

2010



Comparative History:

MA Thesis

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POSSIBLE CAUSES OF THE POST COLONIAL DIVERGENCE BETWEEN MAURITIUS AND JAMAICA

For the preceding three decades to 1974 Mauritius and Jamaica shared a roughly similar GDP per capita. During the subsequent decades, to the present, they have diverged beyond almost recognition. Why did they diverge to such an extreme extent? Why did Mauritius prosper? And, why did Jamaica stagnate?

Word Count:16,970

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Acknowledgements

I would like to thank Dr. E Frankema for his constant advice and attention throughout the duration of this study.

I am also indebted to Patricia, Peter and David Roberts for reiterating their firsthand experiences of colonialism to me. Their stories inspired my own interest in the subject and essentially this thesis. I am extremely grateful especially to my grandfather, Peter Roberts who painstakingly edited this work.

Introduction

In 1962 and 1968, respectively, Jamaica and Mauritius gained their independence from the British Empire. Both of them inherited their respective countries relatively quickly and peacefully. They both continued the governmental policies which had been established by their colonial predecessors. The similarities between both regions are quite striking. The following list illustrates the close commonalities that tie these two countries together making this study possible.

1. Geographically both regions are situated on the peripheries of the tropics. That is to say that Mauritius is located at 20° 17' S¹ and Jamaica is at 18° 15' N² giving them both similar tropical oceanic climate and weather conditions. They both suffered severe crop damage from time to time which made living on the island precarious and agricultural production fraught with disaster.
2. Jamaica's indigenous population became extinct through their abuse by the conquistadores and through various diseases, such as smallpox, that they brought with them. In the first few years of European habitation, in the Mauritian case; there were no inhabitants when the Europeans arrived³. As a result both colonies were forced to start settlements from scratch. No ancient tribal land struggle forms part of either history. Neither path dependence from previous inhabitants pre-exists nor any institutional arrangements. In this respect they both started off as sterile environments.
3. The position of both islands was strategically important for the growing empires of the age, namely the Portuguese, the Spanish, the French and the British. Their control was paramount in order to retain control of mercantile activity. As a result the threat of

¹ (MapXL, Mauritius Latitude and Longitude, 2010)

² (MapXL, Jamaica Latitude and Longitude , 2010)

³ In the case of Jamaica some small portions of the island had been cleared by the Arawaks.

invasion/plunder was significant during the foundation year, and continued to be so until the first quarter of the nineteenth century.

4. The agricultural opportunities on both of the islands were also similar. They were once both forested, Jamaica less so than Mauritius. Land still had to be cleared in both regions for agriculture. On both islands sugar cane was the most widely spread crop by the time of independence, the main market for which was the British Isles by the end of the colonial period. As a result of this dependence on one main crop, both regions were vulnerable to price fluctuations and to crop damage from the numerous storms, plagues and cyclones that occurred during their agricultural histories.
5. Both of the regions have in the past been affected by at least three European cultural influences, the two most significant of which were British and French. The institutions created, intentionally or otherwise by the colonial nations form the basis of governmental practice in both regions. This, for the most part, has remained unchanged even in the post colonial era although there have been some superficial adjustments.
6. According to their GDP per capita⁴ both regions were on a par with each other in the 1960s at the end of the colonial period⁵. It is evident the GDP per capita did fluctuate slightly during the period from the mid 50s to the mid 70s. These fluctuations are comparatively insignificant when compared with what happened after this period and demonstrate the beginning of the great divergence which is the central question in this study.

⁴ Refer to Figure 1 (p.5).

⁵ This crop damage was caused by both fauna and adverse weather conditions from the foundation of the colonies. It was seem the frequency at which the damage continued to occur is comparable.

