early childhood development can be seriously affected insofar as child labour is mostly concentrated among the very young. In its worst forms child labour increases vulnerability to violence, sexual exploitation, illnesses and accidents. In the majority of Caribbean countries state institutions – including schools – are hardly proactive and basically ineffective in addressing child labour and the vulnerabilities associated with it.

Child labour is often the product of destitute families and contributes to the intergenerational reproduction of poverty and vulnerability by denying children opportunities for their full development and life chances.

2.8 Indigenous and Maroon Peoples

Based on the definition of indigenous people as people born or descended from the original inhabitants of the territory, the indigenous population of CARICOM is about 142,399

TABLE 2.14

Indigenous population 2001/2014

Country	Year	Population	% of pop
Belize	2010	44,092	13.7
Dominica	2014	3,000	4.3
Grenada	2001	125	
Guyana	2002	68,675	9.1
St. Lucia	2010	951	0.6
St. Vincent	2001	3,818	3.6
Suriname	2012	20,344	3.8
Trinidad & Tobago	2011	1,394	0.1
Total		142,399	

Source: Prepared by the authors based on data obtained from the Official Population Estimates from participating countries.

persons. Country details in table 2.14 show that the largest numbers are in Guyana, Belize and Suriname. The Belize numbers are an over-estimation because many of the Mayans included are actually immigrants from other Central American countries and the Garifuna who comprise 32 percent of the total are descendants of Black Caribs from St Vincent and the Grenadines who were deported by the British to Roatan, Honduras, in the late 19th century. In St Vincent and the Grenadines, the indigenous people are Black Caribs or Garifuna, descendants of Caribs and African slaves. In Guyana and the other Caribbean countries, the indigenous peoples are Amerindians. In Guyana, 11-25 percent of indigenous people live in the hinterland where they are the most populous ethnic group with a 42-89 percent of population share in the various administrative districts.

Maroons numbered 117,567 persons (21.7 percent of total population) in Suriname in 2012. No reliable estimates were found of the Maroon population in Jamaica but they are unlikely to exceed 10,000 persons.

The Surinamese indigenous people and Maroons are relatively deprived groups. The multiple deprivations in Suriname include absence of legal titles to land owned collectively by custom in keeping with Article 26 of the UN Declarations on the Rights of Indigenous Peoples;⁷¹ allocation of land for logging and

mining disrupt customary rights of access and use; unequal access to quality education and health facilities; and limited job opportunities (Kambell, 2006).

Multiple deprivations also exist in Guyana. Those identified by Renshaw (2007) are summarized here. Regularization of land titles is one issue, especially when there is encroachment on traditional lands by miners and loggers – in 2004, 37 of 119 Amerindian villages were without land titles. Another deprivation is access to good quality education, especially secondary education where there are deficiencies in resources and equipment, laboratory and library facilities, information technology and in associated accommodation for students when necessary. Third, access to health facilities is a major problem for serious ailments, despite the availability of trained community health workers – public and private hospitals are located in distant rural towns and urban centres and transportation to access them is very expensive, especially from river districts. There is high incidence of malaria. No facilities exist for testing for HIV and tuberculosis and there is a shortage of facilities for dental care.

Household poverty is a challenge among Guyana's indigenous peoples. The now outdated Guyana Survey of Living Conditions 1999 had found that approximately 79 percent of the population in the rural interior lived below the consumption-based poverty

line in comparison with 36 percent for the entire country and that 78 percent of the indigenous population were in the lowest consumption quartile. Market expenditure-based measures of poverty might be somewhat off the mark in Amerindian communities where subsistence farming and fishing are the norm. Nonetheless, it is known that, increasingly, young Amerindian males seek work in mining and logging districts very far from their communities. Unavailability of money transfer services, prohibitive transportation costs and high cost of living and social intercourse in mining and logging communities militate against remittances to households in their communities of origin.

2.9 Concluding remarks and recommendations

In this chapter different vulnerable groups have been discussed: women, the youth, the elderly, children in exploitative labour conditions and street children, people with disabilities and indigenous and Maroon peoples. Other vulnerable groups, such as LGBT (lesbian, gay, bisexual, transgender) communities, have not been addressed in greater detail in specific sections because of lack of information. However, relevant findings have been provided, for instance, on the highest prevalence of child labour among Amerindians and Maroons.

We have observed that often vulnerability is the product of overlapping risk factors – at the same time or over the life cycle – and that such risk factors are to different degrees concentrated in specific groups or behaviours. In addition, as risk factors are to some extent intertwined, a certain overlaying of different vulnerable elements can occur.

For instance, women are more vulnerable than men in the labour market, which may result in a higher risk of poverty later on in old age; when disability is taken into account it is also more likely among women. On the other hand, older and disabled women can have access to more resources for resilience than men, as they are more likely to live with adult children and receive both care giving and financial support from them.

Another example of risk factors adding up is represented by poor boys who grow up in violent communities or abusive families, or with a disabled parent because of chronic illness, who tend to adopt high risk behaviours, including violence, to live and/or work in the streets becoming subject to further violence, to accidents and eventually disability. These might be the same boys who are likely to practise violence on women or become absent parents in teenage childbearing – that is, they also represent a further threat to women.

Poverty in almost all cases is a cause or a consequence of vulnerability, or both: poverty has been explicitly linked to poor performance of boys at school and to child labour, but it is related also to the sex trade and represents a risky outcome for the elderly, especially when disability intervenes.

Vulnerabilities at the individual level and at the country level interact and are mutually reinforcing. For instance, the disabled and the elderly can be more vulnerable than other groups to natural hazards because of impaired mobility. Groups that are most at risk of poverty and unemployment are also likely to be more vulnerable to external economic shocks. External shocks can also affect vulnerable groups overall due to shrinking public budgets and reduced social services. This implies that vulnerability must be addressed at different levels at the same time. Suggesting measures at the country level for preventing the effects of natural hazards, improve the fiscal policies and widen fiscal space, promoting employment-intensive economic growth and reducing poverty is beyond the scope of this chapter but is addressed later in this Report in chapters 3 and 4. However, a brief discussion of more specific issues at the macro level, such as social protection and safety nets and inclusive legislation, is appropriate here.

More broadly, social protection and safety nets need to be strengthened and readdressed in order to adequately attend vulnerable groups in the Caribbean. Social protection in most Caribbean countries are poorly targeted at vulnerable groups. For instance, labour standards, minimum wage and social insurance – for both short-term

Vulnerability is the product of overlapping risk factors – at the same time or over the life cycle.

As vulnerability is often multidimensional and cumulative, it has to be faced by different but complementary and often synchronic interventions.

contingencies such as illness or maternity leave, and long-term benefits such as disability and retirement – are only guaranteed to formally employed workers; training and capacity building for the unemployed are limited, underfinanced, often duplicated and scattered among different implementing agencies, and designed with no information of the actual demands of the labour market. With the partial exception of PATH – Programme for Advancement through Health and Education⁷² – in Jamaica, social assistance and social safety nets – mostly in terms of cash transfer or in-kind – are low in value and coverage, and focussed only on individuals rather than households whose members – e.g. children, the young, women and the elderly – share a common situation of deprivation; their eligibility criteria are often ambiguous resulting in poor targeting with both errors of exclusion – of eligible clients – and inclusion – of not eligible clients – (Barrientos, 2004, Williams et al., 2013).

The main recommendations to improve social protection and safety nets in the Caribbean are the following: (i) harmonize social protection systems across the region to attend migrant workers; (ii) reduce the plethora of programmes and implementing agencies through consolidation and better coordination; (iii) strengthen human capital interventions moving from social assistance to social development e.g. associating unemployment benefits or social assistance/safety nets to improvements in education and skills, and broadening the adoption of conditionalities in health and education; (iv) foster integrated and intersectoral programmes focusing on households rather than individuals; (v) improve data collection and use for programme design together with M&E; (vi) increase partnerships with civil society and the private sector – including for the detection of labour market demands; (vii) improve responsiveness to environmental and economic shocks moving from a reactive to a proactive/preventive approach; (ix) gradually extend coverage; and (x) improve (or, in some cases, create) the legislative framework of social assistance (Barrientos, 2004, Williams et al., 2013, Morlachetti, 2015).

Further recommendations at the legal framework level refer to legislation gaps or the way laws are applied or enforced. Gaps, ambiguities or open discrimination have been identified in this chapter, at least with regard to child labour (minimum employment age). Excess in institutionalization of young's "deviant" behaviours, has also been stressed as an inappropriate approach in the section on the youth. However, the absence of legislation and open discrimination are applicable overall to women, people with disability and most vulnerable groups.

Moving back to vulnerability at the individual level, integrated and intersectoral human development policies have been suggested for most of the vulnerable groups, and the limitations of sector-specific strategies have been pinpointed, for instance in dominantly health-centred approaches to disability. These policies and their impact can be optimized by focusing on risk factors that are at the origin of various vulnerabilities, on the household rather than the individual, and following vulnerability "trajectories" along the life cycle. This does not mean that simple recipes are universally valid for all vulnerable groups – quite the opposite, policies must, unambiguously, identify the vulnerable groups, set their eligibility criteria, and target specific interventions to address their specific socioeconomic deficits. However, as vulnerability is often multidimensional and cumulative, it has to be faced by different but complementary and often synchronic interventions. This can be better accomplished by focusing on the household rather than the individual, and implies strengthening coordination and avoiding overlapping and duplication among agencies, possibly reducing them in number and better specifying their role and responsibilities.

Also, policies that focus on agency and resilience, or on strengthening the protective factors – family, school, community – that reinforce agency, have been indicated as successful or promising. These policies also imply a multisectoral and multilevel approach. Two cases of such policies have been discussed, for teenage pregnancy and juvenile violence. One key aspect of such policies refers to raising the expectations

and the empowerment of vulnerable groups, reversing the anticipated prospects of failure vulnerable individuals share with most of the actors they interact with – such as the disabled and prospective employers. The role – and failures – of education and especially the importance of connectedness to school has been highlighted, too, especially as an antidote to high risk behaviours, from teenage pregnancy, to school drop-out and to violence. In this case sensitization, capacity

building and incentives are at a priority to modify teachers' attitudes concerning vulnerable individuals in school, together with the promotion of a more inclusive approach in education. Policies that focus on agency, expectations, resilience and connectedness with family, community and school, could be expanded to women victims of violence, the disabled and the elderly, children – and their families – who see no options but child labour and indigenous peoples.

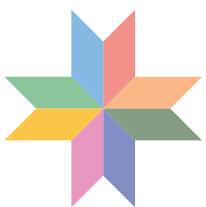


Persistent poverty and inequality influence human vulnerabilities and affect multidimensional progress in the Caribbean



"With a social or financial issue ... friends that help – pull me up and help out Well for me I pray... . . . I pray and work. To manage your finances you have to look at your income. How much you make for the month. Cause my income is lower than my wife and many times I thank God my wife helping me to survive. But we will look at it, we have bills to pay, sometimes we cut back on the kind of food we eat etc."

Indigenous leader, focus group, Guyana



Persistent poverty and inequality influence human vulnerabilities and affect multidimensional progress in the Caribbean

Introduction

Understanding the linkage and nature of vulnerabilities at the state, household, and individual levels and how they determine deprivation, social exclusion and hard inequalities in the Caribbean is fundamental to the formulation of targeted evidence-based policies and interventions to help the region achieve the ambitious and universal targets of the new Agenda 2030. While the Caribbean has made some progress on several of its human development indicators, as has been described in chapter 1, the region has underperformed on others and in some cases slid back. This situation is both caused and facilitated by structural and systemic socio-economic challenges that impede the region's ability to deliver the wide-ranging progress seen in other parts of the world such as Latin America and Asia, where millions of people have been lifted out of poverty through aggressive state interventions in the social and economic sectors.

For most CARICOM economies, the obstacles to multidimensional progress are deeply structural and linked to an extremely high debt burden, vulnerabilities to natural disasters and the additional costs of Small Island Developing States – high costs for food imports and energy.

This chapter examines some areas of particular concern for Caribbean leaders and policy makers and highlights the income and non-income determinants of poverty and inequality. More nuanced insights are also profiled on the nature of the factors that influence economic mobility, that is, moving households and individuals between poverty, economic vulnerability and middle class. These insights are especially relevant for making optimal investments that can deliver results across multiple SDGs. When the human development results of the Caribbean are situated in a context of slow, volatile and low economic growth, high unemployment and underemployment especially among

youth and women, a clear picture emerges which shows the deep interconnectedness between human progress and the inability of the state to implement the necessary, targeted policy measures that prevent erosion of human development gains, build resilience of the most vulnerable groups and drive advancement for Caribbean peoples.

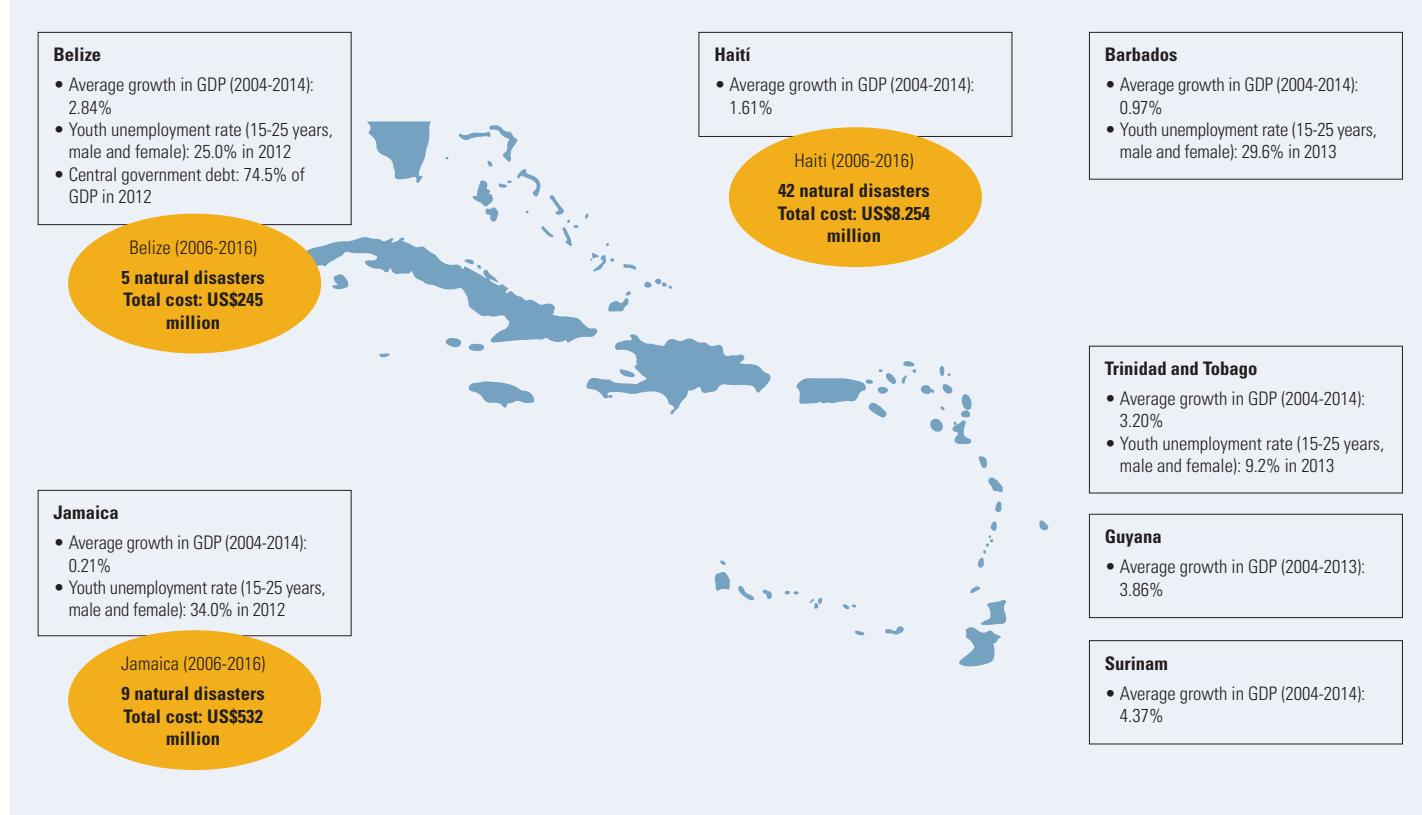
As has been explicitly acknowledged in this Report, for most CARICOM economies, the obstacles to multidimensional progress are deeply structural and linked to an extremely high debt burden, vulnerabilities to natural disasters and the additional costs of Small Island Developing States – high costs for food imports and energy. Therefore, key multidimensional priorities for action are to reduce the debt burden, build resilience to shocks at all levels and address significant challenges in youth employment, and social inclusion of vulnerable groups.

Here, we take a deeper look at the manifestations of poverty and inequality and return to the issues of fiscal space, food, energy, youth employment in the context of economic growth from the perspective of unlocking growth potential through better economic sectoral performance with a focus on growth enablers, addressing environmental sustainability and the issue of access to public and private finance, and exploring the links between these and the issue of human capital development.

The enhancement of human capital, expansion of education and health services and growth in income per capita occurred in CARICOM some decades ago, accounting for the reason most of the population lives above the international (\$1.25/day) and regional (\$4/day) poverty lines. This Report,

FIGURE 3.1**Multidimensional progress in the Caribbean: the structural challenges**

GDP growth rate (in percentages), youth unemployment rate (in percentages), and number and cost of natural disasters (in millions of dollars) in the Caribbean, various years



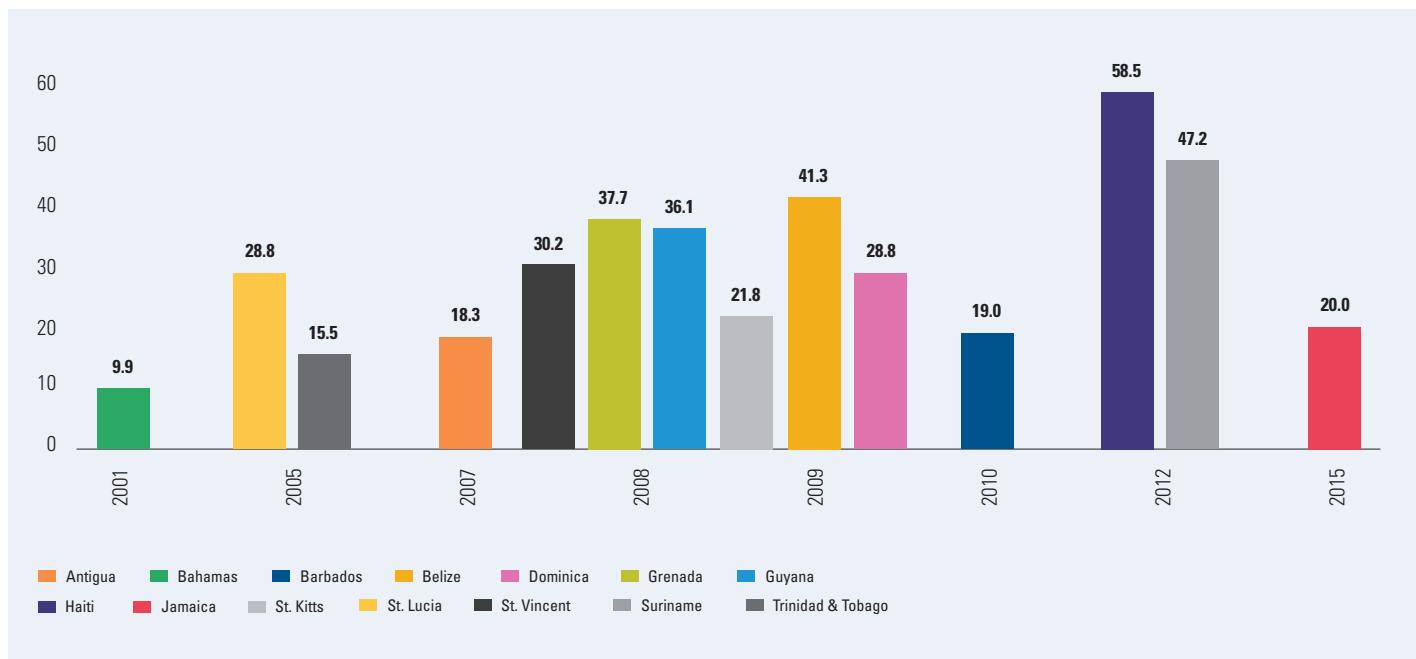
Source: Prepared by the authors based on statistics from the United Nations (UNdata), the World Bank's World Development Indicators (WDI) and the EM-DAT database: the OFDA/CRED International Disaster Database (Guha-Sapir, Below and Hoyois, 2015).

therefore, provides details on the vulnerability profile of this mostly economically vulnerable and middle class population.

While economic growth is picking up in parts of the English-speaking Caribbean, significant debt overhang in Jamaica, Grenada, Barbados, St. Kitts and Nevis and Antigua and Barbuda, and the sharp drop in oil and gas prices in Trinidad and Tobago, Guyana and Suriname indicate a fragile environment for social progress. Haiti continues to rebound from the devastating effects of the 2010 earthquake – which took a high toll both in lives and in social and economic progress. See figure 3.1.

3.1 Poverty

Poverty indicators for CARICOM countries are not current. Jamaica has data for 2015, Haiti and Suriname for 2012, and Barbados for 2010. This data deficiency is a serious obstacle to ascertaining levels of performance with respect to one of the major sustainable development goals. Estimates compiled for the most recent years for nine countries, using national poverty lines, show high levels of poverty (figure 3.2). The population weighted average poverty rate is 43.7 percent for CARICOM.⁷³ These rates exceed those in Latin America and the Caribbean, as a whole, and are also higher than those in countries classified as Low and Middle Income

FIGURE 3.2**Percentage of population poor**

Source: Caribbean Development Bank (2016).

Countries by international agencies. Haiti, because of its high share in the CARICOM population and its poverty rate being much higher than those of the other countries, elevates the average for the region. If Haiti is excluded from the calculation, the average poverty rate becomes 24 percent. There has been a reduction in poverty in six countries and worsening of poverty in five countries. It is possible that countries experiencing economic growth recovery between 2011 and 2015 may have recovered from any slippage in their poverty rates or may have prevented slippage while those with negative or no growth would have experienced some deterioration.

There is also a problem of indigence, i.e. extreme poverty, where indigence is defined as an individual's incapacity to afford the basic food basket. The percentage of population estimated to be indigent is as high as 23.8 percent in Haiti, 18.6 percent in Guyana, 17 percent in St. Kitts and Nevis and 15.8 percent in Belize. The estimate is 9.1 percent for Barbados in 2001. In the other countries the range is between 1.2 and 3.7 percent. Indigence rates decreased in several countries,

namely Dominica, Grenada, Guyana, Haiti and St Vincent and the Grenadines but increased in Belize and St Kitts and Nevis. Other characteristics of poverty in the Caribbean region include a higher incidence in rural areas than in urban ones; the poor tend to be employed in menial occupations, rural small-scale enterprises and in a range of informal sector activities. Additionally, the poor are greatly affected by the seasonality of production in the region (agriculture, tourism, construction) and external shocks such as an increase in prices and declining export sales (Downes, 2010).

There is a two-way connection between poverty and economic growth:

"Poverty has multiple effects on economic growth. They include levels and standards of consumption inadequate for nutritional and physical health, for safe and healthy living, for accumulation of knowledge and skills, for child care and protection and for advancement of the welfare of future generations. Furthermore, when poverty causes health problems and energy deficiency, it

may contribute to irregular work and limited capacity for extended periods of work. Deficiencies in levels of education and training (resulting from nutrition induced) differences in cognitive capacity directly constrain productivity. In these various ways, human poverty may cause under-achievement of productivity and economic growth" (Bourne, 2009).

The causation also runs from economic growth to poverty which is the principal reason for focus on countries' economic growth in contemplating approaches to poverty alleviation and reduction. Employment and incomes are lower during periods of low growth. Volatility of economic growth also adversely affects employment and incomes of the majority. Social protection and safety nets are likely to be more affordable and available during high growth. It is also likely that sustained increase in economic growth would reduce poverty in the Caribbean. Besley and Burgess (2003) illustrate that the Latin American and Caribbean region could halve its poverty rate with a 3.5 percent annual rate of growth of per capita national income within a few years. (Their target date at the time of writing was 2015). This finding underscores the importance of reversing the slow and unstable economic growth which has characterized Caribbean countries in recent times. Considering the ambitious objective of leaving no one behind, even this would not suffice. Thus, this Report calls for integrated and coordinated public policies that can generate multiplier effects, in line with joint public and private efforts towards inclusive growth.

Importantly, attention should not be focussed solely on income or consumption expenditure poverty thresholds. Adoption of the multidimensional poverty approach, in which there is consideration of the multiple deprivations that people experience and the intensity of such deprivations, is more appropriate. In her background paper, Chambers (2016 b) characterizes poor households as overcrowded, poor quality dwellings with no access to public water sources. Householders experience less stable employment, having completed no higher

than primary education, they have more dependent children and are more reliant on assistance from relatives and friends. In contrast, middle-class households feature large dwellings, more employed members with decent work and who have had secondary or tertiary education, pensions and health insurance. In between those two categories are vulnerable households distinguished from middle-class households by having more unemployed members, more children in the 0-7 age cohort and are headed by only one person, whether female or male.

Many Caribbean people perceive poverty as the: (i) inability to send children to school because of lack of food, lack of clothing, the inability to purchase school books and pay for public transport; (ii) hunger and going without food in order to meet other inescapable expenses; (iii) underemployment or lack of decent work; (iv) inadequate dwelling space; (v) constrained choices; and (vi) survival from day to day.

These findings expand the range of determinants of poverty beyond wage income and its underlying influences and bring sharply into focus the demographic factors and conditions of life which are amenable to social engineering.

A critical dimension of the poverty problem in the Caribbean is the growth of informal settlements, or squatter communities, mainly in urban areas. "Too poor to purchase land and build a house within reasonable time, unwilling to continue to pay rent for decaying accommodation or perhaps unable to find a room for his own family, the migrant (to urban areas) is impelled towards illegal occupation of land, to become a squatter" (Seong-Kyu Ha, 2001). As noted by Bourne (2007):

"Squatter settlements are notoriously deficient in sanitary facilities and other infrastructure services such as electricity, water, telephones, roads and elementary schools. The dwellings are frequently to be found on steep and undesirable slopes with attendant risk of soil erosion and landslides, or in flood plains or low lying areas with risks of flooding."

This Report calls for integrated and coordinated public policies that can generate multiplier effects, in line with joint public and private efforts towards inclusive growth.

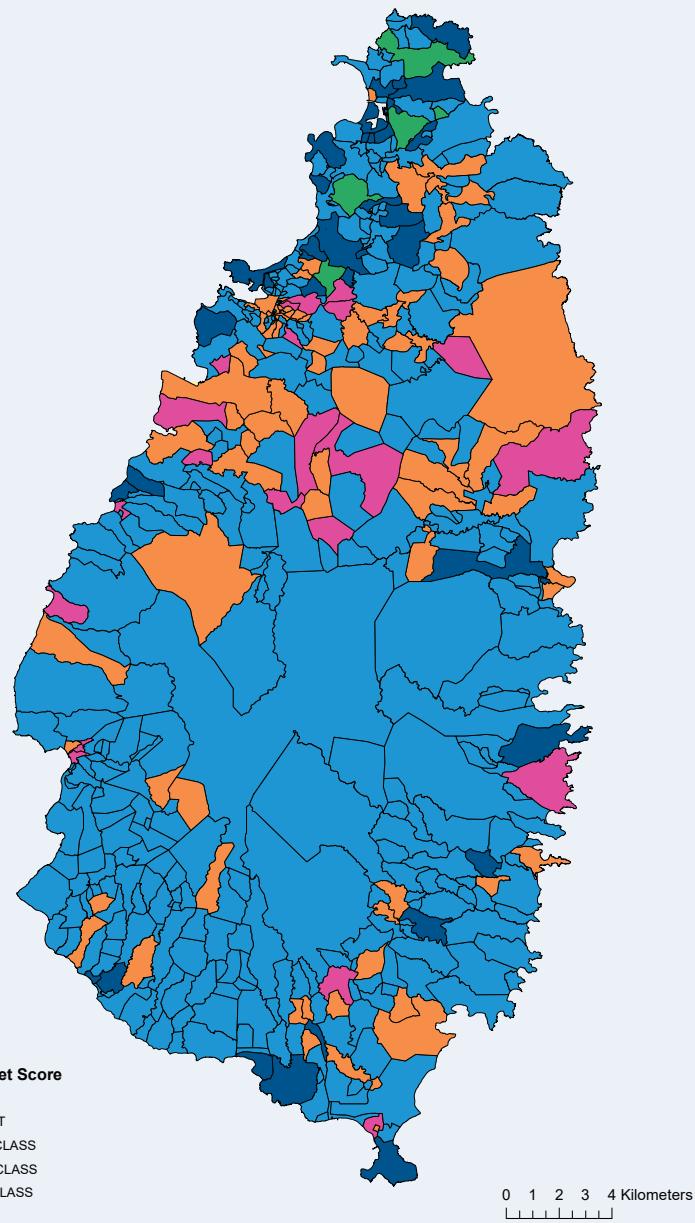
BOX 3.1

The power of census data: Mapping an asset index in St. Lucia

An asset index was estimated for five Caribbean countries: Antigua and Barbuda, St. Kitts and Nevis, St Lucia, St Vincent and the Grenadines and Trinidad and Tobago. It is based on a list of 17 assets collected during the conduct of the Population and Housing Census during the period 2010 to

2012. The use of mapping allows for a quick assessment of the country demographics. Most of St. Lucia, for instance, would qualify as being vulnerable, with a concentration of both wealth in the very north and poverty in the mid-northern region of the country.

Saint Lucia: Censsus 2010 Community Classification of Living Conditions based on an index of assets



Source: Prepared by the authors, based on the 2010 Population and Housing Census.

Weights (effectively defined by factor scores) for each asset were computed separately for urban and rural areas for each country, then, a “relative wealth” variable was created in the dataset for each country. Thus, the asset index takes into account the distribution of assets in urban and rural areas where this is applicable within a given country in order to reflect each country’s economic conditions across urban and rural areas. Quintiles of wealth were computed to assess the characteristics of the poor and the wealthy.

The use of this analysis relies on the classification of the population into three groups – namely the poor, vulnerable and middle class. The poor are considered as quintile 1, the vulnerable as quintiles 2, 3 and 4 and the middle class quintile 5. Based on the results, 23.17 percent of the population in

St Lucia can be defined as poor (“poorest” in the legend), 57.90 percent can be defined as vulnerable (“lower class”, “middle class” and “upper class” in the legend), and 18.93 percent can be defined as middle class (“richest” in the legend).

The results of asset ownership in rural and urban areas revealed that although for most assets the percentage of people who owned a specific asset was not drastically different across the two areas (around 5 percent difference), a few assets show wide differences (>10 percent) in percentage of ownership. The widest differences between ownership in urban and rural areas are for washing machines (68.4 percent vs 55.2 percent), computers (35.0 percent vs 24.2 percent) and internet access (40.1 percent vs 26.6 percent).

Source: UNDP, based on St. Catherine (2016).

3.1.1 Beyond Income: realities of lives in poverty and transitions in and out of poverty Assets-Based Depiction of Poverty and Vulnerability

An assets-based approach can be used to provide further insights into the reality of Caribbean lives. In the absence of data on incomes across most Caribbean countries, information from censuses conducted between 2010 and 2012, which recorded household assets, were used to profile living standards and categorize the population into socio-economic groups. The technique of principal components analysis was used to determine a weighted asset-based score to classify households into three categories – lower (assets poor) quintile 1, vulnerable, quintiles 2-4, and middle, quintile 5. Asset-based scores and classifications were done for Antigua and Barbuda, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines and Trinidad and Tobago. Data from the *Jamaica Survey of Living Conditions* 2002 and 2012 supplemented the analysis.

Statistical analysis identified many factors which increase the chances of being poor. They include no access to public water sources, overcrowded dwellings, poor housing quality, household demographic variables, e.g. size of household and age distribution, household

unemployment rate, educational assistance from friends and relatives, and residence in urban or non-urban districts.

Vulnerable households are distinguishable from poor households by receipt of remittances from abroad, health insurance, receipt of pensions and dwellings with more rooms. The heads of vulnerable households are likely to be self-employed, work in technical and associated professions and have secondary and tertiary education. Vulnerable households also tend to have more children aged 6–17, more adult members and more elderly female members. Relative to the middle class, vulnerable households generally have a disabled member, poorer living standards, more unemployed members and more children aged 1–17 years.

Middle-class households are categorized by receipt of remittances from abroad, health insurance and pensions. They have better living standards, more rooms in their dwellings and more household members in decent work. The heads of households are either self-employed or employed in technical and associated professions and have acquired secondary and tertiary education. The odds of being in the three categories are profiled for Antigua and Barbuda, Belize, St. Kitts and Nevis, St. Vincent and the Grenadines and Trinidad and Tobago. See figures 3.3–3.7.

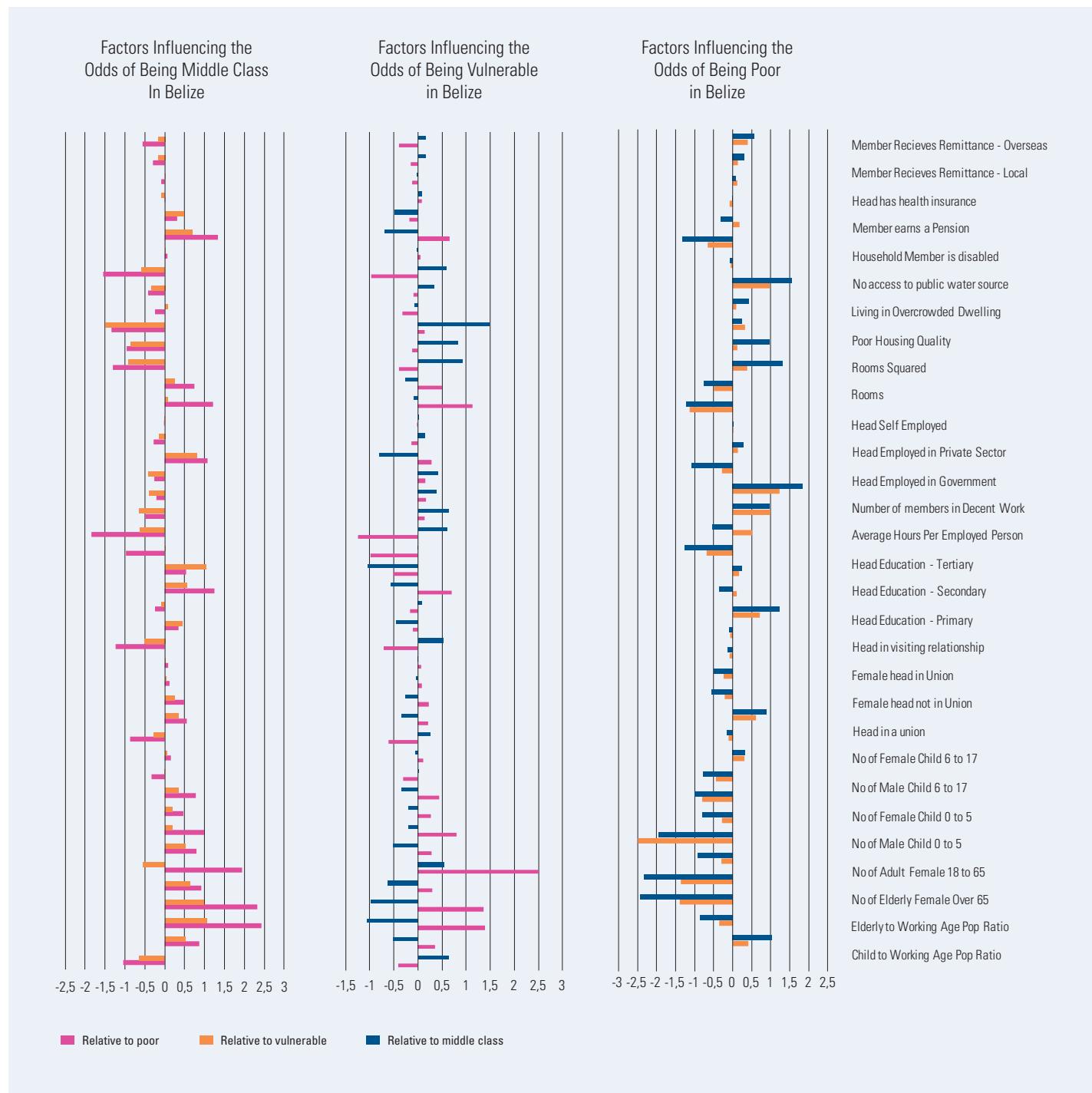
FIGURE 3.3

Factors influencing the odds of being poor, vulnerable or middle class relative to each other in Antigua and Barbuda



Source: Prepared by the authors based on data from 2011 population and housing census for Antigua and Barbuda.

Note: Based on the asset index, factors influencing the odds of a household of being poor, vulnerable or middle class relative to each other are measured.

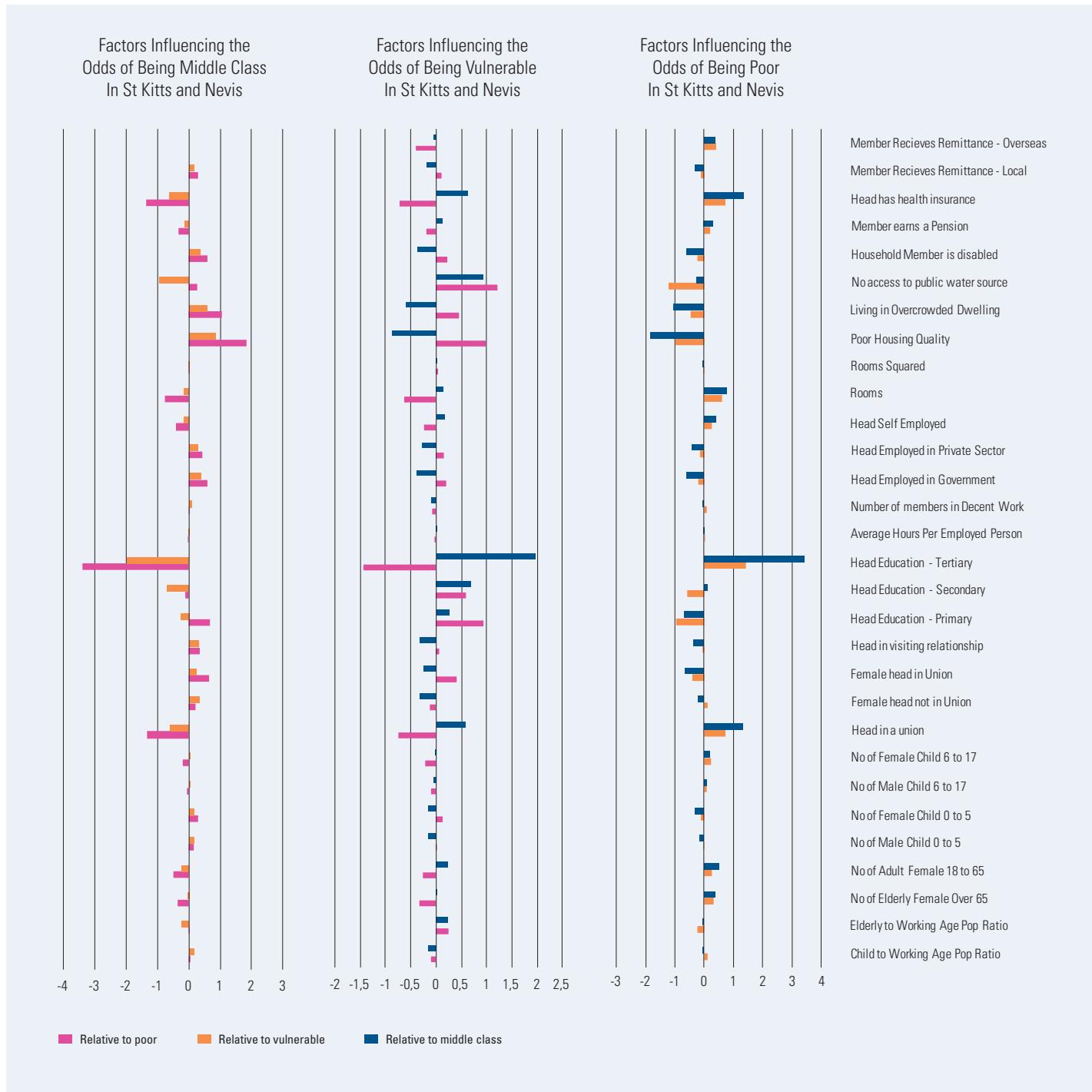
FIGURE 3.4**Factors influencing the odds of being poor, vulnerable or middle class relative to each other in Belize**

Source: Prepared by the authors based on data from 2011 population and housing census for Belize.

Note: Based on the asset index, factors influencing the odds of a household of being poor, vulnerable or middle class relative to each other are measured.

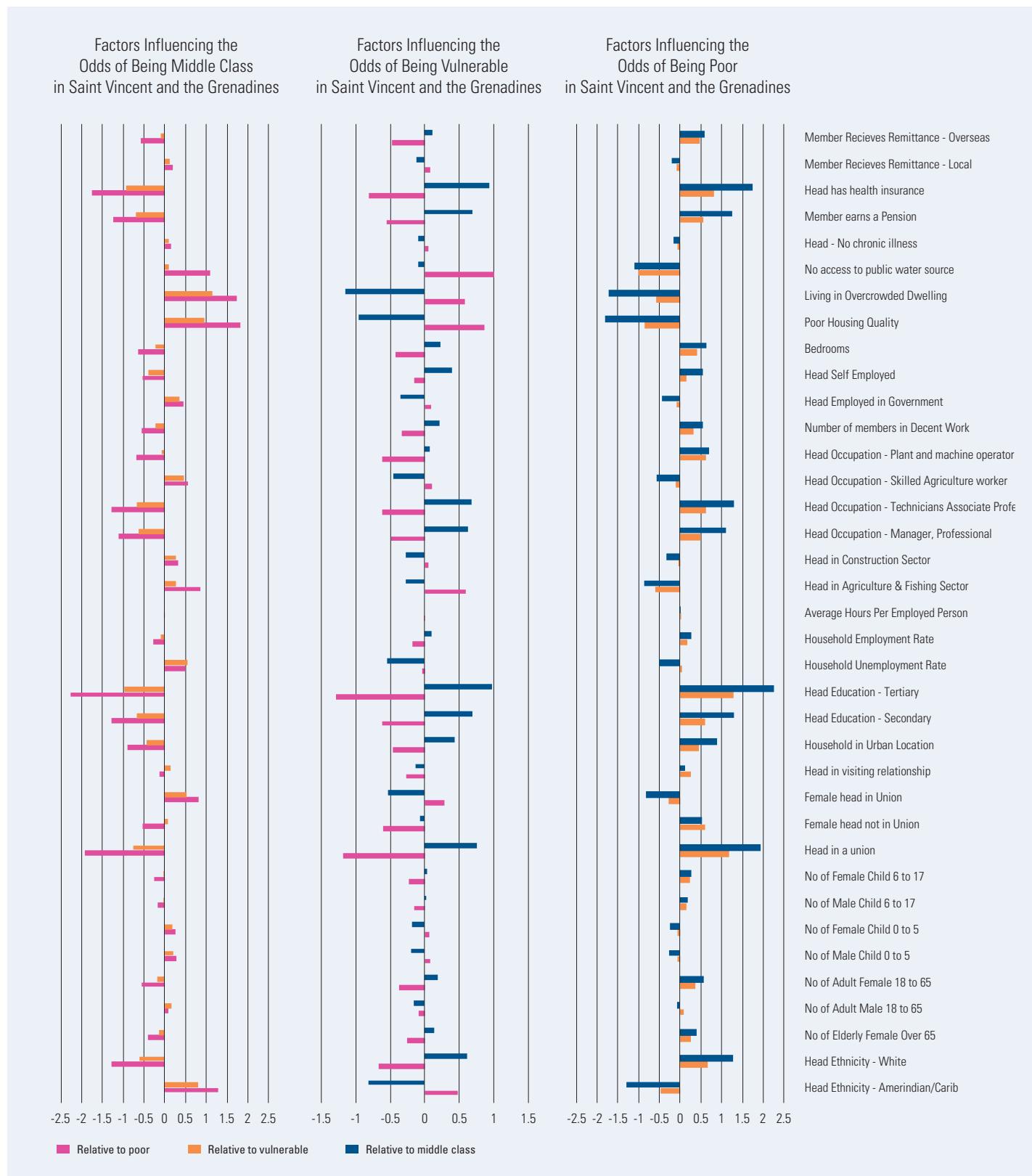
FIGURE 3.5

Factors influencing the odds of being poor, vulnerable or middle class relative to each other in St Kitts and Nevis



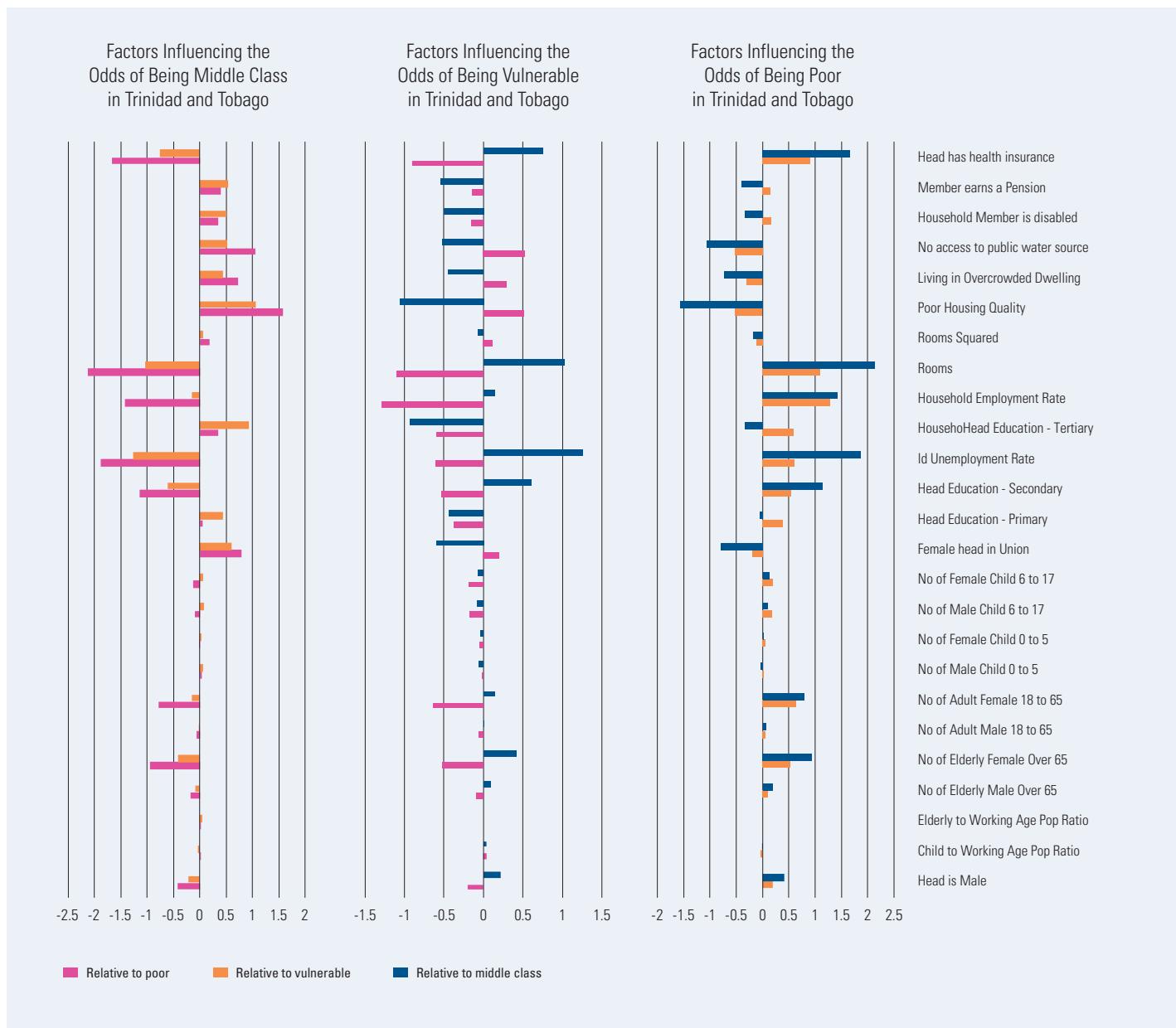
Source: Prepared by the authors based on data from 2011 population and housing census for St Kitts and Nevis.

Note: Based on the asset index, factors influencing the odds of a household of being poor, vulnerable or middle class relative to each other are measured.

FIGURE 3.6**Factors influencing the odds of being poor, vulnerable or middle class relative to each other in St Vincent and the Grenadines**

Source: Prepared by the authors based on data from 2012 population and housing census for St Vincent and the Grenadines.

Note: Based on the asset index, factors influencing the odds of a household of being poor, vulnerable or middle class relative to each other are measured.

FIGURE 3.7**Factors influencing the odds of being poor, vulnerable or middle class relative to each other in Trinidad and Tobago**

Source: Prepared by the authors based on data from 2011 population and housing census for Trinidad and Tobago.

Note: Based on the asset index, factors influencing the odds of a household of being poor, vulnerable or middle class relative to each other are measured.

3.2 Drivers of economic mobility – the case of Jamaica

Data from the *Jamaica Survey of Living Conditions* in Jamaica allow some conclusions to be drawn about the transition of households from their initial economic class measured by consumption equivalences. Focusing on movement in the 2009-2010 period, transition matrices computed by UNDP (see table 3.1) reveal that for every 100 poor households defined as living on less than \$4 per day, 35 percent moved up to the vulnerable class (\$4-\$10 per day) and 3 percent to the middle class (\$11-\$50 per day). For every 100 vulnerable households, 15 percent moved into the middle class while 19 percent slipped into the poor class. For every 100 middle-class households, 35 percent slipped into the vulnerable class and 2.2 percent into the poor class. Table 3.2 shows that for every 100 households, 15 percent changed their status out of which, 15 percent experienced upward mobility and 20 percent downward mobility. These findings, admittedly only for one country, are strongly suggestive of the tenuousness of the

economic reality of many Caribbean households.

An analysis of the variables behind this economic transition shows that the probability of household movement out of poverty is reduced by increases in household size, number of infant dependents, number of school age children and number of elderly family members. A similar effect is exerted by the spending of household savings. Residence in an urban area increases the probability of moving out of poverty. Ownership of small assets and health insurance, however, were not strong influences.

For vulnerable households, the probability of sliding back into poverty is increased by growth in household size and by the number of infants and elderly family members. The probability is decreased by urban residence, health insurance and ownership of small assets. The probability of vulnerable households' upward mobility, i.e. to the middle class, is reduced by increases in household size and numbers of infants and elderly family members. This effect is stronger than that of the probability of regression into poverty. Urban residence, health insurance

TABLE 3.1

Jamaica mobility matrix 2009 – 2010 (raw percentage of households)

	Poor	Vulnerable	Middle class	Total
Poor (< \$4/day)	62.8	34.6	2.7	100
Vulnerable (\$4 - 10)	18.9	66.0	15.1	100
Middle class (\$10 - 50)	2.2	34.7	63.1	100
All	23.3	50.3	26.4	100

Source: UNDP calculations based on *Jamaica Survey of Living Conditions* 2009–2010.

TABLE 3.2

Jamaica mobility matrix 2009 – 2010 (percentage of households)

	Poor	Vulnerable	Middle class	Total
Poor (< \$4/day)	13.3	7.3	0.6	21.1
Vulnerable (\$4 - 10)	9.4	32.9	7.5	49.9
Middle class (\$10 - 50)	0.6	10.1	18.3	29.9
All	23.2	50.3	26.4	100.0

Source: UNDP calculations based on *Jamaica Survey of Living Conditions* 2009–2010.