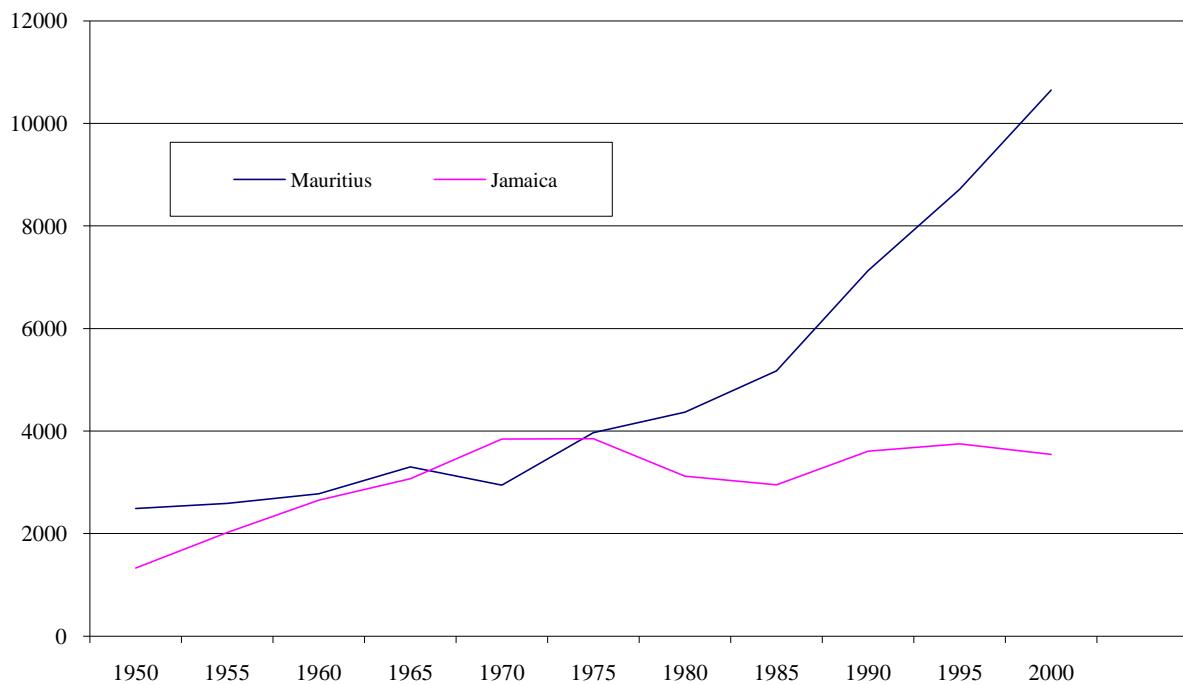


Figure 1: GDP (U.S.D.) per capita - The World Economy: Historical Statistics, Volume 673

7. Significant post-war population increase is an important element of their comparability. Both regions were faced with similar demographic challenges during this period. The full comprehension of this issue and attempted solutions are essential in order to understand the eventual outcomes.
8. In the field of education these regions also share a similarity. By the first quarter of the 20th century their legislation required children to attend school. In addition, there were third level study facilities available to those who could afford it.
9. The social hierarchy of both plantation societies was comparatively similar. They both consisted of three rough social divisions, plantocracy, middle class and black

proletarian peasantry, some of whom owned small parcels of land⁶. These divisions began in the early stages of both colonies and persisted right up until the end of the nineteenth century.

10. In the post colonial period their access to international trade agreements remained comparable. In turn they both signed the Lomé convention and developed Economic Production Zones to encourage international investment and foreign trade. They both saw diversification as a means of development and also saw the need to retain their agricultural investment too, namely sugar.

11. Lastly, both regions also shared the same agricultural monocrop economies based on sugar production which made them vulnerable to price fluctuations, storms and crop destroying pestilence. Both countries were also heavily reliant on imported food.

⁶ (Smith, 1961)

Central Question to be discussed

Why, if they shared so much comparative parity during their respective colonial pasts, and for the first fifteen years of their independence, has their subsequent economic situation, referring specifically to divergence indicators such as the GDP per capita⁷, Net Migration figures⁸ and the Child Mortality rates been so uneven? Why did this divergence occur between Mauritius and Jamaica? The cause of this divergence will be the central question to be addressed in this thesis.

⁷ Refer to figure 1

⁸ Figure 2

Methodology

In order to explore the nature of the disparity between Mauritius and Jamaica I have utilised North Wallis and Weingast's theory on violence and the rise of open access societies. The problems that arose in both Mauritius and Jamaica can be explained through their methodology. The function of this theory is to provide a framework which we can apply to both regions in order to identify causes for the divergence.

According to North Wallis and Weingast, in their theory of "Violence and the rise of Open-Access Orders"⁹ there are three types of social orders which developed sequentially. The first of these, the forging order, concerns itself with the beginnings of human society and has little to do with this paper. The second two orders, the limited-access order and the open-access order form the beginnings of an explanation for this divergence. The ease, at which the transition occurred between limited access and open-access orders, is essential to a full understanding of the divergence between both countries.