BOX 3.2

Jamaica's income transformation: A middle class and vulnerability focus

In 2016, UNDP reported preliminary results for a study conducted in Jamaica, entitled "Drivers of Short-Term Economic Mobility in Jamaica", which examines the factors behind the transitions between income groups (Benfield et al., 2016). The results were computed using the *Jamaica Survey of Living Conditions 2000-2010*.

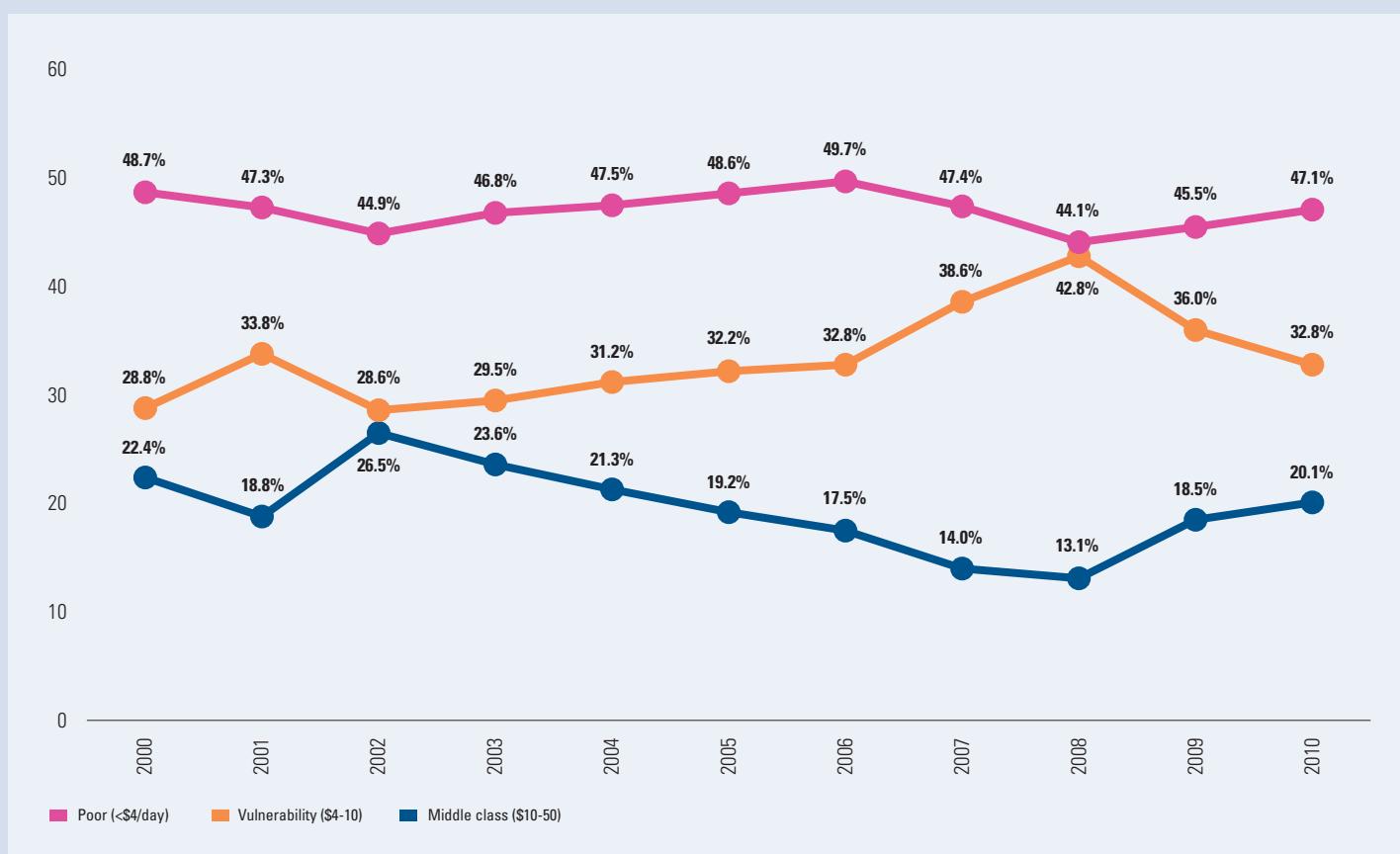
Jamaica is a particularly interesting case not only because it has extensive data, but because it has a large vulnerable class, defined as people living on \$4-\$10 per day, and because the country has experienced important downward and upward mobility transitions between social classes throughout the reference period. With GDP growth in 2014 at 0.7 percent and youth unemployment

at 34 percent in 2012, it is critical to understand the factors behind downward mobility, or households moving from the middle class to the vulnerable class and households moving from the vulnerable class to the poor class.

Interest in the implications of potentially transitioning from one group to another has peaked in recent years. In Jamaica, the level of poverty, as measured by the \$4 a day poverty line, has declined slightly during the 2000s, and has practically mirrored the evolution of the size of the middle class. Following Lopez-Calva and Ortiz-Juarez (2014), middle-class households are those living on \$10-\$50 a day, while the vulnerable strata is comprised of those living on \$4-\$10 a day.

FIGURE 3.8

Households transitioning in and out of poverty, vulnerability and middle class in Jamaica during the period 2000-2010



Source: Benfield, et al. (2016). Authors' calculations based on Jamaica Survey of Living Conditions 2000-2010.

Around half of the country's population lives on \$4-\$10 per day. Although these households are no longer in poverty, they have a high probability of falling back.

FIGURES 3.9 & 3.10

Changes in the probability of moving from vulnerability to poverty (left) and Changes in the probability of moving from middle class to vulnerability (right)



Source: Benfield, et al. (2016) Author's calculations based on the *Jamaica Survey of Living Conditions* 2009-2010.

Note: *** p<0.01, ** p<0.05, * p<0.1.

Understanding the probabilities of downward mobility

The figures indicate that the median household had a probability of 31.7 percent of transitioning from vulnerability to poverty and a probability of 26.6 percent of transitioning from middle class to vulnerability in 2009-2010. The data highlights that in this time period, improvements in health insurance coverage and educational attainment were significant in reducing the

risk of downward mobility for the vulnerable and the middle class. Overall, the data collected for both 2002-2003 and 2009-2010 suggests that social protection significantly reduces the probability of downward mobility, while demographics, geography and the ownership of assets significantly increases the probability of upward mobility.

Sources: Benfield, Warren, Eduardo Ortiz-Juarez and Natalie Gómez-Arteaga. "Drivers of Short-Term Economic Mobility in Jamaica". Background paper for the Caribbean Human Development Report, 2016. (New York: UNDP).

and ownership of small assets increases the probability of vulnerable households becoming middle class, whereas spending of household savings reduces it.

The probability of slippage by middle-class households into vulnerability is increased by increases in household size and by adverse economic shocks such as job loss. The probabilities are reduced by urban residence, health insurance and ownership of small assets.

These findings on transition probabilities indicate that the dominant influences on transition between socio-economic classes are household demographic variables, urban versus rural residence, household savings and ownership of household durable assets.

Although not analyzed in the mobility study, it is possible that differentiation between various urban areas of residence is important. Stigma and discrimination based on residence, in

The data collected for both 2002-2003 and 2009-2010 suggests that social protection significantly reduces the probability of downward mobility, while demographics, geography and the ownership of assets significantly increases the probability of upward mobility.

particular urban districts e.g. ghettos and high crime localities, are very much facts which influence employment prospects in the Caribbean. Furthermore, the fact that urban residence seems to confer advantages should not be seen as support for further urbanisation and the denuding of rural areas of their population.

3.3 Income inequality

Data on income inequality are not current. Data inadequacies are considerable obstacles to the measurement of progress and the formulation of appropriate public policies. Gini coefficient values which extend from 0.0 (perfect equality) to 1.0 (perfect inequality) are available for the 1996–2015 period, variously, for CARICOM Member States. They show high degrees of income inequality in the Caribbean (figure 3.11). The degree of inequality is highest in Haiti, The Bahamas, Antigua and Barbuda and Barbados where the Gini coefficients are between 0.47 and 0.61, but inequality is still high in the other countries, considering their Gini coefficients are in

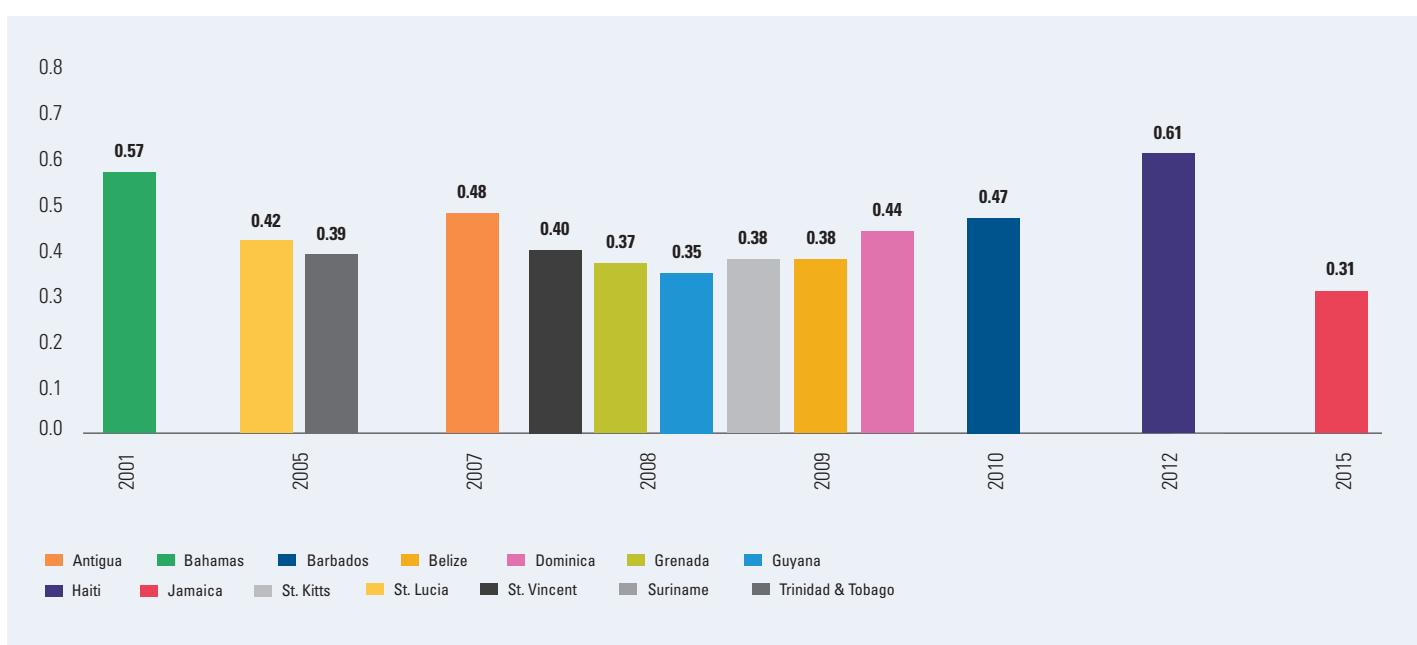
the 0.35–0.45 range. Inequality has tended to diminish in Belize, Grenada, Guyana, Jamaica, St Kitts and Nevis, St Lucia and St Vincent and the Grenadines, but has tended to increase in Barbados and Dominica.

It would be useful, from a policy perspective, if data were available to examine whether slow or stagnant economic growth makes distribution of income and wealth more or less unequal. Much would depend upon the incidence of labour retrenchment and the stickiness of labour compensation rates per income category of worker. In the absence of adequate data, it might be surmised that job losses are proportionately greater among unskilled, low-skilled, temporary or casual lower paid workers. There may be downward adjustment of wage rates or hours of work if room for flexibility is not curtailed by labour laws and trade union practices. Even if wage rates are rigid, income contraction would be proportionately greater in the lower income quintiles because of proportionately greater labour redundancies and retrenchment among those categories of workers.

Later economic work has provided useful insights into the effect income inequality has on

FIGURE 3.11

Gini coefficients %



Source: Caribbean Development Bank (2016).

poverty. Besley and Burgess (2003) concluded that in Latin America and the Caribbean, one standard deviation change in income inequality would reduce poverty by 45 percent. Bourguignon (2004) is convinced that:

"poverty in a given country and at a given point of time is fully determined by the rate of growth of the mean income of the population and the change in the distribution of income... (therefore) it is important to consider growth and income distribution simultaneously, and to recognise that income distribution matters as much as growth for poverty reduction."

With respect to the connection running from inequality to growth, the contribution that income redistribution might make to human capital accumulation and lessening or avoidance of social tension are seen as conducive to economic growth.

Furthermore, in its publication "In It Together: Why Less Inequality Benefits All" the OECD highlights that higher inequality drags down economic growth and harms opportunities. The analysis points out that the rise of income inequality between 1985 and 2005 is estimated to have knocked 4.7 points of cumulative growth between 1990 and 2010, on average across OECD countries for which long time series are available.

Income inequality can impose social and economic costs (ILO, 2008). Crime may be a consequence of income inequality because illegal activities often provide better returns for less affluent households even when the risk of punishment is taken into account (Glaeser, 2005) and because inequality may dilute the deterrent effect of sanctions (McAdams, 2007). Income inequality affects health through its differential effects on dietary practices, access to health care and incidence of obesity and substance abuse. There is some evidence that income inequality is linked to the nutritional health of children. The percentage of children no older than five years in the lowest income quartile is 30 percent in Guyana and 42 percent in Haiti compared to 6 and 7 percent in the highest income quartile. The respective percentages are 13 percent and 6 percent in Suriname. Income inequality can also be a barrier to social mobility, including

intergenerational social mobility, and can also affect household resilience to economic shocks.

3.4 Labour and employment

For the period 2011-2013, labour force participation rates for women stayed between 40.5 and 69 percent depending on the country and between 69 and 82 for men. However, the countries have not succeeded in restoring the proportionate levels of employment achieved immediately prior to the onset of the global economic crisis in 2008. The unemployment data, though patchy, is indicative of substantial unemployment in 2015 (figure 3.12 and Annex 2 Table A.7). Unemployment rates were 13.4 percent in The Bahamas, 12 percent in Barbados, 10.2 percent in Belize, 13.1 percent in Jamaica, and an astounding 25 percent in St. Lucia. Trinidad and Tobago is a strong exception in the region with a low unemployment rate of 3.2 percent.

Employment growth is attendant upon economic growth while, of course, also contributing to economic growth. The downturn in Caribbean economic growth is likely to have been a principal explanation of weak employment outcomes and poor job prospects. Resuscitation of the economies would be expected to generate a return to higher levels of employment and reduction of the unemployment rate. Employment prospects could also be improved by productivity gains, provided they are not offset by increases in wage rates and compensation to management and other higher-level staff or consumed by dividends. If productivity gains translate into investments in improved technology, greater utilization of capital goods, enhanced skills development, research and development of new products and organizational changes, the initial productivity gains could lead to greater demand for labour (Downes, 2014).

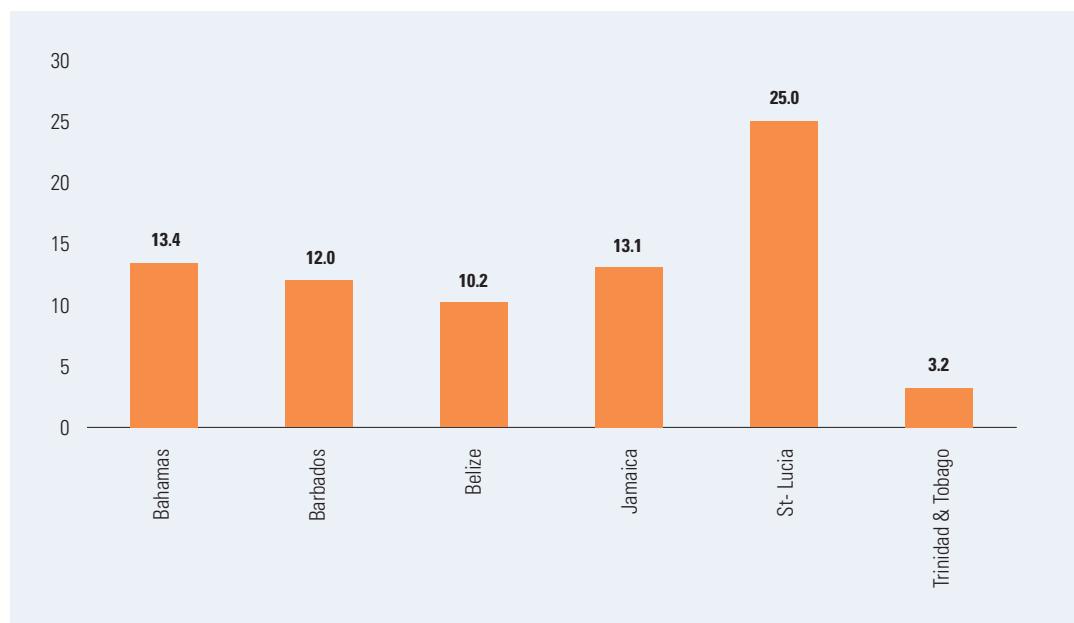
Unemployment can be very damaging to the unemployed, their families and their communities. Apart from the obvious income loss and its consequences in terms of personal and household levels of living, the unemployed might experience feelings of social exclusion, isolation, alienation, accentuated feelings of relative deprivation, personal inadequacy, powerlessness and loss of pride.

Unemployment can be very damaging to the unemployed, their families and their communities. Apart from the obvious income loss and its consequences in terms of personal and household levels of living, the unemployed might experience feelings of social exclusion, isolation, alienation, accentuated feelings of relative deprivation, personal inadequacy, powerlessness and loss of pride.

In economically depressed urban communities, poverty might militate against the ability of parents to send their children to school on a sufficiently regular basis. The latter situation is what has given rise to conditional cash transfer schemes in Latin America. In some Caribbean countries, the existence of school feeding programmes has been a strong incentive in similar circumstances.

FIGURE 3.12

Mid-year unemployment rates (%) 2015



Source: Caribbean Development Bank Economic Review 2016.

relative deprivation, personal inadequacy, powerlessness and loss of pride. They might engage in anti-social behaviour, including self-destructive behaviour. These negative feelings become stronger, the longer the period of unemployment. Parro-Torrado (2014) estimates that the duration of unemployment exceeds one year for 32 percent of unemployed persons in St Kitts and Nevis, 34 percent in Barbados, 48 percent in Grenada and 51 percent in Dominica. Furthermore, the World Bank estimated that Barbadian long-term unemployment increased from 12.6 percent in 2005 to 19.5 percent in 2013. This may imply that the proportion of long-term unemployment is likely to increase in countries experiencing economic recession.

The data available for a few countries indicate that education levels may be a contributing factor as chances of employment are improved by education. Unemployment rates are higher among those persons with only primary education or secondary education in The Bahamas and Belize but this might conceal, what Downes (2016) has termed, “dumbing down” of employment whereby tertiary graduates in depressed labour markets accept jobs far below the level of their qualifications.

3.5 Education

CARICOM countries have made much progress in terms of gross enrolment rates for pre-school and primary education (table 3.3). Nonetheless, there are concerns about under-provision of early childhood education, especially in rural areas. The quality of the provision in situations where private suppliers are predominant teacher training is often lacking and there is a blurring of the lines between early childhood education and child care among the providers. In primary education, enrolment rates have a limited role as performance indicators because they do not approximate school attendance rates, again, in rural and remote areas where a choice is often made between school and economic work in household enterprises at times in the agricultural production cycle. In economically depressed urban communities, poverty might militate against the ability of parents to send their children to school on a sufficiently regular basis. The latter situation is what has given rise to conditional cash transfer schemes in Latin America. In some Caribbean countries, the existence of school feeding programmes has been a strong incentive in similar circumstances.

TABLE 3.3**CARICOM gross enrolment rates in education 2008-2014**

Country	% pre-primary school age children	% primary school age children	% secondary school age children	% tertiary school age population
Antigua	89	98	105	23
Bahamas		108	93	n.a.
Barbados	79	105	105	61
Belize	49	118	86	26
Dominica	99	118	97	n.a.
Grenada	99	103	108	53
Guyana	66	75	101	13
Haiti	92	92	78	13.9
Jamaica	82	85	101	18
St. Kitts	60	100	88	14
St. Lucia	78	105	103	n.a.
Suriname	96	113	76	n.a.
Trinidad & Tobago	83	106	86	12

Source: Prepared by the authors, based on the 2015 Human Development Report, *United Nations Human Programme*.

Educational outcomes are less uniform for secondary education. Gross enrolment rates increased in Barbados, St Kitts and Nevis, Belize, Guyana and Suriname; but remained unchanged in Grenada and Antigua and Barbuda; and fell in The Bahamas, Dominica, Jamaica, St Lucia and Trinidad and Tobago. While gross secondary enrolment rates are indicative of educational progress in most of the Caribbean, there are challenges in relation to secondary school throughput. Secondary completion rates in 2013 were lower than those achieved in 2009 (table 3.4). For the Caribbean as a whole, only one in four children generally achieves the minimum standard of five passes in the Caribbean Examination Council's lower secondary examinations. Pass rates for mathematics were low (37 percent) over the 2005-2013 period; so was the pass rate for English which was 59 percent. Generally, the secondary school system underperforms in science and mathematics which are necessary for technology and innovation in the countries. Furthermore, it appears that many secondary school students are not motivated to complete their school education. Dropout rates are estimated to be 2 percent in most countries, except

in St Vincent and the Grenadines for which the estimate is 15-20 percent. High absenteeism from examinations (30 percent or more) was reported for several subjects. The problems of school dropouts and absenteeism are directly connected to household poverty, household dwellings and neighbourhoods which are not

For the Caribbean as a whole, only one in four children generally achieves the minimum standard of five passes in the Caribbean Examination Council's lower secondary examinations.

TABLE 3.4**Secondary school completion rates, 2009 & 2013 (%)**

Country	2009	2013
Antigua	77.4	100.1
Barbados	99.2	0
Dominica	90.1	79.2
Grenada	101.8	0
Jamaica	99.9	82.3
St. Kitts	103.7	94
St. Lucia	110.3	85.6
St. Vincent	113.3	90.8
Trinidad & Tobago	94	80.8

Source: Prepared by the authors, based on 2014 & 2015 Human Development Reports, United Nations Development Programme.

conducive to study and good prospects of successful examination performance, quality of schools, adolescent pregnancy, gang violence and peer pressure.

Although there has been an expansion in technical and vocational education in the Caribbean, this is still an underdeveloped sub-sector. This might be attributable to its treatment as a second-tier choice for the less academically gifted (Jules, 2011), with the associated undervaluing of its importance as a provider of technical skills much needed by the Caribbean. The services of technicians, artisans and other para-professionals are a critical middle complement to the lower and upper skill categories of the labour force, improving productivity and maintaining and extending the effective life of buildings, plants and equipment. In many instances, e.g. in construction and automobile and equipment repair, they establish small enterprises and thereby expand the possibilities for the employment of unskilled and semi-skilled persons.

The data for some countries also presents a mixed picture with respect to tertiary education (table 3.5). Tertiary enrolment rates increased in Belize, Guyana and St Lucia; were unchanged in Grenada, Suriname and Trinidad and Tobago; and decreased in Antigua and

Barbuda, Barbados and Jamaica. Fiscal difficulties of governments have impacted negatively on tertiary enrolment in those countries where government support for tuition fees has weakened.

There are gender differences in education enrolment rates particularly at the tertiary level where female enrolment rates exceed male enrolment rates (table 3.4).

CARICOM countries need several qualitative changes in their tertiary education system for improved positioning in global society and economy and to advance their own social and economic progress. The balance of student enrolment between science and technology and the other disciplines needs to shift decisively in favour of the former. All graduates need to learn more about their region, hemisphere and the rest of the world, and more graduates should be fluent in foreign languages.

It is noteworthy, nonetheless, that the mean years of schooling acquired by the populations increased, or at least remained constant between 2010 and 2014 (figure 3.13). Also, the percentage of the Caribbean population with at least secondary education either remained the same or increased (on occasion dramatically) according to data in the UNDP *Human Development Reports* for 2014 and 2015.

TABLE 3.5

Gross tertiary enrolment rates (%)

Country	2002/2011	2008/2014
Antigua & Barbuda	54.8	23
Barbados	65.9	61
Belize	21.5	26
Dominica	3.6	
Grenada	52.8	53
Guyana	11.9	13
Jamaica	29	13.9
St. Kitts & Nevis	18.2	18
St. Lucia	11.3	14
Suriname	12.1	n.a.
Trinidad & Tobago	11.5	12

Source: Prepared by the authors, based on 2014 & 2015 Human Development Reports, United Nations Development Programme.

TABLE 3.6

Gender differences in gross tertiary enrolment rates (%) 2013

Country	Females	Males
Antigua & Barbuda	31.1	15.1
Barbados	88.1	35.9
Dominica	60.9	44.8
Jamaica	40.3	17.9
St. Kitts & Nevis	24.7	11.8
St. Lucia	18.5	9.3
Trinidad & Tobago	13.4	10.6
Caribbean small states	30.3	14.8

Source: Francesco Villarosa (2016).

FIGURE 3.13**Mean years of schooling 2014**

Source: Prepared by the authors, based on 2015 Human Development Reports, United Nations Development Programme.

3.6 Health

The Caribbean has made considerable, but variable, progress in relation to the health status of its population. WHO World Health Statistics 2015 showed the rate of achievement in relation to some of the targets set in the MDGs 1990–2015. For instance, with respect to maternal mortality for which the MDG target is a two-thirds reduction, some Caribbean countries achieved reductions of 32-57 between 1990 and 2013, while others were well below these rates and in the case of Guyana deteriorated. With respect to child mortality where the MDG target was also a two-thirds reduction, Caribbean achievement rates ranged between 24-58 percent, except in Antigua and Barbuda (65 percent) and St. Kitts and Nevis (66 percent). Overall, there is still much room for improvement in the health status of Caribbean peoples.

Adult mortality rates were lower in 2013 than in 2009 for both males and females, except in Guyana where rates have increased and for males in Antigua and Barbuda (table 3.7). Infant mortality rates diminished between 2010 and 2014 in all countries but some countries still have higher infant mortality rates

than the better regional performers (figure 2.8). There are troubling health outcomes for child mortality, the rates of which increased in Dominica, Grenada and Guyana and are comparatively high in Haiti, Suriname and Trinidad and Tobago. Maternal mortality remains a cause for concern because of large increases in mortality rates in The Bahamas, St. Lucia, Suriname and Trinidad and Tobago despite decreases in Barbados, Belize, Guyana, Jamaica and St. Vincent and the Grenadines. Improvements in maternal health have come about partly because of the very high proportion (87-100 percent) of women who now have their child birth attended by skilled personnel and who have access to anti-natal facilities.

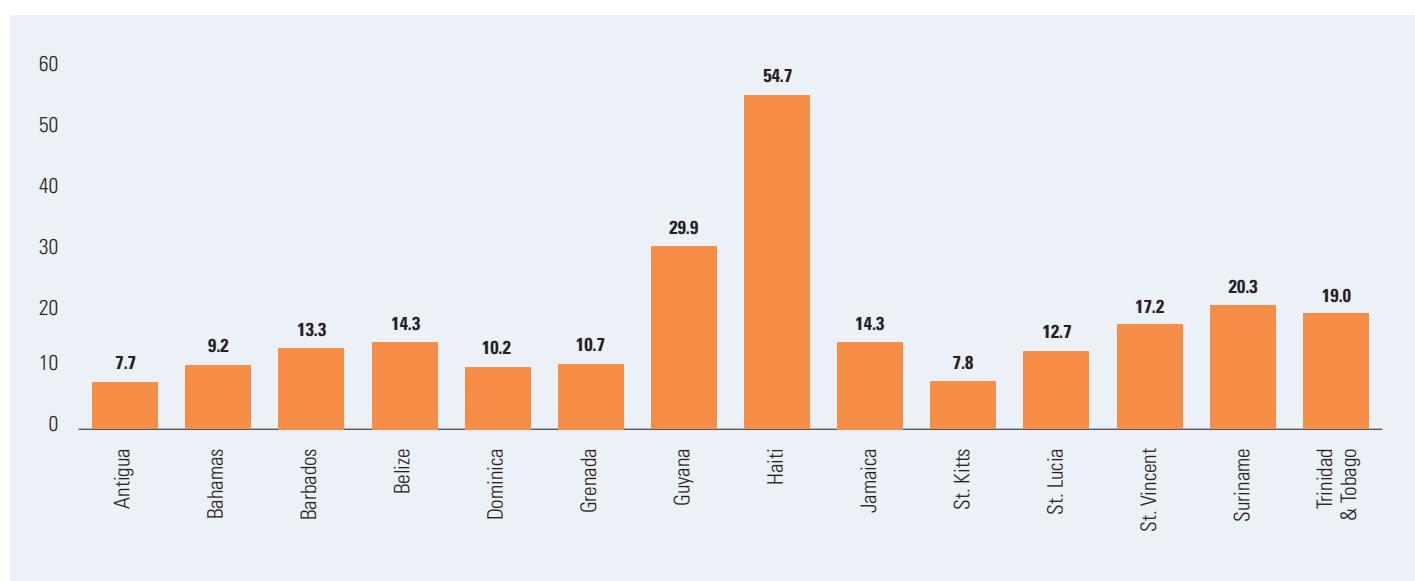
The loss of life to communicable diseases in the Caribbean exceeds mortality rates in upper middle income countries, sometimes by a large margin. In Guyana and Haiti, the mortality rates are as high as 177 and 405, respectively. For Belize, Jamaica, Suriname and Trinidad and Tobago, the range is 80 to 105.

In 2014 there were 280, 000 persons living with HIV in the Caribbean, according to the UNAIDS Fact Sheet 2015. New HIV infection declined by 50 percent between 2000 and 2014. An estimated 8,800 died from

TABLE 3.7**CARICOM health status outcomes**

Country	Under - 5 mortality rate per 1,000 live births		Maternal mortality rate per 100,000		Adult mortality rates per 1,000 adults			
	2010	2015	2010	2015	Male	2013	2009	2013
Antigua	8	8	0	0	197	201	158	145
Bahamas	16	12	47	80	202	141	126	88
Barbados	20	13	51	27	136	116	80	65
Belize	17	17	53	28	202	145	129	78
Dominica	12	21	0	0	192	214	103	116
Grenada	11	12	24	27	248	194	143	126
Guyana	30	39	280	229	286	377	224	256
Haiti	165	69	0	359	278	263	227	221
Jamaica	24	16	110	89	224	173	131	105
St. Kitts	8	11	0	0	185	165	90	79
St. Lucia	16	14	35	69	188	177	90	85
St. Vincent	21	18	48	45	264	109	110	110
Suriname	31	21	130	155	217	171	124	94
Trinidad & Tobago	27	20	46	64	225	229	120	129

Source: Prepared by the authors, based on 2014 & 2015 Human Development Reports, United Nations Development Programme.

FIGURE 3.14**Infant mortality rate per 1,000 live births in 2014**

Source: Prepared by the authors, based on 2014 & 2015 Human Development Reports, United Nations Development Programme.

AIDS-related causes in 2014. HIV prevalence among the population aged 15-49 years in 2014 ranged between 1.0 to 1.9 percent for the five countries which reported, namely Belize 1.2 percent (2,105 persons), Guyana 1.8 percent (13,240 persons), Haiti 1.9 percent (189,937 persons), Jamaica 1.6 percent (44,784 persons) and Suriname 1 percent (5,382 persons). Fifty percent of diagnosed HIV cases are among women. Youth infection rates seem to be higher among females than among males (PAHO 2013). The WHO Global School – Based Student Health Survey attributes HIV infection among youth to several risk factors such as assertion of masculinity, sexual or physical abuse, psychological well-being and mental health, substance abuse, peer influence, poverty, transactional sex, attitudes towards gender and sexual orientation.

Caribbean countries have several programmes and policies in place to reduce the incidence of HIV and to assist persons suffering from HIV. They include programmes aimed at reducing mother to child transmission, more accessible infection testing, screening and counselling facilities and services, provision of anti-retroviral treatment programmes, and health education and promotional activities directed at the general population and at specific target groups, especially youth and women.

Non-communicable diseases are a major problem. The latest available set of statistics are for 2012 taken from WHO World Health Statistics 2015 (table 3.8). They show mortality rates measured in the number of persons inflicted per 1,000 population. The lowest rates in the Caribbean are in Suriname (375), Barbados (404), and Belize (471). Jamaica's mortality rate is 519, Trinidad and Tobago 705, Haiti 725 and Guyana 1,024. The Caribbean mortality rates are generally above the average for low middle income countries and upper middle income countries. The latest available statistics for cardiovascular diseases and diabetes showed high mortality rates for these specific non-communicable diseases in 2008 (figure 3.15) Hypertension is present in 25-26 percent of men and 15-22 percent of women in the Caribbean.

There are other serious health challenges which have not received as much attention. The Caribbean Commission on Health and

TABLE 3.8

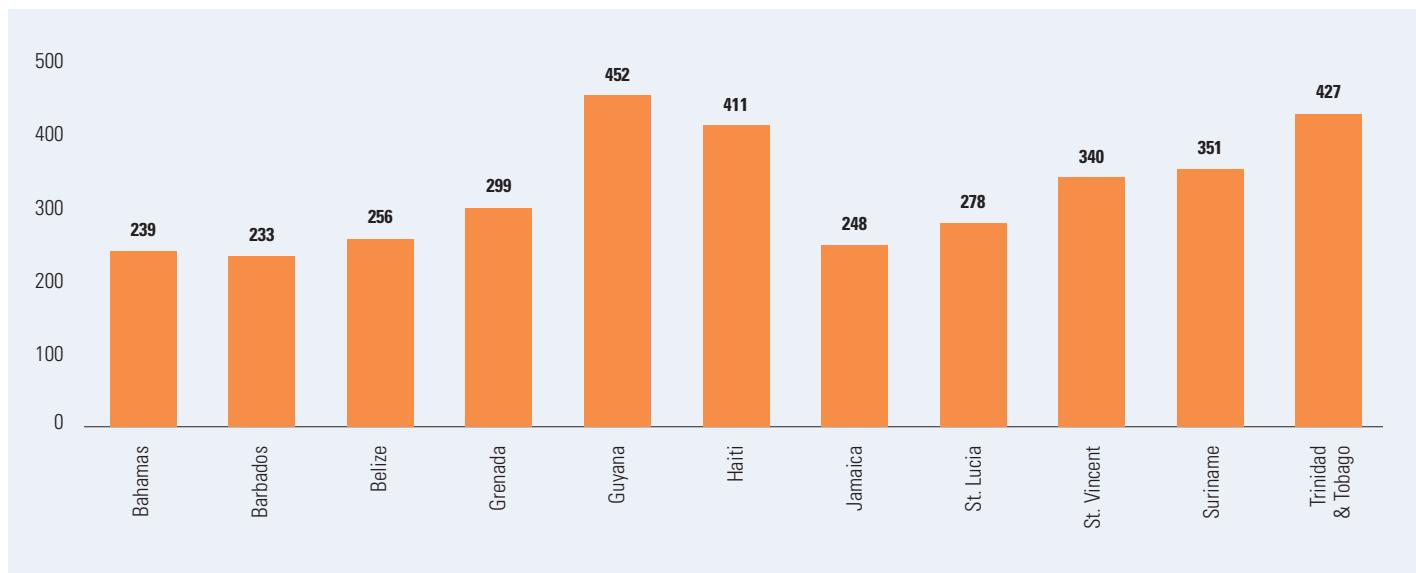
Caribbean mortality rates for communicable diseases (CDs) & non-communicable diseases (NCDs) 2014 (numbers per 100,000 population)

Country	CDs	NCDs
Bahamas	122	465
Barbados	61	404
Belize	105	471
Guyana	177	1024
Haiti	405	725
Jamaica	97	519
Suriname	84	375
Trinidad & Tobago	80	705

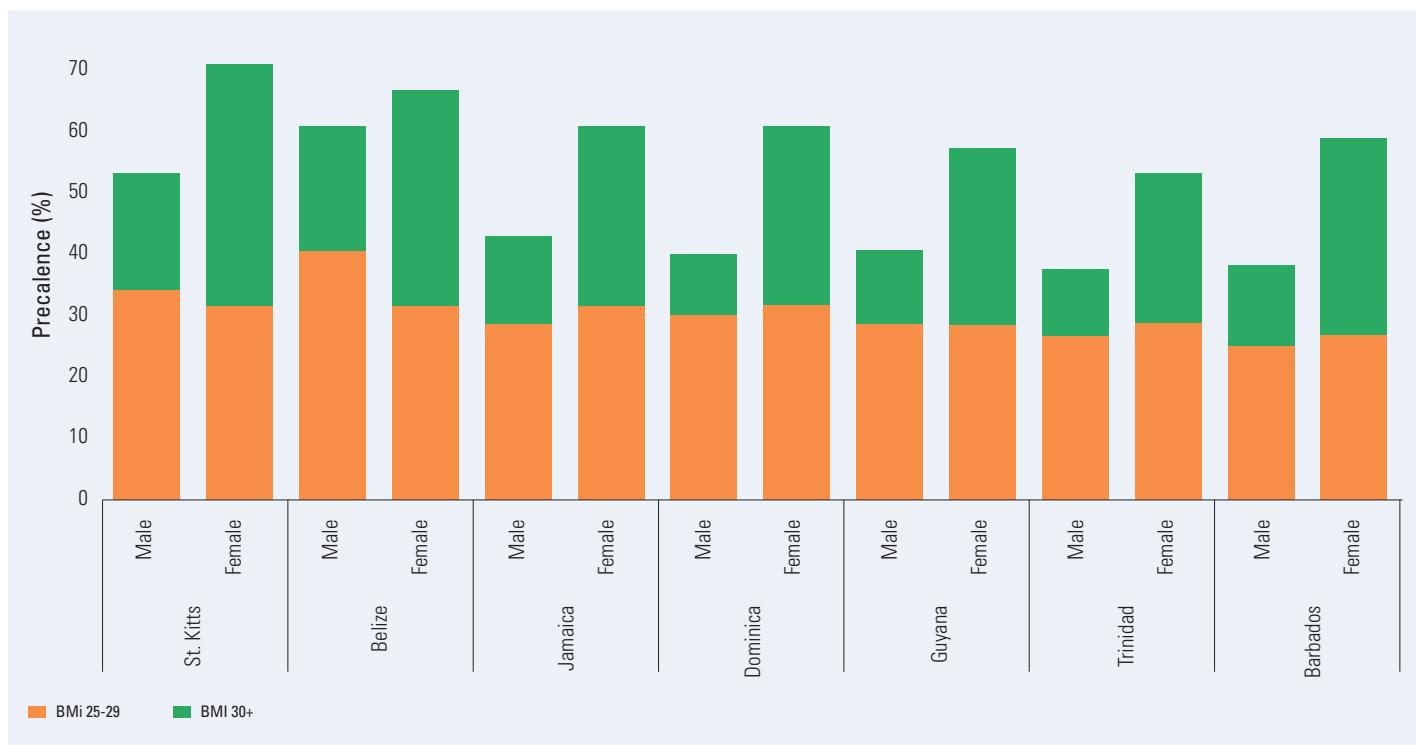
Source: World Health Statistics 2015, World Health Organization.

Development (2006) highlighted the high incidence of neuropsychiatric illnesses in Jamaica, the country that has done the most to compile and analyze data on these illnesses. In 2000, 41 percent of men and 52 percent women were estimated to be suffering from depression. Nineteen percent of 2,383 persons were found with "major depressive disorder" and 22 percent of persons attending diabetes and hypertension clinics were found to have moderate to severe depression. The Commission concluded that "depression is widespread, disabling and often goes unrecognized and untreated." The incidence of schizophrenia is also significant: 1.16 persons in every 10, 000. "Schizophrenia is one of the most disabling of diseases and accounts...for 2.8 percent of the years lived with disability".

Obesity is another health challenge, recognized but perhaps not taken sufficiently seriously in light of its links to chronic diseases. Figure 3.16, taken from the Commission's Report, portrays the magnitude of the problem some years ago. More recent obesity rates for persons 18 years and older in 2014 are shown in table 3.9. Female obesity rates are in the range of 29-42 percent (except in Haiti) and male obesity rates are in a range of 16-30 percent. Obesity in children not older than five years is estimated by the Caribbean Public Health Agency to have increased from 5.6 percent in 2000 to 6.9 percent in

FIGURE 3.15**Mortality due to cardiovascular diseases and diabetes per 1,000 people in 2008**

Source: Prepared by the authors, based on 2015 Human Development Report, United Nations Development Programme.

FIGURE 3.16**Overweight and obese adults by gender in the Caribbean (1998–2002)**

Source: Compiled from data and references in Caribbean Food and Nutrition Institute (CFNI), 2001.

TABLE 3.9

Obesity rates in the Caribbean in 2014 (% of persons 18 years and older)

Country	Male	Female
Antigua	22.8	38.7
Bahamas	29.7	42.5
Barbados	24.4	38.2
Belize	16.1	28.8
Dominica	18.5	33.0
Grenada	18.1	34.3
Guyana	14.4	31.6
Haiti	7.2	16.6
Jamaica	18.4	35.7
St. Kitts	21.2	35.3
St. Lucia	19.7	33.9
St. Vincent	17.9	30.9
Suriname	19.4	32.9
Trinidad & Tobago	24.1	38.0

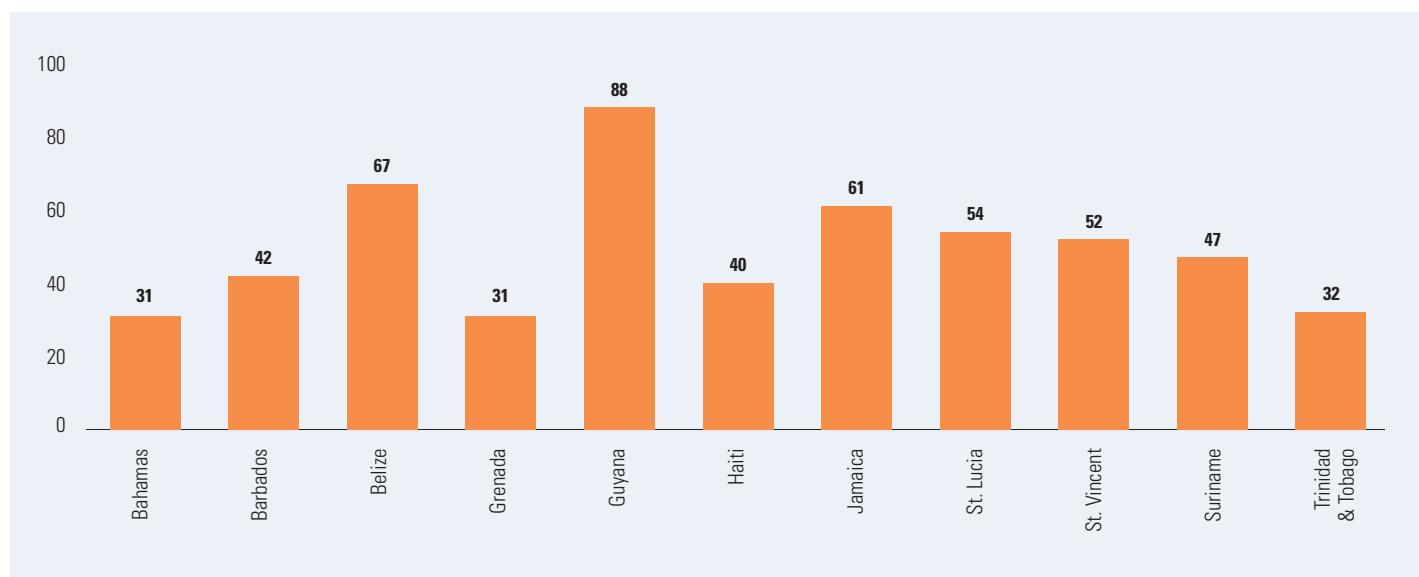
Source: World Health Statistics 2015, World Health Organization.

2010 and 7.8 percent in 2015 (CARPHA, 2014). Country-specific rates of child obesity reported by the WHO Global Health Observatory are 12 percent in Barbados in 2012, 7.9 percent in Belize in 2011 and 6.3 percent in St Lucia in 2012. The proportions are lower in Haiti, Jamaica, Suriname and Trinidad and Tobago (4 percent in 2010/2012). Obese children tend to become obese adults.

Adolescent fertility is not exclusively a health issue. It is also an issue of compromised education and personal progress opportunities because many girls of childbearing age have to drop out of school and abandon their education for years, if not entirely. For both sets of reasons, it is useful to highlight the incidence of adolescent fertility measured by the number of births per 1,000 women 15-19 years old (figure 3.17). At the low end (less fertility) in 2014 are The Bahamas and Grenada with 31 births and Trinidad and Tobago with 32 births. In the middle (40 to 60 births) are Haiti, Suriname, Barbados, Antigua and Barbuda, St Vincent and the Grenadines and St Lucia. At the top end are Jamaica with 61

FIGURE 3.17

Adolescent fertility births per 1,000 women 15-19 (2014)



Source: Prepared by the authors, based on 2015 Human Development Report, United Nations Development Programme.

births, Belize with 67 births and Guyana with 88 births.

The connection between suicide and health status of individuals is not entirely clear even though suicides in some circumstances are attributable to neuropsychiatric problems. However, incidence of suicides in some Caribbean countries is sufficiently high to be a matter of concern. In Guyana in 2012 (*Human Development Report 2015*) the suicide rate per 100,000 persons was 70.8 for males and 22.1 for females. In Trinidad and Tobago it was 20.4 for males and 6.2 for females. In Haiti it was 2.4 for males and 10.2 for females.

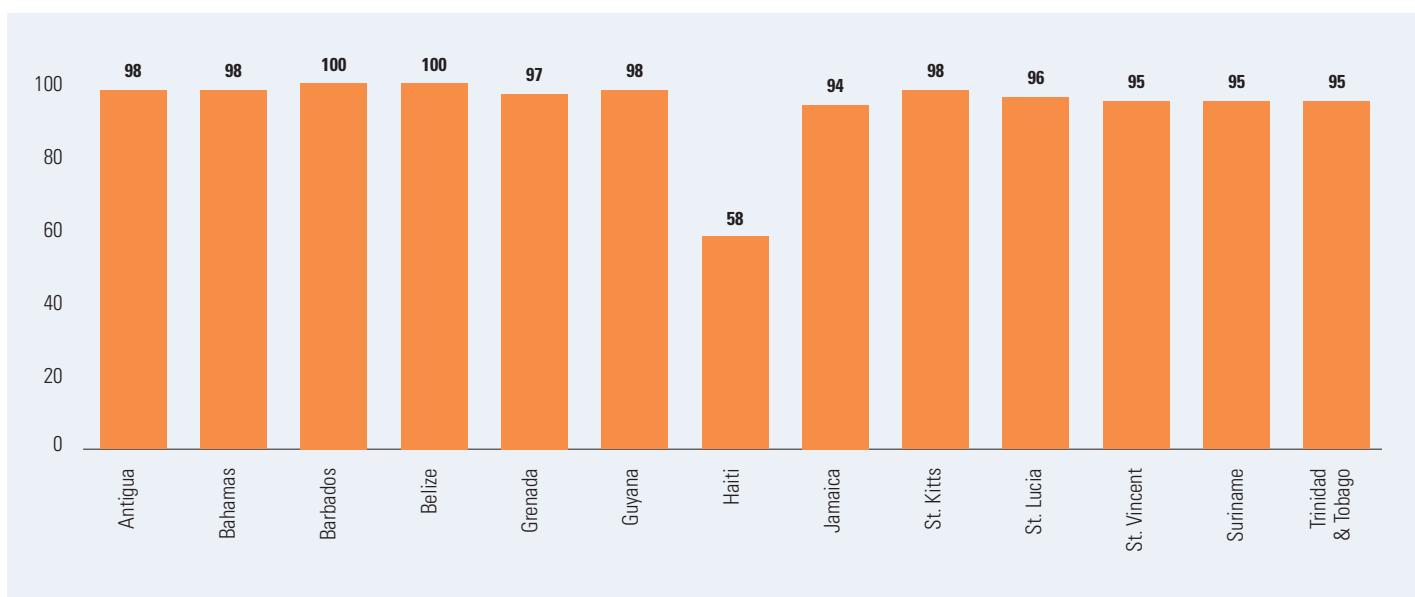
Finally, in relation to the health status of the Caribbean, attention is drawn to the low ratio of physicians to population. With the exception of The Bahamas, Barbados, St. Kitts and Nevis and Trinidad and Tobago the reported number of physicians per 10,000 persons ranges between approximately two in Guyana and eight in Belize. In Trinidad and Tobago and St. Kitts and Nevis there were approximately twelve physicians per 10,000, in Barbados 18 and in The Bahamas 28.

3.7 Access to water, sanitation and electricity

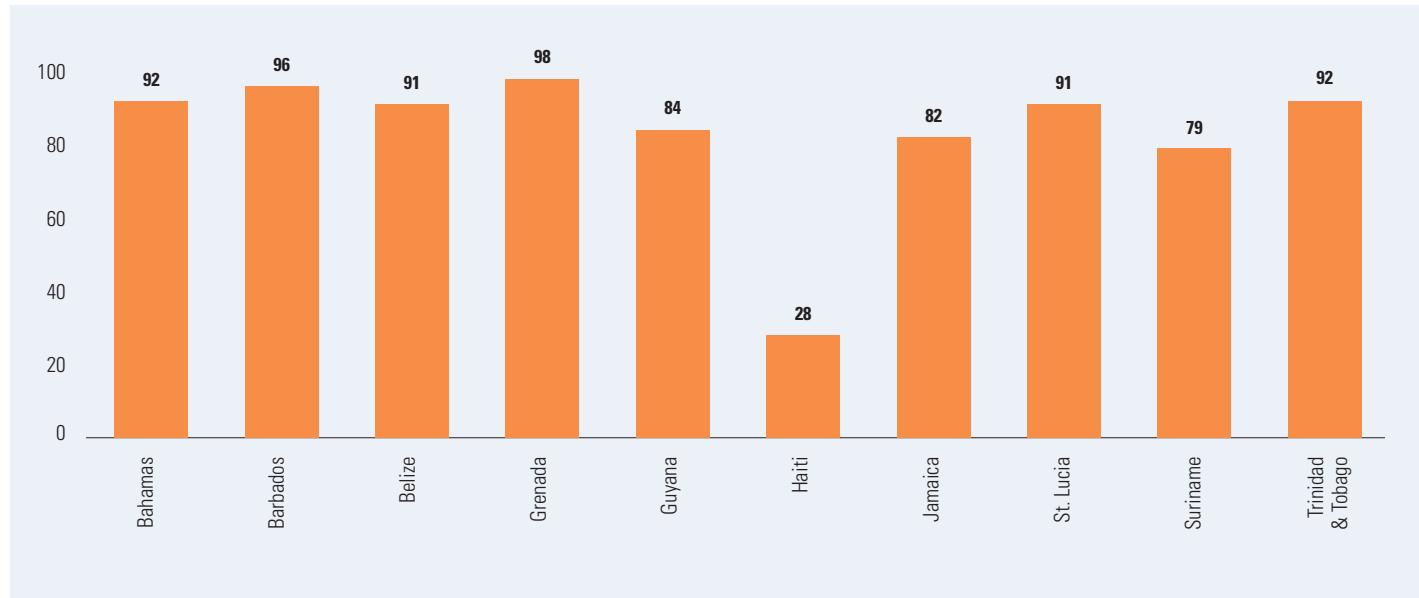
The Caribbean, on the basis of the data presented, is fairly well positioned in terms of the access of residents to improved water, improved sanitation facilities and electricity. In respect of water (figure 3.18), there seems to very good overall access except in Haiti but many countries experience problems with guaranteeing continuous supply and uniform geographical coverage, which sometimes affects some ethnic groups in remote or inaccessible areas more than others. In respect of improved sanitation facilities (figure 3.19), there is quite good coverage in most Caribbean countries but the same difficulties affecting water supply handicap the provision of sanitation services in the other countries. Except for Haiti, and to some extent Guyana and rural St Vincent and the Grenadines, very high proportions of the populations have access to electricity (table 3.10) even though supply disruptions, sometimes for long periods, are not infrequent.

FIGURE 3.18

Access to improved water service % total pop 2015



Source: Prepared by the authors, based on 2015 Human Development Report, United Nations Development Programme.

FIGURE 3.19**Access to improved sanitation facilities % total population 2015**

Source: Prepared by the authors, based on 2015 Human Development Report, United Nations Development Programme.

TABLE 3.10**Electrification rates 2012**

Country	Total % population	Rural % population
Antigua	90.9	79.8
Bahamas	100	100
Barbados	90.9	79.8
Belize	100	100
Dominica	92.7	79.8
Grenada	90.9	79.8
Guyana	79.5	76.1
Haiti	37.9	15.0
Jamaica	92.6	86.7
St. Kitts	90.9	79.8
St. Lucia	90.9	79.8
St. Vincent	75.9	31.8
Suriname	100	100
Trinidad & Tobago	99.8	99.0

Source: Prepared by the authors, based on 2015 Human Development Report, United Nations Development Programme.

Cost and pricing to consumers are a concern with water and electricity services. Inefficiencies in production and distribution, for instance line losses in electricity and leakages in water supply infrastructure, raise costs of production and distribution which are transferred to customers by the utilities which practice full user charges. Issues of affordability then ensue, sometimes resulting in supply discontinuation or illegal and dangerous tapping into supply by some residents.

More importantly, the availability of freshwater resources is a major concern in the region. In 2007, the World Bank estimated the availability of freshwater in some SIDS: Jamaica was ranked as most abundant with 3,514 cubic metres per person per year; Haiti, stressed at 1,338 cubic metres per person per year; while The Bahamas' freshwater was the scarcest at 60 cubic metres per person per year. By 2014, however, statistics show a decline: Jamaica had 3,483 cubic metres per person per year; Haiti, 1,297 and The Bahamas 55 cubic metres per person per year (UNEP 2014c).⁷⁴ Barbados is using nearly 100 percent of its available water

resources, Saint Lucia has a water supply deficit of approximately 35 percent, Nevis is at 40 percent, Trinidad has had a deficit since 2000, Jamaica was projected to experience deficits in areas of important economic activity by 2015, Antigua and Barbuda rely on desalination to meet demands for water, and in Dominica, Grenada, and St Vincent and the Grenadines, demand can exceed supply during the dry season due to reduction in stream

flows. There is, thus, a need for adopting approaches that foster water use efficiency more forcefully, such as the adoption of water harvesting and wastewater treatment technology, improvement in production methods, strengthened regulatory frameworks, improved natural resources planning, and education and communication strategies (UNEP, 2016).

BOX 3.3

Estimating a multidimensional measure of poverty in Haiti

For the past decade, an increasing number of countries in the Latin American and Caribbean region have conceptualized poverty as a state that goes beyond income. The multidimensional poverty index (MPI), based on Sabina Alkire and James Foster's work for the Oxford Poverty & Human Development Initiative (OPHI), allows us to identify households' and individuals' multiple dimensions of poverty, such as education and health, and therefore enables the generation of adequate public policy responses according to the number and intensity of the deprivations people encounter.

Both UNDP and the National Observatory for Poverty and Social Exclusion in Haiti (UOPES) have previously worked on MPI estimates for Haiti and have decided to collaborate on an upcoming joint publication comprising of a complementary quantitative and qualitative analysis on multidimensional poverty. UOPES' main task is to observe and study poverty in Haiti and adequately inform national and international institutions accordingly. By using census data commissioned

by the government and collected in 2014 and 2015 in two communes of Port-au-Prince, Cité Soleil and Tabarre, a joint effort to measure multidimensional poverty in Haiti is possible. This study aims at bringing together both institutions' technical and theoretical experience in order to deliver a robust methodology and high expertise for a country-specific MPI methodology.

The quantitative methodology developed for Haiti uses data collected for 25,000 households in Tabarre and 27,000 households in Cité Soleil and comprises of five dimensions based on twelve indicators using a double cut-off based the Alkire and Foster method – the within-dimension cut-offs z_j to determine whether a household is deprived or not in each dimension, and the across-dimension cut-off $k = 33.3$ percent to determine who is to be considered multidimensionally poor.

This quantitative methodology is complemented by a qualitative approach to the living conditions of the two communes' most vulnerable population. Over 40 focus groups are underway in the two communes with over 400 total participants who express their personal perceptions on poverty and the challenges they encounter in their neighborhood on a daily basis. This approach serves a double purpose: firstly, to complete the missing data on several indicators of the MPI such as health related issues so as to find their root causes - be it lack of medical infrastructure or vaccination - and secondly, to address new dimensions where data is not available but that are key to poverty reduction policies such as the environment, agriculture, security, quality of services or psychological poverty.

The report also aims at making statistical recommendations on data collection. A national MPI for Haiti should include more information regarding health and education, as well as indicators related to the environment and security. However, this first estimate using census data is of great help for policy design and may trigger more detailed information regarding the quality of life in the country. Expectations are that the combination of the metrics and the people's voices will lead to detailed knowledge regarding the communes' specific areas for concern and the daily hardships of the most vulnerable so as to adequately address them. It is also expected that this analysis will drive forward the national discourse on multidimensional poverty and show an example of the utility and the breadth of information that this approach provides.

Dimensions	Indicators
Education	Child school attendance Educational achievement of the head of household
Assets	Ownership of key assets
Food security	Food
Living standards	Floor quality Wall quality Ceiling quality Overcrowding
Access to basic services	Improved drinking water Drainage service Electricity Cooking fuel

3.8 Summary and conclusions

Economic growth is an important component of human progress but does not fully determine it nor adequately represent all dimensions of it. There is no automatic trickling down of benefits in terms of absolute and relative deprivation or fulfilment of conditions which enhance human capabilities and functioning which constitute human progress. In a multidimensional progress approach, centrality is given to the scope which individuals have for expanding capabilities, choices and abilities and to benefit from the economic growth process and enjoy fundamental rights.

CARICOM governments have committed to the SDG 2030 Agenda which is consistent with their own earlier, independent determination of a multidimensional approach to development policy in the region.

The connections between economic growth, income inequality and poverty are not uni-directional or separable thus making it advisable to treat them collectively rather than to assess progress in any one component; not in isolation but as an element in a matrix of challenges and possibilities. This is particularly sensible because of the multiple faces of poverty identified in the chapter.

The Caribbean has made substantial progress in many areas, especially education and certain aspects of health, but there are old and new challenges in relation to many of them which need to be addressed if human vulnerability is to be substantially lessened. In the education sector, they include under-provision and quality issues in early childhood education, attendance rates in primary schools, underperformance

and drop outs in secondary schools, low enrolment in technical and vocational education, and curriculum relevance and balance between disciplines in tertiary education. With respect to the health sector, further advances need to be made with infant, child and maternal mortality, communicable and non-communicable diseases, obesity in adults and children, neuropsychiatric illnesses and adolescent fertility.

Unemployment remains a major problem because of the high rate of unemployment among adult males and much higher rates among women and youth. The consequences to individuals, households and communities in terms of monetary matters as well as matters of self-esteem, feelings of exclusion, powerlessness, alienation, emigration, and involvement in criminal activities are serious. In addition, there are gender inequality issues in the labour markets and in business.

As shown in chapter 2, there is evidence of multiple forms of vulnerability among other groups: children, elderly persons, persons with disabilities and indigenous peoples and Maroons which reflect hard exclusions and greatest impact of poverty, inequality and failures of public policy.

Considerable progress has been made in the provision of social infrastructure services, such as water, sanitation and electricity but there are significant gaps to be filled, especially with respect to cost and reliability of supply of water, electricity and sanitation services. In particular, as regards freshwater supply, a challenge is ensuring the health of the ecosystems that provide this service and improve efficiency in the distribution and use of the resource.

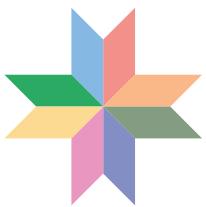


Economic transformation, inclusive, environmentally sustainable growth and role in multidimensional progress



"We reach the stage now where we have to use that education. We have to convert that into being entrepreneurs. We have to move away from expecting the government to give us jobs. We will need some pioneers. We have to move to the next level in terms of, for example, alternative energy. Right? Where you got the sun, you got the breeze coming in here, you got the wind, the sea, the full works. We can't stop at the science level. You just can't do A'level science and a degree in Chemistry or Physics. We have to start being innovators. You can't wait for somebody will come down from and say give you this or give you that. As mentioned we have all of this agricultural land in this area, right now it is in bush, basically, and marijuana, but all of that there, and that belongs to the church. So coming back now to the poverty thing, we have to find a way, to utilize the resources we have."

Rural poor man, focus group, Barbados



Economic transformation, inclusive, environmentally sustainable growth and role in multidimensional progress

Introduction

The new growth paradigm should give prominence to the knowledge that economic growth is enhanced by multidimensional progress, while not ignoring the important role of economic growth in enabling multidimensional progress if it is inclusive, and environmentally sustainable.

Caribbean economic growth has not been inclusive. Many disparities and vulnerabilities are evident in the assessment of poverty, inequality and multidimensional progress, as discussed in chapter 3. Despite resuscitation of economic growth from the downturn caused by the global economic crisis, the scorecard on Caribbean countries shows:

- i) Persistent, though not generally increasing, levels of poverty, and rising inequality of income and wealth.
- ii) Low diversification of the economic base and an economic model based on the extraction of resources without consideration of longer-term environmental sustainability.
- iii) Substantial unemployment in all sections of the labour force but particularly acute among women and youth.
- iv) Gender imbalances in employment, including management and public governance.
- v) Weaknesses in the provision of health, education, water, sanitation, electricity and physical infrastructure services.
- vi) The existence of women, youth, children, persons with disabilities, elderly persons, indigenous peoples and Maroons as vulnerable groups.
- vii) High levels of crime, violence against men, women, youth and children, large number of homicides, all giving rise to heightened citizen insecurity and economic losses and high rates of incarceration of adults and youth.

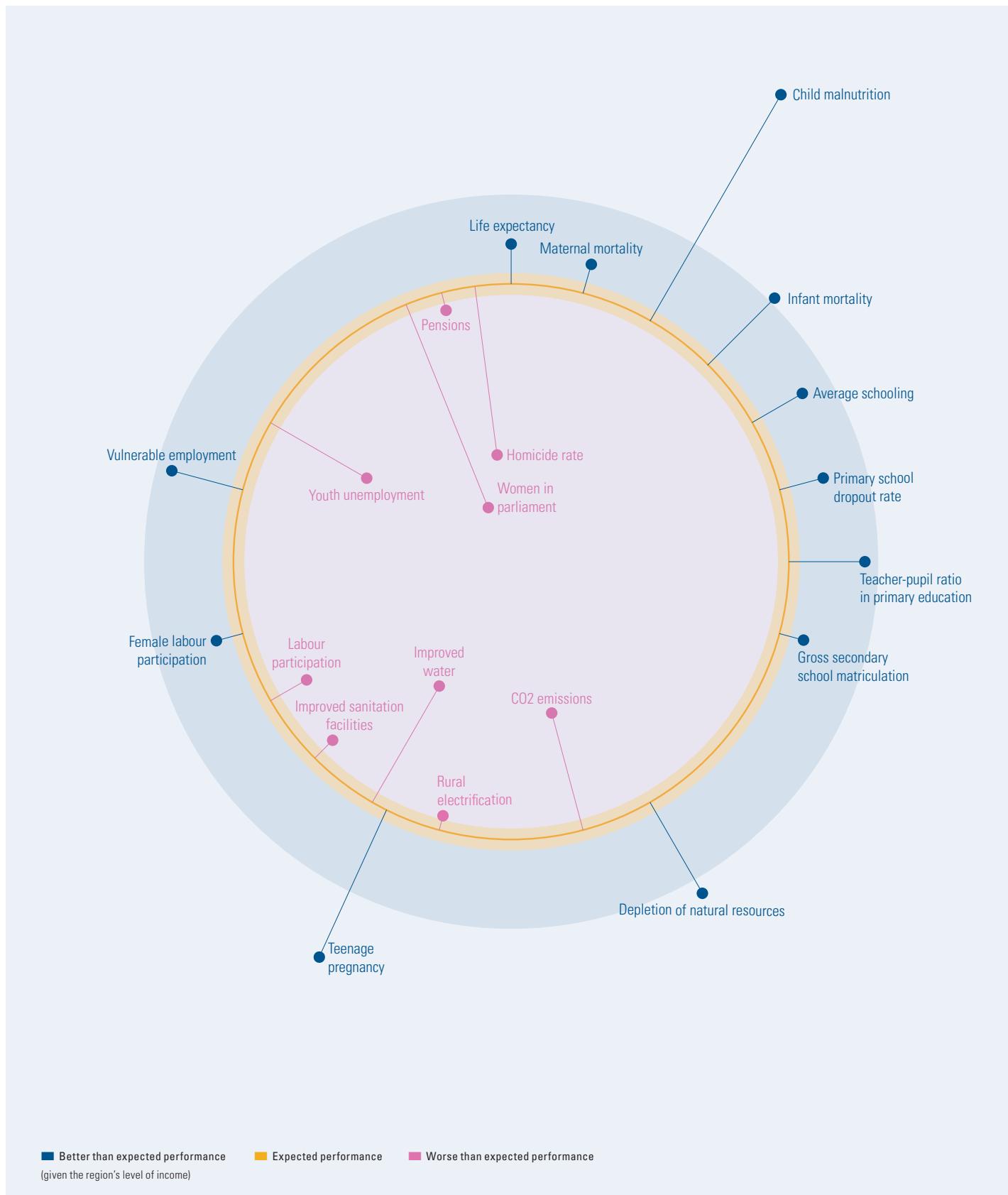
A fundamentally new approach to economic growth which is focused on human progress is needed. The new economic

growth perspective must have inclusivity as a central strategic element and cannot be to the detriment of the environment. The new growth paradigm should give prominence to the knowledge that economic growth is enhanced by multidimensional progress, while not ignoring the important role of economic growth in enabling multidimensional progress if it is inclusive, and environmentally sustainable. Faster and more stable economic growth is fostered by multidimensional progress and synchronously enables multidimensional progress.

Over the past 25 years, new additions to the set of human development indicators have made it possible to reorient the development agenda, moving from the idea of economic growth as an aim in itself to the concept of human development. This concept, which forms the foundations of this Report, is framed by existing agreements within the United Nations system, namely: the Universal Declaration of Human Rights of the United Nations (1948), the International Convention on the Elimination of All Forms of Racial Discrimination (1965), the Declaration on the Rights of Indigenous Peoples (2007), the Beijing Declaration and Platform for Action (1995), the 2030 Agenda for Sustainable Development (2015), and the Paris Climate Change Conference (2015).

The focus of this chapter is the causal or facilitating influence of multidimensional progress on economic growth. Elaboration of the potential economic growth contributions of multidimensional progress should serve to reorient policy perspectives away from seeing the many issues affecting human progress, highlighted in chapters 2 and 3, solely as outcomes of the growth process to be addressed as second

FIGURE 4.1

Differences between the expected and actual social achievements observed in the Caribbean

■ Better than expected performance
(given the region's level of income) ■ Expected performance ■ Worse than expected performance

Source: Prepared by the authors based on data from the Human Development Report Office of the United Nations Development Programme (UNDP) and the World Bank's World Development Indicators (WDI) database.

Note: The indicators outside the circle are those that have shown better than expected development according to gross per capita income for the region, while the indicators situated inside the circle are those that have shown poorer performance than expected. The results shown in the figure on the Caribbean should be interpreted in the context of a world comparison. In other words, the data is obtained from a regression based on information on 188 countries in which the dependent variable is the value observed for each of the 21 indicators taken into consideration, and is explained by the logarithm of gross national income per capita. Based on the coefficient obtained from each regression, an expected value is calculated for each of the 21 indicators for each country. The difference between the values observed and those expected is then standardized based on the standard deviation of the observed value for each indicator. The exercise follows the method employed by the Organization for Economic Cooperation and Development (OECD) in their series of country diagnostic studies entitled *Development Pathways*. The aggregate for the Caribbean is the weighted average per population of the values of each of the indicators for the 12 countries for which information was available: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Guyana, Haiti, Jamaica, Saint Lucia, St Vincent and the Grenadines, Suriname, and Trinidad and Tobago. Different countries were taken into account for each of the indicators considered. For indicators on life expectancy, infant mortality, average years of education, CO₂ emissions, rural electrification, teenage pregnancy, and homicide rates, all countries were included. For the maternal mortality indicator, Antigua and Barbuda, and Dominica were excluded. In the case of the indicator for child malnutrition, The Bahamas, Barbados, Antigua and Barbuda, Saint Lucia and Dominica were excluded. For education indicators (dropout rates, pupil-teacher ratio, gross enrolment in secondary school education), Haiti was excluded. For the indicator related to the depletion of natural resources, Antigua and Barbuda was excluded. The improved water resources indicator excludes Dominica. For the indicator on improved sanitation, Antigua and Barbuda was excluded, along with Dominica, St Vincent and the Grenadines. In the case of labour participation rates (total and female), Antigua and Barbuda, and Dominica were excluded. In the case of youth unemployment, Haiti was excluded. For the pension's indicator, Cuba and Suriname were excluded, and for the indicator on the percentage of parliamentary seats held by women, Dominica was excluded. The definition, year and specific source for each indicator are indicated below. The following data comes from the UNDP Human Development Report Office: gross national income per capita at 2011 prices adjusted to purchasing power parity (2014); life expectancy at birth measured in years (2014); maternal mortality measured as the number of maternal deaths registered in a year for every 100,000 births (2013); child malnutrition, which corresponds to the indicator on chronic malnutrition, measured as a percentage of children aged under five with a low height-for-age (2008-2013); child mortality, measured as the number of deaths in under-fives registered in a year per 1,000 live births (2013); average schooling, measured as a mean of accumulated years of education (2014); primary school dropout rates, defined as the percentage school dropout rate for the education level in question (2008-2014); the pupil-teacher ratio in primary education, measured as the number of pupils per teacher at this education level (2008-2014); gross enrolment rates at secondary school, defined as the total enrolment corresponding to this education level, regardless of age, as a percentage of the school-age population at this education level (2008-2014); the indicator on the depletion of natural resources, measured as a proportion of gross national income (2008-2013); CO₂ emissions, measured as the volume of carbon dioxide emissions per capita in tonnes (2011); rural electrification, measured as the proportion of the rural population with an electricity supply (2012); female labour participation, measured as the proportion of the female population aged 15 years or over that is economically active (2013); youth unemployment, measured as a proportion of the workforce aged between 15 and 24 years that is unemployed (2008-2014); vulnerable employment, measured as a proportion of the people working as unpaid family workers and self-employed workers (2008-2013); homicide rate, measured as the number of homicides registered per year per 100,000 people (2008-2012); pensions indicator, measured as a percentage of legal beneficiaries of old-age pensions of an age to receive these pensions (2004-2012); teenage pregnancy, measured as the number of births registered per year per 1,000 women aged between 15 and 19 years (2010-2015); and the position of women in Parliament, measured as the proportion of parliamentary seats held by women (2014). The WDI database created by the World Bank provides data on improved sanitation and water indicators, measured as the percentage of the population with access to these services (2013).

order policy priorities and towards a policy perspective which treats them as essential elements in comprehensive growth and development strategies.

On the basis of quantitative analysis, using 188 countries and 21 indicators obtained from the 2015 *Human Development Report*, UNDP has found strong evidence that if the Caribbean's development were to be measured only on a per capita basis the region's development challenges and needs would go unrecognized because the region performs well on many of the 21 indicators. Yet, as we have also seen from the discussion in previous chapters, there are increasing levels of income and non-income poverty, high levels of state, household and individual vulnerability and acute issues in health, education and labour, particularly with regard to high rates of unemployment, especially among the youth. The following figure confirms that social progress does not depend solely on the region's economic growth. The Caribbean has shown *better performance than expected based on income* levels in all of the indicators outside the circle such as infant and maternal mortality, infant malnutrition, life expectancy, or depletion of natural resources. This does not mean, however, that there are no challenges left in relation to these indicators. Based on this logic, it should be noted

that although some of these indicators are inside the circle (such as youth unemployment, homicide rates, women in Parliament or pensions), this does not mean a lack of progress in the region in these dimensions but, rather, that the current level of achievement is *lower than expected based on income levels in the region*. This analysis highlights the fact that greater economic growth in the Caribbean is not enough **on its own** to maintain the achievements of recent decades, nor to accelerate the eradication of poverty in its multiple dimensions. See annex 1 for country specific performance on a per capita basis using these indicators.

We consider that the notion of progress in the Caribbean cannot be measured on the basis of per capita GDP alone, as important as GDP performance is to the region at this point in time. As has been noted, a basket of resilience indicators, with factors beyond income, should be considered. *The Regional Human Development Report for Latin America and the Caribbean* (UNDP, 2016) outlines how this basket can be constructed.

Related to this critical issue, of measurement of progress, is the Caribbean's inability to access much needed development funding to finance a multidimensional agenda which, we argue, is critical for advancing inclusive economic growth in the region.

Greater economic growth in the Caribbean is not enough **on its own to maintain the achievements of recent decades, nor to accelerate the eradication of poverty in its multiple dimensions.**

4.1 Financing multidimensional progress and inclusive growth in a constrained fiscal space

Chapter 1 has already pointed out the heavy, but not insurmountable, financial costs placed on governments to fund the new SDG agenda. This point facilitates very well a departure to a more nuanced discussion on financing the Caribbean's SDG ambitions and related challenges of fiscal space.

The discussion on fiscal space has to be set against the disparities in per capita GDP in the region. Table 4.1 identifies the per capita GDP for selected countries in the region and the income category in which they are placed. Of the 13 countries in the table, five are classified as high-income, another six are labelled as upper middle income with only two considered low middle income.

This has implications for Official Development Assistance (ODA) and access to concessional finance. Many low middle countries can access developmental assistance. This is not the case for most of the countries of the Caribbean whose per capita GNI acts as a barrier to access ODA. There are 13 countries

listed in table 4.1 that have per capita GNI that allows them to be classified as upper middle or high income countries.

The issue of access to ODA by Caribbean countries is affected by certain stylised facts. First, the donor allocation of ODA to a country is guided by income,⁷⁵ which is a criterion that equates the state of development with income per capita. Secondly, the access criteria include low and middle income countries. Third, middle income is defined by the World Bank as approximately \$1,000 to \$12,000 GNI per capita. Fourth, by referencing table 4.2, eight countries of the Caribbean lie with the range and, therefore, are classified as middle income, with five countries whose GNI lie above the US\$12,000 threshold, classifying them as high income. These five no longer have access to ODA.

Alonso et al. (2014)⁷⁶ reported that the share of ODA to middle-income countries (MICs) fell from 55 percent in 1990 to under 40 percent in 2013. If ODA were to be measured as a percentage of GDP for the Latin American region the picture would be similar, reinforcing the view that the share of ODA accessible to MICs is falling. In 2012, ODA was 0.18

Donor allocation of ODA to a country is guided by income, which is a criterion that equates the state of development with income per capita.

TABLE 4.1

Per capita GDP for selected Caribbean countries

Country	GNI Per Capita in US\$ millions 1	Income category 2
Antigua & Barbuda	20,070	High-income
The Bahamas	21,540	High-income
Barbados	15,080	High-income
Belize	8,160	Low-middle income
Dominica	9,800	Upper-middle income
Dominican Republic	11,150	Upper-middle income
Grenada	11,120	Upper-middle income
Guyana	4,090	Upper-middle income
Jamaica	8,480	Upper-middle income
Saint Kitts and Nevis	20,400	High-income
Saint Lucia	10,350	Upper-middle income
Saint Vincent & the Grenadines	10,610	Upper-middle income
Trinidad & Tobago	20,070	High-income

Source: Prepared by the authors based on data from the World Bank's World Development Indicators database (2014), and SIDS Statistics, World Development Indicators (2014).

Table 4.2 provides data on the levels of gross government debt for 2013 – for most countries – but also supplies data on government revenue, exports and GDP. The size of the debt for a number of countries exceeds all three categories.

TABLE 4.2

Government gross debt, revenue, exports, and country GDP

Country	Government Gross Debt	Government Revenue	Exports	GDP
Antigua & Barbuda	3.056	0.605	0.089	3.242
The Bahamas	4.682	1.355	0.811	8.42
Barbados*	8.787	2.981	0.961	8.555
Belize	2.469	0.901	0.823	3.231
Dominica	1.025	0.424	0.103	1.343
Grenada	2.412	0.472	0.099	2.197
Guyana	349.282	163.894	281.187	614.13
Haiti	77.719	75.855	39.114	364.811
Jamaica	2,067.63	396.982	157.288	1,430.42
St. Kitts & Nevis	2.158	0.961	0.150	2.093
St. Lucia	2.868	0.924	0.471	3.596
St. Vincent & the Grenadines	1.439	0.489	0.133	1.945
Suriname**	3.543	4.13	8.893	15.926
Trinidad & Tobago	54.145	57.918	82.239	178.583

Source: Prepared by the authors based on data from the International Monetary Fund (IMF), United Nations Commodity Trade Statistics database (COMTRADE), World Trade Organization (WTO) and regional central banks. National Currency, Billions, 2013.

Note: *Data for 2014. **Data for 2012.

percent of GNI for Latin America and the Caribbean. This represented a significant fall from the 0.4 percent of GNI recorded for the 1970s, 1980s and the 1990s. When the comparison is made between the region's ODA and the total global ODA then the region's share is seen to have fallen 15 percent in the 1980s and 1990s to about 8 percent in the 2000s. In addition to losing share of ODA, Alonso et al. (2014) further pointed out that international donors were reducing or planning to reduce, financial support to MICs. In some cases, donors are beginning to exclude countries from their aid. It should be noted that a proposal, that forms part of a discussion paper, recommends that countries with a per capita national income of more than US\$ 7,115 should be removed from the list of eligible recipients. If implemented, it would mean that all but one country in the Caribbean would have access to ODA.

Given the lack of access to ODA, low growth rates and the exogenous shocks and natural disasters which they have experienced, their debt levels have also increased. This has led to

a reduction of fiscal space. Table 4.2 provides data on the levels of gross government debt for 2013 – for most countries – but also supplies data on government revenue, exports and GDP. The size of the debt for a number of countries exceeds all three categories.

In principle, and historically, government finances have assisted economic growth through capital expenditures on social and economic infrastructure and subsidies and transfers to households and enterprises. The current situation is one of considerable cutbacks in public capital expenditures because of fiscal stringency reflected in current account deficits and high debt service obligations and accumulation of debt arrears to local businesses. Slow growth of fiscal revenues, relative to government expenditures, has resulted in chronic current accounts deficits in most countries and unsustainably high levels of public sector debt (Bourne, 2015, Henry and Boodoo, 2016). Fiscal deficits improved in the Caribbean in 2014, decreasing from 4.5 percent of GDP in 2013 to 2.1 percent in 2014. For some countries, like Barbados, Dominica and Saint Lucia,

the decreases were quite large. The reduction of fiscal deficits in 2014 contrasts remarkably with the 2010-2013 period of increasing deficits and reflects efforts at fiscal consolidation which had the consequence of reducing pro-growth capital expenditures as well as fiscal transfers and subsidies to provide social protection and enhance the welfare of households.

Bourne (2015) noted that “Domestic debt has assumed large proportions in many countries as they experience greater difficulty in accessing international debt capital.” Ratios of public sector domestic debt to GDP in 2014 were as high as 71 percent in Barbados, 67.8 percent in Jamaica, 58.8 percent in The Bahamas, and 56 percent in Antigua and Barbuda. The ratios were somewhat lower (11.1-38.0 percent) in the other countries (See Annex 2 Table A.8). If the region were not in a situation of high excess liquidity in its banking system, there would be a real possibility of crowding out of businesses and households in the local credit market. There is, nonetheless, another potentially dangerous aspect to the growth in domestic debt financing. In some instances, private financial institutions have become over-exposed to debt incurred directly by governments or credit extended to governmental agencies with government guarantees against delinquency. Excessive asset concentration in government domestic debt and accumulation of payment arrears have elevated portfolio risks, sometimes leading to credit market downgrades of the financial institutions.

Public sector foreign debt relative to GDP is also high. The ratio in 2014 was 66.3 percent in Belize, 65.5 percent in Grenada, 62.7 percent in Jamaica and 52.7 percent in St Vincent and the Grenadines. In Antigua and Barbuda, The Bahamas, Barbados, Guyana, St Kitts and Nevis, Saint Lucia and Suriname, the foreign debt-GDP percentages ranged between 20 and 40.4 percent. (See Annex 2 Table A.8).

Total public sector debt remains above the unsustainable benchmark of the 60 percent GDP suggested by some scholars, e.g. Greenidge et al. (2012), but questioned by others, e.g. Worrell et al. (2015). Total public sector debt to GDP ratios in 2014 were 130.5 percent in Jamaica, 108.5 percent in Barbados and 99.1 percent in Grenada. The ratios were

between 74.1 percent and 82.4 percent in The Bahamas, Belize, Dominica, St Kitts and Nevis, St Lucia, and St Vincent and the Grenadines. Suriname, Trinidad and Tobago and Guyana had comparatively low debt ratios of 31.8 percent, 41.3 percent and 51.1 percent respectively. Public sector debt service and amortization payments absorb substantial proportions of governments fiscal revenues and comprise sizeable proportions of foreign exchange earnings from exports of goods and services. Total public sector debt payments comprised as much as 10 percent of exports of goods and services in Dominica and Grenada and 33 percent in Jamaica in 2014. The proportion of government revenues was 58 percent in Barbados, 54 percent in Jamaica, 39 percent in Antigua and Barbuda, 36 percent in Saint Lucia and 34 percent in Grenada. (See Annex 2 Table A.9). The dampening effects on economic growth and social welfare are considerable.

Domestic savings of enterprises and households are another source of finance for economic growth. Aggregate savings rates in the Caribbean are not generally low, being in excess of 15 percent of gross domestic product in Trinidad and Tobago, St Kitts and Nevis and Antigua and Barbuda, and within a range of 10-15 percent in The Bahamas, Belize, Jamaica and Saint Lucia. The low savings rate countries are Barbados – 8 percent, Dominica – close to 0 percent, Grenada – slightly over 5 percent, and Guyana – about 7 percent. They co-exist with high levels of commercial bank liquidity and unsatisfied demand for production and investment loans by business enterprises, especially small- and medium-sized enterprises. Banks need to upgrade their credit appraisal and credit risk management systems as well as their policies to narrow the gap between savings in financial institutions and the supply of credit for the enhancement of economic growth.

A financing problem of a different sort arose in 2015 in the Caribbean. Global banks reacted to stricter regulatory standards by treating some jurisdictions in developing countries as being too risky or costly to retain correspondent banking relationships. In the Caribbean, the problem is not limited to one or a few banks and countries. As of June 2015, according to Caribbean Corner (2015), “at least 10 banks in the region in five countries lost all or

Banks need to upgrade their credit appraisal and credit risk management systems as well as their policies to narrow the gap between savings in financial institutions and the supply of credit for the enhancement of economic growth.

Disruption of the flows of remittances could, therefore, be a major setback to multidimensional progress.

some of their correspondent banking relationships (CBRs) including two central banks.” Correspondent banking relationships have, so far, been integral to many kinds of cross-border international financial transactions involving Caribbean governments, businesses and individuals. Loss of correspondent banking relationships could disrupt foreign trade in goods and services including tourism, direct foreign investment, and capital transfers including migrant remittances which is a characteristic feature of middle-class households, as established in chapter 3.

In the context of multidimensional progress, the impact on remittances are of special concern. Remittances vary between 3 and 25 percent of GDP in the main recipient countries. Amounts received in 2014 were as large as \$2,269 million in Jamaica, \$330 million in Guyana, \$275 million in Barbados and \$131 million in Trinidad and Tobago. “Remittances make a contribution to development by supplementing household incomes, particularly of poor households, and help to finance residential construction and acquisition of consumer durables which raise living standards” (Bourne, 2015). Disruption of the flows of remittances could, therefore, be a major setback to multidimensional progress.

Foreign direct investment can contribute to economic growth by increasing the stock of productive capital, introducing new and improved technologies, establishing or developing export markets, and introducing new organizational systems within the business sector. There may be spillover knowledge and technology effects from the foreign firms to domestic firms. There are also benefits through increased employment and direct and indirect contribution to fiscal revenues.

Foreign direct investment flows to the Caribbean are considerable. Between 2008 and 2013, accumulated flows were \$25.7 billion. The annual average was \$4.3 billion. Major recipients are Trinidad and Tobago with 25 percent of the cumulative total, The Bahamas 24.3 percent, Jamaica 13.5 percent and Barbados with 10.2 percent. Foreign direct investment inflows are quite substantial relative to economic size of Caribbean countries. The percentage of GDP they comprised in 2012 was between 12 and 16 percent in Antigua and

Barbuda, Barbados, Belize and The Bahamas. In Saint Lucia, Trinidad and Tobago, Guyana and St Kitts and Nevis, the percentage varied between 7 and 12 percent. The smallest percentages were in Suriname – 1 percent, Haiti – 2 percent, Jamaica – 3 percent, and Grenada – 4 percent.

Foreign direct investment is concentrated in minerals and fuel export industries, in tourist accommodation and infrastructure projects. There is little in other economic sectors apart from electronic communication. Traditional country sources like the US and Canada have been joined by newer ones like Mexico, Spain, Norway and China.

Average annual inflows in 2009-2013 were smaller than average annual inflows in 2004-2009. See Table 4.3 for country details. Also, they are not stable. This trend and the instability feature present a challenge for strategic development planning.

Caribbean governments have also committed to improving tax revenues as a source of public financing under the Addis Ababa Agenda for Action on financing for development. This is a significant challenge for the region in the context of the very sluggish economic performance of most countries. There are three issues that must be dealt with when looking at taxes and the impact on fiscal space. The first is the present tax burden faced in the Caribbean and determining the potential to raise taxes further to increase the fiscal space.

The tax structures in existence in CARICOM States today evolved during the 1960s and 1970s when import substitution policies constituted the dominant economic development strategy prevailing in many developing countries. Consequently, tax structures were designed to protect the domestic market, encourage domestic production and generate sufficient revenue to meet growing public expenditures. Accordingly, tax revenues in most CARICOM States are composed primarily of income and trade taxes, and indirect taxes on goods and services to a lesser extent. In comparison, the composition of tax revenues in most developed countries is skewed towards income taxes and indirect taxes on goods and services. This composition reflects the reliance of these economies on domestic demand as a source of growth compared with the outward orientation

TABLE 4.3**Average net direct foreign investment (US\$ mn)**

Country	2004-2008	2009-2014
Antigua & Barbuda	231	110
Bahamas	630	674
Barbados	156	273
Belize	130	122
Dominica	34	29
Dominica Republic	2531	2301
Grenada	103	67
Guyana	99	229
Haiti	60	132
Jamaica	806	459
St. Kitts & Nevis	114	123
St. Lucia	164	104
St. Vincent & Grenadines	99	118
Suriname	-130	-1
Trinidad & Tobago	1003	1120

Source: Prepared by the authors based on data from the "Foreign Direct Investment in Latin America and the Caribbean", Briefing Paper, 2012 & 2015, United Nations Economic Commission for Latin America and the Caribbean (UNECLAC).

of production structures in CARICOM States.

In the Caribbean, the country with the highest rate of revenue collection in 2015 was Barbados followed by Guyana with 31.9 and by Dominica, with 30.3 percent of GDP. Interestingly, it is not one of the countries that is heavily reliant on trade taxes. Table 4.4 reveals that eight countries experienced a marginal increase in tax revenues in 2012 when compared with 2005. Four countries saw a fall in the ratio of tax revenues as a percent of GDP. In St. Kitts and Nevis this was mainly due to a negative GDP growth. As a point of comparison, the international rate was around 20.5 percent of GDP, according to the World Bank.⁷⁷

In the Caribbean, fiscal revenues increased in 2015 reflecting something of an upturn in these economies and the results of fiscal measures taken in recent years. There were particularly large increases in tax revenue in The Bahamas – 2.2 GDP points, and Jamaica – 1.9 points. In the former, the rise was partly accounted for by implementation of the new value added tax – VAT – system. In Jamaica, the growth in tax revenues reflected a large rise in indirect taxes due to VAT changes and

TABLE 4.4**Tax revenue as a percentage of GDP and total tax rate**

Country	Tax Revenue as a Percent of GDP		
	2005	2012	2015
Trinidad & Tobago	26.4	27.6	28.0
Jamaica	25.3	27.1	27.2
Barbados	26.7	25.2	32.4
Saint Lucia	22.6	22.9	23.1
Dominica	22.9	23.1	30.3
Belize	21.3	22.6	21.6
St. Vincent & the Grenadines	20.5	23	26.5
Antigua & Barbuda	16.9	18.6	N.A
Grenada	18.3	18.7	N.A
Suriname	20.5	19.5	22.1
St. Kitts & Nevis	23.5	20.2	N.A
The Bahamas	12.8	15.5	18.7
Guyana	NA	NA	31.9

Source: Prepared by the authors based on data from the World Development Indicators, World Bank.

an increase in the rates of selective tax on petroleum products. Meanwhile, Suriname and Trinidad and Tobago saw large decreases in revenue from natural resources. Non-tax revenues rose in the latter, however, mainly in the form of capital receipts – up 2.2 GDP points – driven by the sale of Methanol Holdings (Trinidad) Limited and, to a lesser degree, in other countries in the region, by donations associated with natural disasters, such as Tropical Storm Erika.

Given the need to identify the potential to increase fiscal space, although data for the region are dated and the Caribbean is grouped with Latin American countries, some of the information for the grouping Latin America and the Caribbean (LAC) is useful in mapping the way forward. The LAC region has a low tax burden in personal income tax as a percentage of GDP of 17 percent⁷⁸ which is lower than OECD (25 percent), Eastern Europe (24 percent) and the same as Asia (17 percent). Given the lack of fiscal space in some countries, there is the potential to increase taxation in the personal income tax category. It should be noted that over the period 1990 to 2010 the largest increase in tax burden in the world was due to changes in the tax burden as a percentage of GDP.

Latin American and Caribbean countries experienced an increase of taxes just under 3 percent, compared to an increase in Eastern Europe, the Middle East and Africa, which lay between 1 and 2 percent. All but four countries of LAC have seen increases ranging from 0.5 percent to 12 percent since the early 1990s. There was a fall in the tax burden in four countries of LAC, with Trinidad and Tobago registering the largest decrease of 3 percent. On the other side, Barbados, Jamaica and Belize registered just around a 4 percent increase. An assessment has to be undertaken about the capacity to raise taxes in the region as one possible solution to raise revenues while minimizing economic fallout from such an initiative.

Table 4.5 shows the structure based on fiscal revenues for 2006-2010 revealed nine categories of taxes. VAT is, by far, the largest contributor to fiscal revenue in LAC. It should be noted that countries such as Trinidad and Tobago removed VAT on 7,000 items after 2010 as well as property tax. With this structure, fiscal

revenues increased from 20 percent of GDP to 25 percent of GDP in LAC countries.

The question that arises is whether the tax structures in the Caribbean are regressive. A regressive tax regime is one that is generally a tax that is applied uniformly. This means that it takes a larger percentage from lower income and a smaller percentage of higher income groups. In this regard a tax – example VAT – on basic necessities is regressive. In some countries personal tax is a flat rate. This is by nature regressive.

Very relevant to fiscal space is the issue of concern is tax evasion⁷⁹ taking place. The IDB estimates⁸⁰ 55 percent of corporate income tax is lost from tax evasion. While around 50 percent of personal income tax is the estimate of tax loss to tax evasion. The loss of tax income from VAT collection to tax evasion is smaller and stands at around 25 percent.

In addition, the International Development Bank (IDB) notes that there is a minimal chance of being audited in LAC and estimates 3 percent of persons and firms are audited. In fact, only around 0.2 percent may be subject to audits. Tax evasion appears to be easy and risk free at present in the Caribbean. There is also another problem that has to be confronted in the region, that of tax avoidance.⁸¹ These can be complex problems for which solutions have to be tailor made to the environment. Is it domestic tax avoidance, offshore tax evasion,

TABLE 4.5

Structure of fiscal revenue in LAC (percent of GDP)

	1990-95	2006-10
Personal Income	1.6	2.0
Trade	2.7	1.7
Corporate Income	1.9	3.4
Property	0.4	0.5
VAT	4.3	6.3
Social Security	3.0	4.2
Natural Resources	1.1	1.9
Excises	1.9	1.6
Other	2.8	4.3

Source: Prepared by the authors based on data from the Inter-American Development Bank.

tax avoidance by multilateral companies? Identifying the problem will point to solutions that can be adopted. Certainly a graduated and proportionate approach to promote good compliance in the most cost-effective way can be undertaken through the use of: education and support for those who wish to comply; campaigns to persuade people with specific trades and professions to settle their affairs voluntarily via publicity letters, advertising and social media nudges; harder-edged interventions such as task-forces — activity targeted at specific sectors and locations where there is a high risk of tax evasion, such as illegal alcohol and tobacco sales, migrant workers and hidden wealth; development of mechanisms to encourage people with undeclared offshore income to come forward and pay tax, interest and penalties.

Finally, an aspect of fiscal policy that needs to be addressed is the issue of fiscal incentives critical for environmentally-harmful activities, such as fossil fuel subsidies.⁸² Pre-tax energy subsidies in the region (which include fuel and electricity) ranged from a low 0, 0.1, 0.3 percent financing multidimensional progress and 0.6 percent of GDP in St Vincent and the Grenadines, Dominica, Saint Lucia and St Kitts and Nevis, respectively, to a high 2.7 percent of GDP in Trinidad and Tobago and 3 percent of GDP in Guyana, in which electricity generation capacity comes from plants utilizing heavy fuel oil or diesel. It should be noted that in a number countries electricity subsidies arise not out of policy decisions to cushion prices, but because governments cannot raise tariffs sufficiently to cover losses. Performance in the sector (relating to efficiency in the distribution and capacity of collecting bills) and subsidies are thus closely related to (IMF, 2015)⁸³ economic growth.

4.2 Economic growth sectors

From the turn of the 21st century to 2007 Caribbean countries enjoyed positive economic growth. Average annual rates of growth of Real GDP were positive in all countries between 1998 and 2007, with a few countries growing at 4 percent, or better (see Annex Table A.1). The global economic and financial crisis in 2008 abruptly changed the Caribbean

growth experience from positive to negative in seven countries. For the 2008-2010 period, the services exporting countries had negative economic growth rates in the order of 1.1 to 5.9 percent. Positive economic growth outcomes were achieved mainly in commodity exporting countries, especially mineral exporters. Economic growth recovery is significantly underway in several countries. Figure 4.2 shows substantially positive average annual rates of growth of real gross domestic product for 2011-2015 in Antigua and Barbuda, Belize, Grenada, Haiti, St Kitts and Nevis, and St Vincent and the Grenadines. Guyana and Suriname continued their positive growth trends. However, economic recovery has been weak and uncertain in a few countries, namely Barbados, Jamaica and Trinidad and Tobago. By 2013 most countries had positive economic growth but there are emergent indications of growth collapse in Trinidad and Tobago where the collapse in international energy prices and depressed global conditions in the iron and steel industry are impacting adversely on overall economic activity. The negative economic growth experienced by St Vincent and the Grenadines in 2014 seems primarily the consequence of damage from a tropical storm.

Caribbean micro economic performance is vulnerable to natural hazard shocks which cause major damage to productive capital, loss of human lives and serious damage to social and economic infrastructure. Events in the global economy and in the natural environment exert enough influence to make the economies volatile. This volatility is reflected in fluctuations in national income, terms of trade, purchasing power of exports, and fiscal revenues among other indicators. Coefficients of variation (table 4.5) indicate considerable volatility in gross national income per capita, GDP per capita growth, terms of trade, purchasing power of exports and fiscal revenues for the 2000-2013 period.

The Caribbean Natural Resource Institute (CANARI) points to the fact that, given the reliance on natural resource dependent export sectors such as tourism, agriculture and fisheries, and the strong linkages between natural resources and the region's history, political economy and culture, some discussions on new economic pathways are drawing on or framed

The global economic and financial crisis in 2008 abruptly changed the Caribbean growth experience from positive to negative in seven countries.

FIGURE 4.2

Percentage average annual real GDP growth 2011-2015



Source: Prepared by the authors and computed on bases of data in Table A .4, *IMF World Economic Outlook*, April 2006, International Monetary Fund.

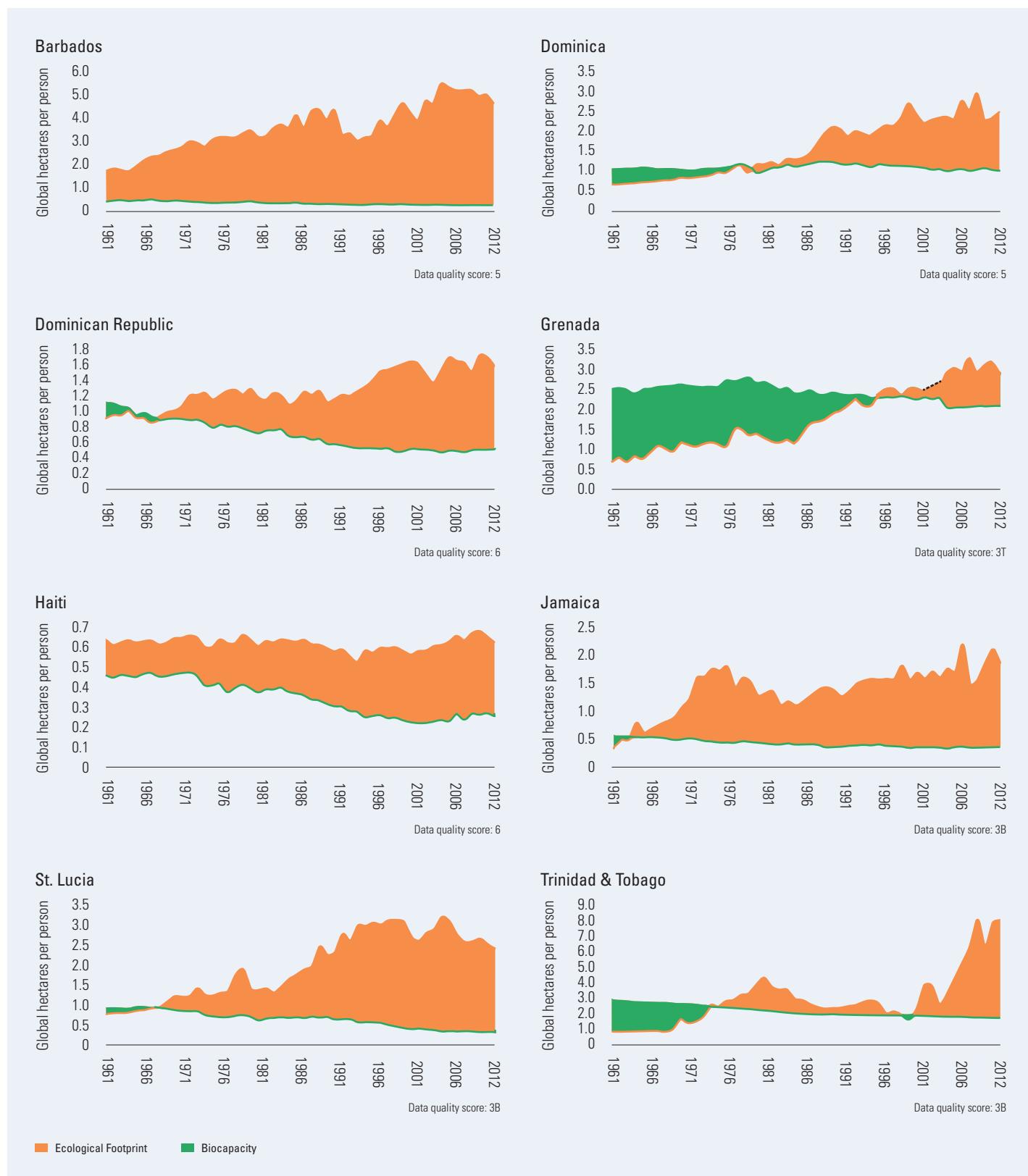
around “green economy” ideas and concepts. As part of these discussions, CANARI concludes, amongst other things, that there is a need for a new model of economic development in the Caribbean, which aims for long-term prosperity through equitable distribution of economic benefits and effective management of ecological resources (CANARI, 2012 and 2013). Indeed, the ecological footprints of selected countries in the region, which measures the natural capital consumed each year as compared to the biocapacity of a country, (see figure 4.3), clearly show the need for a change in economic development models, to fully integrate environmental sustainability.

The International Monetary Fund (IMF) has projected positive economic growth in all Caribbean Community (CARICOM) countries except Suriname and Trinidad and Tobago in 2016. The outlook is positive for all countries in 2017. The IMF projections are conditional upon projections of international commodity prices.

However, the problems of long-term, sustained and inclusive economic growth in the Caribbean are deep-seated, requiring attention to the structure of the economies and international competitiveness. Laying

a sound foundation for future economic growth will necessitate a combination of sector development and innovation policy, economic diversification, attention to environmental sustainability, substantial improvements in cost efficiency in the public sector as well as in private enterprise, fiscal reform and completion of the Caribbean economic integration agenda especially with respect to the mobility of capital and labour. It must entail reversing the long-term decline of exports, noting that economic growth in export-propelled and import-dependent economies is not feasible if the severe long-term decline indicated by a fall in the ratio of exports to Gross Domestic Product from approximately 60 percent in 1995 to slightly more than 40 percent in 2014 is not halted and reversed. Direct foreign investment will continue to be important as will official development assistance. Without strong, growing and sustainable economies, Caribbean governments, the private sector and civil society will be severely handicapped in their separate and combined efforts to achieve multidimensional progress. For the purpose of this Report, we look at four sectors where the Caribbean does have some competitive advantages and in which growth should be combined

There is a need for a new model of economic development in the Caribbean, which aims for long-term prosperity through equitable distribution of economic benefits and effective management of ecological resources.

FIGURE 4.3**Ecological footprints for selected countries in the Caribbean**

Source: Prepared by the authors based on data collated from the 2016 Global Footprint Network, National Footprints Accounts, (2016).

Increases in ship arrivals and the use of massive cruise liners can cause problems for the Caribbean beach, coastal and marine environment unless waste disposal is properly managed.

with longer term environmental sustainability: *tourism; cultural services; agriculture and forestry; and blue economy. Information and communication technology* is viewed both as an enabler of economic growth and an economic sector itself.

4.2.1 Tourism

International tourism is a major economic sector in the Caribbean. It is one of the largest contributors to export earnings, fiscal revenues, employment and overall to gross domestic product. Tourism's direct contribution to GDP in Caribbean SIDS in 2013 was as much as 26.4 percent in Antigua and Barbuda, 16.4 percent in The Bahamas, and 10.9 percent in Barbados. The direct contribution shares were 4.7 percent in Jamaica and 3.1 percent in Trinidad and Tobago (World Travel and Tourism Council, 2013). The total contributions to GDP were estimated to be 84.1 percent in Antigua and Barbuda, 62.9 percent in The Bahamas, 36.2 percent in Barbados, 15.3 percent in Jamaica and 8.2 percent in Trinidad and Tobago. Thacker et al. (2012) estimated that a 10 percent increase in tourist arrivals would raise economic growth by about 0.2 percentage points. The sector's share of export earnings is estimated to have grown from 39.1 percent in 2000 to 54.4 percent in 2009. Intra-Caribbean tourism is also very important to some destinations, accounting for as much as 18 percent of stopover visitors in some countries.

The tourism industry in the Caribbean Community – CARICOM – countries has lagged behind competitors within the wider Caribbean as well as competitors in Central America and South America. Between 2005 and 2011, the wider Caribbean average annual stopover arrivals growth rate was less than 2 percent compared with 5-6 percent in Central America and South America. (Bourne, 2013). Within the wider Caribbean, itself, CARICOM destinations performed less well than non-CARICOM destinations. Only Jamaica and Grenada achieved growth while non-CARICOM destinations experienced 3-10 percent growth. The tourism industry is recovering slowly from the impact of the global recession in 2008-2010. Nonetheless, there are

pricing, developmental and market share issues to be addressed to ensure full recovery and sustainable growth of this vital industry.