Limited-access orders, also known as the Natural state, presided from the end of the forging order, approximately 5,000 to 10,000 years ago until the emergence of the open access orders in the 19th and 20th centuries. The limited access order derives its name from the presence of the stringently class bound society that was the norm during this period; the defining points of this system encompass a hierarchy of powerful individuals who controlled economic and political interests. The people who lay outside these elite circles of personal and familial relationships had limited or no access to "organisations, privileges, and valuable, resources and activities"¹⁰, thus they were class bound. Social mobility was almost nonexistent

Conversely, the open-access order removes some of the power from the elite and spreads it to the majority of citizens. One of the most striking advantages of the open access orders is the control of violence, through institutions, be they political, legal or indeed military. This system, in affect induces

⁹ (North, Wallis and Weingast, 2009, p.20)

¹⁰ (North, Wallis, & Weingast, 2009)

economic growth and aids the process of stabilisation, as opposed to the limited access order which is essentially static¹¹.

The transition from limited-access to open-access orders is impossible without the agreement of the elites. Clearly this change does not happen overnight and entails stages of alteration. Why would elitist powers choose to share control? According to North, Wallis and Weingast the incentive for the first step towards an open access order is the creation of impersonal relationships between the ruling classes so that elite powers are equal to each other. Institutional changes must be created in order to support these changes in the form of a legal system, the consolidation of political control over the military and the creation of perpetually lived states^{12 13}. As a result of these tri-fold changes, elites have the power to create their own organisations and the ethos of the society changes from one of personal relationships to that of the impersonal, thereby creating an open-access society. North, Wallis and Weingast states, the same institutions whether they are military, political or social, behave differently in a limited access society than they would in an open-access society. One example of this transformation is the removal of elitist property rights which were substituted with impersonal property rights. This stimulated economic growth, a change from the previously static situation.

In this study the comparability of both regions stems from this limited-access order period and extends into the transition period which will be made clear later on in this paper. The significance of this theory to an understanding of the central question lies in the transition period and the eventual rise, or lack thereof, of the open access order.

To facilitate this historical investigation into the causes for the divergence between Mauritius and Jamaica the comparative method will be used. The aim of the comparative method is to identify the similarities between two or more regions in order to create a claim of comparability. Comparative history requires a certain level of parity in order to identify the strong and peripheral causes for

¹¹ (North, Wallis, & Weingast, 2009)

¹² *Perpetually lived*, meaning that their existence is independent of the lives of their members... (North, Wallis, & Weingast, 2009)

¹³ (North, Wallis, & Weingast, 2009)

divergence. This study contains an outline of the brief histories of both regions in order to ascertain their validity: these similarities have previously been established in the introduction. Secondly, evidence for a divergence must be assembled. In the case of comparative history this evidence comes in the form of indicators such as GDP and Child Mortality rates etc. which can be seen as the peripheral effect of an underlying issue which has yet to be identified. Some of these indicators will be discussed in the following section.

The premier feature of a comparative work comprises an ability to compare both situations in order to form a foundation on which to build a theory for their divergence. No two situations will ever be the same; however, there are various national, international and macroeconomic features which are comparable. This study aims to focus on deep causes which have contributed towards the eventual divergence, with reference to some of the smaller issues which sparked off significant changes in national policy etc.

In the introduction for this comparative paper I have outlined the reasons for which these two regions are comparable. Now, turning to the main sections of the study, in the following chapters, I will present a brief overview of the pre- and post- divergence situations in separate forms. The reason being; history matters. An examination of the underlying situations is an essential part of understanding the build up to the resulting divergence. A brief examination of the geographical significance of the regions will also be integrated into this paper; geography, it would seem, did play a significant role in the divergence towards the middle of the 19th century, although this role was a peripheral one. The third section of the study will be dedicated to a comparative explanation of the resulting situations that derived from the differing later colonial and post colonial histories. The problems and opportunities that presented themselves in this period will be examined and explained. In affect this thesis will be examined in the following format:

Initial similarities → Historical Background → Regional Significance→

Rise of Divergence (fluctuations) → Divergence

Units of Analysis: Authors own work

Socioeconomic Indicators

The following sets of figures are indicators the socioeconomic *health* of both regions. These sets of statistics are merely causal, symptomatic of the underlying situations. By examining these figures it is possible to suggest pre-divergences issues which might have resulted in eventual economic change.