The trend in market shares is unfavourable to the CARICOM countries. In 1990, CARICOM destinations had a 34 percent market share of international visitors to the Caribbean. By 2000, its market share decreased to 28 percent and fell even further to 22 percent in 2011. The biggest losers of market share were The Bahamas and Barbados. Market shares have changed because of greater expansion of hotel room capacity in competing destinations, both old destinations like Puerto Rico and new destinations like Cuba. Prices and costs to visitors as well as product quality are significant influences on market growth and market share. Demand for Caribbean tourism is price and income sensitive and to differences in transportation costs (Craigwell and Worrell, 2008, Laframboise et al., 2014). Government taxes and fees on travel and hotel accommodation in the CARICOM countries are high. Taxes and fees on airline tickets could range anywhere between 30 and 50 percent of the cost to the traveler. High room taxes which currently average over 10 percent across the Caribbean, on top of already uncompetitive room rates have elicited negative post-stay reviews by many visitors. The price sensitivity of tourist demand implies that tax policies which result in lower final prices on hotel rooms and air transportation could have favourable effects on number of arrivals, tourist expenditures and fiscal revenues.

Cruise tourism has helped to improve overall tourism sector performance. Average annual increases in cruise passenger arrivals between 2005 and 2012 were between 1 and 10 percent in the various countries. Increases in ship arrivals and the use of massive cruise liners can cause problems for the Caribbean beach, coastal and marine environment unless waste disposal is properly managed. This would be an issue not only for future tourism attractiveness but also a quality of life issue for Caribbean residents whose rights of enjoyment of their natural environment would be adversely affected. In 2015, many islands of the Caribbean experienced a high influx of sargassum seaweed washing up onto shores, which might have been related to rising sea temperature or increased nitrogen loading due to pollution through human

activity and increased sewage, oils and fertilizers. Although this is a recurrent phenomenon which is not harmful to humans, it does affect fisheries and the tourism sector by limiting access to the beach and generating visitors' complaints on the strong, bad smell that sargassum emits as it decomposes (UNEP, 2016).

Quality of product is problematic mainly because hotel plants require upgrading in many instances and because there has been little product innovation to expand product choice between beach and sun. Musical entertainment remains largely an annual festival activity rather than a daily or weekly staple in the tourism industry. Historical and cultural tours and visits which are strong sources of competitive advantage in the Hispanic Caribbean remain under-developed in the CARICOM tourism industry with hardly any government expenditures on rehabilitation, maintenance and marketing of historical sites in many countries. There is also much scope for expanding the tourism product range by development and more central placement of ecotourism activities like bird-watching, underwater marine sightseeing, wild life viewing and river and waterfall attractions. Belize has made more strides in these directions than any other Caribbean country. It has to be recognized, however, that some other countries have made efforts to expand their tourism product range by gaining world heritage status for some sites, by the promotion of medical tourism and by encouraging private sector initiatives in ecotourism.

It is important that tourism development strategies, policies and projects be informed by other aspects of multidimensional progress. Exclusion of residents from customary access to public recreational facilities, environmental damage and overcrowding of historical and cultural sites, and long-term damage to the biological and botanical environment through inadequately planned, monitored and managed growth in demand relative to carrying capacity in countries that could reduce the resident community's sense of progress beneficial to itself.

4.2.2 Cultural services

The cultural services industry, including entertainment, has been identified as another

avenue for potentially high growth. Bourne and Allgrove (1997) pointed early to the prospects the music industry offered for "significantly widening the range of economic opportunities to individuals and enterprises, for alleviating problems of unemployment (especially youth unemployment), and for expanding foreign exchange earnings on a sustainable basis." They identified a global market potential based partially on cultural authenticity and competitive advantage of Caribbean music and drew attention to some of the requirements for growing the industry, particularly better production marketing, distribution and sales organization, upgrading of technological skills and equipment, improvement of regional electronic communication facilities (to prevent unplanned programme and broadcast interruptions, for instance), availability of legal expertise in contracting and intellectual property, and access to finance by music producers. Several of these requirements are transferable to other segments of the cultural services industry.

There has been a quite satisfactory change in some aspects since the Bourne and Allgrove study, especially in the availability of legal expertise and production management. Marketing, distribution and sales, and contracting of performers are still areas of noticeable deficiency.

Cultural industries have a deeper and more fundamental significance in past, current and future Caribbean development. They are means of serious communication and self-definition and a source of energy for survival strategies. "The people of the Caribbean have transformed liabilities into assets and have long eked out of suffering and severance modalities of survival through the exercise of creative intellect and the creative imagination – collectively and individually" (Nettleford, 2004). In the present-day Caribbean, this is very evident among poor and marginalized youth as producers and consumers of popular music. Popular music for them is a source of employment and income, self-esteem and assertion of self and a route to social cohesion. For these latter kinds of reasons, "the products of – the Caribbean's – creative imagination should be made to matter in a fundamental sense and not exclusively as acts of minstrelsy to entertain betters, including visiting potentates" (Nettleford, 2004).

Cultural industries have a deeper and more fundamental significance in past, current and future Caribbean development. They are means of serious communication and self-definition and a source of energy for survival strategies.

4.2.3 Agriculture and forestry

The agriculture and forestry sectors are in need of repositioning in Caribbean development strategies and policies. The agriculture sector was one of tremendous importance in exports, domestic food supply, employment of men and women, development of rural communities and retention of people in rural areas, fiscal revenues and overall contribution to economic activity. The forestry sector performed a similar role in Belize, Guyana and Suriname to a lesser degree but is an important source of livelihoods for indigenous people. It has been estimated by United Nations Food and Agriculture Organization (2015) that 22,000 full-time equivalent persons were directly employed in forestry in Guyana. The estimate is 6,000 full-time equivalent persons in Suriname. Employment in forestry declined in Guyana between 2005 and 2010 but increased in Suriname over the same period.

The role of the agriculture sector in Caribbean economies has diminished over recent decades. Edgardo (2012) reports that agriculture's proportion of GDP for the entire Caribbean decreased from 14.5 percent in 1981 to 11.1 percent in 1990, 6.5 percent in 2000 and 4.3 percent in 2010. More recent estimates show the GDP share as low as 0.8 percent in Trinidad and Tobago and being at its highest of 26-28 percent in Guyana and Haiti. The share of employed labour in Caribbean small states dropped from 14 percent in 1990 to 3.9 percent in 2008, according to Edgardo.

Women are a sizeable proportion of the agricultural labour force in many Caribbean countries. Rural children also frequently augment labour supply on family farms as part of their daily household pre-school and after-school chores.

The sugar, bananas and citrus industries are not internationally cost competitive, loss of European trade preferences accelerated the decline of agriculture. Changes in domestic consumer food preferences and quality requirements, as well as lower prices on foods available from countries with strong economies of scale in production also had an impact by engendering substitution of foreign produced agro-food products for locally-produced food products.

Caribbean agriculture and its contribution

to food security is vulnerable to several threats. Some of them such as droughts, floods, sea level rise and associated loss of cultivable land and saltwater intrusion into rivers are associated with climate change. Some others are due to bad agricultural and human settlement practices such as overuse of chemical fertilizers and pesticides and soil erosion from clearing of trees and forests. There are also threats from invasive species of plant and animal life.

There has not been a lack of strategic vision for agriculture in the Caribbean. The Jagdeo Initiative: Strengthening Agriculture for Sustainable Development (proposed by Mr Bharrat Jagdeo, then President of Guyana, and adopted by the CARICOM Heads of Government in 2004) took note of the sector's decline and the growth of food imports into the region and advocated a redefinition of the agricultural sector to include the entire agro-product chain. The Jagdeo Initiative proposed (i) development and strengthening of the forward linkages to the tourism and hospitality industries; (ii) the creation or development of a physical and regulatory infrastructure capable of reducing transactions costs and facilitating expansion of international trade; (iii) technological readiness to change existing production and distribution systems, instill flexibility and create capacity for achieving product alignment with changing product preferences and achieving sufficient volumes of supply to benefit from supply chain consolidation; (iv) balanced development of rural areas and communities; (v) management of biodiversity, development of agrotourism and agroforestry products; and (vi) incorporation of women, youth and indigenous peoples into the mainstream. The problem has been the implementation deficit which bedevils CARICOM. Ten years after the adoption of the Jagdeo Initiative, hardly any country, including Guyana, has formulated much less implemented comprehensive action plans.

In the forestry sector, in the context of the climate change agreements, new opportunities are arising for innovative financing for keeping the forests standing. Financial mechanisms based on the valuation of natural capital, such as Payment for Ecosystem Services (PES), are incentives offered to landowners in exchange for managing their land to provide some sort of ecological service, such as biodiversity

Caribbean agriculture and its contribution to food security is vulnerable to several threats. Some of them such as droughts, floods, sea level rise and associated loss of cultivable land and saltwater intrusion into rivers are associated with climate change.

conservation or watershed management for water provision. A specific example of a PES scheme for climate change mitigation is the initiative known as REDD+ (Reducing Emissions from Deforestation and forest Degradation), which has the potential to simultaneously contribute to poverty alleviation, whilst conserving biodiversity and sustaining vital ecosystem services. In the Caribbean, this mechanism is of particular relevance for countries such as Guyana and Suriname, but may also have a potential for countries with smaller forested areas.

REDD+ is a framework through which developing countries are rewarded financially for any reductions in emissions achieved associated with a decrease in the conversion of forests to alternate land uses and provides a unique opportunity to achieve large-scale emissions reductions at comparatively low abatement costs. By economically valuing the role forest ecosystems play in carbon capture and storage, it allows intact forests to compete with, historically, more lucrative alternate land uses (<http://thereddesk.org/>). Guyana has been a major player in the development of an international REDD+ mechanism, and has been at the forefront of the move toward a REDD+ mechanism in the country. In 2009, the Governments of Guyana and Norway signed a Memorandum of Understanding in which Norway committed to providing financial support of up to US\$250 million, until 2015, for results achieved by Guyana in limiting emissions from deforestation and forest degradation. The funding is supporting the implementation of Guyana's Low Carbon Development Strategy and includes several social components and attention to Amerindian populations. Suriname, with a forest cover of 94.7 percent of its total land area, is also striving to implement REDD+ as a tool for sustainable development, limiting the growth in the forest-transition curve and associated emissions, without limiting economic and social development.

4.2.4 Blue economy

The semi-enclosed Caribbean Large Marine Ecosystem and the North-Brazil Shelf Large Marine Ecosystem⁸⁴ (map 4.1) support a broad array of human and economic activities. The

vast expanse of marine environment in this region is of great importance for the global tourism, shipping, fishing and oil and gas industries. The Caribbean is the world's premier cruise tourism destination, commanding over 60 percent of the world cruise market. With the advancement of technology, seabed exploration has grown exponentially in the region over the last few years, and the number of countries producing oil and gas for export has increased. Further, the region provides global markets with important products derived from its fisheries, including shrimp, red snapper and emblematic species such as Caribbean spiny lobster and queen conch (GEF/UNDP, 2015).

These economic activities take place in a region that occupies a globally relevant position in terms of its share in coverage of key tropical marine habitat/ecosystem known to deliver substantial contributions to globally important ecological processes. Possibly, almost 10 percent of the world's coral reefs, around 20 percent of the world's remaining mangrove forests, and at least 25 to 50 percent of the world's seagrass beds may be located within the CLME+ (Caribbean Sea Large Marine Ecosystem) region. Within the North Brazil Shelf, the deltaic plains of the Orinoco and the Gulf of Paria constitute one of the major wetlands in South America as well as one of the best preserved ecosystems in the world (Miloslavich et al., 2011). Globally, such mangrove forests, seagrass beds and salt marshes contribute almost 50 percent of the total organic carbon burial in ocean sediments, known as 'blue carbon'. As such, they help to constrain the rise in atmospheric carbon dioxide, and provide nursery grounds for regionally and globally important fish stocks (Holmyard, 2014). (All citations from UNDP/GEF, 2015).

Globally, such mangrove forests, seagrass beds and salt marshes contribute almost 50 percent of the total organic carbon burial in ocean sediments, known as 'blue carbon'.

4.2.5 Fisheries

Exploitation of the Caribbean's exclusive economic zone can contribute substantially to economic growth. The total area of the Exclusive Economic Zone for Caribbean Community members is 1,793 thousand square kilometres, of which 35 percent belongs to The Bahamas, 15 percent to Jamaica, and 11 percent to Barbados. The continental shelf

MAP 4.1

Caribbean large marine ecosystem and North Brazil Shelf large marine ecosystem



Source: <http://www.clmeproject.org/sap/CLME%20SAP%20v05022013.pdf>

is 275 thousand square kilometres, of which The Bahamas has 40 percent and Guyana 19 percent (Annex 2 Table A.2).

The fisheries industry can become an important part of the Caribbean's economic diversification strategy. Caribbean fisheries are presently small contributors to national economic activity in the Caribbean. The Caribbean Regional Fisheries Mechanism (CFRM) estimated a Caribbean low of 0.1 percent of GDP in Barbados in 2012 and a high of 2.1-2.3 percent in Guyana (Annex 2 Table A.3). The Caribbean Regional Fisheries Mechanism acknowledges that the GDP contribution might have been under-estimated because of the use of ex-vessel fish landings as the indicator. Other indicators of the importance of the fisheries industry are more promising. The total value of marine capture fish production in 2012 was \$384 million with the main producers being The Bahamas (22 percent), Guyana (15 percent), Haiti (14 percent) and Jamaica (10 percent) (See Annex 2 Table A.4). Export earnings are sizeable. The value of the total exports of fish in 2012 was \$251 million, of which a variety of fin-fish

accounted for 40 percent, shrimp 35 percent and lobster 11 percent. The substantial volume imported fish and fish products is an indication of domestic demand that can potentially be serviced by Caribbean production.

Aquaculture is not as well developed as the marine fish capture segment of the fisheries industry. Total value of aquaculture fish production in 2012 was \$30 million for the whole of CARICOM, most of it being in Belize (\$21.7 million), Jamaica (\$3.3 million) and Haiti (\$3 million). Guyana is committed to substantial expansion of land area under aquaculture production which should result in much larger output than the \$1.1 million generated in 2012. However, the general picture in the region in 2012 was one of cutbacks and closure rather than expansion.

From the perspective of inclusive development, the fisheries industry is particularly important because it economically engages a large number of small operators and semi-skilled workers. There were 26,559 vessels in operation in 2012, many of them being piroques, canoes and launches (Annex 2 Table A.5). Trawlers were present only in Guyana, Suriname and,

to a lesser extent, in Trinidad and Tobago. The CRFM estimates that in 2012, 338,835 persons or five percent of the labour force was employed in the fisheries industry (Annex 2 Table A. 6). Trinidad and Tobago and Barbados were at the low end with 2 and 4 percent, respectively, while Antigua and Barbuda and Grenada were at the high end with 21 and 22 percent respectively. Jamaica, Saint Lucia, Dominica and The Bahamas were in a range of 10-17 percent of the labour force. A total of 113,412 persons were employed in direct production. The rest were engaged in a wide set of related activities ancillary to the provisioning, construction and maintenance of vessels, distribution and retailing of fish and fish products and transportation and marketing. Except in Barbados, women are not prominent in the fisheries industry.

Fisheries evidently make a contribution to the employment situation and prospects of poor people in the Caribbean. They provide both employment and self-employment in a stable industry with strong domestic demand and possibilities for import substitution, greater food security and nutrition.

There are some challenges to be overcome to ensure sustainable growth in fishery. They include over-fishing, illegal fishing, destructive

fishing techniques, piracy, and marketing and distribution which is at present not sufficiently modern and widely and conveniently spread among the countries.

4.2.6 Offshore minerals

Offshore mineral resources have been a strong contributor to national economic activity in Trinidad and Tobago and in Suriname. The *Annual Economic Survey 2014* published by the Central Bank of Trinidad and Tobago show that in 2014, the energy sector's share of GDP was 42 percent, its share of merchandise exports 85 percent, and its contribution to government fiscal revenues 48 percent. Even though the sector is not labour intensive, its share of total employment was 3.3 percent. The Central Bank of Suriname publication "Suriname Country Profile: Economic and Financial Data May 2015" provides information that enables a depiction of the importance of the oil industry in 2014. The industry contributed 3 percent of government fiscal revenues and 15 percent of merchandise exports. The contribution to employment is small, less than 1 percent of total employment.

From the perspective of inclusive development, the fisheries industry is particularly important because it economically engages a large number of small operators and semi-skilled workers.

BOX 4.1

Blue economy environmental impacts

UNDP supported countries in the CLME+ region to conduct *Transboundary Diagnostic Analyses* (TDAs), which identified three inter-linked, key environmental problems with severe socio-economic impacts across the region and beyond (UNDP/GEF 2015): (i) **unsustainable fisheries**, resulting in over-exploited and collapsing fish stocks; (ii) **habitat degradation** and **community modification**, with the integrity of a number of tropical marine habitats, such as coral reefs, threatened by physical destruction and/or changes to their ecology, resulting in a reduced provision or loss of ecosystem goods and services; and (iii) marine **pollution**, linked to a high intensity and diversity of both land-based and marine activities. It is recognized that in the absence of mitigation and adaptation measures, the impact of these problems will become further exacerbated as a consequence of **climate change** and associated sea-level rise, leading to a potentially profound environmental-economic crisis in the CLME+ region by mid-century, if not earlier.

According to the WRI (2011), 75 percent of the region's coral reefs are at risk from overfishing and pollution. Estimates of the region-wide economic

impacts of coral reef degradation, the annual loss in net revenues from tourism alone for the period between 2000 and 2015, has been estimated to range between USD \$100-\$300 million/yr (WRI, 2011). Also, mangrove forests, seagrass beds and coastal wetlands are the subject of ongoing degradation in the CLME+. It is estimated that a quarter of the mangrove forests in the CLME region have been lost between 1980 and 2005 because of coastal development (Waite et al., 2014). Sources of **marine pollution** in the CLME+ are linked to a high intensity and diversity of both land-based and marine activities: e.g. tourism, households, industry, agriculture, forestry, mining, shipping and exploration for oil and gas. Impacts range from biological, physical and chemical impacts, to visual impacts that can severely affect the amenity value of the region. All these impacts have a negative effect on tourism, fisheries, public health and biodiversity. The intensive shipping and cruising activities, and the tens of millions of annual visitors to the region are considered another important direct source of pollution.

Because of their small economic size and high economic openness, the chances for Caribbean countries to aggressively revitalize their economies and sustain inclusive economic growth will rest heavily on success in substantially improving international competitiveness.

Guyana is positioning itself to derive similar benefits. However, technological advances in fossil fuel extraction, new petroleum and natural gas discoveries in Africa and the global drive towards substantially increasing the share of renewables in total energy production and consumption is bringing about a long-term downward shift in global energy prices. Fossil fuel production is likely, therefore, to be a less powerful source of economic growth in the Caribbean.

4.2.7 Inland mineral resources

Inland mineral resources present a mixed future for the region. Bauxite and alumina are part of the inland mineral industries in Guyana, exports of bauxite comprised 10.8 percent of total merchandise exports in 2014. In Jamaica, the share of domestic exports was 47.7 percent. In Suriname, exports of alumina were 16.5 percent. Bauxite and alumina have been episodic drivers of economic growth in Guyana, Jamaica and Suriname, depending on the pace of industrial growth in the advanced economies and newly-developed economies like China. Gold mining gave a tremendous impetus to economic growth in Guyana and Suriname in 2011-2014 until depressed international prices in 2015 and 2016 caused contraction of output and decreases in export earnings.

Gold and diamonds, especially gold, have become important as export commodities. Exports of gold comprised 40.7 percent of Guyana's merchandise exports in 2014 and 54.6 percent of Suriname's in the same year. The outlook for mining of gold and diamonds seems more promising than that for bauxite and alumina as new foreign direct investors continue to enter the sub-sector and artisanal mining by small local operators continue unabated. There are many artisanal miners in Guyana and Suriname. An estimate of 20,000 has been given for Suriname, even though in 2012 there were only 115 registered small-scale miners. The estimate for Guyana is 10,000. This is a positive feature from the standpoint of generating more opportunities for self-employment and income generation among economically

marginalized people normally resident in urban districts and among indigenous peoples in the mining districts. The downsides are the: (i) hazardous and poorly-regulated and monitored working conditions in the mines which often result in the death of mineworkers, and make them vulnerable to robbery and homicidal violence; (ii) poor accommodation and social facilities which contribute to the breakdown of family and other domestic relationships; and environmental damage through forest degradation and mercury pollution of water courses and soils. It has been calculated that between 10,000–20,000 kg of mercury is released into the environment (air and water streams) of Suriname annually, with serious effects not only for mining communities but also surrounding areas (Obouter et al., 2012).

4.3 International competitiveness

Because of their small economic size and high economic openness, the chances for Caribbean countries to aggressively revitalize their economies and sustain inclusive economic growth will rest heavily on success in substantially improving international competitiveness. The four countries ranked in the *Global Competitiveness Report 2015-2016* are all below the median of the distribution of the 140 countries ranked. Jamaica is ranked the highest with a score of 86, followed by Trinidad and Tobago with 89, Guyana with 121 and Haiti with 134. Their low overall rankings correlate with the rankings they obtained on institutional quality, macroeconomic environment, infrastructure, labour market efficiency and goods market efficiency. It would be surprising if similar rankings would not be derived for other Caribbean countries if they participated in the global competitiveness assessment. Low factor productivity is one reason for weak international competitiveness. Thacker et al. (2012) estimates that total factor productivity accounted for only 22.2 percent of Caribbean growth between 1970 and 2007 and also observed a decline in productivity growth.

4.4 Economic growth enablers

Economic growth is enabled by people in addition to several other factors such as the environment, affordable energy, institutional efficiency, non-human resources, social stability and security, and the availability of financial resources (figure 4.4). These enablers – identified in the SDG 2030 Agenda – are related to the notion of multidimensional progress. Some of the enablers of economic growth are discussed selectively in this chapter in order to clarify and emphasize the importance of policies aimed directly and with priority at multidimensional progress for the achievement of sustainable economic growth.

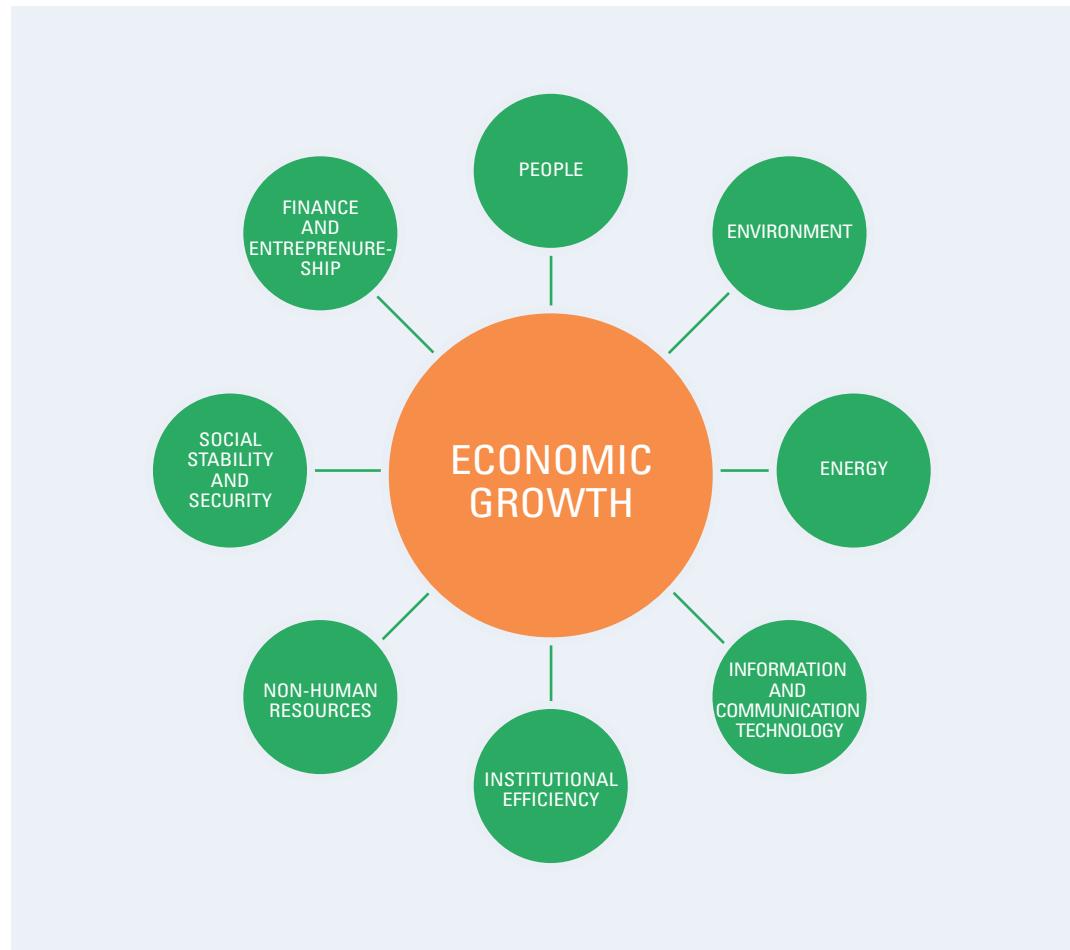
4.4.1 The people factor

People become direct contributory factors in economic growth through several means: the amount, quality, and regularity of labour as well as the dependability and the productivity of labour supply. The amount of labour available is influenced by labour force participation rates which are themselves influenced by many factors which include:

- i) Labour market experiences (e.g. job satisfaction, duration of unemployment, wage rates)
- ii) Gender norms and practices
- iii) Adolescent pregnancy

FIGURE 4.4

Economic growth enablers



Source: Prepared by the authors.

- iv) Exclusion or restricted employment opportunities for people with disabilities
- v) Compulsory retirement ages and discriminatory hiring practices against the elderly
- vi) Education and training
- vii) Health

Education, training and work experience influence the quality of labour. Also important is the employers' perceptions of labour quality, especially of new entrants in market, are important determinants of employment prospects. In recent studies on Saint Lucia and Grenada, employers report the following shortcomings of employees: poor work ethic, poor decision making skills, inadequate basic literacy and numeracy, insufficient technical and professional skills, and poor communication skills (St Catherine, 2013, de Konig et al., 2014).

Table 4.6 highlights the challenge of matching skills with job requirements in Barbados and Jamaica, both with markets populated by under-educated/over-educated youth. The proportion of under-educated employed young

persons in Barbados in 2010 is 31 percent in the high-skilled, non-manual category, with the rate being higher for the management sub-category. The proportion of under-educated in the same occupational category in Jamaica in 2013 was 61 percent, with particularly high rates of under-education in the management sub-category – 74 percent – and the technician and associate technician sub-category – 71 percent.

The situation is different for the low-skilled, non-manual occupational category. The under-educated segment is much smaller in both countries – 15 and 8 percent, respectively – and the portion of over-educated larger, particularly in Barbados where 58 percent of youth employed in this occupational category were reported to be over-educated. Over-educated segments are higher among clerical support workers.

In Barbados, 30 percent of skilled manual workers are over-educated and 4 percent under-educated. In Jamaica, the percentages are reversed, 17 percent under-educated and 3 percent over-educated. An overwhelming majority

TABLE 4.6

Shares of overeducated and undereducated youth by occupation (%) for Jamaica and Barbados

Major Occupational Category	Jamaica (2013)		Barbados (2010)	
	Overeducated	Undereducated	Overeducated	Undereducated
Manager	0.0	71.6	0.0	50.0
Professional	0.0	38.1	0.0	25.0
Technician/Associate Professional	0.0	74.0	0.0	18.2
High-skilled Non-Manual	0.0	61.2	0.0	31.1
Clerical Support Worker	20.4	0.0	66.7	11.1
Service and Sales Worker	4.7	15.3	48.4	19.4
Low-skilled Non-Manual	12.6	7.65	57.6	15.2
Skilled Agricultural/Fishery Worker	2.6	23.1	0.0	2.4
Craft and Related Trades Worker	3.9	17.1	50.0	0.0
Plant, Machine Operators/Assemblers	3.2	10.8	40.0	10.0
Skilled Manual	3.2	17.0	30.0	4.1
Elementary Occupation	80.5	0.7	100.0	0.0
Unskilled Occupations	80.5	0.7	100.0	0.0
Total	17.5	18.3	22.8	13.0

Source: Prepared by the authors based on data from the Statistical Institute of Jamaica/Planning Institute of Jamaica (2014) and the Caribbean Development Bank (2012).

of employed youth in unskilled occupations in Barbados and Jamaica are over-educated (100 and 80, respectively).

The evidence on over-education in some occupational categories might be signaling a problem of insufficient labour demand to gainfully occupy qualified youth in occupational categories appropriate to their qualifications. It might also be an indication of a problem of insufficient education. Similarly, the evidence on under-education in other occupational categories might be signaling problems on either the demand side or the supply side of the labour market. The data might also be pointing to differences between the education levels employers want in the labour force and what the education system produces.

The regularity and dependability of labour is affected by the health of workers, adequacy of access to economic and social infrastructure such as transportation, water and electricity, as well as by relative levels of compensation which could be an important influence on motivation and commitment.

An overarching influence is exerted by labour institutions, especially trade unionism, collective bargaining framework and practices, and laws and regulations governing the hiring, termination and compensation of employees.

The contribution of people as enablers of economic growth can thus be increased by progress with several aspects of multidimensional progress identified in chapters 2 and 3. They include:

- i) Raising labour force participation rates through various means including minimising or eliminating barriers to entry by women, youth, people with disabilities and the elderly.
- ii) Improving the levels, quality and relevance of education and training of the population.
- iii) Provision of opportunity for decent work, especially for women and youth.
- iv) Provision of better health care and disease prevention.
- v) Enhancement of the quantity and distributional efficiency of transportation and public utility services.
- vi) Qualitative improvements in labour market institutions.

Unemployment and under-employment, because they amount to less than full utilization of the labour force, retard economic growth. The evidence on levels of unemployment especially related to vulnerable groups such as women and youth presented in chapter 2 is strong. Table 4.7 presents the Caribbean Development Bank's (CDB) conceptual summary of the costs incurred as a result of youth unemployment.

Estimates made of the cost of excess youth unemployment i.e. the difference between the adult unemployment rate and the youth unemployment rate, puts it at 1.5 percent of GDP on average for the Caribbean but it could be as high as 2.8 percent in some countries. Table 4.8 shows the estimates for several countries in 2013. It is worth noting that the costs of female youth unemployment are estimated to be substantially less than the costs of male youth unemployment in some countries. This gender difference probably reflects the placement of women in lower skill and income occupational categories. Figure 4.5 shows the additional GDP that could be obtained during 2014-2019 if youth unemployment was equal to adult unemployment or capped at 25 percent of adult unemployment rates.

The Caribbean loses a substantial portion of its human capital through brain drain as many educated professionals migrate to take advantage of more lucrative opportunities overseas. Docquier and Marfouq (2004) estimate that 12 percent of the Caribbean labour

TABLE 4.7

Summary of costs incurred as a result of youth unemployment

Entity	Cost incurred
Personal	Lost current income
Household	Transfer cost of support to unemployed household members Foregone economic output Welfare support to unemployed youth
Government and country	Unemployment transfers Funding of Healthcare Funding of youth unemployment programmes Funding of crime prevention, enforcement and imprisonment

Source: Youth are the future: imperative of youth employment for sustainable development in the Caribbean. Caribbean Development Bank, 2015.

TABLE 4.8

Cost estimates of youth unemployment for 2013

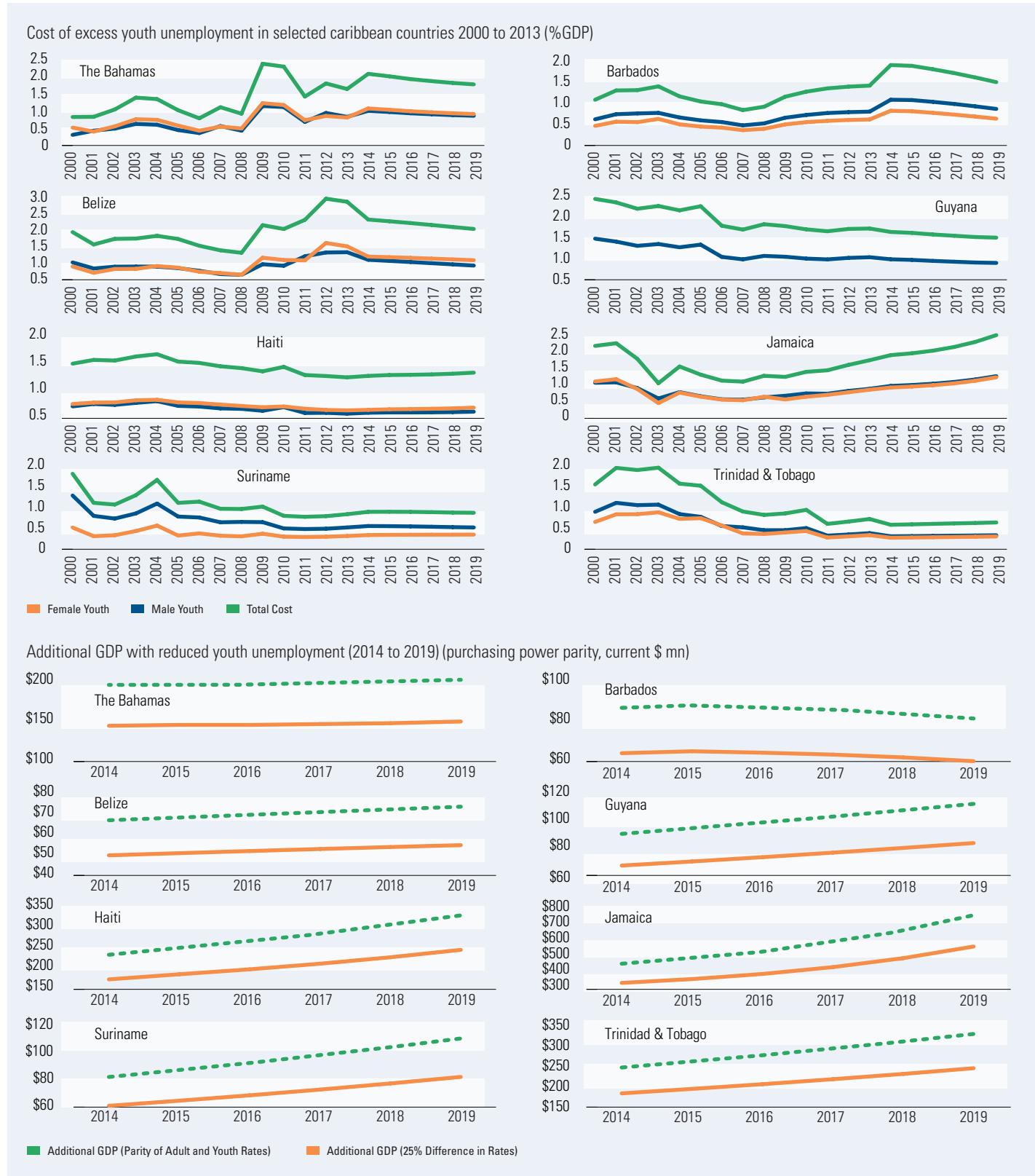
Country	Cost of youth unemployment to the country (%GDP)		
	Female youth	Male youth	Total
Bahamas	0.82	0.84	1.66
Barbados	0.61	0.79	1.41
Belize	1.48	1.31	2.79
Guyana	0.67	1.03	1.70
Haiti	0.64	0.58	1.22
Jamaica	0.84	0.87	1.71
Suriname	0.31	0.51	0.82
Trinidad & Tobago	0.33	0.38	0.71
Average	0.71	0.79	1.5

Source: Youth are the future: imperative of youth employment for sustainable development in the Caribbean. Caribbean Development Bank, 2015.

force migrated to OECD member countries between 1965 and 2000. Mishra (2006) calculated that 70 percent of the tertiary educated labour force emigrated during that period, also. The consequential loss in GDP has been estimated at 5.6 or 10.3 percent of GDP, depending on whether the loss of educational subsidies is included. There are still strong tendencies for emigration, especially among youth as noted by the Caribbean Commission on Youth Development.

The health of the population influences economic growth through several channels. There are direct connections between the quantity, quality and reliability of the labour force; and there is an indirect connection related to costs of health care. It is well established that human nutrition, especially of infants and children, influences cognitive capacity and physical strength and these attributes of human capital significantly impact economic growth. The OECS – Organization of Eastern Caribbean States – *Human Development Report 2002* posits a positive growth impact of increases in life expectancy, projecting that every unit change in life expectancy leads to a 0.4 percent change in GDP growth. The Caribbean Commission on Health and Development in 2006 pointed to CAREC's study of health effects on the very important

tourism sector which concluded that health problems caused losses of more than \$200 million over eight years. The Caribbean Commission on Health and Development provided an overall estimate of the economic burden of diabetes and hypertension in Jamaica amounting to \$58.6 million in 2002. A later study (Addulkadri, 2009) estimated the costs of diabetes and hypertension in the Caribbean ranging from 1.4 percent of GDP in The Bahamas to 8 percent of GDP in Trinidad and Tobago. Depression and schizophrenia were estimated to have direct costs totaling \$788.6 million and indirect costs through productivity loss (in the case of depression) and missed work opportunity in the case of schizophrenia) totaling \$92.7 million. Obesity is also costly. Barcelo et al. (2003) estimated indirect costs exceeding \$200 million for The Bahamas, Barbados, Guyana, Jamaica and Trinidad and Tobago and direct costs of \$800 million. Adolescent pregnancy is a milder growth-retarding factor with an estimated average impact of 0.02 percent GDP in 2013 (CDB, 2016). The information in Table 4.9 reveals that the negative GDP effects are more substantial in Guyana – 0.454 percent GDP, Haiti – 0.309 percent GDP and Barbados – 0.269 percent GDP.

FIGURE 4.5**Costs related to youth rates that are over and above adult rates**

Source: Youth are the future: imperative of youth employment for sustainable development in the Caribbean. Caribbean Development Bank, 2015.

TABLE 4.9

Cost estimates of youth pregnancy for 2013

Country	Cost per youth pregnancy	Government costs		Country costs	
	(\\$)	(\\$'000)	(%) GDP	(\\$'000)	(%) GDP
Bahamas	23,168				
Barbados	17,919	131.6	0.003	1,024.0	0.023
Belize	11,885	274.9	0.010	7,583.7	0.269
Guyana	8,406	2,479.6	0.047	23,782.5	0.454
Haiti	2,501	3,788.5	0.022	54,272.6	0.309
Jamaica	9,472				
Suriname	16,034	297.3	0.003	2,863.5	0.033
Trinidad & Tobago	35,814				
Average	15,649.88	148.65	0.002	1,431.75	0.017

Source: Youth are the future: imperative of youth employment for sustainable development in the Caribbean. Caribbean Development Bank, 2015.

4.4.2 Environment

The wide range of ecosystem goods and services provided to human society and economy include *provisioning services* such as food, energy, wood, and bio-prospecting; *regulating services* such as hydrological services, shoreline stabilization, flood prevention, storm protection, climate regulation, nutrient and carbon sequestration, pollution control and waste disposal; *cultural and amenity services* such as sense of place, and tourism and recreational opportunities; and *supporting services* such as habitat provision, nutrient cycling, primary productivity and soil formation (UNEP, 2006).

With about 116 million people living within 100 km of the coast, and nearly three-quarters of the population in coastal zones, the region is highly dependent on the goods and services provided by the marine ecosystems.

Caribbean ecosystems are under pressure. This is reflected in the 47.8 percent of the land area which is considered to be highly and very highly degraded (UNEP, 2016), water pollution, water scarcity, poor waste management and threats to biodiversity and the marine environment, as will be further shown below. One exception to this picture of environmental degradation relates to forests. There has been an increase in the expanse of forested area in the Caribbean by 43 percent over the 1990 baseline, from 50,170 km² to 71,950, mainly as a result of the abandonment of agricultural lands. In percentage of total land area, it is however still the Latin American and Caribbean region with relatively less forest cover (UNEP, 2016).

The Latin America and Caribbean region is the most urbanized region in the developing world, with close to 80 percent of its population living in cities (UN Habitat, 2012). With about 116 million people living within 100 km of the coast, and nearly three-quarters of the population in coastal zones, the region is highly dependent on the goods and services provided by the marine ecosystems. Despite their importance to the Caribbean, many coastal and marine ecosystems and their sustained human uses are under threat. Direct and indirect human pressures on the marine environment in the region have grown exponentially over the past decades. Average coral cover is estimated to have declined in the Caribbean from 34.8 percent to 16.3 percent between 1970 and 2011 and it has been documented that over 75 percent of the reefs in the region are facing serious threat. According to FAO (Food and Agricultural Organization), trends show overall declines in Caribbean fish stocks. Of a possible 100 as best score, the Caribbean Exclusive Economic Zones (EEZ) rank only 55.13 on a “clean waters index”.⁸⁵ After the Mediterranean, the Caribbean Sea is reported to be the most plastic-contaminated sea in the world. The capacity of the marine ecosystems to provide the goods and services that are so critical to the region’s livelihoods, sustained socio-economic development and well-being has become

increasingly impacted by this multitude of human activities, exploitation and consumption patterns, and management decisions (Source GEF/UNDP, 2015, UNEP, 2016).

4.4.3 Natural hazards and climate change

Natural hazards are a major feature of the Caribbean environment. Countries in the region are vulnerable because of their geographical location, small geographical size, population density and frequency of natural hazard events especially tropical storms, hurricanes and earthquakes. These extreme events can injure or kill individuals, including current and potential members of the labour force. They also impact land and resource bases, livelihoods and economic activity, destroy capital assets in businesses and households, dislocate communities, as well as depress fiscal capacity and, thus, increasing the need for public expenditure on relief and recovery. In addition, natural hazards substantially disrupt community, family and social cohesion, compromising physical and mental health. There is the potential, also, to negatively affect governance structures and institutional functions for service delivery; the relationship between community and leaders, as well as the capacity of civil society to organize. Loss of cultural assets, such as built heritage, rural landscapes and traditional knowledge, can have a profound impact on the ability to cope with and recover from a disaster.

Table 4.10 summarizes the incidence and impacts of natural hazard occurrences during 1988-2012. An econometric study of the economic growth effects of hurricanes on the Caribbean estimated that, on average, hurricanes reduce Caribbean GDP growth by nearly 1 percent (Strobl, 2012). Another study found that moderate storms reduce growth by 0.5 percent and severe storms by 1 percent. (Acevedo, 2013).

Sea level rise and climate change are of tremendous future consequence for the Caribbean. One metre of sea level rise can result in major loss of land area and agricultural land, population displacement, loss or damage to tourism infrastructure situated on beachfronts, and damage to transportation networks (roads,

seaports and airports). Box 4.2, taken from Bynoe (2016), provides summary details on these potential consequences. Significant economic costs of climate change have also been estimated. Box 4.3 presents projected costs of inaction which range between a minimum of 4 percent GDP in Trinidad and Tobago and 21.3 percent in Grenada and Haiti.

There are other potential links between climate change and future human development and economic growth in the Caribbean. The El Niño-induced drought recently experienced in the region represented a major concern with drought warnings being issued in several Caribbean countries.⁸⁶ Increases in health costs and reductions in labour productivity caused by higher frequency and incidence of insect-borne and water-borne diseases, soil fertility loss, salt water intrusion into inland water sources, warming of marine waters with negative consequences for marine life and marine industries like fisheries, and increases in the intensity of climatic events such as winds, rains, storms, hurricanes and droughts would negatively impact the economy.

Looking forward, the UNFCCC Paris Agreement and the Intended Nationally Determined Contributions (INDCs)⁸⁷ will be key instruments for countries in addressing these challenges and adapting to the effects of climate change. Similarly, investments in technologies foreseen in the INDCs that lead to mitigation of greenhouse gas emissions, such as in the energy, waste, or land use sectors, represent an opportunity for transformation towards more sustainable economic growth.

Investments in technologies foreseen in the INDCs that lead to mitigation of greenhouse gas emissions, such as in the energy, waste, or land use sectors, represent an opportunity for transformation towards more sustainable economic growth.

4.4.4 Energy

Caribbean countries are highly dependent on fossil fuels for their energy needs. Some estimates put it at 90 percent. In 2012, the contribution of renewable energy to regional power generation was approximately 8 percent – Renewables 2014 Global Status Report –, which should be compared to around 20 percent globally (REN21, 2016). With the exception of Trinidad and Tobago, the countries are almost entirely dependent on imports to satisfy their energy requirements. For some energy importing countries, imports account

TABLE 4.10

Natural hazards impacting BMCs, 1988-2012

Hazard	Year	Magnitude	Estimated cost	Countries affected
Hurricane Gilbert	1988	Category 5	US\$ 1.1 bn, 65% of GDP	Jamaica
Hurricane Hugo	1989	Category 5	US\$ \$3.6 bn, 200% of GDP for Montserrat	Antigua and Barbuda, St. Kitts and Nevis, Montserrat, British Virgin Islands
Tropical Storm Debby	1994	n.a.	US\$ 79 mn, 18% of GDP	St. Lucia
Hurricanes Iris/ Marilyn/Luis	1995	Iris (cat. 3/4) Marilyn (cat. 1) Luis (cat. 3)	US\$ 700 mn	Anguilla, Antigua and Barbuda, Dominica, Montserrat, St. Kitts and Nevis
Hurricane Georges	1998	Category 3	US\$ 450 mn (not including Dominica)	Antigua and Barbuda, Dominica, St. Kitts and Nevis
Hurricane Floyd	1999	Category 4	n.a.	The Bahamas
Hurricane Lenny	1999	Category 4/5	US\$ 274 mn	Anguilla, Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines
Tropical Storm Lili	2002	n.a.	US\$ 7.8 mn/XCD 21 mn US\$ 9.6 mn/XCD 26 mn	Grenada, St. Vincent and the Grenadines
Tropical Storm Earl	2004	n.a.	n.a.	St. Vincent and the Grenadines, Grenada
Hurricanes Charley/ Frances/ Ivan/ Jeanne	2004	Charley/ Frances (cat. 4) Ivan (cat. 5) Jeanne (cat. 4)	US\$ 150 mn	The Bahamas, Cayman Islands, Grenada, Jamaica, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago
Hurricane Emily	2005	Category 5	US\$ 75.5 mn	Grenada
Hurricane Dean	2007	Category 5	US\$ 90 mn (infrastructure for Dominica and Belize)	Belize, Dominica, Grenada, Jamaica, St. Lucia, St. Vincent and the Grenadines
Tropical Storm Alma/Arthur	2008	n.a.	US\$ 26.12 mn	Belize
Tropical Storm Fay, Tropical Storm/Hurricane Gustav, Tropical Storm/Hurricane Hanna, Hurricane Ike	2008	Gustav (cat.1) Hanna (cat. 1) Ike (cat. 4)	US\$ 211 mn (estimate for Jamaica only)	The Bahamas, Cayman Islands, Haiti, Jamaica, Turks and Caicos Islands
Hurricane Otto	2010	Category 1	US\$ 25.5mn (52% for road/ transport sector)	British Virgin Islands
Hurricane Tomas	2010	Category 2	US\$ 336 mn , 43% of GDP US\$ 49.2, 10.5% of GDP; or 119.8% of Agricultural GDP	St. Lucia, St. Vincent and the Grenadines
Hurricane Irene	2011	Category 3	US\$ 40mn	The Bahamas
Hurricane Ophelia	2011	Category 1	XCD 39 mn (public infrastructure damage)	Dominica
Tropical Storm Helene	2012	n.a.	US\$17mn	Trinidad and Tobago
Tropical Storm/Hurricane Isaac	2012	Category 1	n.a. – Jamaica, Dominica US\$250mn (Haiti)	Trinidad and Tobago (impacted by feeder bands), Dominica, Haiti
Hurricane Sandy	2012	Category 1/2	US\$55mn (Jamaica) >US\$100mn (Haiti) US\$300mn (Bahamas)	Jamaica, Haiti, The Bahamas

Other events				
Volcano	1995 to present	-	1995: negative growth -7.61%, 1996: negative growth -20.15%	Montserrat
Landslides	2002	-	US\$ 116 mn	Jamaica
Floods	2005	-	US\$ 2.6 bn	Guyana
Drought	1997	-	US\$ 29 mn	Guyana
Drought	2010	-	US\$ 14.7 mn	Guyana
Earthquake	2010	7.3 (Richter scale)	US\$ 8 bn	Haiti

Sources: Prepared by the authors based on data from the Caribbean Development Bank, (2007).

BOX 4.2

Sea level rise may be even greater than expected

In early 2011, the Arctic Monitoring and Assessment Programme (AMAP) published results from a new assessment of the impacts of climate change on the Arctic (SWIPA). The study brought together the latest scientific knowledge about the changing state of each component of the Arctic cryosphere. These changes in the Arctic are of global significance, with the potential to have major ramifications on the global climate and sea level in distance locations, such as the Caribbean.

The AMAP study proposes that global sea level will rise more dramatically than predicted by the Intergovernmental Panel on Climate Change (IPCC) in its 5th Assessment Report (AR5). By 2100, AMAP expects mean sea level to rise by 0.9 to 1.6 m, compared to the IPCC's AR5 most severe projection made in 2014 of 0.52 – 0.98 m. While this is significantly greater than the 0.18 to 0.59 m quoted in the 4th Assessment Report (AR4) due to improved modelling of land-ice contributions, these are still below the AMAP projections. These findings from AMAP corroborate a number of previous studies (see Simpson et al, 2010) that suggested global sea levels could rise by as much as 1.4 m or more by the end of the century.

Governments have to understand the more extreme possibilities that cannot be discounted. The AMAP value of 1.6 m exceeds the 1.0 m sea level rise figure used in the study by the CARIBSAVE Partnership for the United Nations Development Programme (UNDP) Barbados and the Organization of Eastern Caribbean States (OECS) titled “**Modelling the Transformational Impacts and Cost of Sea Level Rise in the Caribbean**” by Simpson et al., 2010. This study predicts that the impacts from a 1 m sea level rise in the Caribbean will be severe, including:

- Nearly 1,300 km² land area lost (e.g., 5 percent of The Bahamas, 2 percent of Antigua and Barbuda).
- Over 110,000 people displaced (e.g., 5 percent of the population of The Bahamas, 3 percent of Antigua and Barbuda).
- At least 149 multi-million dollar tourism resorts damaged or lost, with beach assets lost or greatly degraded at many more tourism resorts.
- Over 1 percent of agricultural lands lost, with implications for food supply and rural livelihoods (e.g., 6 percent in The Bahamas).
- Transportation networks severely disrupted, including loss or damage of 21 (28 percent) CARICOM airports, land surrounding 35 ports inundated (out of 44) and loss of 567 km of roads (e.g., 14 percent of road networks in The Bahamas, and 12 percent in Guyana).

The CARIBSAVE study concluded that sea level rise will continue for centuries after 2100, even if global temperatures are stabilized at 20C or 2.50C and therefore represents a chronic and unidirectional negative threat to coastal areas in the Caribbean and globally.

A 1.6 m rise in sea level based on the AMAP analysis would have a catastrophic effect on Caribbean states.

BOX 4.3

Economic costs

An economic analysis of the costs of a changing climate in just three categories – increased hurricane damages, loss of tourism revenue, and infrastructure damages – projected that the Caribbean's annual cost of inaction could total US\$10.7 billion annually by 2025, US\$22 billion by 2050 and US\$46 billion by 2100. These costs represent 5, 10 and 22 percent, respectively, of Caribbean economy (at 2004 prices).

While the regional average is large, some countries have much higher projected impacts. The projected annual cost of inaction in 2025 (only taking into account the three categories above) as a percentage of GDP is projected to be:

- Antigua and Barbuda 12.2 percent
- The Bahamas 6.6 percent
- Barbados 6.9 percent
- The Commonwealth of Dominica 16.3 percent
- Grenada 21.3 percent

- Haiti 30.5 percent
- Jamaica 13.9 percent
- St. Kitts and Nevis 16.0 percent
- Saint Lucia 12.1 percent
- St. Vincent and the Grenadines 11.8 percent
- Trinidad and Tobago 4.0 percent

By 2100 the costs are projected to be at 75 percent of GDP or more in the Commonwealth of Dominica, Grenada, Haiti and St. Kitts and Nevis.

A second analysis calculated that the costs associated with hurricane-induced wind damage, coastal flooding/storm surge, and inland flooding due to both hurricanes and non-tropical systems could increase expected loss by 1 – 3 percent of GDP by 2030. Climate change has the potential to greatly exacerbate these risks.

The net effect of costs on this scale is equivalent to causing a perpetual economic recession in each of the CARICOM states.

The expansion of the share of renewable energies in the energy mix represents an opportunity both for decreasing the external dependence, and simultaneously creating new, green employment opportunities within the Caribbean economies.

for 40-60 percent of total earnings of foreign exchange. Trinidad and Tobago, on the other hand, is dependent on its exports of petroleum and natural gas. As a consequence, economic growth in the Caribbean is highly sensitive to movements in international energy prices. The expansion of the share of renewable energies in the energy mix represents an opportunity both for decreasing the external dependence, and simultaneously creating new, green employment opportunities within the Caribbean economies.

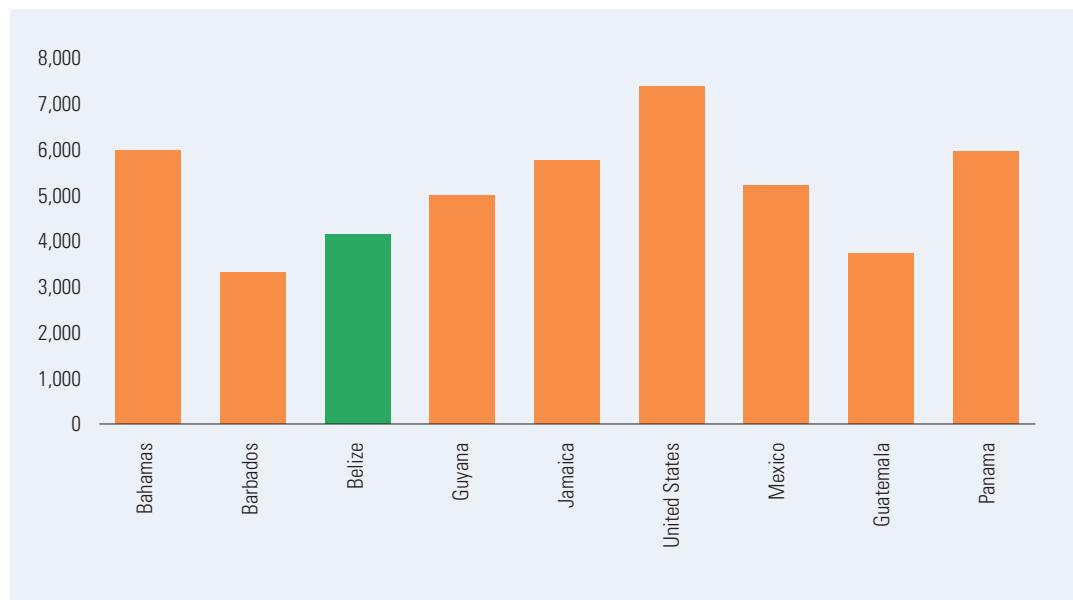
The Caribbean countries are not particularly high consumers of energy per unit of GDP. Figure 4.6 shows consumption levels for several Caribbean countries in comparison with Mexico, Guatemala, Panama and the United States of America. Of the five Caribbean countries only The Bahamas and Jamaica are at consumption levels as high as those in Panama but still lower than the level in the USA.

The Caribbean Community Energy Policy, March 2013, states that “Electricity rates in Member States are among the highest in the world.” Figure 4.7 shows rates in some Caribbean countries to be much higher than those in the USA. These feed into the cost of living and into production costs. Smith (2016)

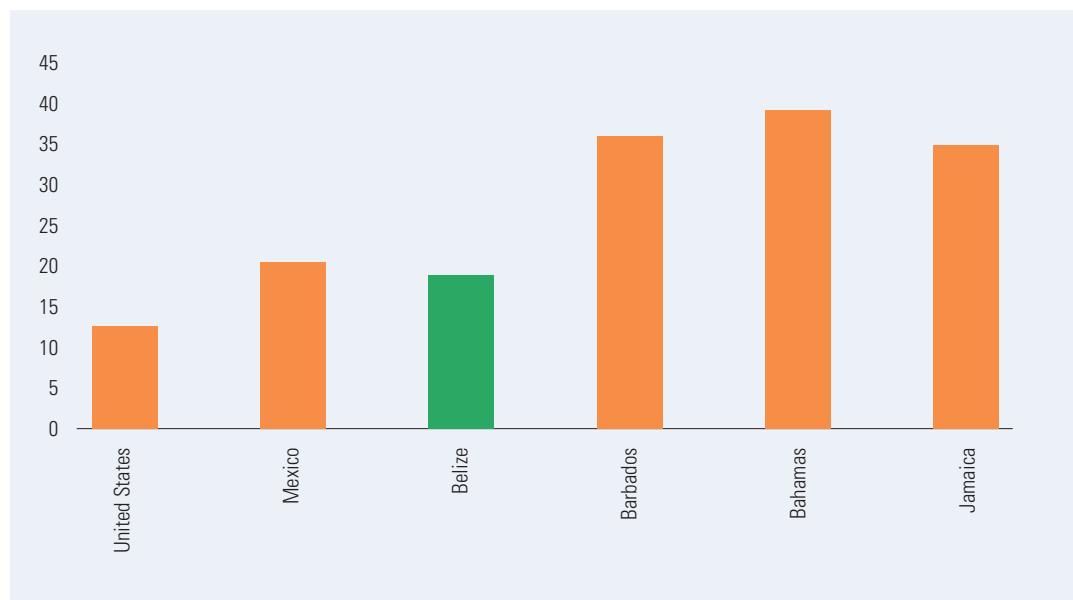
notes that improvements in energy efficiency, diversification of the energy mix into renewables, and provision of reliable and affordable energy become critical to the competitiveness of Caribbean businesses. These include tourism, minerals and mining industries which are highly energy intensive, micro- and small- and medium-sized enterprises which have disproportionately high overhead costs and thin operating margins, and spatially disadvantaged households in rural areas or remote locations.

4.4.5 Information & communication technology

In contemporary societies, access to electronic communication services is gradually displacing print and radio as channels of information and has become an important means of informing and empowering residents. Youth, in particular, display greater adaptability to the electronic information capacity available worldwide. While much of their use is focused on entertainment and social media, their flexibility and capacity and readiness for change could be positive elements for channeling ICT resources into productive uses. CARICOM governments have

FIGURE 4.6**Consumption of energy in BTUs per unit of GDP**

Source: EIA.

FIGURE 4.7**Electricity rates, 2012, US cents/kWh**

Source: CARILEC and EIA.

been giving attention to expanding internet capacity, removing restrictive monopolies on the provision of cellular phone services and other web-based information and education services and have committed to the creation of a single ICT space in CARICOM.

The average internet penetration rate, i.e. internet users as percentage of population, in 2014 was 82.5 percent for countries classified by UNDP as Very High Human Development and 49.8 percent for countries classified as High Human Development. All Caribbean countries fall short of the very High Human Development benchmark but slightly more than half of them exceed the High Human Development benchmark by falling within the range of 51-77 percent, while all except one country among the other six are within a range of 37-40 percent. In most countries, there are more than 100 mobile phones per 100 persons. One reason for this is multiple phones per individual in many cases. Reduction in subscriptions to mobile phone services in the 2009-2014 period, especially in those countries where the number of phones per 100 persons exceeded 100, reflected a cut back by users.

4.4.6 Institutional efficiency

Institutions have significant influence on the economic growth performance of countries. One particular matter of concern for the Caribbean is the efficiency of public and judicial administration. The situation is represented by the ranking of Caribbean countries in the World Bank's *Doing Business 2015* report. Countries are assessed and ranked in ten areas affecting the costs of doing business: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts, and resolving insolvency. Table 4.11 shows how each Caribbean country was ranked in 2014 in terms of the ease of doing business. They are ranked among 189 countries in the world and shows the "distance to frontier score" of the countries, where distance to frontier means the gap between a country's performance and global best practice. Two Caribbean countries (Haiti and Suriname)

TABLE 4.11

Ease of doing business: 2014

Country	Rank (1-189)	Distance to frontier (0-100)
Antigua & Barbuda	89	62.64
Bahamas	97	61.37
Barbados	106	60.57
Belize	118	58.14
Dominica	97	61.37
Grenada	126	57.35
Guyana	123	57.83
Haiti	180	42.18
Jamaica	58	67.79
St. Kitts & Nevis	121	58.00
St. Lucia	100	61.36
St. Vincent & Grenadines	103	60.66
Suriname	162	49.29
Trinidad & Tobago	79	64.24

Source: Prepared by the authors based on data from the World Bank's *Doing Business 2015*, World Bank (2016).

are in the bottom quartile in the ease of doing business ranks; eight are in the second lowest quartile and five countries in the second quartile. The gap between country performance and global best practice is quite large in Haiti and Suriname, but the other countries are not close to global best practice either. In general, Caribbean countries have scope for improving the performance of their public and judicial administrations as they apply to business operations.

Some specific aspects, such as enforcing contracts, paying taxes, and trading across borders are especially deficient in most Caribbean countries. With respect to contract enforcement, Caribbean countries are in the two lowest quartiles in the ease of doing business rankings and are far from achieving global best practice (table 4.12). Businesses in most Caribbean countries have to wait very long for settlement (530-1,715 days) and the percentage of funds recovered is no more than 30 percent in 6 of the 14 countries and between 31 and 40 percent in five other countries. This could discourage potential creditors, raise risk premia,

TABLE 4.12**Doing business 2014 ranks & DTF on selected aspects**

Country	Enforcing contracts		Paying taxes		Trading across borders	
	Rank	DFT	Rank	DTF	Rank	DTF
Antigua & Barbuda	76	38	159	54	89	74
Bahamas	125	52	31	84	63	77
Barbados	160	42	92	73	38	88
Belize	170	37	61	78	91	73
Dominica	148	45	94	72	88	74
Grenada	144	46	106	71	51	80
Guyana	71	62	115	69	82	75
Haiti	89	58	142	62	142	60
Jamaica	117	54	147	59	115	68
St. Kitts & Nevis	116	54	137	63	67	77
St. Lucia	145	46	69	77	122	66
St. Vincent & Grenadines	101	57	93	73	45	81
Suriname	184	29	71	76	106	69
Trinidad & Tobago	180	32	113	69	76	75

Source: Prepared by the authors based on data from the World Bank's publication *Doing Business 2015*, World Bank (2016).

i.e. interest rates and other loan charges and be a serious barrier to access to credit. With respect to paying taxes, Caribbean countries are, with few exceptions, in the two lowest quartiles for ease of doing business and have sizeable gaps from international best practice. The number of payments required annually by firms varies between 31 and 39 in six countries and between 21 and 30 in four others. The number of hours spent per year in payment transactions ranges between 100 and 200 in eight countries and between 201 and 300 in three others. The performance rankings are somewhat better for trading across borders. Only four countries are in the two lowest quartiles while seven are in the second quartile and three are in the top quartile. Nonetheless, in most cases, there are considerable gaps in relation to global best practice. One of the main gaps is the number of days taken to export (11-20 days in most countries) and the days taken to import (similarly).

The inefficiencies measured in the *Doing Business* report are indicative of substantial transaction costs borne by Caribbean businesses – a burden which micro and small

enterprises are less able to bear given the small size of their labour force (typically owner-operator and 2 or 3 others), their low turnovers and their lesser ability to pass on costs to customers. They are a major impediment to productivity and economic growth.

4.4.7 Social stability & security

Social stability enables economic growth by creating and maintaining an environment that is conducive to human and physical capital investment, employment stability, minimization of loss of life and injury from criminal violence, and allocation of fiscal resources to pro-growth and welfare expenditures instead of crime control.

Episodes of general social instability (riots and coups) in the Caribbean have been sufficiently rare and short-lived so have not had any lasting effects on economic growth. However, crime is a cause for concern. Financial resources are diverted from production and investment to security of property and person by

businesses and householders, public funds are expended on crime detection and law enforcement, and there is loss of life and injury. Francis et al. (2009) reported that in Jamaica, the total costs of crime came to 3.7 percent of GDP and highlighted that private security costs averaged 2.0 percent of firm revenue across all firms. Micro-enterprises spent 17 percent of annual income, medium-sized firms 76 percent and large firms 0.7 percent which implies that microenterprises and medium-sized firms are at a distinct cost disadvantage in coping with crime. Thirty-seven percent of businesses said that crime discouraged investment in productivity improvement.

4.4.8 Finance and entrepreneurship

The financial resources on which an enterprise can potentially draw are its retentions from profits, fiscal transfers, loans and credit lines/overdraft facilities from financial institutions and issue of corporate equities and bonds. Caribbean firms have been more reliant on profit retentions and loans and overdraft facilities than on issue of corporate equities and bonds or fiscal transfers.

SDG 8.7 urges encouragement of “the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.” Microenterprises and small businesses are important components of the fabric of Caribbean economies. They provide employment and labour incomes. They are often small-scale manufacturers of consumer durable and non-durable goods and are commodity traders in food and artifacts. As skilled artisans, they provide maintenance and repair services which extend the effective work life of plant and equipment. Nonetheless, micro- and small-scale enterprises have not generally been well served by commercial banks and other large formal financial institutions and have to rely on their own savings, loans from relatives and friends and credit from microfinance institutions.

Micro- and small-enterprises have limited access to finance from the formal financial institutions. Reasons for this include: the high unit transaction costs of small loans and restrictions on corresponding increases in loan

charges; absence of acceptable collateral; the unfamiliarity of bank credit officers with the operating environment of this segment of potential clients; and the exclusion of owners and operators of microenterprises and small businesses from the social and professional network of bank officers.

Microfinance institutions have emerged to fill this finance gap. The potential market size for their services has been estimated to be large, for instance 7,408 to 10,733 potential customers in Belize, 10,602 to 15,707 in Suriname, 18,842 to 28,929 in Guyana, and 54,667-95,307 in Jamaica (FOMIN, 2014). However, there are several constraints to extending credit reach on the demand side, including the preference of microenterprises for using their own savings, unevenness or weak demand for credit, inadequate business skills and knowledge of financing options, and preference for low-cost credit with flexible repayment terms. The challenges on the lending side are: striking an appropriate balance between fund mobilization costs and affordable credit; coping with non-performing loans; improving credit risk appraisal; limited scope for portfolio diversification; and creating liquidity hedges and other means of protecting against natural hazard events.

4.5 Summary and conclusions

A fundamentally new approach to Caribbean economic growth focused on human development and environmental sustainability is needed. Prominence must be given to the role of multidimensional progress in enhancing economic growth while not ignoring the role of economic growth in facilitating multidimensional progress. Issues affecting human progress should be treated as central and priority elements in comprehensive growth and development strategies. Similarly, the longer term viability of economic sectors should be ensured through the adoption of more sustainable production and consumption patterns.

Recovery from the loss of economic growth in 2008-2010 has been mild, not uniform and uncertain among Caribbean countries. Problems of long-term, sustained economic growth are deep-seated and require attention. Without strong and growing economies,

**The longer term viability
of economic sectors
should be ensured through
the adoption of more
sustainable production
and consumption patterns.**

governments, the private sector and civil society will be handicapped in their efforts at achieving multidimensional progress. It is necessary to lay a sound foundation for future growth by development and innovation in economic sectors, economic diversification, improvements in cost efficiency and in international competitiveness, fiscal reforms and completion of the Caribbean economic integration agenda. Tourism, agriculture, utilization of the region's exclusive economic zone, fisheries, mining and cultural industries could all be incorporated into strategic policies and actions for multidimensional progress. The "Blue Economy" broadly defined as *"A sustainable ocean economy emerges when economic activity is in balance with the long-term capacity of ocean ecosystems to support this activity and remain resilient and healthy"* (*The Economist*, 2015) is an area of economic possibility that has already delivered much economic benefit to the region. However, there are many environmental threats which need to be considered and managed in the further pursuit of economic opportunities in this area. The implementation of this concept, in its true sense, still encounters a number of challenges, including the need for institutional support and capacity for implementation of well-developed regulatory frameworks for integrated ocean and coastal management, greater coordination between sector ministries, inclusive decision-making processes involving all stakeholders, better metrics and science, and credible arbitration mechanisms (*The Economist*, 2015).

In development of strategies, policies and programmes, it is necessary to consider not only narrow sector development issues but also those issues which affect multidimensional progress more broadly. This approach is taken in the analysis of the sectors chosen for attention in this chapter. Implications for employment of youth and women, the unskilled and semi-skilled, environmental protection and conservation, development of rural communities, social cohesion, individual and community inclusion in the development process and food security are some of the considerations integral to the sector analysis.

Caribbean economic growth is enabled by people in addition to several other factors, such as the environment, affordable energy, institutional efficiency, social stability and

security availability of finance and support for entrepreneurship including small- and medium-enterprise development.

The contribution of people to economic growth is effectuated directly through the amount and quality of labour, regularity and dependability of labour supply and labour productivity. Labour force participation rates are influenced by labour market experiences such as job loss and duration of unemployment, gender norms and practices, adolescent pregnancy, labour force exclusion or restricted employment opportunities for particular groups like elderly persons and persons with disabilities, education and training and health.

Education, training and work experience determine the quality of labour. There are gaps between education and skills levels of the Caribbean work force and requirements of the jobs as employers perceive them. The gaps might be signaling limitations on both supply and demand sides of the labour market.

Regularity and dependability of labour supply are influenced by worker health, economic and social infrastructure including transport, water and electricity. Institutions, namely, laws, regulations and trade unionism also have overarching influence.

The contribution of people to economic growth can be increased through aspects of multidimensional progress. The aspects include raising labour force participation rates through various means; improving levels, quality and relevance of education and training; opportunities for decent work for women, youth, persons with disabilities, indigenous and Maroon peoples and elderly persons; better health care and disease prevention; more efficient transportation and public utility services; and qualitative improvement in labour market institutions.

There are major economic losses ensuing from under-employment of human resources in the Caribbean. Youth unemployment might be causing gross domestic product to be 1.5 to 2.8 percent lower. Labour emigration might be lowering gross domestic product by 5.6-10.3 percent. Poor health is also a damper on economic growth, directly through its effects on the availability of labour, and quality and reliability of the work force, and indirectly through the costs of health care. Estimates of direct

Youth unemployment
might be causing gross
domestic product to be
1.5 to 2.8 percent lower.

and indirect costs reported by the Caribbean Commission on Health and Development (2006) and by Barcelo et al. (2003) for earlier periods are substantial as are later estimates. Adolescent pregnancy also imposes costs which, while not of the same order of magnitude as the costs of diseases and illnesses, are not trivial, amounting to 0.454 percent of GDP in Guyana, 0.309 percent in Haiti and 0.269 percent in Barbados.

The impact of natural hazards on people and their livelihoods, on productive capital, and on social and economic infrastructure is costly in terms of economic growth sacrificed. Recent studies have estimated 0.5-1 percent loss of GDP from moderate storms and 1 percent losses from hurricanes. Sea level rise and climate change could also have severe adverse consequence on people and economies if adaptation policies and programmes are not put into effect.

Problems with energy efficiency, pricing and energy distribution are obstacles to improvements in the provision of reliable and affordable energy to households, the growth of micro, small and medium size enterprises, and international competitiveness. Diversification of energy sources into various kinds of renewable energy, the choices being dependent on the natural resource situation of individual countries, is likely to make significant contributions to economic growth, cost-competitiveness and to the objective of affordable energy for all.

Because institutions have significant influence on economic performance, a matter of concern is the efficiency of public administration and judicial administration. Caribbean countries are far below international best practice in both. The deficiencies impose substantial transaction costs on enterprises, with greater relative impact on micro and small enterprises, and, as a consequence, are a major impediment to productivity and growth. The impact on individuals is also serious in terms of time lost for other activities and monetary costs of multiple visits to government departments.

Crime and citizen insecurity impact Caribbean economic growth through their influence on labour and migration, diversion of private financial resources from production and investment to security of person and property,

and diversion of government financial resources from pro-growth and human welfare expenditures to crime reduction and control. Crime and citizen insecurity are dominant concerns in people's assessments of multidimensional progress in the Caribbean. The presence of street gangs and organized crime groups, high homicide rates, and overcrowded prisons point to some aspects of the crime problem in the Caribbean. Underlying causes need to be determined and appropriate policy responses fashioned. There are also human rights issues to be considered in the context of incarceration rates in the Caribbean.

Finance is a critical constraint. The focus of SDG 2030 is microenterprises and small enterprises. These are important components of the fabric of Caribbean economies but are not well served by the financial sector. The reasons are both technical, such as inadequacies in credit risk appraisal and management, and sociological, such as the non-inclusion of operators of microenterprises and small enterprises from the social networks of banking officials. The finance constraint can be relaxed by innovations in domestic financing in the banking sector and among non-bank financial institutions like those specialized in credit to micro and small enterprises.

Caribbean migrant remittances make economic growth and development contributions primarily at the household level. The flows are large in absolute dollar values, on a per capita basis, in relation to export earnings and in relation to gross domestic product. Threats to the continuation of correspondent banking relationships could be very disruptive to these flows, thereby imposing hardships and retarding household progress.

Foreign direct investment makes positive contributions to Caribbean economic growth through expanding capital stock, introducing new and improved technology and organizational structures and systems, establishing new export markets or strengthening existing ones, increasing employment and directly and indirectly increasing fiscal revenues. Foreign direct inflows, although still quite large in most Caribbean countries, have weakened and show signs of instability.

In principle, and historically, government finances have assisted economic growth through

Diversification of energy sources into various kinds of renewable energy, the choices being dependent on the natural resource situation of individual countries, is likely to make significant contributions to economic growth, cost-competitiveness and to the objective of affordable energy for all.

capital expenditures on social and economic infrastructure and subsidies and transfers to households and enterprises. The role of government finance has become problematic in recent years mainly because of the emergence of large fiscal deficits and unsustainable government debt. The growth of public sector domestic debt in some countries may crowd out other categories of potential debtors to the domestic financial sector as well as create dangers to the soundness of asset portfolios of domestic financial institutions. With respect to foreign debt, debt service and amortization payments which

comprise significant proportions of fiscal revenues and expenditures and also make substantial claims on foreign exchange. The dampening effects on economic growth and social welfare are considerable.

Forests, oceans, wetlands and mangrove swamps and rivers are all important parts of the Caribbean's ecosystem. The degree to which they are under stress varies from country to country. Pollution of inland water courses and oceans, mangrove destruction and coral reef degradation are challenges in need of attention everywhere.

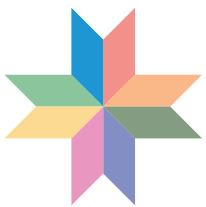


Charting a course: multidimensional policy solutions for multidimensional problems



"An educated nation. Imagine having nothing but educated people around you, you can only expect good things from that man. Cause knowledge is power and having knowledgeable persons around you that is making rather powerful. I would say, so if you have a country or an organization with educated people behind you are going to fall on a positive side more often I would say."

Focus group in Jamaica



Charting a course: multidimensional policy solutions for multidimensional problems

Introduction

This Report will only be meaningful to policy makers and development practitioners when full account is taken of how Caribbean people define progress. The achievement of “progress” will occur only when the needs of the citizens of CARICOM are juxtaposed with the current policies and programmes of the governments. In this regard, UNDP conducted focus group discussions in nine countries in the region to get a more nuanced assessment of the region’s progress and the aspirations of its people. In this chapter, we position some of the proposals for multidimensional approaches to public policy in the context of the experiences, dreams and aspirations of Caribbean people.

In general, Caribbean peoples defined *progress* as an intended outcome mainly achieved as a result of a deliberate, strategically applied, but often lengthy and incremental process. Desire and motivation for development were identified as catalytic and enabling determinants. For many, progress also meant *process*, describing both journey and destination: continuity in building, making changes and transitioning, with an eventual “*stepping up in a positive way*”. Applied at the personal and family levels, it speaks of success, self-development and the efforts, especially relative to what is tangible. In this respect, progress is more evident using an intergenerational lens. Whatever one’s social or economic status, progress describes improvement, resulting in more *after* than there was *before*. Only rarely did progress “just happen”, and if it did, such an event would be due to exogenous factors – e.g. inheriting money, winning a lottery, marrying a wealthy person. Regardless of genesis, personal or family progress were unlikely to be reversed if attained successfully.

Only rarely did progress “just happen”, and if it did, such an event would be due to exogenous factors – e.g. inheriting money, winning a lottery, marrying a wealthy person.

In the focus groups there was no disputing the importance of money to people’s lives, but its management is what really defines progress. And, prudent management was also expected at the national level in order to effect progress. For example, the non-poor from Barbados and Jamaica tended firstly to define progress based on what their country had achieved historically, with some reference to the economic climate that might have facilitated such development.

Regardless of where they were from or their economic status, Caribbean people invariably listed the importance of “education” as a change-agent (figure 5.1) – its access, affordability, and meaning. Other key indicators included: housing and its utilities; employment and income opportunities and the meaning of livelihoods; economic conditions; public physical infrastructural works and the varying impacts of health facilities, roads, transportation; and information, communication and technology (ICT).

Most of these elements can be found in the foregoing analysis of the factors that move people from poor to non-poor or from vulnerable back to poor. The strong consistency between income and non-income measures of well-being confirms the importance of both focusing on investing in social infrastructure as a strategy for boosting state, household and individual level resilience as well as improving inclusive economic growth.

While it is clear, from both the citizens’ assessment of progress and the data analyzed in the preceding chapters, that there is strong consistency between the national policy agendas and the demands of the population, there still remain many complex human development challenges that need to be urgently addressed. This is necessary, in the first instance, to consolidate fragile social and economic gains, and secondly, to further advance the sustainable development agenda.

FIGURE 5.1**Summary of Caribbean people's perception of progress**

Source: Prepared by the authors.

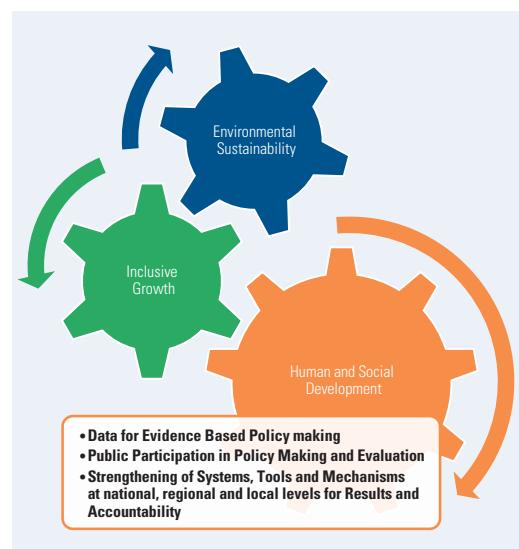
Against this backdrop, we examine three broad sets of possible *policy baskets* for Caribbean governments to further align the ambition of progress, as defined by Caribbean peoples, and the empirical findings of this report: (i) broaden and deepen advances made in human and social development with a focus on the most vulnerable (social policies); (ii) unlock inclusive growth potential of the Caribbean by removing persistent structural barriers, (growth sectors and inclusive growth enablers); and (iii) fast-track efforts to achieve environmental sustainability and resilience (risk-informed development planning, monitoring and evaluation).

Underlying these policy baskets are **prerequisite enabling actions** which are critical to improving the quality of policy governance and more efficacious public policy making:

1. Improving the availability, quality and use of data for evidence-based policy making
2. Improving public participation in policy making and evaluation processes, especially the voice of the most vulnerable and excluded
3. Strengthening of systems, tools (including technology) and processes of national, municipal and local level institutions of the state and civil society for proactive development planning, implementation, monitoring and evaluation.

These three enabling actions and the three policy baskets form part of a holistic agenda and care should be taken to avoid 'cherry picking'.

The first policy basket focusses on human vulnerability, dealing with policies for addressing the unemployment problem and the vulnerability of particular groups, namely youth, females, children, elderly people, people with disabilities, indigenous peoples and Maroons,

FIGURE 5.2**Framework for Policy Planning and Approach**

Source: Prepared by the authors.

It is estimated that only 3.5 percent of unemployed persons made use of the services of the National Employment Bureau in Barbados. In Jamaica, 6 percent of unemployed youth utilized the services of the Labour Market Information System.

as well as two issues of general applicability and relevance, namely social protection and provision of improved water.

Secondly, there is a focus on policies for removing obstacles to inclusive growth in the Caribbean by addressing overarching issues such as energy supply and cost, fiscal capacity and global partnerships which are critical to the ability of Caribbean governments to finance their programmes for multidimensional progress.

The third policy basket relates to environmental sustainability and resilience. In this regard, we focus on natural hazard mitigation and prevention, climate change adaptation and mitigation, and environmental protection and conservation which are all germane to human vulnerability

Not repeated in this chapter but very much pertinent considerations are the general education and health issues identified and assessed in chapters 2 and 3 and the economic growth and development strategies and policies canvassed in chapter 4. Crime and security is of course a major influential factor. Beyond the status review and discussion of costs to economic growth in previous chapters, this Report can add nothing to the set of policies discussed and already recommended in the *Caribbean Human Development Report 2012*.

These policy baskets are a work-in-progress. There is much room to add and remove elements. They are also not meant to be prescriptive, and certainly do not aim at addressing all of the dimensions of a complex economic, social, political, environmental and cultural context in the Caribbean. They are identified based on the foregoing analysis and aimed only at identifying some entry points which can be used to help the region to further advance on a very challenging and demanding 2030 SDG Agenda.

The UNDP recognizes that the Caribbean continues to face some serious obstacles to efficacious policy making in three critical areas: 1) evidence based decision making – that is the absence of good quality gender disaggregated data which has, for example, limited some of the analysis in this report; 2) promotion of public participation and consultation in the process of design, implementation, monitoring and evaluation of public policies and; 3)

improvement in the rate of implementation – that is making the fundamental leap from planning to good and effective implementation. The stark implementation deficit in the region is heavily influenced in some cases by limited institutional capacity in the form of skills due, in great part, to the impact of migration, lack of appropriate technology and mechanisms for efficient and effective policy coordination, implementation and evaluation.

5.1 Resilience basket 1 – policy approaches for reducing human vulnerability

5.1.1 Employment - Policy objective - increase opportunities for decent and productive employment

Creating conditions for sustainable economic growth is a fundamental policy requirement for generating higher levels of employment, better quality jobs and reducing the high rates of unemployment of adults and youth in the Caribbean.

Public employment services are a standard public policy response in the Caribbean to the problems of finding work by youth and by adults. A potentially useful innovation in this kind of labour market service is the use of integrated ICT platforms in the public and private sectors to help match available jobs with available skills, as is already done in some countries in the region such as Jamaica and Trinidad and Tobago.

Public employment services are not sufficiently utilized by job seekers. It is estimated that only 3.5 percent of unemployed persons made use of the services of the National Employment Bureau in Barbados. In Jamaica, 6 percent of unemployed youth utilized the services of the Labour Market Information System. More youth relied on informal sources of labour market information – 30 percent – and direct enquiries to firms – 18 percent – and resorted to unsolicited applications – 25 percent. Governments should seek to find out why such a potentially useful policy mechanism for helping to reduce unemployment has so little appeal and make appropriate policy adjustments.

In many countries in the world, public sector job creation programmes, typically on roads and other public transportation infrastructure, are frequent responses to economic recessions. This has also been the case in the Caribbean, more recently in response to the economic downturn caused by the global economic and financial crisis. However, there are instances where public sector job creation programmes are more in the nature of endemic labour policy than short-term ameliorative measures. Many issues arise in those instances. First of all, there is the matter of fiscal sustainability when budget resources are scarce and debt has become too burdensome. Second, there is the issue of diversion of labour from business enterprises to public employment relief projects when wage rates in the latter are competitive with those in the former and job requirements, e.g. hours of work, and skill requirements less demanding. Third is the tendency of public job creation programmes to not provide training to allow the possibility of subsequent transition to other segments of the labour market and to enhance prospects of future employment. Fourth, there is the stigma associated with those jobs that are highly visible and seemingly unproductive. In these kinds of circumstances, there is pressure on governments to scale back public sector job creation programmes and to seek to generate, through other means, sustainable job creation and decent work.

5.1.2 Youth - *Policy objective* - more strategic approach to youth empowerment, economic enfranchisement and holistic development

“The young must be approached holistically and different protective factors must be coordinated to address different risk factors at different stages and strengthen resilience intersectorally.”

(di Villarosa, 2016)

Operationalizing such an approach entails identifying and coordinating the activities of diverse key actors, including family, school, community, peers, and State institutions. Initiatives noted include structured community

service for out-of-school, out-of-work youth, after-school programmes and targeted multi-purpose programmes.

Issues affecting youth are often put in the policy space of government agencies not exclusively, or sometimes not even primarily, concerned with youth. The placement is frequently in ministries that combine sports and cultural development. Furthermore, many of the issues concerning youth, e.g. crime, unemployment, education and education and training, are splintered among different official agencies within different ministries, often resulting in coordination weaknesses, failures and lack of holistic, comprehensive strategies and policies. The details confirm the multiplicity of governmental units, reporting relationships and programmes spanning education, guidance counselling, career development, technical and vocational education and training, and business development. For example, Jamaica has a National Centre for Youth Development as its main coordinating unit which operates 14 youth information centres. The remit of the Centre for Youth Development is career development, youth entrepreneurship, promotion of healthy lifestyles and personal empowerment. There are also financial assistance programmes for youth entrepreneurship and business development located in other agencies or facilities operated separately from the Centre for Youth Development including the: Self Start Fund; Micro and Small Enterprise Credit Bureau; Micro Investment Development Agency; and Jamaica Business Development Corporation. Additionally, Trinidad and Tobago has a Youth Training and Employment Partnership Programme operated by the then Ministry of Tertiary Education and Skills Training, Youth Development and Apprenticeship Centres; a Multisector Skills Training Programme; and an On-the-Job Training Programme.

Lashley and Marshall (2016) have characterized the policy approach to preparing youth for employment as “remedial” because the target group is youth who have already exited the education system and are deemed at risk. A developmental approach would have incorporated appropriate training and support within the education system to prepare youth for entry into the world of work. They note additionally that “in the main, the agencies are disconnected

Many of the issues concerning youth, e.g. crime, unemployment, education and education and training, are splintered among different official agencies within different ministries, often resulting in coordination weaknesses, failures and lack of holistic, comprehensive strategies and policies.

from the education system.” Their conclusion is that the placement of youth issues in the social sphere is inappropriate in view of the warranted refocussing of youth employment as a key economic goal. The policy recommendation, then, is for “a complete reconceptualization of the current institutional infrastructure, with a focus on the integration of development programmes into the education system that prepare youth for active participation in the labour market.”

5.1.3 Women - Policy objective - improving resilience of women

There are a variety of public policy measures currently being used in the Caribbean to reduce female vulnerability caused by health issues. They include: (i) education, information, counselling and clinical services on reproductive health for girls; (ii) programmes dealing with HIV/AIDS; (iii) perinatal and maternal health care; (iv) prevention of unwanted pregnancy; (v) family planning; (vi) reproductive cancer prevention programmes; and (vii) child and adolescent health. Not all of these are operative to the same degree in each country. As discussed in chapter 2, despite substantial advances made in health care in the region, some facets of particular relevance to females, for example maternal mortality, infant mortality, child mortality and adolescent pregnancies, are in need of substantial improvement. Caribbean countries are addressing them by augmenting budgetary and personnel resources, increasing the number of health facilities, especially in rural and remote areas, improving surveillance and monitoring systems, and establishing special purpose health units and programmes.

A variety of policy approaches are being taken to deal with some other issues. They include: (i) promotion of public education and awareness and sensitization to the human rights of women and girls; (ii) establishment of family courts; (iii) establishment of special units in the police service and in ministries to deal with violent abuse and non-violent abuse of women; (iv) establishment of help hotlines and shelters for victims of violence;

action against human trafficking; (v) legislative improvements. However, effectiveness of these initiatives is hampered by inadequacies in the institutional arrangements, especially with respect to information sharing, coordination and cooperation, staff inadequacies in terms of number of sufficiently trained personnel, budget deficiencies, weak law enforcement capabilities and inefficient judicial systems, and the limited political leverage of women’s issues in male-dominated Caribbean Parliaments. It is necessary to increase investment in capacity building and to accelerate legislative changes.

Female labour force participation is a central issue, partly because of gender equality considerations and partly because many households are female headed. Policies to raise female labour force participation rates can include counselling on education and training, provision of job opportunities in the middle and upper categories of occupation instead of clustering in the lower categories, encouragement and support of female entrepreneurship and business ownership, provision of child care physical facilities for working mothers, and education and counselling to change male attitudes to women’s participation in the labour force. Gender differences in labour remuneration also needs to be addressed. A good first step could be policy commitment to achieve gender parity in higher-level jobs in the public sector; and sustained engagement with private sector to encourage fairer compensation packages for women.

5.1.4 The elderly - Policy objective - improve social protection and a more supportive environment for the elderly

A main concern of many elderly persons in the Caribbean is health care access. Special provision is made for the elderly in some countries. The Barbados Drug Service provides free medication to all patients over 65 years of age; Trinidad and Tobago makes 47 prescription drugs available free of charge to citizens under the Chronic Disease Assistance Programme; and Jamaica makes provision for the elderly through its Drugs for the Elderly Programme.

Two weaknesses in Jamaica's service are firstly limited coverage of the elderly population – the Jamaica National Health Fund covers only 19 percent of the population – and requirements for cost-sharing by beneficiaries – co-payment by users of 25-5 percent for most medications.

Trinidad and Tobago provides assistance outside of health care provisions. Senior citizens pension beneficiaries are eligible for grants for a variety of purposes including home repairs and construction, medical equipment, temporary domestic help, and special diets. The elderly can receive free treatment for cancer and respiratory diseases and emergency dental care. There are Senior Activity Centres and a Geriatric Adolescent Partnership Programme which aims to supply training in geriatric care to youth at risk. All of these interventions are within the framework of a National Policy on Ageing. The Ministry of Social Development has a Division of Ageing.

The Trinidad and Tobago approach seems worthy of emulation as best practice in the Caribbean, even though there are occasional complaints about ineffectiveness of some policies, there is need for better targeting to exclude financially able persons and individuals not within the age cohort, although the financial resource requirement can be considerable.

Financial insecurity is another problem. Pensions are provided by governmental agencies in all Caribbean countries but there are questions about coverage and adequacy. Typically, beneficiaries must be 65 years or older. In some countries, eligibility is means-tested. In some countries, beneficiaries are 30 percent, or less, of the 65-plus age cohort. Furthermore, pension benefits seem to fall within a range of 12-30 percent of the countries' per capita incomes. This could be quite a challenge for persons who do not have private pensions or personal savings. It should be recognized, however, that assistance with some categories of expenditures such as medical care, transportation, and house repairs which are frequently part of wider social protection arrangements help to alleviate some of the inadequacies of public pension provision and associated financial insecurity of elderly persons.

5.1.5 Persons with disabilities

- Policy objective - invest in an enabling environment for persons with disabilities

There is a range of positive policy interventions for persons with disabilities in the Caribbean. Jamaica has had a National Policy for Persons with Disabilities since 2005. Active elements of policy include: (i) institution of a 5 percent quota of public sector jobs for qualified persons with disabilities; (ii) small grants to entrepreneurs; (iii) a National Vocational Rehabilitation Service; (iv) a National Skills Database on Disabled Persons; (v) an ICT Training for Persons with Disabilities Programme; (vi) a Friendly City Project which seeks to make public and private buildings and services more accessible to persons with disabilities. There are also social assistance grants to older persons under the Programme for Advancement through Health and Education and grants for purchasing adaptive aids.

Trinidad and Tobago has had a National Policy on Persons with Disabilities since 2006. Policy interventions include: (i) programmes catering for employment creation which include specific vocational training followed by internships; (ii) early interventions, diagnoses and remedial programmes in education; (iii) community-based rehabilitation; (iv) disability assistance grants; (v) and a 15 percent housing allocation quota.

Barbados adopted a Parliamentary White Paper in 2002 but has not enacted legislation. There is a National Disabilities Unit. The focus in Barbados has been on employment and entrepreneurship opportunities; diagnostic, therapeutic and rehabilitation services; accessible computer facilities, buses, schools and the provision of grants and assistance in kind.

There is evidently scope for countries in the Caribbean to learn from each other in fashioning and implementing national policies for reducing the vulnerability of persons with disabilities. Urgent attention should be paid to barriers to education, training, employment and other problems faced by children and youth with disabilities so as to provide

Financial insecurity is another problem. Pensions are provided by governmental agencies in all Caribbean countries but there are questions about coverage and adequacy.

them with opportunities for full inclusion and participation in their community, society and economy.

5.1.6 Children - *Policy objective* - protect the rights of children, especially those in high-risk and vulnerable circumstances

This is an aspect of human vulnerability noticeable for the relative lack of policies and actions. Political concern about child abuse is more evident than concern with child labour, even though the countries have joined the international consensus on prevention of child labour. The Caribbean countries have all enacted legislation for child protection. The scope varies from country to country, especially given legal oddities based on custom and traditions on child marriages, but common elements deal with sexual abuse and violence and acceptance of governmental responsibility for provision of child care facilities. In Barbados, the Child Care Board provides a wide range of services, including residential care, day care, foster care, adoption, and training for children with disabilities. Similar, and sometimes more extensive, provisions exist in other countries. Belize and Trinidad and Tobago, through ministries or specially established government agencies, license, regulate, and monitor accommodation and other care facilities and provide guidance to parents about child abuse. Policies and programmes for reducing mother to child transmission of HIV are also features of the Caribbean policy environment with notable success, for example in Belize where the rates decreased from 19 percent in 2007 to 3.3 percent in 2012. Child prostitution, because of its high incidence, is receiving focused policy attention in Belize.

Caribbean countries have outlawed child labour for children under 12 years old but the data on the incidence of child labour in chapter 2 suggests that the laws are not rigidly enforced. It is obvious that policy reformulation and action are urgently required.

5.1.7 Indigenous peoples and maroons - *Policy objective* - build economic resilience and improve social services for indigenous peoples and maroons

Policies relating to Guyana's indigenous peoples are administered by the Ministry of Indigenous Peoples (formerly Ministry of Amerindian Affairs). Conceptually, the policy framework is comprehensive in the attempt to deal with vulnerabilities related to absence of titles to community lands, education and training, community infrastructure, transportation difficulties, enterprise development, and culture and language.

The Amerindian Act 2006 provides a mechanism for approving grants to communal lands, enshrines legal rights to traditional mining with the consent of the Village Councils which are established as the governance authority in Amerindian communities, and mandates environmental impact assessments for any projects. There is an Amerindian Titling Project in partnership with UNDP which is intended to accelerate the process of approving applications for land titles.

There is a Guyana REDD Investment Fund, a partnership mechanism of the Governments of Guyana and Norway that have capitalized the Amerindian Development Fund under which indigenous communities can obtain funding for implementation of socio-economic community development plans approved by consensus or majority vote. This, too, is a collaboration with UNDP. In addition, there are provisions for grants for capital infrastructure and equipment such as bridges, community centres, multipurpose buildings, ecolodges and guest houses, buses, boats and boat engines, and electricity generators and solar power. A Presidential Grant programme was introduced in 2007 to finance the establishment of income-generating projects in the communities.

In relation to education and training, a Youth Entrepreneurial and Apprenticeship Programme was started in 2013 to employ community support officers, resident in the communities, to assist in building leadership skills and competence, entrepreneurship, and skills in a wide range of economic and education sector activities. Hinterland scholarships, which enable indigenous children and youth

Policies and programmes for reducing mother to child transmission of HIV are also features of the Caribbean policy environment with notable success, for example in Belize where the rates decreased from 19 percent in 2007 to 3.3 percent in 2012.

access to secondary school, technical and vocational training and tertiary education in the capital region, are also provided.

Despite these policies, there are still gaps in the provision of education, access to health care, improved water, sanitation and electricity and dysfunctionalities remain in social life in the hinterland regions of Guyana.

Meanwhile, it appears that Suriname has not made much progress in adopting policies to secure the rights of indigenous peoples and Maroons to communal lands, improving access to education and health services, and in developing an institutional structure to mainstream and coordinate indigenous and Maroon issues in government policy.

5.1.8 Policy objective - develop policies targeted at the vulnerable and poor to enable access to assets, health insurance, systems of care and family planning services

The Jamaican case study identified large sizes of households, unemployed members, poor quality dwellings and spending of household savings as strong negative influences on the probabilities of moving out of poverty. The policies that would seem appropriate are those that improve employment prospects, promote better family planning, improve the quality of dwellings and encourage household savings. Slippage from a higher economic class to poverty is more likely if a household increases its family size, has more dependent members, has no health insurance, owns no assets and does not reside in an urban area. The policy inference is that policies on family planning may be helpful as would be financial counselling services and financial planning education.

5.1.8.1 The most vulnerable groups - Policy objective - strengthen social protection policies and improve targeting of the most vulnerable groups

Social protection is the philosophical underpinning of many of the policies and interventions already identified. Its purposes are to strengthen human resilience, reduce

TABLE 5.1

Public social protection expenditure in the Caribbean

Country	Public social protection (% GDP)	Year
Antigua & Barbuda	3.05	2011
Bahamas	2.79	2011
Barbados	7.07	2010
Belize	2.0	2011
Dominica	3.80	2010
Grenada	1.64	2010
Guyana	3.70	2010
Jamaica	1.61	2011
St. Kitts & Nevis	3.01	2010
St. Lucia	1.72	2010
St. Vincent & Grenadines	4.35	2010
Trinidad & Tobago	5.64	2010

Source: Prepared by the authors based on data from the World Social Protection Report 2014, International Labour Organization (ILO), (2015).

inequalities in access to essential social services and to promote inclusive and sustainable development. There are many kinds of social protection policy interventions in the Caribbean. They include conditional and unconditional cash transfers, food vouchers and food stamps, school feeding and school meal programmes, fee waivers for medical services, pharmaceuticals and public transport services for elderly persons and school children, natural disaster relief payments, and assistance with home repairs and funeral expenses.

Government expenditure on social protection represent significant proportions of GDP (table 5.1), exceeding the size of the current account deficit in many countries. However, there are deficiencies in design, implementation and coordination which limit the effectiveness of social protection programmes. Inaccurate targeting of beneficiaries, insufficiently clear and rigorous eligibility criteria as well as weak screening and monitoring mechanisms are common problems which need to be remedied by Caribbean governments.

Private entities, including non-governmental organizations and business enterprises,

The diversification of the region's energy mix into geothermal, solar, wind, biomass, hydro-power and other green electricity resources is among the most urgent challenges facing the region.

supplement the social protection activities of governments. Some of them focus on specific target groups such as children and the elderly while others are broader in scope. A difficulty many of them experience is insufficiency of financial resources. Public policy support through provision of grants to private providers of social protection would serve to expand their capacity and allow for wider reach, deeper penetration, cost-effectiveness and sustainability. Public policy could also seek to develop a database on the private providers of social protection and seek, non-intrusively, to promote coordination of activities.

Uniform and full implementation of the CARICOM Agreement on Social Security and the OECS Convention on Social Security are imperative in view of the sizeable and growing movement of Caribbean Community residents across the region.

5.1.9 Policy objective - ensure access to safe drinking water for all

The problems of water scarcity, coexistent with excessive rainfall and floods and inadequate provision of supplies to many residential areas and communities, are amenable to policy solutions. Among the sustainable remedial policies are investments in desalination plants, creation of water conservancies which are also more optimally located in rain catchment areas, protection of inland water sources from mining, industrial and residential pollution, and capital investments to substantially improve distribution of water to all communities.

5.2 Resilience basket 2 – removing structural barriers for inclusive growth

5.2.1 Policy objective - develop national energy diversification strategies

Reduction of heavy dependence on fossil fuels for energy supply is essential for achieving fiscal sustainability in energy-importing Caribbean countries to reduce carbon emissions, and to provide affordable energy for all. Energy

substitution and a shift towards renewable energy should be the principal feature of the Caribbean energy policy, notwithstanding those policies directed towards energy efficiency and pricing policies in the traditional energy industries.

The diversification of the region's energy mix into geothermal, solar, wind, biomass, hydro-power and other green electricity resources is among the most urgent challenges facing the region. This transition will help to conserve the environment, strengthen productivity and competitiveness, and improve the lives of the poor. The converse is also true: failure to address the region's energy situation will impede sustainable development in the region and exacerbate the precariousness of life and livelihoods that underpins growing human vulnerability and multidimensional poverty (Smith, 2016).

The Caribbean is well placed to develop renewable energy sources from its natural resources of sun, wind, rivers and geothermal activity. It was ahead of many countries in the world in identifying renewable energy initiatives as a sustainable response to the global oil crisis of the late 1970s /early 1980s, but failed to sustain a policy interest after energy prices collapsed towards the mid-1980s. There is now a new policy commitment expressed in the Regional Energy Policy and the Caribbean Sustainable Energy Roadmap and Strategy which has set energy targets of 20 percent renewable power capacity by 2017, 28 percent by 2022 and 42 percent by 2027. Some individual countries have set even more ambitious targets, e.g. Saint Lucia which aims at 35 percent renewable energy generation by 2020. Governments can give effect to the policy commitment of energy substitution by making capital investments in solar energy, wind power, geothermal energy and hydropower, depending on the renewable energy resources of their countries. Business enterprises and households can contribute by their own investments in solar power and wind power. Renewable energy projects of note, already in operation in the Caribbean, include wind farms in Jamaica and in St. Kitts and Nevis, a geothermal project in Nevis, hydropower and biogas based on the sugar industry in Belize, a household solar water heater project in Barbados, and restarting/

implementing hydropower projects in Guyana. It is critical that these efforts and similar ones be sustained.

Financial resource requirements are substantial. The Caribbean Development Bank (CDB) has adopted a comprehensive energy policy and strategy which is intended to assist in making clean energy a dynamic contributor to economic growth and an important component of the strategy for climate resilience. The CDB, in collaboration with its international development partners, including the European Union, the USA, Japan and the Inter-American Development Bank, has expanded the range of financing possibilities for its Caribbean members, especially in the Eastern Caribbean. There is scope for private financial institutions operating in the Caribbean to participate in the financing of energy substitution particularly in business enterprises and households. There is also room for public-private partnerships. Public policy should go beyond the direct investments of governments and promote, encourage and facilitate private investments through accommodative tax policies, e.g. tax offsets on capital investments in solar energy.

5.2.2 Policy objective - strengthen fiscal management and close tax loopholes, develop strategic international partnerships on financing for development

The problems of fiscal space in the Caribbean, identified and discussed extensively in Bourne (2015) and subsequently by Henry and Boodoo (2016) and Smith (2016), have generated several policy considerations in the realm of tax policy and administration, mobilization of financial resources from the Caribbean diaspora, achieving closer concordance between domestic savings and domestic credit for production and investment, private international capital markets, foreign direct investment, debt relief and forgiveness and development assistance.

There is not much policy scope for increases in tax revenues. As a proportion of GDP in 2015, tax revenues ranged between 28 percent and 50 percent in the Caribbean with St Kitts and Nevis at the high end with a tax-GDP rate

of 50 percent and Suriname at the low end with 28 percent. Most other countries were clustered in the 35-39 percent range. Tax rates as percentages of business profits in 2014 were typically in a range of 32-50 percent. There is more scope for improving the efficiency of tax collections by selective focus on delinquent taxpayers and self-employed professionals.