GDP

The significance of examining the gross domestic product (GDP) of a region is merely a method of ascertaining a country's economic performance. The economic progress of a state can be clearly defined and compared with other regions through this method. In this study all of the GDP figures represented in the graphs have been reduced to per capita data in order to achieve a comparative figure. GDP is a good indicator, not only of economic productivity but also of social stability. In order to increase the general productivity of a region it is necessary to create a stable environment to encourage trade and investment. In both of these regions international investment is a significant source of seed money while without foreign interests the risk of failure and complete destruction of the economy would have been too high.

Economic instability is linked with poor economic performance. A failing economy, in times of general international growth is an indicator of other internal issues that cause disparity. In this study it is possible to superficially explain much of the fluctuation which has occurred within the GDP per capita graph¹⁴, in the introductory section, utilising the pre and post colonial histories. The examination of the GDP per capita affords us just an indication, however in order to explore the depth

¹⁴ Figure 1, Page 5

and possible causes of the divergence I have also chosen to examine some other indicative factors. The majority of the statistical evidence that I present in this thesis are classified under the heading of criminality. The importance of criminality to this study really is the provision of comparative, measureable evidence to compliment the text. Levels of crime relate directly to the willingness of an international corporation to invest, an essential element of economic progression. Additionally, measuring criminality also indicates the efficiency of local government. I have chosen not only to examine the crime rate, but also the quantity of crimes that were reported. This forms another important indication of how much faith the population bestows on its government.

In concert, all of these statistics help to create a more detailed picture of the overall situation in the respective countries. The statistics in this thesis are; the number of crimes reported, the number of felons incarcerated and the number of convictions¹⁵. In these three cases the figures represent the affected percentage of the population. There is considerable disparity between these figures as is evident from the graphs. The significance of these figures to the study form an essential part of its final analysis, and puts into tangible figures the historical evidence that is portrayed in the brief histories during the subsequent chapters.

Net Migration per capita

In the table below (Figure 2) there is a distinct difference between both regions. This graph illustrates the number of people going in and out of a region as a number per thousand, meaning that for every one thousand people for example in 1965 there were 35 less than the year before. Jamaica appears to have had a much bigger problem with migration from the beginning, suggesting a lack of opportunities for youth groups. If we combine this data with that of figure 2 we can see that the resulting pattern illustrates that there was a resulting average age disparity. The combined effect of both of these facts is known as the Brain Drain Effect, the results of which are known to hinder economic growth and hamper development. It has been calculated that by the mid 80s the money sent

¹⁵ Graphs represented on pages 48 -55

home by Jamaican's living abroad, in the UK, the US and Canada mainly, was equivocal to approximately 18% for the GDP and approximately 80% of Jamaican graduates lived abroad.