Net flows and the impact of remittances from the Caribbean diaspora might be increased by reductions in transactions costs and improvements in the availability of financial services (Bourne, 2015). Diaspora bonds, though an appealing fund mobilization option from the perspective of issuing countries, have not been equally attractive to the diaspora because of perceived capital risk associated with economic conditions and social and political conditions in the country of issue and costly financial settlement systems. Loss of correspondent banking services would be an additional discouragement. Caribbean governments can improve the bond financing option by improving national economic management, political governance, the regulatory framework governing financial transactions, the efficiency of market settlement systems and judicial administration. Linking bond invitations to particular projects and joint placements by two or more countries might also make diaspora bonds more attractive. (Bourne, 2015).

Sovereign bond issues have been a weak option in the wider international capital market since 2009. Commercial bank loans and bond placements have diminished substantially. Weak international demand for Caribbean bonds reflected in small availabilities and higher coupon rates is due, primarily, to issues of public economic management: large debt overhangs; limited success in achieving fiscal consolidation; and ineffective budgetary planning and control. Continuing deterioration in credit ratings by reputable international agencies have not helped prospects for international capital market financing. The major onus is on Caribbean governments to improve their economies and their fiscal performance.

Proposals for debt relief for highly-indebted Caribbean middle-income countries first surfaced in 2007 at the Commonwealth Finance Ministers Meeting in Guyana. Since

Net flows and the impact of remittances from the Caribbean diaspora might be increased by reductions in transactions costs and improvements in the availability of financial services (Bourne, 2015).

then several other proposals have been made, including that by Henry and Boodhoo (2016). The proposals, variously, link debt relief and forgiveness to climate change adaptation and mitigation, economic stabilization, disaster risk reduction and social development.

In 2014, the Commonwealth Secretariat proposed a debt for climate change swap. Donors would write off all or part of their debt using their committed funds for climate change adaptation and mitigation. In exchange, debtor countries would be required to transfer their scheduled debt repayments into a trust fund established by their own central banks with the proceeds being used for climate change adaptation and mitigation.

Another major proposal, which emanates from ECLAC, recommends that multilaterals gradually write off their Caribbean debt stock (estimated to be 54 percent of total Caribbean debt stock). Bilateral creditors would be invited to do likewise. Their participation would comprise an additional 14 percent of the debt stock. Caribbean debtor countries, in return, would be required to repay the existing debt service in local currency into a specially created Caribbean Resilience and Stabilization Fund which can be accessed to finance growth promotion, poverty reduction and environment protection projects.

Henry and Boodoo (2016) have proposed two other funds, not necessarily to the exclusion of the earlier two proposals. One is a Stabilization Fund to be financed by fiscal contributions from Caribbean member countries and on a matching basis from multilateral agencies and donor countries. They also propose a Catastrophe Fund apart from the Caribbean Catastrophe Risk Insurance Facility (CCRF) but which is also funded by contributions from member countries. They justify the latter proposal on the grounds that insurance premiums paid to the CCRF are costly and only confer a benefit when payment is triggered by the natural hazard event. The problems with these two proposals is the substantial additional financing demands they would make on countries already experiencing acute fiscal stringency and the unlikelihood that suggested external sources would be forthcoming for yet another set of

special funds, especially given recent increases in their allocation of funds to the Caribbean through regional financial and nonfinancial institutions and agencies. Furthermore, it is worth recalling that the proposal for a regional stabilization fund, prepared for Caribbean Heads of Government by the Caribbean Development Bank President and Director of Economics in 2002 when the fiscal situation was somewhat better than it is now, did not gain acceptance because of the fiscal implications. Accumulation of precautionary balances does not seem to be attractive to Caribbean governments even in their own approach to capital budgeting.

5.2.3 Policy objective - reassess Caribbean leadership on global development issues and develop global partnerships

The Caribbean has very useful development partnerships with foreign governments, international development institutions and agencies worldwide. SDG Goal 17 calls on the global community to “Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development”. This is particularly important to the Caribbean in the context of its experience of diminished flows of concessional development assistance from bilateral donors after 2010. The approach which can be usefully taken now by Caribbean countries is to situate their search for development assistance within the framework of the SDG Agenda. It is in this manner that Smith (2016), for instance, proposes an SDG-Implementation Fund, not necessarily linked to debt relief, with the use of its resources specifically tied to development and implementation of national and regional SDG projects. The announcement by China of a \$2 billion fund for the 2030 Agenda for Sustainable Development as part of its South-South cooperation policy might augur well for financing partnerships structured along SDG lines. The same SDG-oriented perspective could be supportive of the debt relief proposals already before the global community.

In 2014, the Commonwealth Secretariat proposed a debt for climate change swap. Donors would write off all or part of their debt using their committed funds for climate change adaptation and mitigation. In exchange, debtor countries would be required to transfer their scheduled debt repayments into a trust fund established by their own central banks with the proceeds being used for climate change adaptation and mitigation.

5.3 Resilience basket 3 – environmental sustainability and resilience

5.3.1 Policy objective - strengthen risk-informed development planning to better mitigate and adapt to natural hazards and climate change

Policies for dealing proactively with vulnerability to natural disasters and climate change must incorporate a focus on risk reduction. Natural disasters are a human development issue, insofar as they are rooted in poverty, weak governance, poor land management, declining ecosystems and social marginalization, leading to greater vulnerability and negative impact. A risk-informed approach to development, one which elevates risk reduction in policies and programmes, includes risk assessment in planning, and invites the participation of a broad spectrum of stakeholders in addressing disaster risk reduction and adaptation needs, is a tool for building resilience.

A combination of structural and non-structural measures can help reduce vulnerability to natural disasters. On the structural side, investments in critical infrastructure such as sea defences and inland water control, would reduce risk of damage, loss of life and injury. Measures such as hurricane- and earthquake-resistant building code, flood control, water storage and community relocation can be utilized. On the non-structural side, integrated risk assessments, integration of risk management into development and territorial planning, targeted public awareness early warning and educational campaigns, and broad community participation can reduce the risks to well-being.

Even less has been attempted and achieved with respect to the threat of sea level rise for which there should also be sea defences. Planned relocation of vulnerable facilities, plant and equipment to safer ground inland merits serious policy consideration especially in countries with narrow shorelines or those whose coastal regions are below sea level. Admittedly, the costs of such relocations would be high but so, too, are the costs of not relocating or not constructing sea defences on the scale required to protect the installations.

Provision of financial resources for disaster, emergency response and recovery is another policy response. It is important to consider “a set of measures designed to shift the mobilization of funds away from ad hoc efforts in the wake of a crisis, and towards a risk-informed strategy to secure access to funds in advance of anticipated crisis events, effectively smoothing the financial impact of post-crisis response and recovery, over time. Risk financing mechanisms include savings and reserves, access to credit and risk transfer products such as insurance and catastrophe bonds”.⁸⁸ For financing recovery, governments generally have access to various sources of financing following a disaster, including ex-post and ex-ante financial mechanisms. The main post-disaster financial mechanisms governments used include donor assistance (relief and reconstruction), budget reallocation, domestic credit, and tax increase, while ex-ante sources include budget contingencies, reserve fund, contingent debt facility, parametric insurance, CAT-Bonds, and traditional insurance. Caribbean governments have also utilised their own budgetary resources but have relied heavily on loans and grants from the CDB, other development finance institutions, and the international donor community. The CCRIF, in which the Caribbean governments are both contributors and beneficiaries, was established in 2007. It provides parametric-based insurance against tropical cyclones, excessive rainfall and earthquakes. Table 5.2 provides information on payments to beneficiaries for 2007-2015. Insurance from CCRIF is valuable but countries by proactive policies to reduce vulnerability should be able to negotiate less expensive insurance premiums. A similar point can be made with respect to private insurance against natural hazards available to businesses and households.

A risk-informed approach to development, one which elevates risk reduction in policies and programmes, includes risk assessment in planning, and invites the participation of a broad spectrum of stakeholders in addressing disaster risk reduction and adaptation needs, is a tool for building resilience.

5.3.2 Policy objective - transition to green economy and improve environmental stewardship, management and conservation

Especially important for sustaining human development in the Caribbean are policies for better management of the environment. The Caribbean countries have signed the major Multilateral

There is the need to deal more aggressively with threats to the ocean environment, especially water pollution, habitat destruction, acidification and overfishing.

TABLE 5.2

Payout by the CCRIF to Caribbean countries (2007–2015)

Event	Country	Policy	Payout (US\$)
Earthquake, November 29, 2007	Dominica	Earthquake	528,021
Earthquake, November 29, 2007	Saint Lucia	Earthquake	418,976
Earthquake, January 12, 2010	Haiti	Earthquake	7,753,579
Tropical Cyclone Tomas, October 2010	Barbados	Tropical Cyclone	8,560,247
Tropical Cyclone Tomas, October 2010	Saint Lucia	Tropical Cyclone	3,241,613
Tropical Cyclone Tomas, October 2010	St. Vincent & the Grenadines	Tropical Cyclone	1,090,388
Trough System, 7-8 November 2014	St. Kitts & Nevis	Excess Rainfall	1,055,408
Trough System, 21 November 2014	Barbados	Excess Rainfall	1,284,882
Tropical Storm Erika, 27 August 2015	Dominica	Excess Rainfall	2,400,000
Total			26,333,114

Source: Prepared by the authors based on data from the Caribbean Catastrophe Risk Insurance Facility, (2016).

Environmental Agreements and several regional agreements are also in place. Policies and programmes exist for protection and conservation of water, forests and biodiversity but there are challenges related to implementation, amongst others related to the lack of adequate budgetary and human resources for effectiveness.

There is the need to deal more aggressively with threats to the ocean environment, especially water pollution, habitat destruction, acidification and overfishing. The destruction of mangrove swamps and wetlands is being halted in some countries, e.g. Guyana, by replanting programmes. This kind of effort could be more widely adopted regionally. There are also relatively isolated efforts at coral reef restoration and protection. It is a matter of some concern that although most Caribbean countries have marine protected areas, only a small fraction of them were recognized in 2008 as having any management plan (Singh et al, 2008).

The coastal and inland environments require sustained and substantial financial policy attention to deal with problems of beach and coastal erosion, water pollution in rivers and streams caused by unmanaged waste and refuse disposal and mercury used in small- and medium-scale gold mining, forest degradation, and loss of biodiversity. A global study by UNDP (2012), on instruments available for decision makers

for sustainable ocean management, indicates that a common driver behind the accelerating degradation of the marine environment is the inability of markets to sustainably utilize open-access resources such as the global ocean. As a result of these market failures, both the private and the public sectors tended to under-invest or not invest at all in activities necessary to sustain the marine environment (wastewater treatment, coastal habitat protection, etc.) and to over-invest in activities detrimental to the marine environment (over-exploitation of fish stocks, chemically intensive agriculture, etc.). These market failures have often been further compounded by policy failures (perverse subsidies, etc). In recent years, decision-makers throughout the world have designed and implemented a wide array of instruments to identify and remove these market and policy failures. The study draws a number of important lessons for policy.

The first lesson is that correcting market and policy failures through application of science-based integrated ocean planning and barrier removal instruments cannot only act catalytically to restore and protect coasts and oceans, but can also generate sizeable business activity and jobs when job creation activities are deliberately built into ocean management reforms. There is strong evidence for effective

'blue economy' approaches to ocean management that generate substantial jobs in support of marine ecosystem restoration and protection. As such, allocating programme resources for job creation as well as documenting and communicating the impact of coastal and ocean reforms on business activity and jobs will be critical to fostering the political support needed to scale up the effective ocean actions.

The second lesson is the importance of investing in capacity development for ocean policy makers and other stakeholders. Enhancing the policy development and implementation capacity of decision-makers play a substantial role in accelerating the formulation of new policy and the adoption and implementation of new regulatory and economic instruments at local, national, regional and global levels.

The third lesson is the need for all stakeholders to reach consensus on the most effective mix of public instruments to remove barriers to investment and market transformation. In general, the engagement of four main groups of stakeholders will be required to transform a market

— communities, ocean-impacting industries, policy makers, and financiers. Each of these groups, typically, encounters a number of specific barriers that prevent them from using ocean and coastal resources in a sustainable manner. Policies that bring benefits to one group of stakeholders can penalize another and lead to a policy deadlock.

The fourth lesson is that public policies are not for free. Whatever the policy mix that is selected, there will be a cost for industry, consumers, tax payers and shareholders. As a general rule, everything that can be done to first reduce systemic investment risks — such as long term and transparent policies, streamlined administrative processes, or improved consumer information — needs to be a first-order priority, before resorting to more expensive public policy instruments to increase investment-specific rewards such as subsidies or concessional finance.

The fifth lesson is the importance of dedicating adequate public resources to investment pre-feasibility work during the policy analysis and development stage of market transformation efforts. Much greater leveraging ratios are

FIGURE 5.3

Policy baskets for advancing multidimensional progress in Caribbean

Resilience Basket 1 - Policy Approaches for reducing Human Vulnerability	Resilience Basket 2- Policy Approaches for removing structural barriers to Inclusive Growth	Resilience Basket 3 -Policy Approaches for building Environmental Sustainability
<ul style="list-style-type: none"> • Policy Objectives: • Increase opportunities for decent and productive employment • More strategic approach to youth empowerment and promote holistic development • Improving resilience of women • Improve social protection, care and supportive environment for the elderly • Invest in an enabling environment for persons with disabilities • Protect the rights of children especially those in high-risk and vulnerable circumstances • Build economic resilience and improve social services for indigenous peoples and Maroons • Ensure access to assets, health insurance, systems of care and family planning services • Strengthen social protection policies and improve targeting of the most vulnerable groups • Ensure access to safe drinking water for all 	<ul style="list-style-type: none"> • Policy Objectives • Develop national energy diversification strategies • Strengthen fiscal management • Close Tax loopholes • Develop Strategic international partnerships on financing for development • Reassert Caribbean leadership on global development issues 	<ul style="list-style-type: none"> • Policy Objectives: • Strengthen planning frameworks by including strong emphasis on risk management • Intensify focus on climate change mitigations and adaptation • Transition to green economy models • Improve environmental stewardship, management and conservation

Source: Prepared by the authors.

The combination of the geometric pace of ocean degradation with the long timeframes needed to facilitate catalytic and transformative changes in ocean sectors underscore the urgency of taking immediate action on the key ocean challenges.

observed in programmes which have committed adequate resources to assist stakeholders in preparing priority investment portfolios.

The sixth lesson relates to the value of combining two, or even all three, of the market transformation methodologies – TDA/SAP, ICM and global/regional legal frameworks – in the design and implementation of ocean governance programmes. This approach can generate multiple, synergistic benefits by strategically building on the comparative advantage of each instrument at different geographic scales. It also increases their flexibility and can enhance the impact of these instruments on a broad range of existing and emerging ocean challenges, including overfishing, hypoxia, coastal habitat loss, invasive species, and ocean acidification.

Our seventh, and final, lesson is probably the most important. The timeframes to transform ocean markets through science-based integrated planning, barrier removal and market transformation are long, typically 15-20 years or more. In contrast, the present rate of increase of the majority of ocean issues including hypoxia, acidification, overfishing, and coastal habitat loss, is geometric. The combination of the geometric pace of ocean degradation with the long timeframes needed to facilitate catalytic and transformative changes in ocean sectors underscore the urgency of taking immediate action on the key ocean challenges (UNDP, 2012).

As land and ocean ecosystems are highly interconnected, and more so in island settings, a ridge to reef approach is recommended for implementing policies, based on an integral analysis of the factors behind environmental degradation.

5.4 Selectivity among priorities

The 2030 Agenda for Sustainable Development requires both a holistic and integrated policy approach for implementation. In this Report we have emphasized policy “baskets” and “clusters” that show the interconnection between multidimensional problems and impact. The wide scope of issues and policies surveyed in this Report would make enormous demands on the capabilities and capacities of Caribbean governments, if pursued “gap by gap”. Given financial and human resource constraints, even if there is enlarged assistance from international

development partners, it will be necessary to cluster gaps together to prioritize among the many challenges confronting the governments discussed in this Report. The selection of the set of issues to be given immediate and focused attention could be based on the extent to which the various issues are comprehensive in the sense of addressing cross-cutting challenges to sustainable economic growth and multidimensional progress and the extent to which the expected socio-economic benefits would extend well into the future.

Issues of youth in Caribbean society would be such a priority set of issues on the basis of information and analysis in this Report. The challenges with respect to Caribbean youths are central to the problems of full utilization of the Caribbean labour force, gender equality in labour markets, emigration and brain drain. They involve education and training, a variety of health matters, especially those emanating from high-risk behaviours among females and males, and the challenges of gangs, crime and citizen security. Policies for economic diversification, innovation and environmental protection and conservation require significant youth inputs for successful implementation. The list is not exhaustive but sufficiently underscores the cross-cutting nature of a comprehensive youth development agenda.

This Caribbean Human Development Report has focused on the structural obstacles to multidimensional progress in the region. We have emphasized a key message: the Caribbean requires both more inclusive and environmentally-sustainable economic growth to foster multidimensional progress, but also requires multidimensional progress to foster better quality economic growth. The social, economic and environmental dimensions are closely intertwined. At the core of this message is the centrality of **resilience** for the Caribbean region – defined as the capacity to rebound from temporary shocks, but also with the capabilities to confront structural vulnerabilities tied to the particular characteristics of Small-Island Developing States.

We are optimistic about the future in the region. We hope these inputs from evidence-based policy research provide a template for much needed multidimensional progress.

Bibliography

- Abud, María José, George Gray Molina, and Eduardo Ortiz-Juárez. 2015. "Out-of-Poverty and Back-to-Poverty Transitions using Panel Data". Supporting document to the *Regional Human Development Report for Latin America and the Caribbean 2016* of the United Nations Development Programme (UNDP).
- Acevedo, Sebastian. 2013. "Debt, Growth and Natural Disasters: A Caribbean Trilogy". Washington D.C.: The George Washington University, (unpublished).
- Addulkadri, A. 2009. "Economic Burden of Diabetes and Hypertension in CARICOM States". *Social and Economic Studies*, 58:179-97. Kinston: Sir Arthur Lewis Institute of Social and Economic Studies.
- Alkire, Sabina. 2016. "The Global Multidimensional Poverty Index (MPI): 5-Year Methodological Note". Working paper No. 37. Oxford: Oxford Poverty & Human Development Initiative (OPHI).
- Alkire, Sabina. 2015. "Measures of Human Development: Key Concepts and Properties". Supporting document to the *Regional Human Development Report for Latin America and the Caribbean 2016* of the United Nations Development Programme (UNDP).
- Alkire, Sabina, and James Foster. 2009. "Counting and Multidimensional Poverty Measurement". OPHI Working Paper No. 32. Oxford: Oxford Poverty & Human Development Initiative (OPHI).
- Angeon, Valerie and Samuel Bate. 2015. "The Vulnerability and Resilience of SIDS: Towards Disruptive Thinking and New Methodological Assessments". Paper Presented at the Forum on the Future of the Caribbean, Port of Spain, May 5-7, 2015
- ATD Fourth World. "Understanding Poverty: Implications on measurement and data collection". Available at <http://www.atd-fourthworld.org>.
- Bailey, B and S.M Charles. 2008. The missing generation: a situational analysis of adolescents (10-14) in the Caribbean Community. UNICEF and CARICOM.
- Bakker C., M Elings-Pels and M. Reis. 2009. *The Impact of Migration on Children in the Caribbean*. Barbados: UNICEF Office for Barbados and Eastern Caribbean.
- Barbados Statistical Service. 2014. *Barbados Multiple Indicators Cluster Survey 2012: Final Report*. Bridgetown, Barbados: BSS.
- Barcelo, A., C. Aedo, S. Rajpathank and S. Robles. 2003. "The Cost of Diabetes in Latin America and the Caribbean". *World Health Organization Bulletin* 81. Geneva: WHO.
- Barrientos A. 2004. "Social Protection and Poverty Reduction in the Caribbean: Draft Regional Report, synthesis of main findings of studies for Belize, Grenada and St. Lucia with supplementary information for Dominica and Jamaica". Caribbean Development Bank in collaboration with the Department for International Development for the Caribbean and the European Commission Delegation for Barbados and Eastern Caribbean.
- Barry, A, S. McGwire, & K. Porter (Eds.). 2015. *Global AgeWatch Index 2015: Insight report*. London: UK HelpAge International.

Bertrand J.T., V.M. Ward, and R. Santiso-Gálvez. 2015. "Family Planning in Latin America and the Caribbean: The Achievements of 50 Years". Measure Evaluation FS-15-36, USAID. Available at <http://www.cpc.unc.edu/measure/resources/publications/tr-15-101>.

Besley, Timothy and Robin Burgess. 2003. "Halving Global Poverty". *Journal of Economic Perspectives*, 17(3):3-22. Washington D.C.: American Economic Association.

Beuermann D.W., I.J. Ruprah and R.E. Sierra. 2014. *Remittances as Safety Nets in Jamaica*, Washington DC: Inter-American Development Bank.

Blom A. and C. Hobbs. 2008. *School and Work in the Eastern Caribbean – Does the Education System Adequately Prepare Youth for the Global Economy?* Washington D.C.: World Bank.

Bott. S., A. Guedes A., M. Goodwin and Adams Mendoza J. 2013. *Violence Against Women in Latin America and the Caribbean – a Comparative Analysis of population-based data from 12 countries*. Washington D.C.: PAHO.

Bougha-Hagbe, Jacques. 2015. "Correspondent Banking Challenges in the Caribbean". *Caribbean Corner: International Monetary Fund Newsletter for the Caribbean*, Issue 04, September 2015. Washington D.C.: IMF.

Bourguignon, Francois. 2000. "Crime, Violence and Inequitable Development". Annual World Bank Conference on Development, December 2000.

Bourne, Compton. 2014. "Incomes of University Graduates in Trinidad and Tobago". University of West Indies, St Augustine. (unpublished).

Bourne, Compton. 2013. "Some Trends in Caribbean Tourism". *Newsletter Caribbean Centre for Money and Finance*. 6(2). Port of Spain: Caribbean Centre for Money and Finance, UWI, St. Augustine

Bourne, Compton. 2009. "Economic growth, Poverty and Income Inequality". *Journal of Eastern Caribbean Studies*, 34(4):21-48. Bridgetown: Sir Arthur Lewis Institute for Social and Economic Studies UWI, Cave Hill.

Bourne, Compton, M. Alexander, D. Conrad and J. Jhinkoo. 2015. *Financing for Development Challenges in Caribbean SIDS: A Case for Review of Eligibility Criteria for Access to Concessional Financing*. Port of Spain, Trinidad and Tobago, UNDP.

Bourne, Compton, S.M. Allgrove. 2009. "Prospects for Exports of Entertainment Services from the Caribbean: The Case of Music". *Caribbean Dialogue*, 3(3):1-12. Port of Spain: Sir Arthur Lewis Institute for Social and Economic Studies, UWI, St Augustine.

Bourne P.A. 2012. "The Caribbean Elderly: Ageing, Health and Population Composition". *Current Research Journal of Biological Sciences*. Available at <http://www.maxwellsci.com/author/ms/attestation/ebe172e-256c03ec2080f7acf5cd72486-3773-CRJBS-DOI.pdf>

Bynoe, Mark. 2016. "Responding to Environmental and Climate Change Challenges". Background Paper for the *Caribbean Human Development Report* 2016. New York: UNDP.

Caribbean Commission on Health and Development. 2006. *Report of the Commission*. Georgetown, Guyana: Caribbean Community Secretariat.

Caribbean Commission on Youth Development. 2010. *Eyes on the Future: Investing in Youths Now for Tomorrow's Community*. Georgetown, Guyana: Caribbean Community Secretariat.

Caribbean Community Secretariat. 2010. *Report of the Commission on Youth Development*. Georgetown: Caribbean Community Secretariat.

Caribbean Development Bank. 2016. *2015 Economic Review and Forecast for 2016*. St. Michael's: Caribbean Development Bank (CDB).

Caribbean Development Bank. 2016. *Economic Review 2016*. St. Michael's, Barbados: Caribbean Development Bank.

Caribbean Development Bank. 2016. *The Changing Nature of Poverty and Inequality in the Caribbean: New Issues, New Solutions*. St. Michael's, Barbados: Caribbean Development Bank (CDB)

Caribbean Development Bank. 2015. *The Impact of Youth Employment for Sustainable Development in the Caribbean*. St. Michael's: Caribbean Development Bank (CDB).

Caribbean Development Bank. 2015. *Youth are the Future: The Imperative of youth employment for sustainable development in the Caribbean*. St. Michael's, Barbados: Caribbean Development Bank (CDB).

Caribbean Development Bank. 2013. *Public Sector Debt in the Caribbean: An Agenda for Reduction and Sustainability*. St. Michael's, Barbados: Caribbean Development Bank (CDB).

Caribbean Development Bank. 2012. *Barbados Country Poverty Assessment of Living Conditions 2010: Volume 5: The Participatory Poverty Assessment (PPA) for Vulnerable Groups*. Sir Arthur Lewis Institute of Social and Economic Studies (SALISES), July 2012. Government of Barbados, National Assessment Team, and Caribbean Development Bank.

Caribbean Development Bank. 2010. "Country Poverty Assessment: Dominica: Reducing Poverty in the Face of Vulnerability". *Participatory Poverty Assessment*. Volume 2. Kairi Consultants Limited in association with National Assessment Team of Dominica, December 2010. St. Michael's, Barbados: Caribbean Development Bank (CDB).

Caribbean Development Bank. 2010. "Country Poverty Assessment: Grenada, Carriacou and Petit Martinique 2007/8". *Participatory Poverty Assessment*. Volume 2. Kairi Consultants Limited in association with National Assessment Team of Grenada). St. Michael's, Barbados: Caribbean Development Bank.

Caribbean Development Bank. 2007. "Living Conditions in Antigua & Barbuda: Poverty in a Services Economy in Transition". *Voices of the Poor*. Volume II. Kairi Consultants Limited and National Assessment Team of Antigua & Barbuda, August 2007. Michael's, Barbados: Caribbean Development Bank.

Caribbean Development Bank. 2003. *Country Poverty Assessment: Final Report. Volume 1 of 2: Main Report*. Halcrow Group Limited in association with Decision Economics, Willms and Sheir, DPU University College, London, and the National Assessment Team of Dominica, June 2003. Michael's, Barbados: Caribbean Development Bank.

Caribbean Public Health Agency (CARPHA). 2014. *Safeguarding Our Future Development: Plan of Action for Promoting Healthy Weights in Children: Prevention and Control of Childhood Obesity*. Port of Spain, Trinidad and Tobago: CARPHA.

Caribbean Regional Fisheries Mechanism. 2012. *CRFM Statistics and Information Report for 2012*. Belize: CRFM Secretariat.

CARICOM. 2011. "Model CARICOM Youth Summit: HIV/AIDS in the Caribbean". Available at http://www.caricom.org/jsp/community_organs/aids.jsp?menu=cob.

Carr R. et al. 2004. "Breaking history: Building a network of gay and other men who have sex with men (MSM) across the small islands of the Caribbean". Abstract no. WePeE6635. Poster Exhibition: The XV International AIDS Conference. Bangkok.

Central Bank of Suriname. 2015. *Suriname Country Profile: Economic and Financial Data*. Paramaribo, Suriname: Central Bank of Suriname.

Chaabani, Jad. 2009. "Costs and Benefits from Investing in Youth in CARICOM member states: A Quantitative Assessment of the Youth Development Strategy". Study prepared for the CARICOM Commission on Youth Development.

Chambers, Claudia M. 2016. "Multidimensional Progress: Taking Stock and Charting the Future". Background Paper for Caribbean Human Development Report 2016. New York: UNDP.

Chambers, Claudia M. 2016. "Perceptions of Multidimensional Progress". Background Paper for Caribbean Human Development Report 2016. New York: UNDP.

Chambers, Claudia M. 2009. *They say I have rights: an introductory qualitative analysis of Caribbean adolescents aged 10-14 years: Barbados, Belize, Guyana, Jamaica, Suriname, and the Republic of Trinidad & Tobago*. Panama City, Panama: UNICEF.

Chandarpal, Gitanjali. 2014. *Climate Change Impacts on Guyana and Current Initiatives*. Georgetown, Guyana: Office of the President, Office of Climate Change.

Chao S. 2013. "Jamaica's Effort in Improving Universal Access within Fiscal Constraints". *UNICO Studies Series 6*, January 2013. Washington D.C.: World Bank.

Charles, Henry. 2012. *Some Caribbean best practices in youth engagement*. New York: UNDP.

Cooke, R. 2002. *National Survey of Street & Working Children*. Kingston: The Child Support Unit, Ministry of Health of Jamaica.

Costanza, R, M. Hart, S. Postner, & J. Talberth. 2009. "Beyond GDP: the need for new measures of progress". *The Pardee Papers* (No 4). Boston: The Frederick S. Pardee Center for the Study of the Longer-Range Future, Boston University.

Cotlear D. (ed.). 2011. *Population Aging – Is Latin America Ready?* Washington D.C.: World Bank.

Craigwell, Roland, Delisle Worrell. 2008. "The Competitiveness of Selected Caribbean Tourism Markets". Working Paper, March 2008. Bridgetown, Barbados: Central Bank of Barbados.

Cunningham, Wendy et al. 2008. *Youth at Risk in Latin America and the Caribbean: Understanding the Causes, Realizing the Potential*. Washington D.C.: World Bank.

CVC (Caribbean Vulnerable Communities Coalition)/COIN (Centro de Orientación e Investigación Integral). 2012. "Baseline study on marginalized youth in Trinidad, Jamaica and the Dominican Republic: A report on the triangulation of quantitative and qualitative results, Santo Domingo, Dominican Republic". Santo Domingo: CVC.

Daga, Gaurav. 2014. Towards a new development paradigm: critical analysis of Gross National Happiness. Available at <https://conferences.matheo.si/event/0/contribution/62/material/paper/0.pdf>

Demas, William. 1965. *The Economics of Development in Small Countries: With Special Reference to the Caribbean*. Montreal: McGill University Press.

De Konig, J., N. de Jong. 2014. *Grenada Labour Needs Assessment*. St. George, Grenada: Government of Grenada.

Di Villarosa, Francisco. 2016. "Vulnerable Groups". Background Paper for Caribbean Human Development Report 2016. New York: UNDP.

Docquier, F. and A. Marfouq. 2004. "Measuring the International Mobility of Skilled Workers". Policy research Working Paper 3381. Washington, D.C.: World Bank.

Downes, Andrew S. 2014. "Skills Development and Job Creation: Labour market Policies for the 21st Century Caribbean". 29th Adlith Brown Memorial Lecture, April 2014. Port of Spain: Caribbean Centre for Money and Finance, UWI, St. Augustine.

Downes, Andrew S. 2016. "Address to Meet the Court Symposium". Industrial Court, Port of Spain, Trinidad and Tobago, 14 May 2016.

Ebid, Sophie. 2013. *Analysis of major practices of citizen consultation*. European Framework (E-Frame) for measuring progress. European Commission European Research Area, Seventh Framework Programme.

ECLAC (Economic Commission for Latin America and the Caribbean). 2015. *Preliminary Overview of the Economies of Latin America and the Caribbean, 2015*. Santiago de Chile: ECLAC, United Nations.

ECLAC (Economic Commission for Latin America and the Caribbean). 2015. Looking ahead after the Millennium Development Goals – Regional Monitoring Report on the Millennium Development Goals in Latin America and the Caribbean. Santiago, Chile: ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2015. "Proposal for Debt Relief Among Caribbean SIDS". Paper presented to 17th meeting of CDCC Monitoring Committee. Port of Spain: ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2013. Gender Equality Observatory for LAC. ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2014. "Confronting Violence Against Women in Latin America and the Caribbean". Annual Report 2013-2014 LC/G.2626. Santiago, Chile: ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2010. "Caribbean Synthesis Review and Appraisal Report in the Context of the 15th Anniversary of the Adoption of the Beijing Declaration and Platform for Action". ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2009. "The Impact of Financial Crisis on Women in the Caribbean". 2009a. ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2009. "A Further Study on Disability in the Caribbean: Rights, Commitment, Statistical Analysis, and Monitoring, Port of Spain, Trinidad and Tobago". 2009b. ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2008. "Socio-Demographic Analysis of Youth in the Caribbean – A Three Country Case Study, Port-of-Spain, Trinidad and Tobago". ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2007. Women's political participation and gender parity in decision-making at all levels in the Caribbean, *Gender Dialogue*". 2007a. ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2007. "No More! The right of women to live a life free of violence in Latin America and the Caribbean". 2007b. ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2006. The Girl Child and Boys in the Caribbean: Progress and Challenges". Gender Dialogue., Port of Spain, Trinidad and Tobago: ECLAC/CDCC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2003. "Eliminating Gender-Based Violence, Ensuring Equality – ECLAC/UNIFEM Regional Assessment of Actions to End Violence Against Women in the Caribbean". ECLAC.

ECLAC (Economic Commission for Latin America and the Caribbean). 2001. "Advancing Gender Equality in the Caribbean: Legislative Approaches to Sex Discrimination". ECLAC.

Edgardo, Favaro. 2012. Diversifying Productive Structures and Improving Access to Finance in the Caribbean. Caribbean Development Roundtable. Georgetown, Guyana: UNECLAC.

Ellis P. 2003. *Women, Gender and Development in the Caribbean: Reflections and Projections*. London New York and Kingston: Zed Books. 2003

Eversley, D.D. & T. Daniels. 2011. *Preliminary review of provisions on Youth Employment and Employability within Caribbean National Youth Policies*. London: Commonwealth Youth Programme Caribbean Centre, Commonwealth Secretariat.

Fernós, M.D. 2010. *National Mechanism for Gender Equality and Empowerment of Women in Latin America and the Caribbean Region*. Santiago, Chile: ECLAC.

Ferreira, Francisco H. G., Julian Messina, Jamele Rigolini, Luis F. Loípez-Calva, Maria Ana Lugo, and Renos Vakis. 2013. *Economic Mobility and the Rise of the Latin American Middle Class*. Washington, D.C.: World Bank.

Foundation for Child Development. 2012. National Child and Youth Well-Being Index (CWI) 2012.

Francis, A., G. Gibbison, A.D. Harriot and C. Kirton. 2009. *Crime and Development: The Jamaican Experience*. Kingston, Jamaica: Sir Arthur Lewis Institute of Social and Economic Studies, University of West Indies.

- FOMIN. 2014. *Building Up Business: Microenterprises demand for Credit in the Caribbean*. Washington, D.C.: Multilateral Investment Fund.
- Funaro, R. & M. Treadway. 2012. "The Skills Gap: Teens in the workforce". *IDEA*, Vol 27, January-April. IDB.
- Gayle-Geddes A. 2015. *Disability and Inequality. Socioeconomic Imperatives and Public Policy in Jamaica*. New York: Palgrave Mc Millan.
- Gayle-Geddes A. 2016. "A Situational Analysis of Persons with Disabilities in Jamaica and Trinidad and Tobago: Education and Employment Policy Imperatives" in Block P., Kasnitz D., Nishida A., Pollard N. (eds.), *Occupying Disabilities: Critical Approaches to Community, Justice, and Decolonizing Disability*. Netherlands: Springer.
- Glaeser, E. L. 2005. "Inequality". Harvard Institute of Economic Research Discussion Paper 2078. Massachusetts, USA: Harvard University.
- Goldin, N, P. Patel, & K. Perry. 2014. *The Global Youth Wellbeing Index*. Washington D.C.: Center for Strategic & International Studies and International Youth Foundation.
- Government of Barbados, Ministry of Labour. Undated. "Child Labour in Barbados". Available at <https://labour.gov.bb/child-labour>
- Government of Jamaica. 2015. National Youth Policy. Ministry of Youth and Culture. Kingston: Government of Jamaica.
- Greenidge, K. R., C. Thomas, and L. Drakes. 2012. "Threshold Effects of Sovereign Debt: Evidence from the Caribbean". IMF Working Paper WP/12/157, International Monetary Fund.
- Guyana Bureau of Statistics and UNICEF, Guyana. 2006. "Monitoring the situation of women and children, Multiple Indicator Cluster Survey 2006". Georgetown: Guyana Bureau of Statistics and UNICEF.
- Hardgrove A., K. Pells, J. Boyden and P. Dornan. 2014. "Youth Vulnerabilities in Life Transitions". UNDP Occasional Paper. New York: UNDP.
- HEART Trust-National Training Agency. 2009. *Unattached Youth in Jamaica*. Kingston: Planning & Project Development Division, HEART Trust/NTA.
- Henry, Ralph, Earl Boodhoo. 2016. "Fiscal Space". Background Paper for Caribbean Human Development Report 2016. New York: UNDP.
- Huggins J. 2009. "The Disabled in the Caribbean". *Caribbean Dialogue* Vol. 14 N. 1/2. Trinidad and Tobago: UWI.
- IFAD (International Fund for Agricultural Development). 2000. "Socio-economic and Gender Equity Aspects of the Target Group." Grenada: Rural Enterprises Project: Formulation Mission Report. Working Paper I. Rome: IFAD. Available at http://www.ifad.org/gender/learning/challenges/women/g_6_2.htm
- ILO (International Labour Office). 2014. *World Social Protection Report: Building Economic Recovery, Inclusive Development and Social Justice*. Geneva: ILO
- ILO (International Labour Office). 2008. *World of Work Report 2008*. Geneva: ILO

IMF (International Monetary Fund). 2016. *World Economic Outlook* March 2016. Washington, D.C.: IMF.

IMF (International Monetary Fund). 2013. *Caribbean Small States: Challenges of High Debt and Low Growth*.

InterAmerican Development Bank. 2016. "Crime and Violence". *Caribbean Region Quarterly Bulletin* 5, March 2016. Washington D.C.: InterAmerican Development Bank.

Jimenez, R., T. Serebrisky, J. Mercado. 2014. *Power Lost: Sizing Electricity Losses in Transmission and Distribution Systems in Latin America and the Caribbean*. Washington, D.C.: InterAmerican Development Bank.

Jules, Didacus. 2011. "TVET: A Caribbean Perspective". *The Caribbean Examiner*. Bridgetown, Barbados: Caribbean Examinations Council.

Kambell, Ellen-Rose. 2004. *Indigenous Peoples and Maroons in Suriname*. Washington, D.C.: InterAmerican Development Bank.

Laframboise, Nicole, Nkunde Mwase, Jookyu Park, Vingke Zhou. 2014. "Revisiting tourism Flows to the Caribbean: What is Driving Arrivals". Working Paper WP/14/229. Washington, D.C.: International Monetary Fund.

Lashley J.G. and D.D. Marshall. 2015. "Youth and Employment in the Caribbean". Background Paper for the UNDP Caribbean Human Development Report. UNDP.

Levitas, R., C. Pantazis, E. Fahmy, D. Gordon, E. Lloyd, D. & Patsios. 2007. The multi-dimensional analysis of social exclusion. Department for Communities and Local Government.

Legg, E.D., P.E. Oubeter and M.A.P. Wright. 2015. "Small Scale Goldmining Related Mercury Contamination in the Guianas". Report for World Wildlife Fund (WWF) Guianas. Georgetown, Guyana: WWF

Lowe, Sherwood. 2006. Situation Analysis of the Small Scale Mining sector in Guyana. Report for World Wildlife Fund (WWF) Guianas. Georgetown, Guyana: WWF.

MacLennan, Robert. 2016. "Taxes and Caribbean Tourism". *Caribbean Journal*. 24 April 2016

McAdams, R.H. 2007. "Economic Costs of Inequality". University of Chicago Law School Olin Working Paper 370.

Mann-Hamilton R. 2007. "Review of Return to Innocence: A Study of Street Children in the Caribbean" by Ronald Marshall (2003), in *Humboldt Journal of Social Relations*, Vol. 30, No. 1 (2006), pp. 178-180, at <http://www.jstor.org/stable/23263210>

Mc Bride D. and A. Mazur. 2011. "Gender Machineries Worldwide". Background Paper for the *World Development Report 2012*. Washington D.C., World Bank.

Mendoza, Patricia and Sheila Stuart. 2010. *Caribbean Millennium Development Goals*. Port of Spain: ECLAC Regional Headquarters.

Mercer-Blackman, Valerie et al. 2013. "Spill-overs of Global Shocks over Caribbean Countries". Policy Brief. Washington D.C.: Inter-American Development Bank.

- Mills H. 2015. "Help needed for street children in T&T". *Trinidad & Tobago Express*, 2 January 2015, at <http://gvnet.com/streetchildren/Trinidad&Tobago.htm>
- Mishra, Prachi (2006): Immigration and the Brain Drain: Evidence from the Caribbean. Working Paper WP/06/25, International Monetary Fund, Washington, D.C.
- Mitchell, Travis. 2015. *Debt Swaps for Climate Change Mitigation and Adaptation: A Commonwealth Proposal*. Discussion Paper 19. London: Commonwealth Secretariat.
- Mitchell, Hannah (2006): Raising the Profile of Disability in Guyana: An Agenda for Action. National Commission on Disabilities. Georgetown, Guyana.
- Moncrieffe J. 2013. "Tracer Study of Beneficiaries of Youth-targeted Social Prevention Programs – The Case of RISE in Jamaica". Discussion Paper n. IDB-DP-307. Washington DC: IDB Office of Evaluation and Oversight.
- Morlachetti A. 2015. *Current state of social protection legislation in Barbados and the Organization of Eastern Caribbean States from a human rights perspective*. Rome: FAO.
- Mulusa M. and C. Carpio. 2005. "Action Through Partnerships: The Pan-Caribbean Partnership Against HIV/AIDS (PANCAP)". *En Breve*. Washington DC: World Bank.
- Nettleford, R.M. 2004. "Re-engineering Caribbean Cultural Enterprises/Institutions: Agenda for the Future". William G. Demas Memorial Lecture. St. Michael's, Barbados: Caribbean Development Bank.
- Nopo H. 2013. *New Century, Old Disparities – Gender and Ethnic Earning Gaps in Latin America and the Caribbean*. Washington DC: IDB.
- Nowak M. 2012. "Femicide: a Global Problem, The Small Arms Survey 2012". Available at <http://www.smallarmssurvey.org/about-us/highlights/highlight-rn14.html>
- Ocampo, José Antonio, George Gray Molina, and Eduardo Ortiz-Juárez. "¿Más de lo mismo? América Latina después del boom" [More of the Same? Latin America after the Boom]. Working Paper RBLAC. New York: United Nations Development Programme (UNDP). In process.
- O'Connell T., M. Venkatesh and D. Bundy D. 2009. *Strengthening the Education Sector Response to School Health, Nutrition and HIV/AIDS in the Caribbean Region: A Rapid Survey of 13 Countries*. Washington DC: World Bank.
- OECD (Organisation for Economic Cooperation and Development). 2014. *Pensions at a Glance: Latin America and the Caribbean 2014*. Paris: OECD
- (OECS) Organisation of Eastern Caribbean States. 2002. *Human Development Report 2002*. Castries, St Lucia: OECS Secretariat.
- Orlando M.B. and J. Lundwall. 2010. "Boys at Risk: A Gender Issue in the Caribbean Requiring a Multi-Faceted and Cross-Sectoral Approach". *En Breve* N.158. Washington DC: World Bank.
- (PAHO) Pan American Health Organisation. 2015. *Situation Analysis of Adolescent Sexual and Reproductive Health and HIV in the Caribbean*. Washington D.C.: PAHO.

Parro-Torrado, M. 2014. "Youth Unemployment in the Caribbean". Caribbean Knowledge Series. Washington D.C.: World Bank.

Porter, M., S. Stern, & M. Green. 2015. *Social Progress Index 2015*. Washington D.C.: Social Progress Imperative.

Porter, M., S. Stern, & M. Green. 2014. *Social Progress Index 2014*. Washington D.C.: Social Progress Imperative.

Porter, Michael. 2015. *Social Progress: the next development agenda*. Washington D.C.: Social Progress Imperative for the World Bank.

Rawlins J. 2010. "Ageing in the Caribbean: Exploring Some Major Concerns for Family and Society". Paper for the SALISES Conference "Turmoil and Turbulence in Small Developing States: Going Beyond Survival". Port of Spain, Trinidad, 2010

Rawlins J.M., D.T. Simeon, D.D. Ramdath and D.D. Chadee. 2008. "The elderly in Trinidad: health, social and economic status and issues of loneliness" *West Indian Medical Journal*, vol. 57 n. 6, UWI, Mona, Jamaica.

Rofman R., I. Apella, and I. Vezza I. (eds.). 2015. *Beyond Contributory Pensions – Fourteen Experiences with Coverage Expansion in Latin America*. Washington DC: World Bank.

Saint Lucia Ministry of Social Transformation, Local Government and Community Empowerment and Central Statistics Office. 2014. *Saint Lucia Multiple Indicator Cluster Survey 2012: Final Report*. Castries, Saint Lucia.

Schmid K., S. Vézina and L. Ebbeson L. 2008. *Disability in the Caribbean. A study of four countries: a socio-demographic analysis of the disabled*. Port of Spain, Trinidad and Tobago: ECLAC.

Scrivens, K. and B. Iasiello. 2010. "Indicators of "Societal Progress: Lesson from International Experiences". *OECD Statistics Working Papers*, 2010/04, OECD Publishing.

Simons, R. and A. Noguera-Devers. 2004. "Producing and disseminating labour market information and regional integration processes in the Caribbean". Presented at the Caribbean Labour Market Information Conference, Trinidad & Tobago, 17-19 October.

Singh, A. and L. D. Mee. 2008. "Examination of Policies and MEA Commitment by SIDS for Sustainable Management of the Caribbean Sea". *Marine Policy* 33(3):276-282. Amsterdam: Elsevier.

Smith, Barry and Johanna Wandel. 2006. "Adaptation, Adaptive Capacity and Vulnerability". *Global Environmental Change*, 16: 282-292. Amsterdam: Elsevier.

Smith, Ransford. 2016. "Multidimensional Solutions Towards Multidimensional progress". Background Paper for Caribbean Human Development Report 2016. New York: UNDP.

Smith, Warren. 2013. "Citizen Insecurity – A Regional Dilemma Requiring a Collective Solution". Address to the Association of Caribbean Commissioners of Police. Bridgetown.

St. Bernard, Godfrey. 2003. "Major Trends Affecting Families in Central America and the Caribbean". Prepared for United Nations Division of Social Policy and Development, Department of Economic and Social Affairs Program on the Family, 23 March.

- St Catherine, E. 2013. *Analysis of the St Lucia Labour Market Needs Assessment Survey 2012*. Castries, St Lucia: Government Statistical Services,
- Stampini, Marco, Marcos Robles, Mayra Sáenz, Pablo Ibarrarán, and Nadin Medellín. 2015. *Poverty, Vulnerability and the Middle Class in Latin America*. Working paper No. 591. Washington D.C.: InterAmerican Development Bank (IDB).
- Statistical Institute of Belize and UNICEF. 2012. *Belize Multiple Indicators Cluster Survey 2011: Final Report*. Belize: SIB.
- Statistical Institute of Jamaica (STATIN) and UNICEF. 2013. *Jamaica Multiple Indicator Cluster Survey 2011*. Kingston, Jamaica: STATIN.
- Statistical Institute of Jamaica. 2014. *Labour Market Transitions of Young Men and Women in Jamaica*. Geneva: International Labour Office.
- Stern, B. & R. Balestino. 2008. *Rapid Youth Assessment in the Eastern Caribbean*. Newton, Massachusetts: Education Development Centre.
- Stiglitz, Joseph, Amartya Sen, and Jean Paul Fitoussi. 2010. *Mismeasuring our Lives: Why GDP Doesn't Add up*. New York: The New Press.
- Strobl, Eric. 2012. "The Economic Growth Impact of Natural Disasters in Developing Countries: Evidence from hurricane strikes in the Central America and Caribbean region". *Journal of Development Economics*. Amsterdam: Elsevier.
- Suriname Ministry of Social Affairs and Housing and General Bureau of Statistics. 2016. *Suriname Multiple Indicator Cluster Survey 2010*. Final Report, Paramaribo, Suriname.
- Sustainable Development Solutions Network. 2015. "Investment Needs to Achieve the Sustainable Development Goals – Understanding the Billions and Trillions". Working Paper – Revised 12 November 2015.
- Thacker, Nita, Sebastian Acevedo, Roberto Perrilli. 2012. "Caribbean Growth in an International Perspective: The Role of Tourism and Size". Working paper WP/12/235, September 2012. Washington D.C: International Monetary Fund.
- Trinidad and Tobago Ministry of Social Development, UNICEF and Central Statistical Office. 2008. *Multiple Indicator Cluster Survey 3 – 2006*. Final Report. Port-of-Spain, Trinidad and Tobago.
- Trinidad and Tobago, Ministry of Gender, Youth and Child Development, Gender Affairs Division. 2014. National Review Trinidad and Tobago in the context of the 20th anniversary of the Fourth World Conference on Women and the adoption of the Beijing Declaration and Platform for Action, Trinidad and Tobago.
- UN Department of Economic and Social Affairs. 2011. Best Practices for Including Persons With Disabilities in All Aspects of Development Efforts. UN
- UN General Assembly. 1989. Convention on the Rights of Children. Available at <http://www.ohchr.org/EN/ProfessionalInterest/Pages/CRC.aspx>

UN Women. 2011. Violence against Women Prevalence Data: Surveys by Country (updated 2011) at http://www.endvawnow.org/uploads/browser/files/vaw_prevalence_matrix_15april_2011.pdf

UNAIDS, Regional Fact Sheet 2012, available at http://www.unaids.org/sites/default/files/en/media/unaids/contentassets/documents/epidemiology/2012/gr2012/2012_FS_regional_la_caribbean_en.pdf, 2012

UNAIDS, AIDS by the Numbers, at http://www.unaids.org/sites/default/files/media_asset/JC2571_AIDS_by_the_numbers_en_1.pdf 2013.

UNCTD (United Nations Conference on Trade and Development). 2014. *The Oceans Economy: Opportunities and Challenges for Small Island Developing States*. New York and Geneva: UNCTD.

UNCTD (United Nations Conference on Trade and Development). 2014. *World Investment Report 2014*. Geneva: UNCTD.

UNCTD (United Nations Conference on Trade and Development). 2013. *Creative Economy Report 2013*. Geneva: UNCTD.

UNDP (United Nations Development Programme). 2016. Informe Regional de Desarrollo Humano para America Latina y Caribe – Progreso multidimensional: protegiendo los avances de bienestar “más allá del ingreso”, Oficina Regional para America Latina y Caribe, Panamá, 2016 (draft).

UNDP (United Nations Development Programme). 2015. *Human Development Report 2015*. New York: UNDP.

UNDP (United Nations Development Programme). 2015. UNPD_WCU2015_CP_Country Data Survey-Based.xlsx, 2015: <http://www.un.org/en/development/desa/population/publications/dataset/contraception/wcu2015.shtml>

UNDP (United Nations Development Programme). 2014. *Human Development Report*. New York: UNDP.

UNDP (United Nations Development Programme). 2013. *Human Development Report 2013. The Rise of the South: Human Progress in a Diverse World*. New York: UNDP.

UNDP (United Nations Development Programme). 2012. “Human Development and the Shift to Better Citizen Security”. *Caribbean Human Development Report 2012*. New York: UNDP.

UNDP (United Nations Development Programme). 2012. *Caribbean Human Development Report*. New York: UNDP.

UNDP (United Nations Development Programme). 2010. Achieving the Millennium Development Goals with Equality in Latin America and the Caribbean: Progress and Challenges. New York: UNDP.

UNDP (United Nations Development Programme). 1990. *Human Development Report*. New York: UNDP

UNDP (United Nations Development Programme). 1990. *Human Development Report: Concept and Measurement of Human Development*. New York: Oxford University Press

UNDP and UNEP (United Nations Development Programme and United Nations Environment Programme). 2015. *Mainstreaming Environment and Climate for Poverty Reduction and Sustainable Development: A Handbook to Strengthen Planning and Budgeting Processes*. UNDP/UNEP. Second edition.

- UNECLAC. 2010. Caribbean Synthesis Review and Appraisal Report in the context of the 15th Anniversary of the Beijing Declaration and platform for Action.
- UNECLAC. 2011. Availability, Collection and Use of Data on Disability in the Caribbean Sub-Region.
- UNEP (United Nations Environment Programme). 2010. Latin America and the Caribbean Environment Outlook.
- UNEP and SOPAC (United Nations Environment Programme and South Pacific Applied Geo- Science Commission. 2005. *Building Resilience in SIDS: The Environmental Vulnerability Index*. Nairobi and Suva: UNEP/SOPAC.
- UNFPA (United Nations Fund for Population Activities). 2016. Country Profile: Jamaica. Available at <http://caribbean.unfpa.org/public/Home/Countries/Jamaica>, Feb 10 2016
- UNFPA (United Nations Fund for Population Activities). 2014. *The State of the World Population 2014*. New York: UNFPA.
- UNICEF (United Nations Children's Fund). 2012. *Views on Juvenile Offending in Barbados, Dominica and St. Lucia*. Report on National Surveys Conducted during August-November 2010. Barbados: UNICEF.
- UNICEF (United Nations Children's Fund). 2006. *Violence Against Children in the Caribbean Region: Regional Assessment*. New York: UNICEF.
- UNICEF (United Nations Children's Fund). 2006. A Study of Child Vulnerability in Barbados, St. Lucia and St. Vincent & The Grenadines. Christ Church, Barbados: UNICEF. 2006a
- UNICEF (United Nations Children's Fund). 2006. *Violence Against Children in the Caribbean Region Regional Assessment*. Panama: UNICEF Regional Office for Latin America and the Caribbean. 2006b
- UNICEF (United Nations Children's Fund). Child Labour Database – <http://data.unicef.org/child-protection/child-labour.html>
- United Nations Food and Agriculture Organisation. 2015. Forest Resources Assessment
- UNODC. (United Nations Office on Drugs and Crime). 2009. Global Report on Trafficking in Persons.
- UNODC (United Nations Office on Drugs and Crime). 2009. *World Drugs Report*. New York.
- United Nations. 2015. “Transforming our World: the 2030 Agenda for Sustainable Development” (A/Res/70/1).
- United Nations. 2015. *Report of the Secretary General – United Nations Decade of Sustainable Energy for All* (A/70/422). New York: UN.
- United Nations. 2015. “Resolution approved by the General Assembly on 25 September 2015” [online]. A/RES/70/1. 21 October. Available at: <http://www.un.org/es/comun/docs/?symbol=A/RES/70/1>.
- United Nations. 2014. “Accelerated Modalities of Action (SAMOA Pathway)”. Outcome Document of the Third International Conference on SIDS, Apia.

United Nations. 2014. "The Road to Dignity by 2030: Ending Poverty, Transforming all Lives and Protecting the Planet". Synthesis Report of the Secretary General on the post-2015 Sustainable development Agenda (A/69/700), New York: UN.

University of Queensland et al. 2015. Reviving the Ocean Economy: The Case for Action, St. Lucia, Australia.

UN Post. 2010. High Cost of Youth Risky Behavior, at <http://www.unpost.org/high-cost-of-youth-risky-behavior>

U.S. Department of Labor. 2012. Findings on the Worst Forms of Child Labour. Available at <https://www.dol.gov/ilab/reports/child-labor/findings/2012TDA/jamaica.pdf>

U.S. Department of Labor, Bureau of International Labor Affairs, 2007.

USAID. 2011. HIV/AIDS Health Profile – Caribbean, 2011a. Available at http://pdf.usaid.gov/pdf_docs/pdacu642.pdf

USAID. 2011. Men Who Have Sex with Men and HIV in the Anglophone Caribbean: A Situation Review, 2011b. Available at http://pdf.usaid.gov/pdf_docs/pnaea607.pdf

Waring, Marilyn, et al. 2013. *Anticipatory Social Protection – Claiming Dignity and Rights*. London: Commonwealth Secretariat.

WHO. 2015. Trends in Maternal Mortality: 1990 to 2015 – Estimates by WHO, UNICEF, UNFPA, World Bank Group, and the United Nations Population Division. Geneva; WHO.

WHO-World Bank. 2011. World Report on Disability. Geneva: WHO.

Williams, Asha, et al. 2013. *Tailoring Social Protection to Small Island Developing States – Lessons Learned from the Caribbean*. Washington D.C.: World Bank.

Williams A., T. Cheston, A. Coudouel and L. Subran. 2013. *Tailoring Social Protection to Small Island Developing States*, Washington D.C. World Bank.

Williams, Robert Crane. 2014. *Development Strategies for the Information and Communications Technology Sector in the Caribbean: A Global Perspective*. Port of Spain: ECLAC Sub-regional Headquarters.

Wiltshire, Rosina. 2015. "Towards a Caribbean Multi-Country Assessment: A Base Document for Stakeholder and Partner Consultations". New York: UNDP. Final Draft.

World Bank. 2016. *Doing Business 2015*.

World Bank. 2014. Resilient Coastal Cities: The Economic, Social and Environmental Dimensions of Risk in Moving reforms in the Caribbean. Washington D.C.: world Bank.

World Bank. 2014. Youth Unemployment in the Caribbean in Making Reforms Work in the Caribbean. Washington D.C.: World Bank.

World Bank. 2013. World Development Indicators 2013.

World Bank. 2012. "MDGs 4 and 5: Maternal and Child Health/Reproductive Health in LAC". *En Breve*. Washington DC: World Bank. 2012a

- World Bank. 2012. "Teenage Pregnancy and Opportunities in Latin America and the Caribbean – on Teenage Fertility Decisions, Poverty and Economic Achievement". Washington D.C.: World Bank. 2012b
- World Bank. 2010. "Strengthening Caribbean Pensions - Improving Equity and Sustainability". Washington DC: World Bank.
- World Bank. 2008. "HIV in the Caribbean: a Systematic Data Review 2003-2008", Washington DC, 2008a, Available at <http://documents.worldbank.org/curated/en/2008/01/16461308/hiv-caribbean-systematic-data-review-2003-2008>.
- World Bank. 2008. "Strengthening the Education Sector Response to HIV/AIDS in the Caribbean", Washington DC: World Bank. 2008b
- World Bank. 2007. "Crime, Violence and Development: Trends, Costs, and Policy Options in the Caribbean". A joint report by UNODC and the LAC Region of the World Bank. Washington DC: World Bank.
- World Bank. 2004. *The Road to Sustained Growth in Jamaica*. Washington D.C.: World Bank.
- World Bank. 2003. "Monitoring Educational Performance in the Caribbean". Washington DC: World Bank. 2003a.
- World Bank. 2003. "Caribbean Youth Development – Issues and Policy Directions". Washington DC World Bank. 2003b.
- World Bank. 2002. "A Review of Gender Issues in the Dominican Republic, Haiti and Jamaica." Washington DC: World Bank.
- World Bank. 2001. HIV/AIDS in the Caribbean – Issues and Options. Washington D.C. World Bank.
- World Bank Country Database available at <http://data.worldbank.org/country>
- World Bank Gender Statistics available <http://data.worldbank.org/data-catalog/gender-statistics>
- World Bank World Development Indicators: Children at Work <http://wdi.worldbank.org/table/2.6>
- World Bank and United Nations Office on Drugs and Crime. 2007. *Crime, Violence and Development: Trends, Costs and Policy Options in the Caribbean*. Washington D.C.: World Bank/UNODC.
- World Economic Forum. 2015. Global Competitiveness Report 2015-2016.
- World Health Organisation. 2015. Global Health Observatory.
- World Health Organisation. 2011. Global School-Based Student Health Survey.
- World Resources Institute. 2013. Climate Change Challenges for the Commonwealth. (Unpublished).
- Worldwatch Institute. 2014. Renewables Global Status Report 2014.
- Worldwatch Institute. 2015. Renewables Global Status Report 2015.

World Values Survey Site. 2014. Available at <http://www.worldvaluessurvey.org/wvs.jsp>.

Worrell, DeLisle et al. 2015. Fiscal Sustainability and Debt in Small Open Economies: An Application to the Caribbean. Caribbean Centre for Money and Finance, St Augustine, Trinidad and Tobago.

Notes

Foreword

- ¹ Source for data in this paragraph is OECD 2014: Looking at social protection globally in the OECD and in the Asia/Pacific region. <http://www.oecd-ilibrary.org/docserver/download/8114171ec006.pdf?expires=1470432160&id=id&acname=guest&checksum=03B09A5CBCCB01FFFAA4CB-C11E53CB3B>
- ² Source for data in this paragraph is ECLAC 2015: The Caribbean and the post-2015 sustainable development agenda. <https://unite.un.org/events/sites/unite.un.org.events/files/Final%20Paper%20on%20SDGs%20for%20the%20Caribbean.pdf>

Executive Summary

- ¹ All data on poverty taken from CARICOM's Regional Statistical Database on Caribbean-Specific Millennium Development Goals Indicators for Caribbean Countries, except for more recent data relating to Haiti and Jamaica, which were accessed on the World Bank's database. Unemployment data for 2015 taken from CDB's 2015 Economic Review and Forecast for 2016, all other from CARICOM Regional Statistical Database – which notes that several countries conduct regular Labour Force Surveys, while others do ad hoc surveys, or the data are derived from Country Poverty Assessments, Household Budget Surveys or the Census. It is also noted that Grenada relaxes the criterion of 'actively seeking work' in defining employment.
- ² Data consulted from the EM-DAT database: OFDA/CRED International Disaster Database (Guha-Sapir, Below and Hoyois, 2015).
- ³ Broadly, the age group 15-29 is considered here as youth. However, the focus shifts among different age groups according to specific issues: 15-29 is the age group usually considered in crime statistics, whereas the age group for secondary school is 12-17 and for tertiary education 18-21 (besides over-aged and under-aged students for both educational levels).
- ⁴ Target 12.c related to sustainable consumption and production patterns calls for: "Rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring

taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities" (UN 2015).

Chapter 1

- ¹ To consult the resolution, please see United Nations (2015).
- ² A notable early Caribbean work on the structural features of small states is William Demas' *The Economics of Development in Small Countries: With Special Reference to the Caribbean*, McGill University Press, 1965. The environmental vulnerability of small states has been covered extensively in the literature – though, reflecting lagging global awareness of environmental issues, generally dating from a later period than is the case with structural vulnerability. See, for example, *A Future for Small States: Overcoming Vulnerability* (Chapters 7 & 8), Commonwealth Secretariat, 1997, and the Intergovernmental Panel on Climate Change (2007), "Small Islands: Impact, Adaptation, Vulnerability". Contribution of Working Group II to the Fourth Assessment Report, Geneva.
- ³ The EVI contributes to the United Nations' Committee on Development Planning (CDP) determination of the eligibility of countries for LDC status by measuring their vulnerability to exogenous economic and environmental shocks. LDC status is determined by income (GNI per capita), human assets index (covering health, education and nutrition) and economic vulnerability, measured by differentially weighted sub-indices which include remoteness, share of population in low elevated coastal zones, and victims of natural disasters.
- ⁴ For further details see the Barbados Programme of Action for the Sustainable Development of SIDS (BPOA), 14 point programme adopted by the United Nations Global Conference on the Sustainable Development of Small Island Developing States, 25 April to 6 May 1994.
- ⁵ Among the indexes developed over the past decade is the World Risk Index. Produced by the United Nations University Institute for Environment and Human Security (UNU—EHS) it is an invaluable resource for evaluating the interactions between exposure to natural hazards and climate change on the one hand, and factors of social vulnerability (such as levels of poverty, education,

food security and governance) on the other. For further details, see Institute of Hazard, Risk and Resilience blog at <http://ihrrblog.org/2011/09/26/2011-un-world-risk-index/>

⁶ See The Intergovernmental Panel on Climate Change (2007), "Small Islands: Impact, Adaptation, Vulnerability". Contribution of Working Group II to the Fourth Assessment Report, Geneva.

⁷ See Smit, Barry and Johanna Wandel (2006), "Adaptation, Adaptive Capacity and Vulnerability", Global Environmental Change, March p. 286.

⁸ Forum on the Future of the Caribbean, Port of Spain, May 5–7, 2015.

⁹ See Angeon, Valerie and Samuel Bate (2015), "The Vulnerability and Resilience of SIDS: Towards Disruptive Thinking and New Methodological Assessments".

¹⁰ More information can be found in United Nations Development Programme, Human Development Report 2014, pg. 23.

¹¹ Ibid., pg. 19.

¹² Ibid., pg. 16.

¹³ All data on poverty taken from CARICOM's Regional Statistical Database on Caribbean-Specific Millennium Development Goals Indicators for Caribbean Countries, except for more recent data relating to Haiti and Jamaica, which were accessed from the World Bank's database. Unemployment data for 2015 taken from CDB's 2015 Economic Review and Forecast for 2016, all others from the CARICOM Regional Statistical Database – which notes that several countries conduct regular Labour Force Surveys, while others do ad hoc surveys, or the data are derived from Country Poverty Assessments, Household Budget Surveys or the Census. It is also noted that Grenada relaxes the criterion of 'actively seeking work' in defining employment.

¹⁴ For further information, see ILO, World Social Protection Report – Building Economic Recovery, Inclusive Development and Social Justice 2014/2015, pgs.297 and 303-304.

¹⁵ Ibid.

¹⁶ Tabulated from UNCTAD statistical database.

¹⁷ Consult the Caribbean Community Energy Policy for more detailed information at https://issuu.com/caricomorg/docs/caribbean_community_energy_policy.

¹⁸ UNDP data indicates that there are 224,200 million 'vulnerable' people in Latin America and the Caribbean, people who are neither poor – i.e. living below a US\$4 a day poverty line - nor have joined the middle classes – above a US\$10 a day threshold. UNDP's Regional Human Development Report estimates that between 25 to 30 million people are at risk of falling back into poverty in the near future.

¹⁹ The unprecedented achievements attributable to the MDGs are

provided in detail in the 2015 Millennium Development Goals Report. They include lifting more than 1 billion people out of poverty, reducing hunger, making huge strides towards achieving universal primary education and eliminating gender disparity in primary and secondary education, major gains in reducing – by more than half – the incidence of child mortality and saving millions of lives as a result of measures to combat HIV/AIDS, Malaria and other diseases. See The Millennium Development Goals Report, United Nations 2015.

²⁰ See Mendoza, Patricia and Sheila Stuart (2010), Caribbean Millennium Development Goals Report, ECLAC Sub-regional Headquarters.

²¹ Maternal mortality in the Caribbean has fallen from 300 per 100,000 live births in 1990 to 190 in 2013 – a fall of 36 percent – but significantly off track with regard to meeting the MDG target of reduction by three-quarters by 2015. In regard to gender equality and empowering women, certain indices such as female unemployment rates, political representation in Parliaments by women, and survey data on intimate partner and non-partner violence against women find the Caribbean faring poorly by comparison either with the Latin American and Caribbean region as a whole or with some of the other regions. See for example, 'Global and Regional Estimates of Violence against Women: Prevalence and Health Effects of Intimate Partners Violence and Non-Partner Sexual Violence', World Health Organisation (2013).

²² See Economic Commission for Latin America and the Caribbean (ECLAC), Latin America and the Caribbean: Looking Ahead After the Millennium Development Goals, Regional Monitoring Report on the Millennium Development Goals in Latin America and the Caribbean, 2015 (LC/G.2646), Santiago, Chile, 2015

²³ Noted in this regard is the project on Multidimensional Approaches to Poverty Reduction launched in May 2015 to ascertain the extent and to reduce multidimensional poverty in OECS countries: Antigua & Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines. The project involves collaboration among the OECS Commission, the United Nations Development Programme (UNDP), and the Government of Chile.

²⁴ For further information, see the Preamble to Transforming our World: the 2030 Agenda for Sustainable Development

²⁵ Thirty-fifth Regular Meeting of the Conference of Heads of Government of the Caribbean Community, 1–4 July 2014: CARICOM Declaration on the International Development Agenda Post 2015.

²⁶ Aspects of crime and security, and of governance, are addressed under Goal 16 – Promote Peaceful and Inclusive Societies for Sustainable Development, Provide Access to Justice for All and Build Effective, Accountable and Inclusive Institutions at all Levels – and its targets; debt sustainability under Goal 17 – Strengthen the Means of Implementation and Revitalize the Global Partnership for Sustainable Development, target 17.4.

²⁷ See the World Investment Report (2014), ‘Investing in the SDGs’, UNCTAD, Geneva.

²⁸ Intergovernmental Committee of Experts on Sustainable Development Financing Report, A/69/315*, pg.8.

²⁹ Launched in 2012, the SDSN promotes solutions to critical sustainable development issues by bringing together under a collaborative umbrella experts and practitioners from academia, science, civil society, business, government and international organisations.

³⁰ The SDSN study translates the 17 SDGs into eight ‘SDG investment areas’: (i) health, (ii) education, (iii) social protection, (iv) food security and sustainable agriculture, (v) infrastructure, (vi) ecosystems services and biodiversity, (vii) data for the SDGs, and (viii) emergency response and humanitarian work. Investment for climate change adaptation and mitigation were integrated into each SDG investment area. There are a number of caveats. The quality of the assessment of needs varies considerably, being strongest in the social sectors, weakest for the environment, infrastructure, agriculture and food security, and yet to be undertaken for social protection. The study notes that since infrastructure, in areas such as energy, water and sanitation, and transport and telecommunications accounts for the vast majority of total investment needs, lack of robustness in this area is especially problematic.

³¹ Sustainable Development Solutions Network, “Investment Needs To Achieve the Sustainable Development Goals – Understanding the Billions and Trillions” (SDSN Working Paper - Revised) 12 November, 2015, pg. 124. Among the projections informing this finding is that of an annual average GDP growth rate of 8 and 7 per cent, respectively, for low income and lower middle income countries between 2014 and 2030.

³² Belize, Dominica, Grenada, Jamaica, St. Lucia, St. Vincent and the Grenadines, and Suriname are classified by the World Bank as upper middle income countries. The remaining members of the Caribbean Community – Antigua and Barbuda, The Bahamas, Barbados, St. Kitts and Nevis and Trinidad and Tobago – are classified as high income.

³³ Sustainable Development Solutions Network Working Paper, pg.124.

³⁴ To consult the resolution, please see United Nations (2015).

“vulnerable to”, and refers to outcomes of vulnerability) from risk factors (which are the determinants of vulnerability outcomes threatening living standards). In the text, instead of “determinant” we shall use the term “risk factor” as opposed to “protective factor”. The advantage of using such terminology lies in the relevance of protective factors in policies addressing vulnerability.

³⁶ High youth unemployment and low school-to-work transition are also major issues faced by Caribbean countries. They are addressed specifically in chapter 2 of the Report.

³⁷ Annicia Gayle-Geddes, personal communication.

³⁸ Following the definition in World Bank Gender Statistics, in this chapter Caribbean Small States (CSS) include: Antigua and Barbuda, The Bahamas, Barbados, Belize, Guyana, Suriname, Dominica, Grenada, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago.

³⁹ Caribbean countries show very high rates of female-headed households, even for developing countries’ standards; in five countries over 40 percent of households are female-headed (Antigua and Barbuda, Barbados, Grenada, Saint Kitts and Nevis, Saint Lucia); in four countries, the figure is between 36.9-39.5 percent (The Bahamas, Dominica, Jamaica, Montserrat, St. Vincent and Grenadines); and in four countries, between 20.9-28.7 percent (Belize, British Virgin Islands, Guyana, Trinidad and Tobago) (Ellis 2003)

⁴⁰ CSS figures for 2013 are as follows: (i) gross secondary school enrollment 88.6 percent girls and 81.9 percent boys; (ii) lower secondary completion rate 84.3 percent girls and 79.3 percent boys; (iii) gross tertiary school enrollment 30.3 percent girls and 14.8 percent boys (World Bank Gender Statistics).

⁴¹ Data on violence against women are scarce, because of women victims' reluctance to register the aggression and due to poor data collection and management (ECLAC, 2014), including lack of coordination among reliable data sources such as health services, legal system, police etc. (ECLAC, 2007b).

⁴² Broadening the perspective to LAC as a whole, data from Bolivia, Colombia, Peru and the Dominican Republic, indicate that lack of women's access to independent income rather than household income per se is key to women's vulnerability to violence (ECLAC 2007b); low educational level is a relevant factor too (*ibid.*).

⁴³ “Age at first union” means the age a woman first joins a partner (marriage, consensual relationship) to form a family.

⁴⁴ The highest incidence of femicide is registered in Barbados with 2.1/100,000, followed by Dominica with 1.4/100,000, Grenada and St. Vincent and Grenadines with 0.9/100,000, Suriname with 0.6/100,000, Jamaica and Trinidad and Tobago with 0.3/100,000, whilst St. Lucia shows zero cases. Source: ECLAC, Gender Equality Observatory for LAC, 2013, latest data available. (ECLAC, 2014).

⁴⁵ The definition of the Lesser Antilles usually includes the sovereign states of Antigua and Barbuda, Barbados, Dominica, Grenada,

Chapter 2

³⁵ The notion of risk factor comes from epidemiology, where a risk factor is a variable associated with an increased risk of disease. In epidemiology, the term risk factor is synonymous with determinant. Similarly, we consider the risk factors, or determinants, of an increased risk of threat to living standards (although in our case correlations are hardly as linear or neat as in epidemiology). Therefore, it is important to distinguish risks (“at risk of” is synonymous with

St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago and several non-sovereign territories.

⁴⁶ Several surveys, quoted in Bott et al. (2013). For the purpose of comparison, in 19 countries across the religious and cultural spectra (e.g. Rwanda, India, South Africa, China, Egypt, Iraq, Nigeria, Peru, the Philippines and Uzbekistan among others), one-third or more of women agree with wife-beating (World Values Survey Site, <http://www.worldvaluessurvey.org/wvs.jsp>)

⁴⁷ Several surveys, quoted in Bott et al. (2013). Positive answers for either question are counted.

⁴⁸ This proportion tends to be common in LAC. For instance, if we consider the highest and lowest figures among surveyed countries, we observe that in El Salvador 65.5 percent of women seek help from family/friends and 36 percent from institutions; the same percentages are, respectively, 29.3 percent-18.9 percent in Honduras (Bott et al., 2013).

⁴⁹ Efforts to improve gender-based data management are underway in Jamaica in the areas of “gender and governance; human trafficking for sexual exploitation and forced labour; women in local government; employment and migration; sexual harassment and women’s rights in power and decision-making” (ECLAC, 2010), including new issues such as abortion and women in CARICOM (*ibid.*).

⁵⁰ Including issues that have not been addressed earlier on but that can be relevant for women’s vulnerability, such as women’s rights about property, maintenance of children born out of wedlock and in case of divorce or separation, mainly in Belize, Barbados and Jamaica (ECLAC, 2010).

⁵¹ According to 1990s data, in LAC women workers who are victims of physical violence and victims of sexual and/or psychological violence earned respectively 40 percent and 50 percent less than women who did not suffer these types of violence (ECLAC 2007b).

⁵² Broadly, the age group 15-29 is considered here as youth. However, the focus shifts among different age groups according to specific issues: 15-29 is the age group usually considered in crime statistics, whereas the age group for secondary school is 12-17 and for tertiary education 18-21 (besides over-aged and under-aged students for both educational levels).

⁵³ “In juvenile cases, a ‘status offence’ involves conduct that would not be a crime if it was committed by an adult – in other words, the actions are considered to be a violation of the law only because of the youth’s status as a minor (typically anyone under 18 years of age). Common examples of status offences include underage drinking, skipping school, and violating a local curfew law”. <http://www.nolo.com/legal-encyclopedia/juvenile-law-status-offenses-32227.html>

⁵⁴ The countries are Antigua and Barbuda, St. Kitts and Nevis, The Bahamas, Barbados, British Virgin Islands, Dominica, Grenada, Guyana, Jamaica and St. Lucia. Other sources also quoted in UNDP (2012) indicate a lower gang membership in Jamaica, between 6-6.4 percent.

⁵⁵ Antigua and Barbuda, Barbados, Guyana, Jamaica, St. Lucia, Suriname and Trinidad and Tobago.

⁵⁶ Dominant cultural values and norms that tolerate violence and corporal punishment, alcohol and drug abuse, early sexual initiation and sexual abuse should be reversed through media campaigns and social media.

⁵⁷ See also UNDP (2012), World Bank (2003b), World Bank (2007), ECLAC (2008), Cunningham et al. (2008), Orlando and Ludwall (2010).

⁵⁸ See Batavia et al. (2015), “The Financial Vulnerability of People with Disabilities: Assessing Poverty Risks”, *Journal of Sociology and Social Welfare*.

⁵⁹ The fertility ratio (number of births per woman) decreased in CSS from 4.8 in 1970 to 2.7 in 1990 and 2.16 in 2013; life expectancy at birth was 65.3 years in 1970, 68.8 years in 1990 and 72 in 2013 (World Bank Gender Statistics). Illustratively, average household size data in Jamaica was 4.3 in the early 1970s and 3.4 in the early 2000s; in St. Lucia, it was respectively 4.6 and 3.2 in the same period (<http://www.un.org/esa/socdev/family/Publications/mtst-btables.pdf>).

⁶⁰ The pension system in the Caribbean shows several weaknesses, such as weak portability (the effects of which are exacerbated by the high rate of migration among Caribbean countries), low predictability of contribution and benefit levels, rising costs of civil service pensions and sustainability of pension schemes over time. Specifically, the predictability of benefits is meant to be relevant to make consumption affordable and mitigate poverty in retirement (World Bank, 2010).

⁶¹ With the notable exception of East Indian families in Trinidad and Guyana, whose size keeps being large (Rawlins 2010).

⁶² It must be stressed that living with siblings does not necessarily bring about emotional support to old people. One-third of the elderly in Trinidad report feeling lonely – more men than women – although just 16 percent actually live alone (Rawlins, 2010).

⁶³ Both older men and younger women are less aware than older women of the Jamaican National Health Fund Card programme providing universal health care coverage (Chao, 2013).

⁶⁴ Diabetes, asthma, cardiac diseases, arthritis, glaucoma, mental depression, high blood pressure, benign prostatic hyperplasia (enlarged prostate), epilepsy, hypercholesterolemia, Parkinson’s disease, and thyroid diseases (Rofman et al., 2015).

⁶⁵ See the United Nations Convention on the Right of Persons with Disabilities (2007)

⁶⁶ Malnutrition, noninfectious diseases, congenital diseases, accidents/trauma/war, infectious diseases, and aging are the main causes of disability globally (Gayle-Geddes, 2015: 9).

⁶⁷ Gayle-Geddes, personal communication.

Chapter 4

⁶⁸ Data on disabilities in the Caribbean are scarce. In addition, information on disabilities associated to mental illnesses and HIV are likely to be underreported because of fear of stigma. Moreover, places like old age homes, hospitals and rehabilitative centres (where many disabled people are likely to be found) are not surveyed in censuses, and census interviewers are not specifically trained on disability-related questions – both factors make data on disabilities even less reliable (ECLAC, 2009b)

⁸⁴ Large Marine Ecosystems (LMEs) are regions of the world's oceans, encompassing coastal areas from river basins and estuaries to the seaward boundaries of continental shelves and the outer margins of the major ocean current systems, and/or occupying semi-enclosed seas. The LME concept was developed by the US National Oceanic and Atmospheric Administration (NOAA) as a meaningful geospatial unit for the implementation of an ecosystem-based management (EBM) approach. Due to the transboundary nature of many LMEs, their adoption as a management unit generally requires inter-national coordination and collaboration. The semi-enclosed Caribbean Large Marine Ecosystem³ (CLME; 3.3 million km²) is a distinct ecological region, bounded to the north by The Bahamas and the Florida Keys, to the East by the Windward Islands, to the South by the South American continent, and to the West by the Central American isthmus. The CLME largely corresponds to the boundaries of the Caribbean Sea, the second largest sea in the world. It is an ecosystem with overall moderate productivity rates that show considerable variability over space and time. The North-Brazil Shelf Large Marine Ecosystem 4 (NBSLME; 1.1 million km²), of which Guyana and Suriname are part, extends along North-Eastern South America from the boundary with the Caribbean Sea in the NW to its southern limit near the Parnaiba River estuary in Brazil. High volumes of water and nutrients from terrestrial river basins in South America – including the Amazon and Orinoco basins- are transported by the North Brazil Current through this LME, into the Caribbean Sea. (UNDP/GEF, 2015).

⁸⁵ Halpern et al. (2012) developed the Ocean Health Index, an indicator-based assessment of all Exclusive Economic Zones (EEZ) and high seas of the world. Combining indicators on water pollution and water a “Clean Waters” score was calculated. The results show that, with 100 being the best score, EEZ in the Caribbean, Mesoamerica and South America had an average score of 55.13, 63.88 and 68.36, respectively. According to this study, the “cleanest” marine area in LAC is the South Pacific coast.

⁸⁶ In 2015, drought warnings were issued for Antigua and Barbuda, Barbados, Dominica, northern Guyana, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Trinidad and Tobago and northern Suriname.

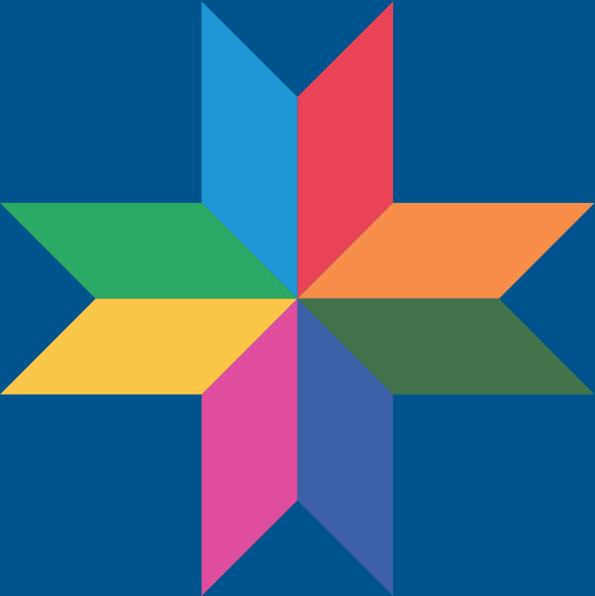
⁸⁷ The INDCs are converted into NDCs and are legally binding commitments once the countries formally join the Paris Agreement and this enters into force. As of July 2016, Caribbean countries have been at the forefront of ratifying this agreement, with 6 out of 18 countries globally. The Paris Agreement enters into force once 55 countries representing at least 55 percent of global greenhouse emissions have ratified or accepted it at the national level.

Chapter 5

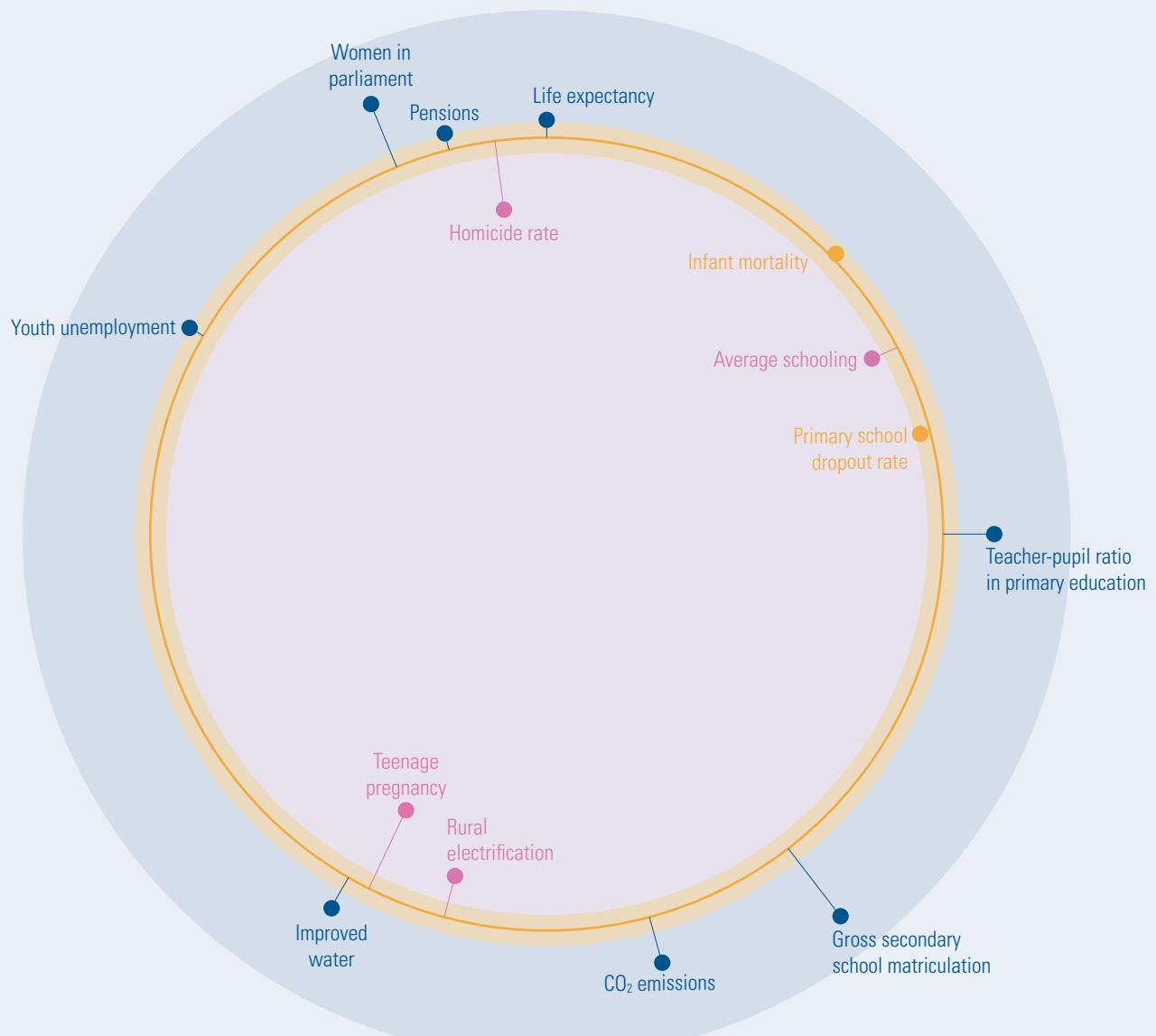
⁸⁸ Future Humanitarian Financing, What is risk financing? <http://eird.org/cd/recovery-planning/docs/6-handouts-for-printing/14-Financing-Recovery.pdf>



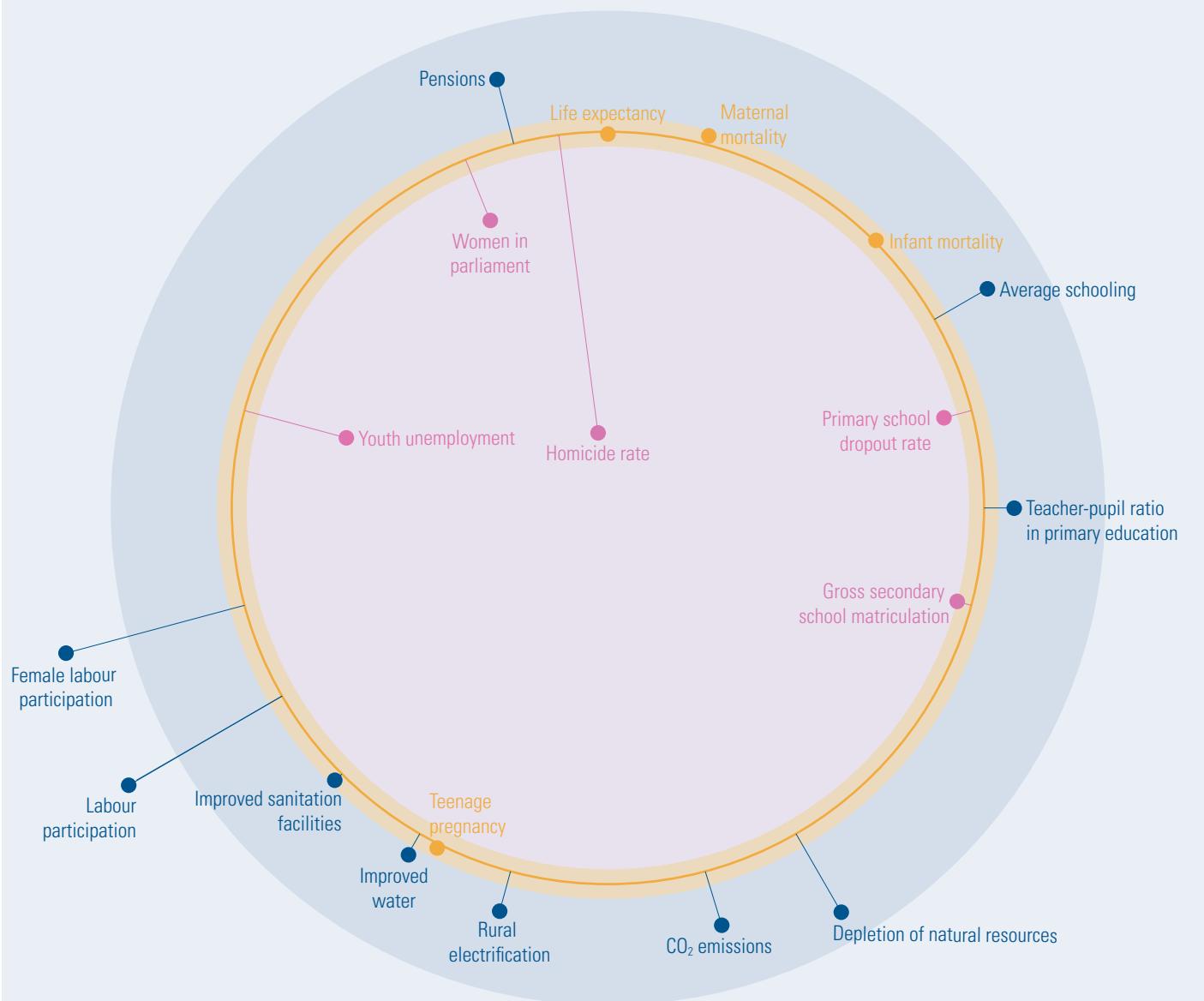
Annexes



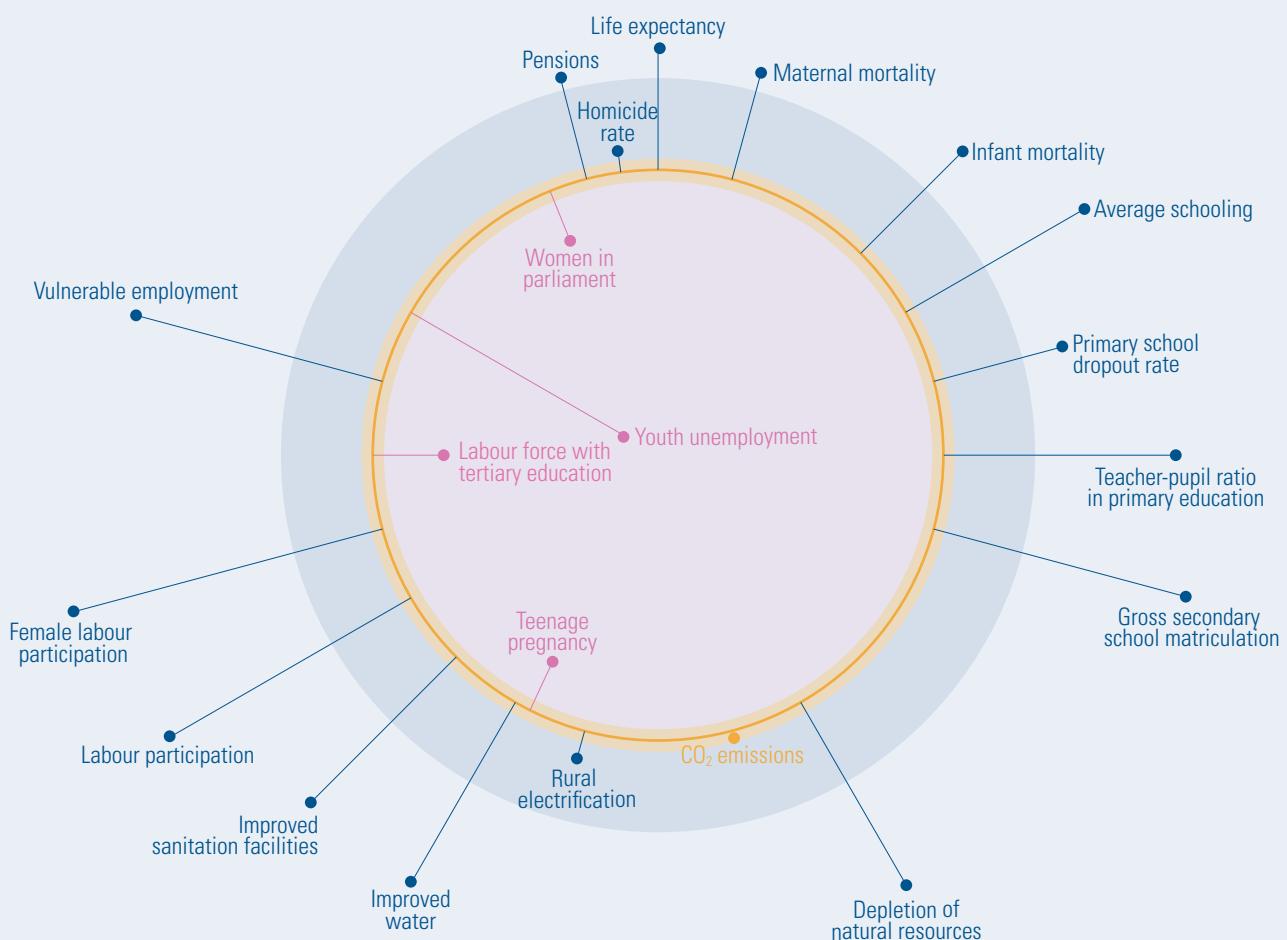
Achievements in multiple dimensions of wellbeing in Antigua and Barbuda are undervalued by the gross national income



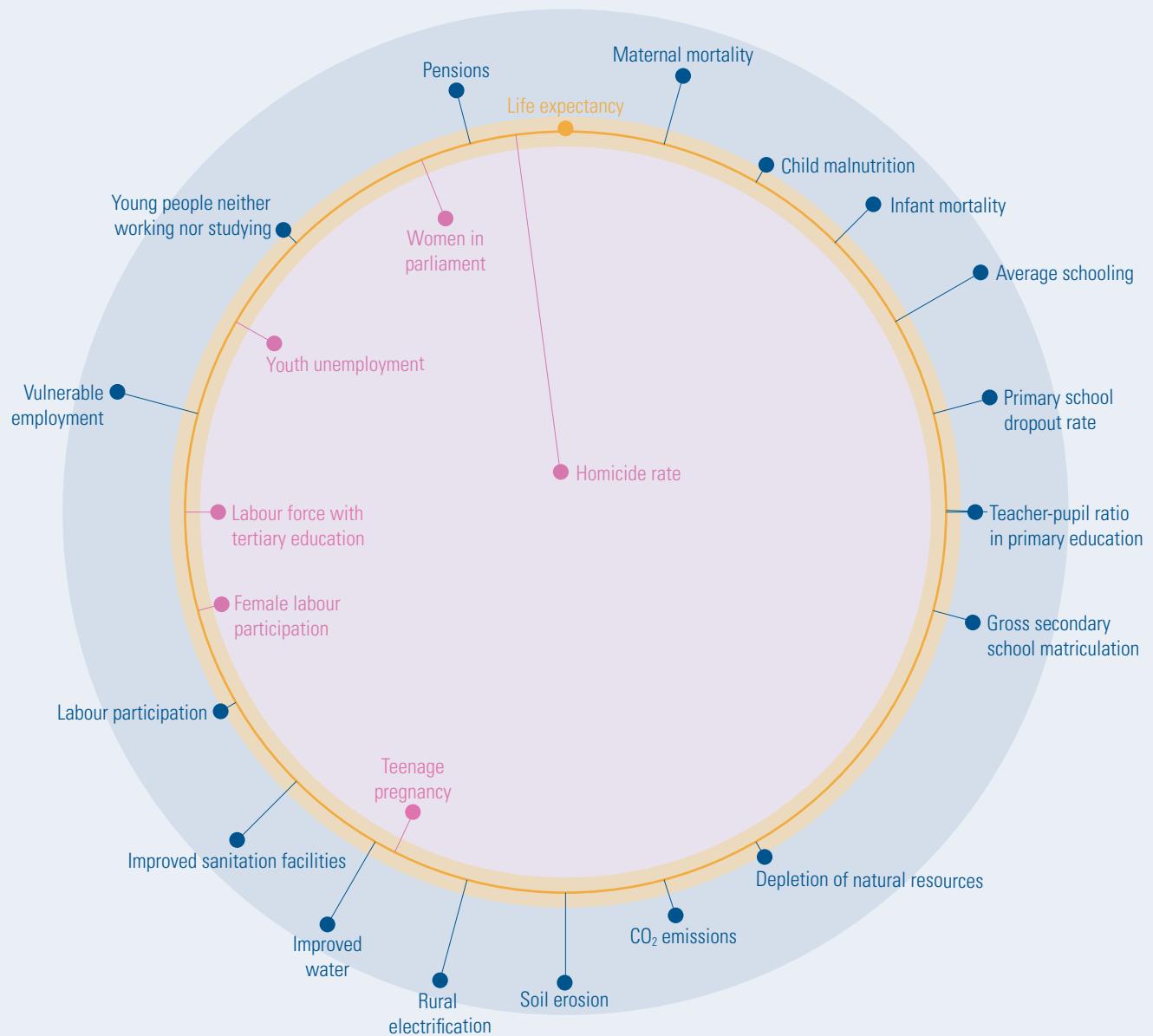
Achievements in multiple dimensions of wellbeing in The Bahamas are undervalued by the gross national income



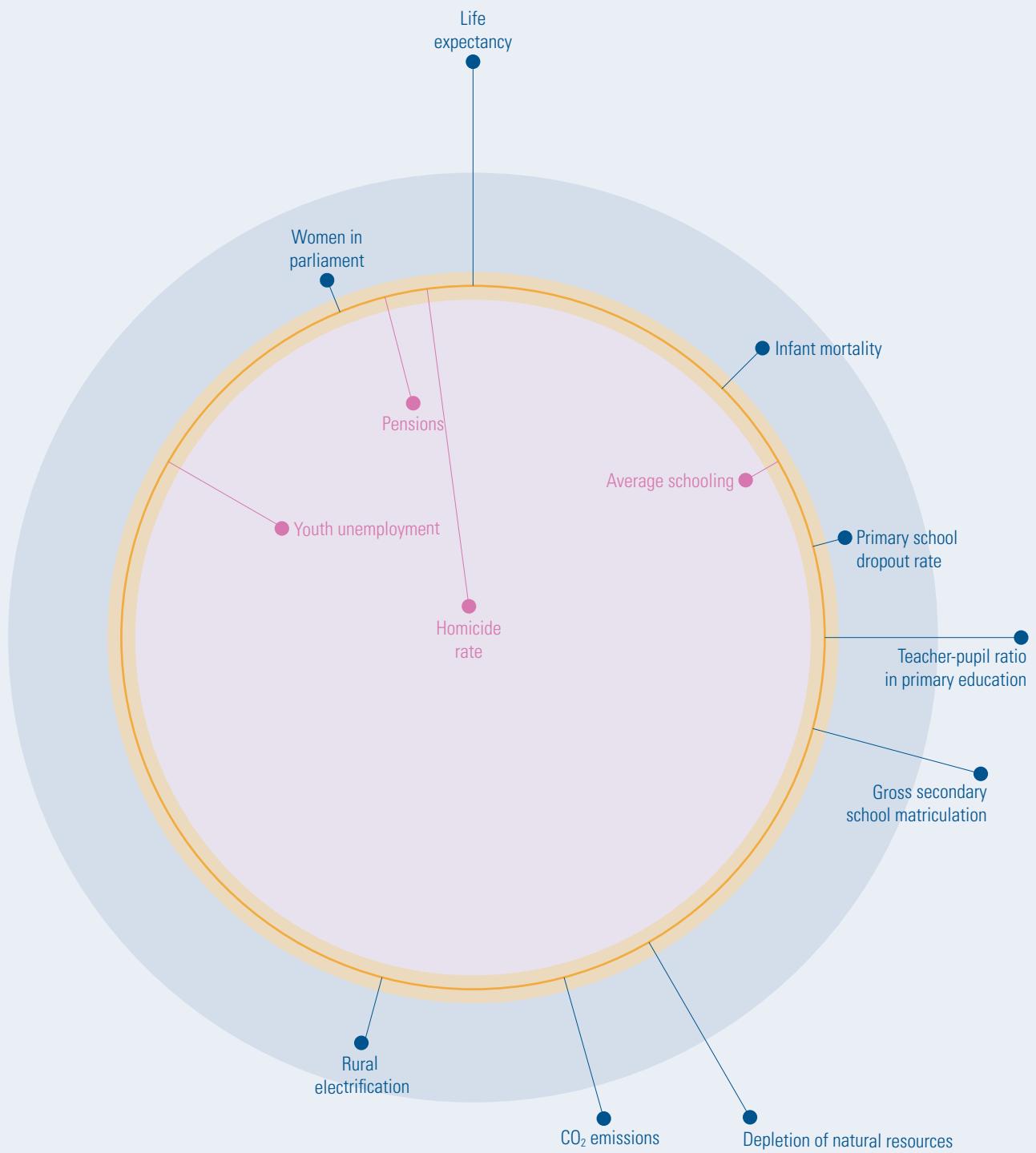
Achievements in multiple dimensions of wellbeing in Barbados are undervalued by the gross national income



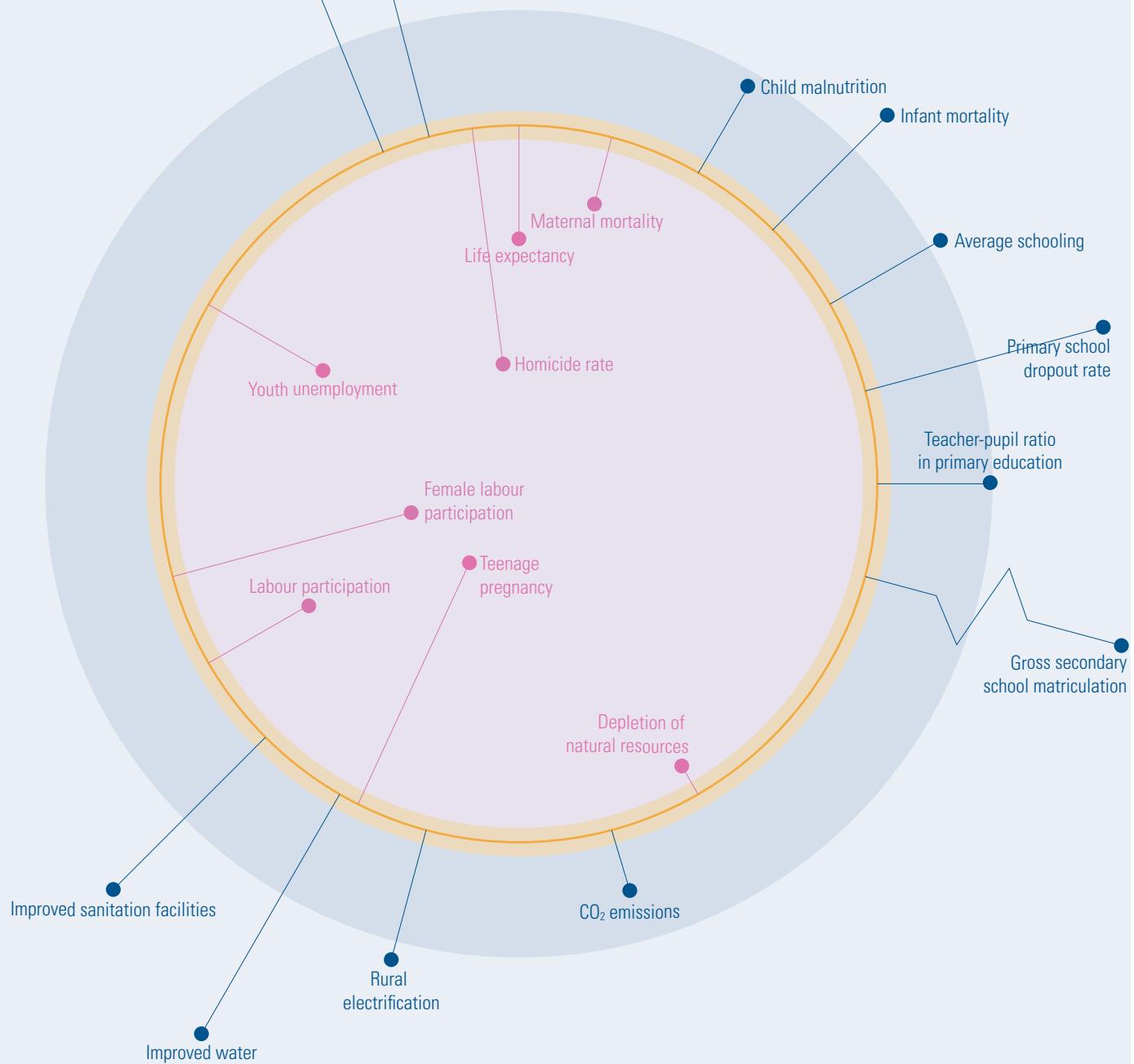
Achievements in multiple dimensions of wellbeing in Belize are undervalued by the gross national income