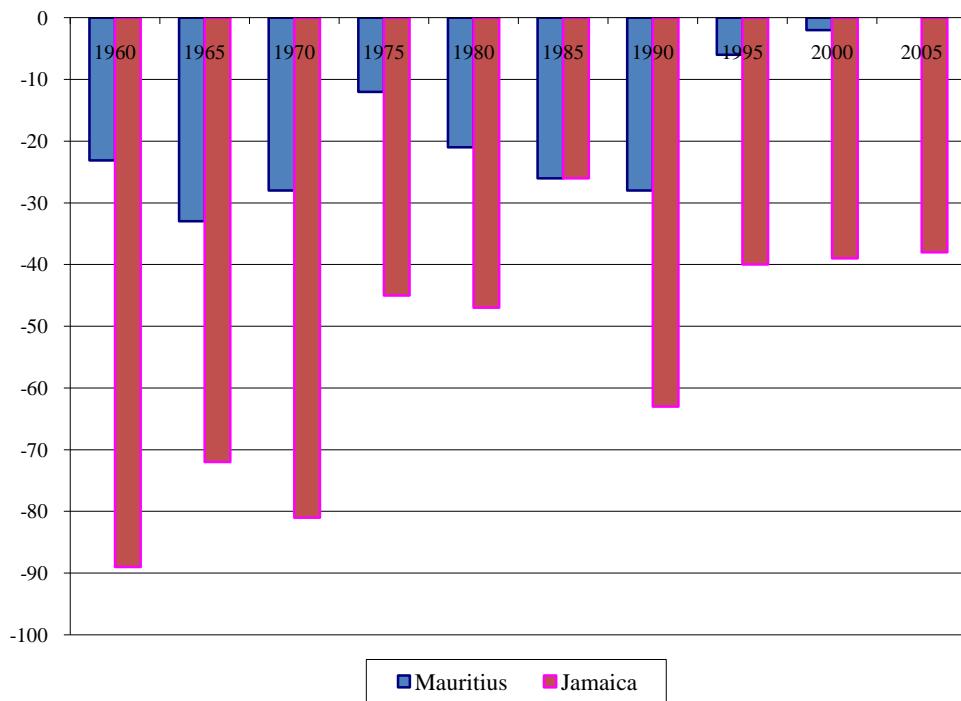


Figure 2: Net Migration Per Capita (1:1 million) (Metcalfe, 2010)

Child Mortality

In figure 3 below, it is clear that there are further discrepancies between child mortality rates in both regions, although they are linked. Child mortality rates are accepted as a significant sign of development. As can be seen in graph from the 60s Jamaica had a lower rate, suggesting its institutional superiority in this sector, however it quickly changes over the progression of time. If we compare this graph with figure 1 we can see that both graphs are linked, with a time lapse of approximately 5-6 years meaning that a change in the GDP per capita takes about half a decade to take effect on these statistics. The significant thing here is that a small increase in GDP is equalled by a considerable change in child mortality. These figures are based on the deaths of children aged from 1 to 5 years and the effect is almost immediate, as a result this is a developing country. Why, because in a developed country an increase in GDP per capita does not affect child mortality rates.

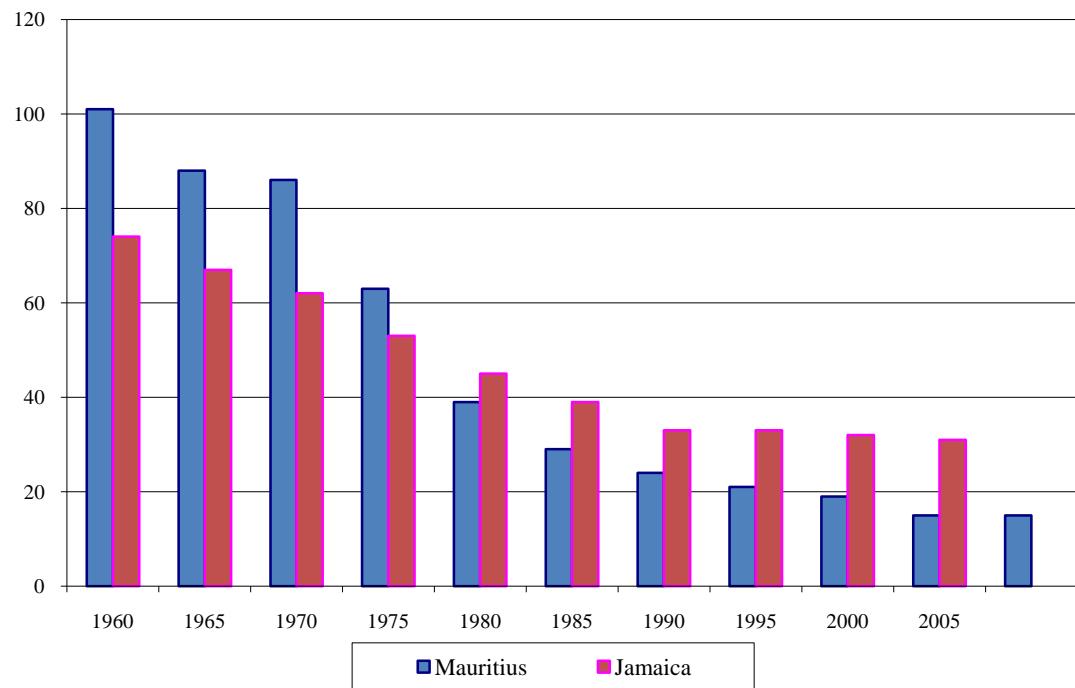


Figure 3; Child (<5) Mortality Rates- Deaths per-1000 (World Bank, 2010)