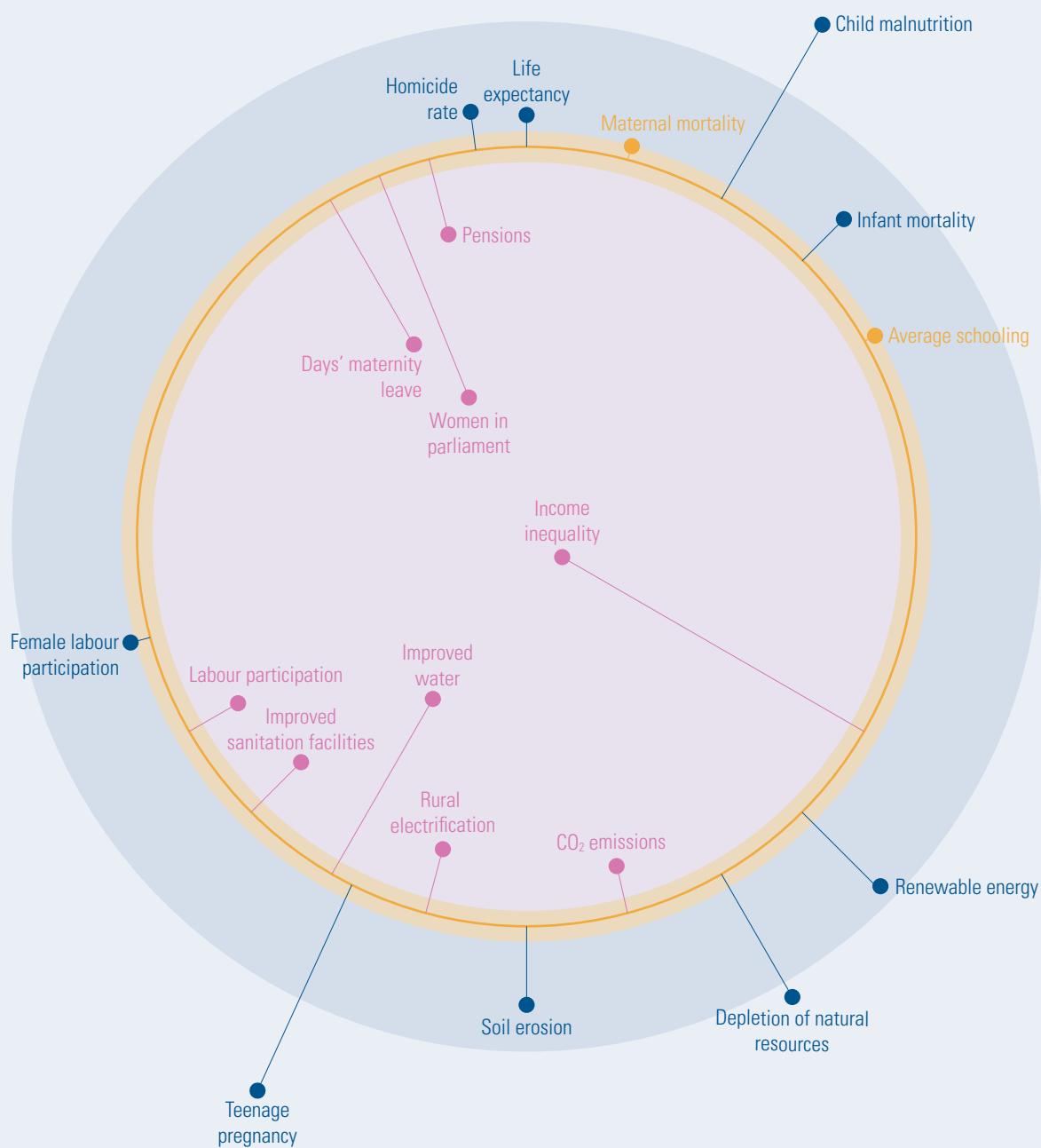
Achievements in multiple dimensions of wellbeing in Dominica are undervalued by the gross national income



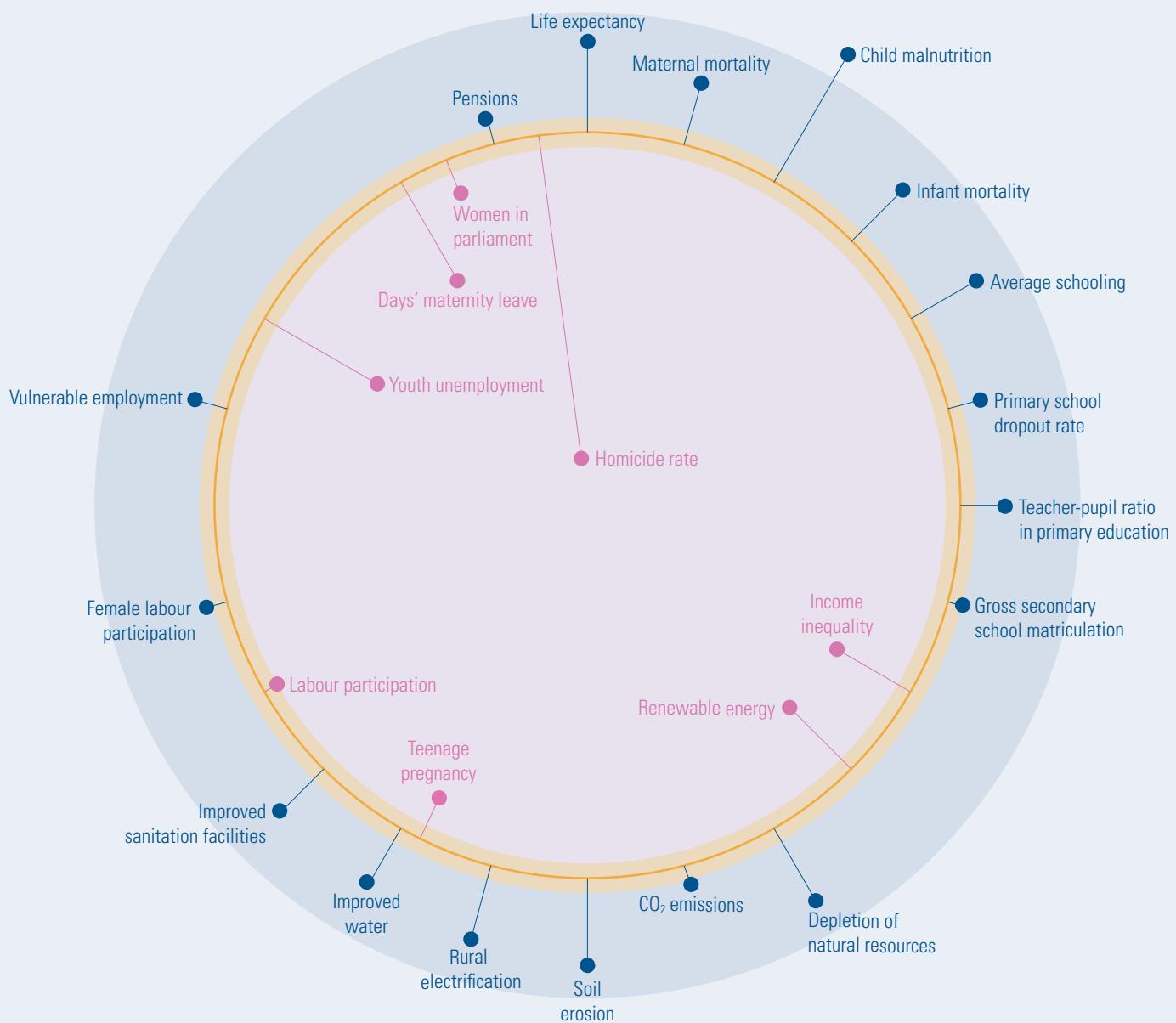
Achievements in multiple dimensions of wellbeing in Guyana are undervalued by the gross national income



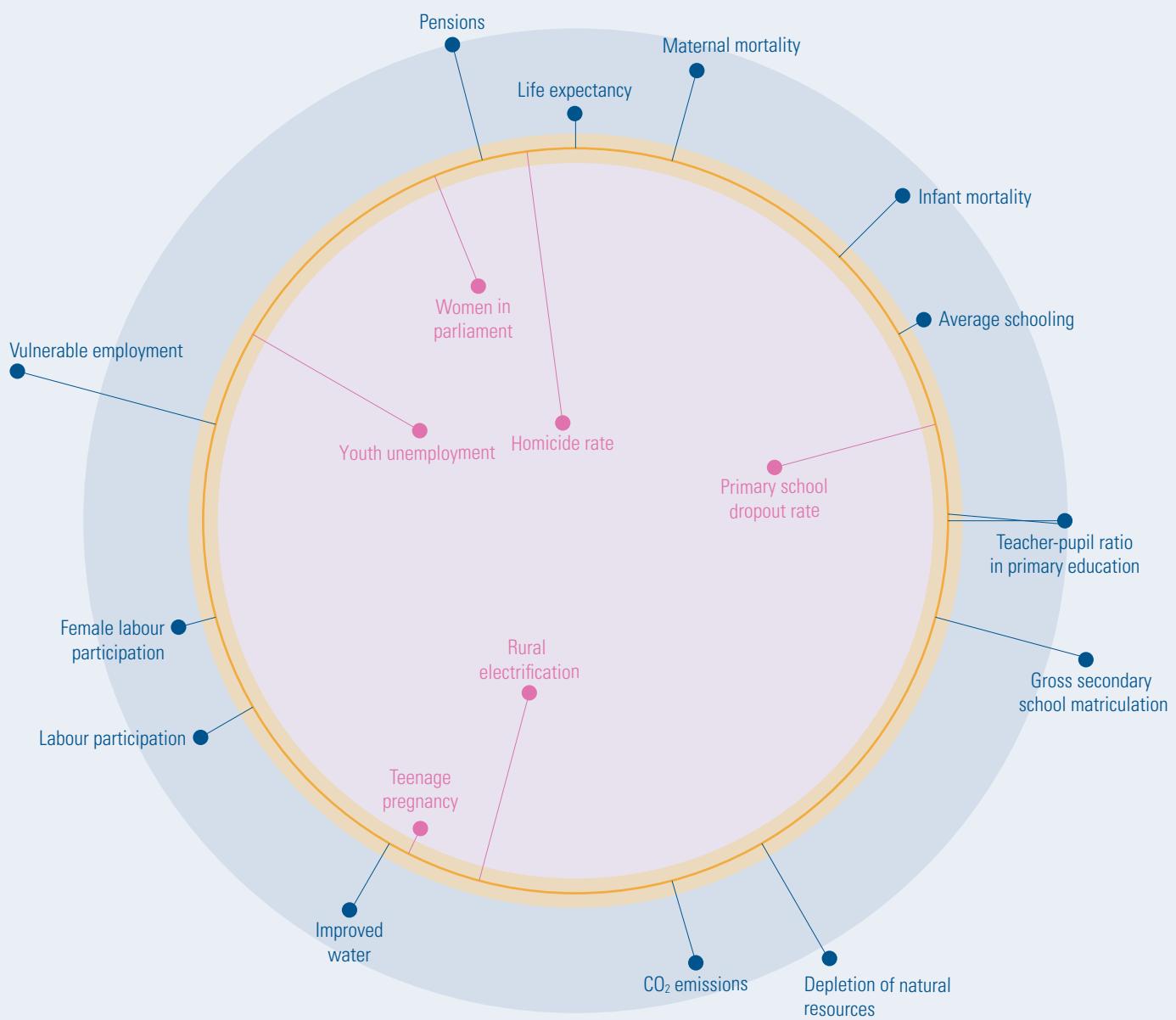
Achievements in multiple dimensions of wellbeing in Haiti are undervalued by the gross national income



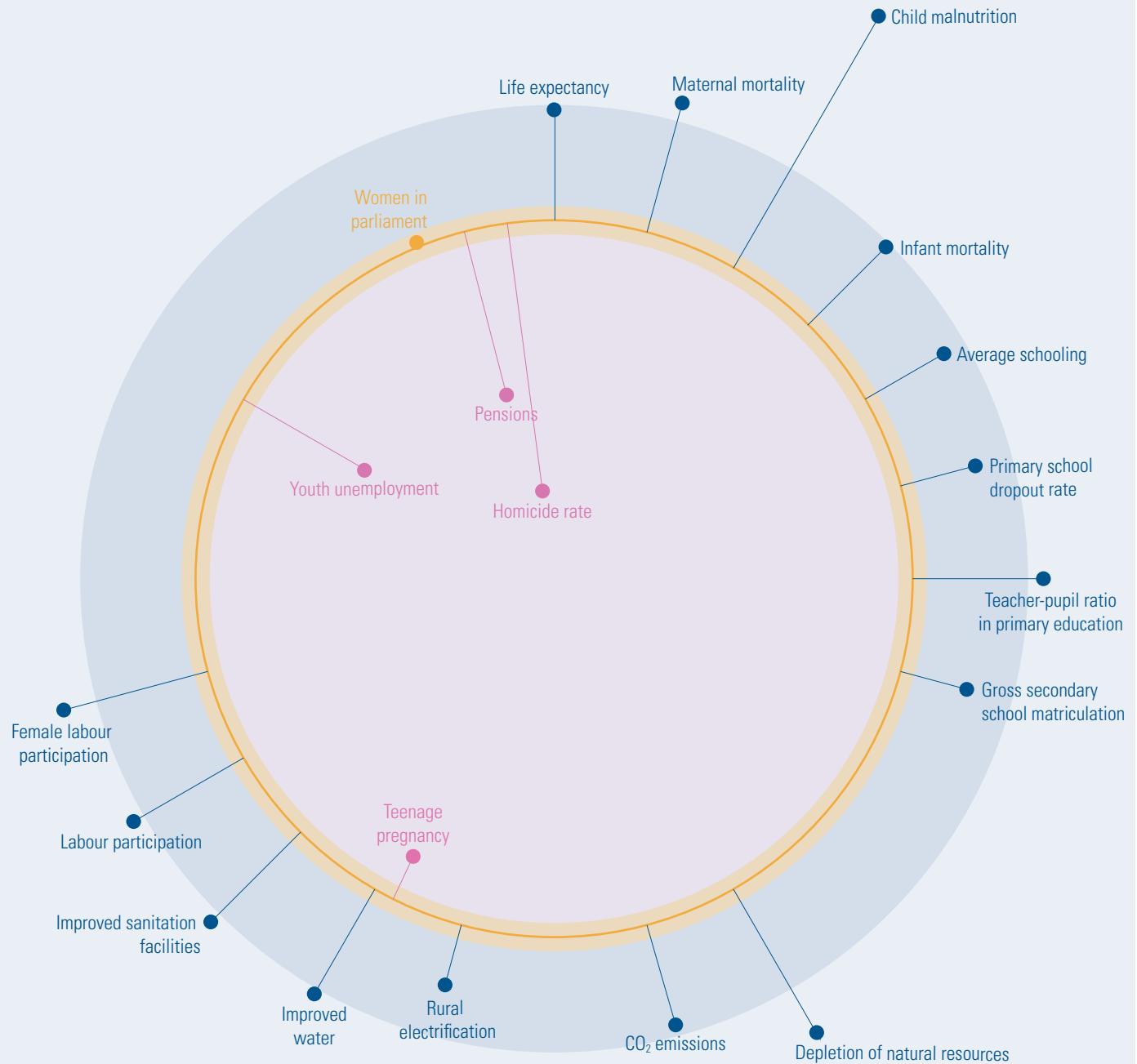
Achievements in multiple dimensions of wellbeing in Jamaica are undervalued by the gross national income



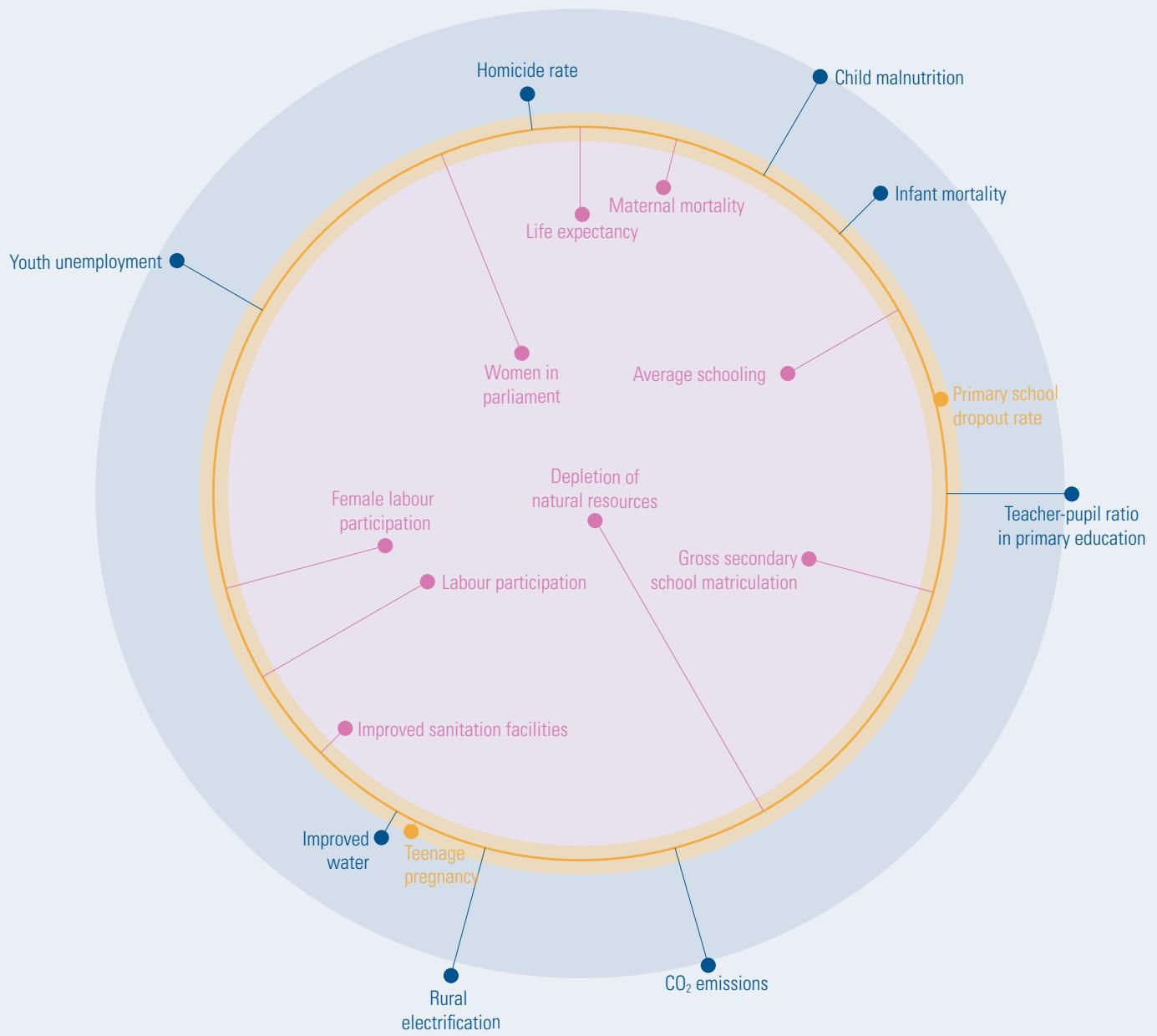
Achievements in multiple dimensions of wellbeing in St. Vincent and the Grenadines are undervalued by the gross national income



Achievements in multiple dimensions of wellbeing in St. Lucia are undervalued by the gross national income



Achievements in multiple dimensions of wellbeing in Suriname are undervalued by the gross national income



Achievements in multiple dimensions of wellbeing in Trinidad and Tobago are undervalued by the gross national income

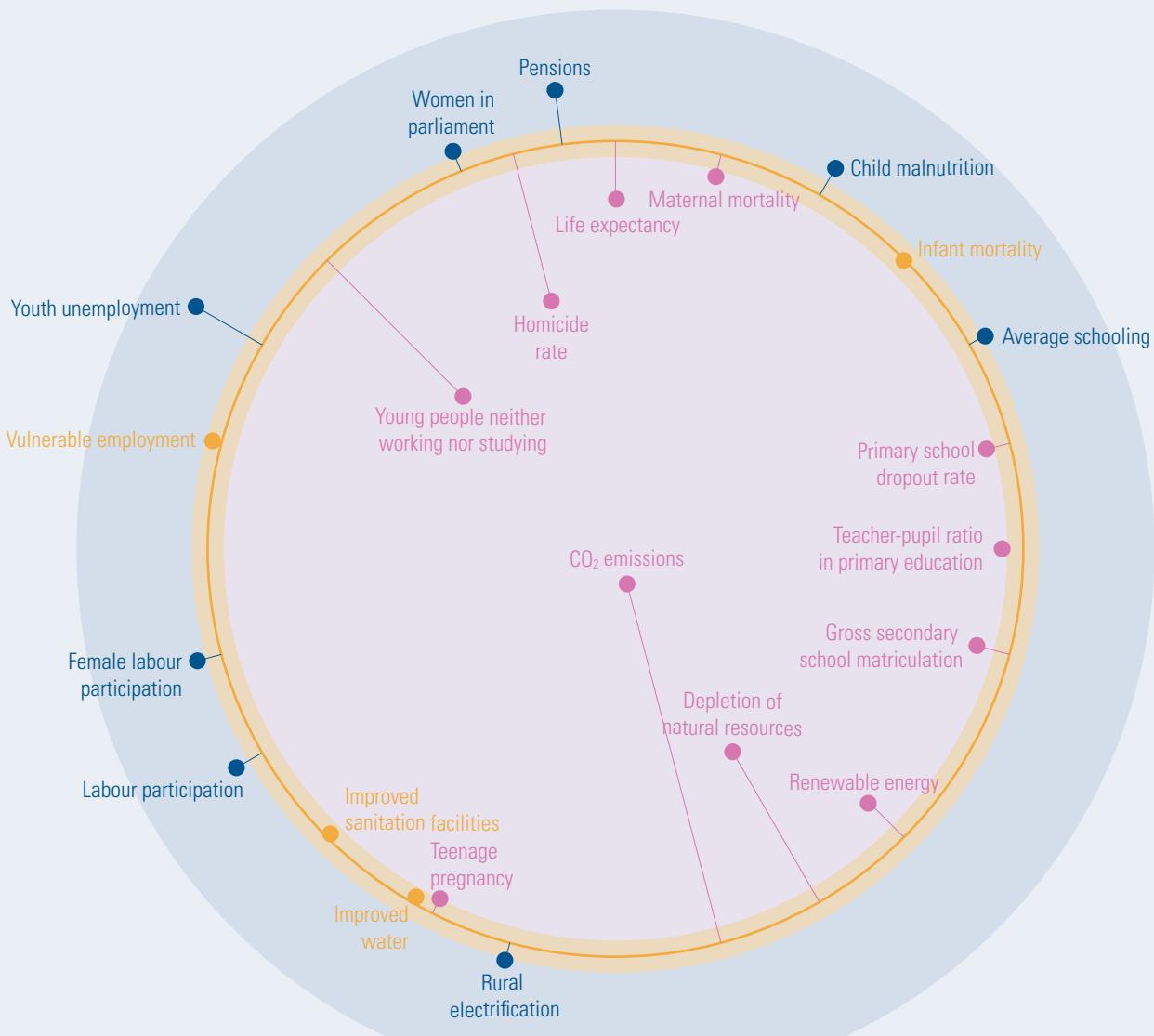


Table A.1**Average annual real GDP growth rates (%) 1998-2015**

Country	1998-2007	2008-2010	2011-2015
Antigua	4.6	-5.9	2.0
Bahamas	2.8	-1.7	0.7
Barbados	2.2	-1.1	0.4
Belize	5.7	2.4	2.5
Dominica	2.8	2.2	-0.3
Grenada	4.8	-2.1	2.5
Guyana	1.4	3.3	4.5
Haiti	0.9	-1.6	3.3
Jamaica	1.3	-1.9	0.6
St. Kitts	3.5	-1.4	3.3
St. Lucia	2.5	0.2	0.4
St. Vincent	4.0	-1.6	1.1
Suriname	3.9	4.1	2.7
Trinidad & Tobago	8.2	0.8	0.1

Source: Computed with data in Table A.4, IMF World Economic Outlook April 2016.

Table A.2**Land and marine area of Caribbean countries**

Country	EEZ (000 km²)	Land area (000 km²)	% land space relative to EEZ	Continental shelf area (000 km²)
Antigua	107.9 (6)	0.44	0.4	3.7
Bahamas	629.3 (35)	10.01	2	108.3
Barbados	186.1 (11)	0.43	0.2	0.41
Belize	36 (2)	22.81	63	9.4
Dominica	28.6 (2)	0.75	3	0.29
Grenada	26.2 (2)	0.34	1	2.29
Guyana	135.9 (8)	196.85	145	52
Haiti	112 (7)	27.56	25	5.08
Jamaica	263.3 (15)	10.83	4	13.4
St. Kitts	10.2	0.26	3	0.79
St. Lucia	15.5	0.61	4	0.81
St. Vincent	36.3 (2)	0.34	1	2.08
Suriname	128.3 (8)	156	122	55.7
Trinidad & Tobago	77.5 (5)	5.13	7	21.14
Caricom	1793.1	432.4		275.4

Source: Caribbean Regional Fisheries Mechanism Statistics and Information Report for 2012.

Table A.3

Percentage contribution to Gross Domestic Product (GDP) by the fishing industry of CRFM member states (in current prices) 2010–2012

Member states	2010	2011	2012	Source
Anguilla	1.7 Fin.	2.18 Rev.	2.26 Prel.	Anguilla Statistics Department, 2014*
Antigua & Barbuda	0.92 Rev.	0.94 Rev.	0.91 Prel.	Statistics Division Antigua and Barbuda, 2014*
Bahamas	1.4 Rev.	1.3 Prov.	1.2 Prel.	Dept. of Statistics Bahamas, 2014*
Barbados	0.2 Rev.	0.1 Rev.	0.1 Prel.	Barbados Statistical Service, 1990-2012*
Belize	2.3 Rev	1.8 Rev	2.1 Prel.	Statistical Institute of Belize, 2014*
Dominica	0.38	0.42	0.36 Proj.	Central Statistics Office of Dominica, 2010*
Grenada	1.43	1.2	1.4	Grenada Statistics Department \ ECCB, 2014*
Guyana	2.1	2.1	2.3	Bureau of Statistics Guyana, 2014*
Haiti		1.5	1.5	CRFM. 2011(JICA/CRFM aquaculture report)
Jamaica	0.2	0.4 Prov.	0.3 Prov.	Statistical Institute of Jamaica, 2014*
Montserrat	0.26	0.31	0.34	Montserrat Statistics Department \ ECCB, 2014*
St. Kitts & Nevis	0.43 Prel.	0.48 Proj.	NA	Eastern Caribbean Central Bank, 2011*
St. Lucia	0.72	0.8	0.8	Central Statistics Office St. Lucia, 2014*
St. Vincent & The Grenadines	0.51	0.44	0.37	Statistical Office Central Planning Division St. Vincent and the Grenadines, 2014*
Suriname		2.6	2.2	General Bureau of Statistics Suriname, 2014*
Trinidad & Tobago	0.064	0.059	NA	Central Statistical Office Trinidad and Tobago, 2011*
Turks & Caicos Islands	0.5	0.52	NA	TCI Online, 2012

Source: Caribbean Regional Fisheries Mechanism Statistics and Information Report for 2012.

Table A.4

Marine and Aqua-culture production, exports and imports for Caribbean countries

Country	2012 production		2011	
	Marine capture	Aqua-culture	Exports of fish	Imports of fish
Antigua	20.2	NA	0.9	6.3
Bahamas	84.3	NA	75.3	22
Barbados	5.9	0	0.4	22.2
Belize	14.6	21.7	25.2	0.4
Dominica	3.7	0.1	0	2
Grenada	13.2	NA	5.4	3.7
Guyana	56.3	1.1	30.9	1.7
Haiti	54	3	0	46.1
Jamaica	37.7	3.3	8	104.4
St. Kitts	4.9	0.2	0.7	3.2
St. Lucia	9.4	0.2	0.1	7.8
St. Vincent	3.3	0	0.3	2.1
Suriname	36.1	0.6	33.4	4.6
Trinidad & Tobago	40.4	0.01	8.8	28.1

Source: Caribbean Regional Fisheries Mechanism Statistics and Information Report for 2012.

Table A.5

Summary description of the commercial capture fishery fishing fleets of CRFM member states

CRFM Member states	Summary description of the fishing fleet (length of vessels is length overall - LOA)	Source/reference
Anguilla	Primarily wooden canoe type vessels, equipped with outboard motors. Categories of vessels include: 1. Small open wooden canoes less than 4.6 metres 2. Open wooden canoes from 5 - 10 metres 3. Canoes greater than 10.7 metres	Bjorkland, 2007
Antigua & Barbuda	The fleet has transitioned from wooden sloops and dories, which dominated the fleet in the 1970's, to fibreglass launches and pirogues. Categories of vessels include: 1. Sloops and dories; small wooden boats up to 5.9 metres 2. Launches and pirogues; usually made from fibreglass, length 6.72 metres	Horsford, 2004
Bahamas	Commercial fishing vessels range in size from 3.4 metres to 30.5 metres. In many instances <i>dinghy</i> (small vessels < 6 metres long) work in conjunction with a larger motorized <i>mothership</i> that acts as a base for operations (primarily in the lobster and conch fishery). Categories of vessels include: 1. The <i>dinghy</i> (small vessels < 6 m in length) which forms the majority of the fleet. 2. Small scale fishing vessels 6 – 16 metres in length 3. Large motorized vessels "mothership" (up to 30.5 m in length) that acts as a base for operations	CRFM, 2006 CRFM, 2008
Barbados	The fleet range from small open rowboats (less than 6 metres) to inboard-engine powered longliners (over 22 metres). Categories of vessels include: 1. <i>Moses</i> ; open boats 3 - 6 metres 2. <i>Dayboats/Launches</i> : mostly wooden vessels 6 - 12 metres, fitted with a cabin 3. <i>Iceboats and Longliners</i> : characterized by a fitted insulated ice hold; carry a cabin; usually greater than 12 metres	Government of Barbados, 2004
Belize	Most fishing vessels range between 3.6 metres to 9.14 metres in length and are wooden or fibreglass fishing vessels fitted with outboard engines (15-75 hp) or sail. Vessels are used to exploit both freshwater systems and the marine environment. Categories of vessels include: 1. Outboard powered skiffs and canoes. 2. Round bilged sailing boats	Villanueva, 2009
Dominica	Keel-type vessels account for approximately half of the fishing fleet. Categories of vessels include: 1. Canoes 2. Keel-type boats and pirogues	Theophile, 2012
Grenada	Pirogues and small open vessels are the main types of vessels used. The range in boat sizes have increased from 4.9 - 9.1 metres to 4.9 - 16.8 metres in recent years. Categories of vessels include: 1. Small open boats; canoes and small pirogues 2. Open and decked pirogues 3. Longliners	FAO, 2007; CRFM, 2011b

Guyana	<p>The marine capture fisheries are exploited by:</p> <ol style="list-style-type: none"> 1. Shrimp trawlers; 21 metres in length. (Gulf of Mexico standard steel-hulled vessels with twin otter trawl nets). 1. Finfish trawlers (these are usually smaller than the shrimp trawlers). 2. The artisanal fishing fleet which consist of wooden flatbottomed dory type vessels ranging in size from 6 to 18 metres. <p>The inland freshwater fisheries are exploited using small, flatbottomed, dory type vessels.</p>	CRFM, 2008; JICA and IC Net Limited, 2012
Haiti	<p>Vessels are artisanal vessels ranging from 3 - 6 metres</p> <p>Categories of vessels include:</p> <ol style="list-style-type: none"> 1. Rowboats (<i>canots à quille</i>); length 3.3 to 6 metres 2. Flat-bottomed boats (<i>corallins</i>); length 3.3 – 5 metres 3. Dugout wooden boats (<i>pirogues monoxyles</i>); length 3.3 – 4 metres 	JICA and IC Net Limited, 2012
Jamaica	<p>The fishing fleet consist principally of open glass-fibre reinforced plastic, (GFRP) canoes.</p> <p>Categories of vessels include:</p> <ol style="list-style-type: none"> 1. Dugout wood canoes and other small open canoes 2. Open reinforced fibreglass plastic (FRP) canoes most of which are 8.5 metres, large size wooden boats locally called <i>big head</i> 3. Fish trading vessels locally called <i>packer boats</i> 4. Steel or aluminium hull vessels operating as "mothership" on offshore banks 	FAO, 2004-2013b; Kong, 2003
Montserrat	<p>The length of vessels in the fleet range from 3.7 - 9.1 metres.</p> <p>The fleet consist of:</p> <ol style="list-style-type: none"> 1. Traditional wooden boats. 2. Open fibreglass reinforced pirogues (largest category) 	CRFM, 2011b
St. Kitts & Nevis	Approximately 80% of the fleet are open pirogues between 5 to 12 metres in length.	CRFM, 2006
St. Lucia	<p>Fishing vessels engaged in the fishery in St. Lucia range between 5 - 9 meters and are propelled mainly by outboard engines.</p> <p>Categories of vessels include:</p> <ol style="list-style-type: none"> 1. Small wooden canoes and pirogues 2. Open and decked pirogues, transom, and shaloop 3. Longliners and whalers 	CRFM, 2009
St. Vincent & the Grenadines	<p>Most fishing vessels are open and powered by outboard engines.</p> <p>Categories of vessels include:</p> <ol style="list-style-type: none"> 1. Flat Transoms locally called <i>bow stern</i> or <i>dories</i> (open boats of 3 - 6 metres in length) and other small canoes and rowboats 2. Fiberglas pirogues , ranging from 7 - 10 metres in length 3. Double enders or "<i>two bows</i>"; open wooden boats ranging from 3 - 9 metres in length 4. Longliner type multipurpose boats ranging in length from 10.6 - 14.8 metres 	CRFM, 2012b
Suriname	<p>Fishing vessels operate in Suriname's marine, brackish and inland waters.</p> <p>The marine resources are exploited by:</p> <ol style="list-style-type: none"> 1. Shrimp trawling vessels. 2. Finfish trawling vessels. 3. Longliners. 4. Large canoe type vessels with inboard engines. <p>The fish resources of inland waters are exploited by canoe type vessels.</p>	FAO, 2008; CRFM, 2008

Trinidad & Tobago	The 2003 fishing vessel census for Trinidad found that about 96% of the vessels were artisanal (including trawlers) about 2% were semi-industrial multi-gear vessels and 1% were semi - industrial longliners. Categories of vessels include: 1. Pirogues usually 7 - 12 metres in length including artisanal trawlers (though pirogues could be as small as 4 metres) 2. Semi industrial longliners, semi-industrial fishpot/line vessels, semi-industrial and industrial trawlers 10 - 24 metres in length	CRFM, 2008; Fisheries Division Trinidad and Tobago, 2011
Turks & Caicos Islands	The vessels used are artisanal vessels between 5 - 6 metres in length. Categories of vessels include: 1. Small open boats with a 'V' shaped hulls	CRFM, 2008

Source: Caribbean Regional Fisheries Mechanism Statistics and Information Report for 2012.

Table A.6

The labour force (in 2011 unless otherwise stated), estimated number of persons employed in the fisheries sector in 2011 and the percentage of the labour force employed in fisheries in 2011 for CRFM member states

Member states	Labour force 2011 (unless otherwise stated)	Estimated fishing sector employment 2011	% of the labour force employed in fisheries 2011 (calculated)
Anguilla	9,025 ⁽¹⁾ (2009 est.)	1,200	13
Antigua & Barbuda	30,000 ⁽²⁾ (2006 est.)	6,288	21
Bahamas	211,650 ⁽³⁾	36,064	17
Barbados	162,471 ⁽³⁾	6,000	4
Belize	134,800 ⁽³⁾	4,697	3
Dominica	30,204 ⁽⁴⁾	3,320	11
Grenada	47,580 ⁽⁵⁾ (2008 est.)	10,332	22
Guyana	304,151 ⁽³⁾	20,700	7
Haiti	4,215,350 ⁽³⁾	90,278	2
Jamaica	1,222,070 ⁽³⁾	121,735	10
Montserrat	4,521 ⁽⁶⁾	155	3
St. Kitts & Nevis	17,044 ⁽⁷⁾ (2001 est)	3,720	22
St. Lucia	93,071 ⁽³⁾	10,488	11
St. Vincent & the Grenadines	54,219 ⁽³⁾	3,000	6
Suriname	207,142 ⁽³⁾	6,423	3
Trinidad & Tobago	675,468 ⁽³⁾	13,960	2
Turks & Caicos Islands	20,711 ⁽⁸⁾ (2007 est.)	475	2
Totals	7,439,477	338,835	
% of the workforce involved in the fishing sector of the CRFM region			5%

Source: Caribbean Regional Fisheries Mechanism Statistics and Information Report for 2012.

Table A.7

Annual average / Mid-year unemployment rates, 2007–2015

Country	2007	2008	2009	2010	2011	2012	2013	2014	2015
Bahamas	7.9	8.7	14.2	13.7	15.9	14	15.8	15	13.4
Barbados	8.1	8.6	9.9	10.3	11.2	11.5	11.6	13.2	12
Belize	8.5	8.2	13.1		14.4	11.7	11.1	10.2	82.4
Jamaica	9.8	10.6	11.3	12.2	13.1	14	15.3	13.8	13.1
St. Lucia	13.9	15.7	17.3	20.6	21.2	21.4	23.3	24.4	25
Suriname	10.7	9.4	9	7.6	8	8	7	7	
Trinidad & Tobago	5.6	3.9	5.1	5.9	5.1	4.9	3.7	3.3	3.2

Source: Caribbean Development Bank Economic Review 2016.

Table A.8

Caribbean: Public sector debt, 2012–2014 (percentages of GDP)

Country	2012			2013			2014		
	FOREIGN	DOMESTIC	TOTAL	FOREIGN	DOMESTIC	TOTAL	FOREIGN	DOMESTIC	TOTAL
Anguilla	22.6	7.9	30.4	22.3	7.9	30.2	21.4	6.9	28.3
Antigua & Barbuda	36.9	50.4	87.3	43.7	51.4	95.1	40.4	56.0	96.4
Bahamas	18.0	47.6	65.5	19.4	50.6	70.0	23.6	58.8	82.4
Barbados	34.1	62.1	96.2	36.9	69.1	105.9	37.4	71.1	108.5
Belize	64.4	12.4	76.8	66.7	11.9	78.5	66.3	11.1	77.3
Dominica	51.0	22.2	73.3	52.9	22.6	75.5	51.6	22.5	74.1
Grenada	66.9	34.5	101.4	67.3	36.0	103.3	65.5	33.5	99.1
Guyana	47.6	16.0	63.7	41.7	16.1	57.8	38.0	13.1	51.1
Jamaica	55.7	75.6	131.3	58.2	73.7	131.9	62.7	67.8	130.5
Montserrat	4.3	0.1	4.3	4.2	0.0	4.2	3.7		3.7
St. Kitts & Nevis	43.3	94.6	137.9	41.3	60.8	102.1	34.1	43.9	78.0
St. Lucia	33.4	40.9	74.2	36.5	39.8	76.4	38.6	39.9	78.4
St. Vincent & the Grenadines	47.4	25.2	72.6	49.3	26.8	76.1	52.3	27.0	79.4
Suriname	16.4	10.7	27.1	18.8	15.7	34.6	20.0	11.8	31.8
Trinidad & Tobago	6.7	34.4	41.1	5.2	32.4	37.6	7.2	34.1	41.3
Caribbean	36.6	35.6	72.2	37.6	34.3	72.0	37.5	33.2	70.7
Goods Producers	33.8	18.4	52.2	33.1	19.0	52.1	32.9	17.5	50.4
Service Producers	37.6	41.9	79.5	39.3	39.9	79.2	39.2	38.9	78.1

Source: UNECLAC Economic Survey of the Caribbean 2015.

Table A.9**Debt service payment ratios for the Caribbean**

Country	Current expenditure				Capital expenditure				Interest			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Anguilla	21.8	22.2	22.5	21.6	1.2	1.2	1.0	0.4	1.1	1.0	1.1	1.2
Antigua & Barbuda	23.4	20.6	21.6	19.7	1.3	0.6	1.3	1.6	2.5	2.5	2.0	2.6
Bahamas	19.7	19.5	18.8	18.0	2.8	3.0	3.1	2.7	2.6	2.3	2.4	2.6
Barbados	33.8	33.2	36.7	35.3	1.1	1.0	1.2	1.8	6.0	6.5	7.0	7.5
Belize	24.1	23.5	22.9	24.1	4.1	5.1	5.5	8.0	3.5	3.0	1.8	2.6
Dominica	23.9	22.8	25.3	24.3	12.9	12.1	11.5	6.3	1.8	1.5	2.0	1.8
Grenada	20.0	21.2	20.5	20.4	6.3	5.0	6.8	9.4	2.5	3.4	3.1	3.6
Guyana	19.1	19.7	19.9	20.1	9.5	9.7	8.2	8.0	1.5	1.1	1.0	1.0
Jamaica	28.1	27.5	25.9	25.9	4.2	3.9	2.8	3.1	11.0	9.7	9.5	8.2
Montserrat	54.2	65.4	66.3	69.9	16.2	23.0	42.7	24.5	0.0	0.0	0.0	0.0
St. Kitts & Nevis	30.3	27.7	26.8	26.2	4.3	3.7	6.7	5.7	6.4	5.9	3.9	3.2
St. Lucia	21.4	23.5	23.5	23.2	7.7	6.9	7.7	5.9	2.9	3.5	3.7	3.9
St. Vincent & the Grenadines	27.1	26.1	25.3	26.1	2.5	2.6	2.8	5.8	4.1	3.8	3.4	2.3
Suriname	19.7	22.3	22.7	19.5	4.8	4.4	4.3	4.9	1.0	0.9	1.3	0.9
Trinidad & Tobago	26.6	28.1	28.0	29.6	4.6	4.4	4.8	4.3	1.9	1.9	1.6	1.6
Caribbean	26.2	26.9	27.1	26.9	5.6	5.8	7.4	6.2	3.3	3.1	2.9	2.9
Goods Producers	22.4	23.4	23.4	23.3	5.8	5.9	5.7	6.3	2.0	1.7	1.4	1.5
Service Producers	27.6	28.1	28.5	28.3	5.5	5.7	8.0	6.1	3.7	3.6	3.5	3.4

Source: UNECLAC Economic Survey of the Caribbean 2015

Box A.1

Overview of country approaches to youth and youth unemployment

Antigua and Barbuda: Department of Youth Affairs has six (6) units: Youth Expression/Voice; Marginalised Youth; Leadership and Skills; Youth Participation; Social Marketing and Behaviour Change; and Research and Development. There is also an NGO, the Gilbert Agricultural and Rural Development Centre (GARDC), which provides training for youth and women in life skills, agriculture, entrepreneurship, and technical and vocational skills, and business development services. In the 2013/2014 FY, GARDC received an EC\$79,200 subvention from the Government which accounted for 7.7% of revenue. The majority of revenue was from grants and donations which accounted for 87.6% of revenue. Total revenue was EC\$1.024 million with expenditure of EC\$1.152 million.

Barbados: Division of Youth Affairs operates four (4) programmes: Barbados Youth Service for at-risk youth; Youth Development Programme; Youth Entrepreneurship Scheme; and Youth Mainstreaming Programme for 'unattached' youth. There is also the Barbados Youth Business Trust (BYBT), an NGO which provides access to training, finance, mentoring and business support services for youth.

Belize: In addition to the Department of Youth Services, there are NGOs addressing youth employment issues specifically the Belize Youth Business Trust which provides similar services to its Barbadian counterpart and the Belize Enterprise for Sustainable Technology (BEST) which provides training, credit and enterprise development services with a poverty alleviation remit.

Dominica: Youth Development Division provides a number of programmes including: 4-H Programme; Leadership; Skills Training; Volunteerism Programme; and Youth Environment Services Corps.

Grenada: The Division of Youth Empowerment, among other things, seeks to coordinate and monitor youth enterprises as well as provide life skills training. The main initiative for youth is the IMANI Programme, which has several dimensions including career orientation, work experience, skills training and a certificate programme in self-development. The programme operates on three levels: Self-development; Training (Apprenticeships, Direct Skills, Small Business, Community Development); and Permanent Placement and Extended Training.

Guyana: Apart from the Department of Culture, Youth and Sport, the Department of Labour (Ministry of Labour, Human Services and Social Security) operates a National Training Programme for Youth Empowerment. Training is provided in engineering, electrical construction, health services, information technology, clerical work and home economics. Training is also provided in entrepreneurship and life skills. There is also a Youth Business Trust in Guyana.

Jamaica: The National Centre for Youth Development is the main coordinating unit for youth issues in Jamaica and operates a number of Youth Information Centres throughout the country providing services such as: career development; promotion of healthy lifestyles; youth entrepreneurship; and personal empowerment. There is also a Youth Business Trust in Jamaica. Jamaica also provides support for micro, small and medium-sized enterprises (MSMEs) through the Micro Investment Development Agency (MIDA) (finance), Self Start Fund (SSF) (finance) for secondary school graduates or those from approved Government training programmes, Micro and

Small Enterprise Credit Bureau, and the Jamaica Business Development Corporation (JBDC) which provides technical assistance to MSMEs.

St. Kitts and Nevis: The Department of Youth Empowerment provides an array of services aimed at employment, entrepreneurship, sports, education, health, community service, volunteerism and decisionmaking. The National Entrepreneurial Development Division of the Ministry of International Trade, Industry, Commerce and Consumer Affairs also seeks to develop youth businesses.

St. Lucia: In addition to the Department of Youth and Sport, there are NGOs involved in supporting youth in business, particularly the James Belgrave Micro Enterprise Development Fund (BELFund) and the St. Lucia Youth Business Trust.

St. Vincent and the Grenadines: Youth Affairs Division programmes include: advocacy; Youth Empowerment Service (YES) which provides work experience opportunities for unemployed youth which also offers a stipend; 4-H Development; bespoke training on request including personal development, health, and enterprise development; Research and Documentation; community outreach; and guidance counselling for secondary school and TVET students. The Division has close associations with the Commonwealth Youth Programme (CYP). There is also Youth Business St. Vincent and the Grenadines which operates in a similar manner to the Youth Business Trusts in the region.

Suriname: The Youth Department oversees the implementation of Government policy in relation to youth outside of school to promote their independent participation in national development. There are two specific programmes of interest, funded by international donors: the Back Lot Foundation which provides a youth employment training programme funded by the MIF. The organization is based in Paramaribo, and uses film and media to empower youth; the A Ganar programme, supported by USAID, which provides a second chance for school dropouts and other youth between the ages of 16-24 to gain skills that help them find salaried jobs or self-employment. A Ganar also uses team sports to teach life skills, and through partnerships with the government and private sector, provides vocational skills training and on-the-job work experience for youth.

Trinidad and Tobago: The Ministry of Sport and Youth Affairs is primarily focussed on sport. However, there are a number of specific programmes related to youth employment in the country, including: Youth Training and Employment Partnership Programme (YTEPP) overseen by the Ministry of Tertiary Education and Skills Training (TEST) which offers 6 month training programmes in 12 occupational categories; Youth Development and Apprenticeship Centres for 15-17 year olds which provide training in personal development, literacy and numeracy and occupational skills; Multi-Sector Skills Training Programme for training in construction and hospitality and tourism; the On-the-Job Training Programme; and the Tobago Youthbuild Programme which provides training in customer service, anger management, creative expression, sexual and reproductive health, and literacy and numeracy. There is also Youth Business Trinidad and Tobago which operates in a manner similar to the Youth Business Trusts in the region.



In September 2015, the 193 Member States of the United Nations took a historic step with the approval of the 2030 Agenda for Sustainable Development. At the heart of this agenda lies a simple but radical imperative: the elimination of poverty in all its forms, while caring for and protecting the planet.

This universal and holistic agenda will have a specific application in each country, in line with the priorities established in national plans and policies. As a multidimensional agenda par excellence, this Report can contribute to helping adapt this agenda to the specific circumstances of individual countries.

Against this backdrop, we examine three broad sets of possible policy baskets for Caribbean governments to further align the ambition of progress, as defined by Caribbean peoples, and the empirical findings of this report:

The first policy basket focusses on human vulnerability, dealing with policies for addressing the unemployment problem

and the vulnerability of particular groups, namely youth, females, children, elderly people, people with disabilities, indigenous peoples and Maroons, as well as two issues of general applicability and relevance, namely social protection and provision of improved water.

Secondly, there is a focus on policies for removing obstacles to inclusive growth in the Caribbean by addressing overarching issues such as energy supply and cost, fiscal capacity and global partnerships which are critical to the ability of Caribbean governments to finance their programmes for multidimensional progress.

The third policy basket relates to environmental sustainability and resilience. In this regard, we focus on natural hazard mitigation and prevention, climate change adaptation and mitigation, and environmental protection and conservation which are all germane to human vulnerability.



United Nations Development Programme
One United Nations Plaza
New York, NY 10017

www.latinamerica.undp.org
www.morethanincome.org

*Empowered lives.
Resilient nations.*



Latin America and the Caribbean is a diverse region and does not follow a single pattern of development. This Report is separated into two volumes which share the same narrative: the Regional Human Development Report – the first volume – covers the entire region, while deepening the analysis on Latin America; and this current Caribbean Human Development Report – the second volume – approaches the multidimensional challenges of sustainable development and human progress taking into consideration the particularities of the Caribbean.

We see multidimensional progress as a space for development regulated by certain limits: “nothing that diminishes the rights of people and communities or jeopardizes the environmental sustainability of the planet can be regarded as progress.”

The high and increasing exposure of Caribbean countries to hazards, combined with very open and trade dependent economies – suffering from limited diversification and competitiveness- portrays a structurally and environmentally vulnerable region. This Report is an invitation to go beyond the traditional notion of vulnerability, focussed on states, and to

carefully analyze the multiple dimensions of vulnerabilities and resilience of peoples – households and individuals.

Economic growth is insufficient on its own for lifting and keeping people out of poverty. Thus, measures to target and address key sources of vulnerability and deprivation and to strengthen adaptive capabilities, as in the areas of education, health, training, employment opportunities, and social protection, are of critical importance. Available data show that real GDP growth for the Caribbean region averaged 2.04 percent between 1971 and 2013, as compared to 3.57 percent for Least Developed Countries (LDCs) and 5.99 percent for developing countries in Asia.

For Middle Income Countries, “development” does not expire at a GDP threshold. Inequalities, discrimination, and longstanding exclusions – including on the basis of gender and ethnicity - require policy attention. The Caribbean is faced with a dual challenge: to boost inclusive economic growth, and to build multidimensional progress which contributes to eradicating poverty in all its forms, tackling vulnerability at the state, household, and individual levels, and ensuring sustainability.