Historical Backgrounds of Mauritius and Jamaica

The following two sections of this paper provide an overview of the colonial histories and consequent economic and socio-political situations in both Mauritius and Jamaica. As Cameron and Neal¹⁶ remarked, how can we presume to determine the cause of a divergence if we do not understand pre-existing conditions? They surmised that it is impossible understand a situation, however big or small, without understanding some of its history. Significantly they also point out that solutions to a problem can often be found from past events, that is to say that a wide understanding of a similar situation can not only give an insight into the causes of a problem, but also possible future outcomes/solutions.

The purpose of this paper is firstly to discover the real determinants behind the divergence when it began, and how it developed. Clearly the timing of the event is crucial, however, a wider understanding of the environment, with respect specifically to the political, economic and social atmosphere, is just as important. There are many influential determinates, which in combination caused differing outcomes. In this paper I have attempted to outline what I have seen to be the more progressive/aggressive/destructive influences which have collectively steered the socio-economic vectors along differing paths.

In the introductory section I identified eleven similarities between Mauritius and Jamaica. My ambition for this paper is create a comparative historical work, true to the discipline and also true to history, that is to say, not only do I focus on the comparatively similar aspects of both regions, I also explore the dissimilar aspects in both the colonial and post colonial periods in order to discern the true nature of the divergence.

¹⁶ (Cameron, R., & L., Neal, 2003)

A Brief Explanation of the roots of the Mauritian Economic State

Pre-Colonial and Colonial Period

The date of the arrival of the first visitors to Mauritius is unknown but it has been suggested the first people to land were most likely the Phoenicians who were known to have traversed the Indian Ocean and entered the Atlantic Ocean about two thousand five hundred years ago¹⁷. The presence of these first visitors is presumed- not proven, although, when the first Dutch sailors arrived they discovered wax tablets¹⁸ on the beaches. Unfortunately, they did not survive and thus the language which had been inscribed on them is unknown, thus making the true discoverers ambiguous.

The history of European habitation on the island began in the first quarter of the 16th century when the island was used as a point of replenishment for ships on their way to Asia via the Cape of Good Hope. It was not until 1598 that Mauritius was permanently claimed by a European Nation, the Dutch being the first to hold the title of ownership. During this period control of the Indian Ocean was vital for controlling trade between Europe and Asia, thus this initial move was more strategically than economically motivated.

The first colony was begun in 1638 by 75¹⁹ Dutch sailors who attempted to establish cultivation and a trading centre. Unfortunately, as a result of a combination of harsh conditions, poor living standards and unobtainable²⁰ goals set by the home government the colony was a failure. By 1658²¹ the population had diminished to a sufficient number to warrant the dismantling of the colony. All of the inhabitants left and destroyed all that they thought might be useful to potential French or British colonials.

17 (Barnwell and Toussaint, 1949, p.1)

18 Wax tablets were commonly used by the Phoenicians as writing mediums.

19 (Barnwell and Toussaint, 1949 p.9)

20The Dutch government only set eight goals of the colonials, unfortunately some of these goals were difficult to obtain. Arguably the most damaging of these goals was to receive invalids who had malaria from Batavia etc. There was no malaria present on Mauritius at the time. As a result in the 2nd year of the colony 40 invalids were received and as soon as they recovered they left leaving no benefit to the colony. This process repeated itself every year until the end of the first attempt to colonise the island.

2121 (Barnwell and Toussaint, 1949, p.1)

The island lay uninhabited²² for a period and fortunately for the Dutch, no attempts were made by any other seafaring nation to re-colonise the island. In 1664²³ a second effort was made to re-establish a colony, this time it was more successful, possibly due to advance knowledge of the potential assets to settlers and the problems that could occur. Unfortunately nature worked against the growing colony and at the beginning of the 18th century the island was hit by storms, they suffered a plague of rats, their animals became diseased and droughts wiped out the last of their crops. The Dutch decided to abandon the colony again, claiming that success was impossible²⁴. The last colonists left in 1710.

After a brief period of being inhabited by pirates the island was reclaimed in 1715 by the French and eventually re-colonised in 1721. They learned from the mistakes of their predecessors by vastly increasing the colony's population from the start. They struggled to survive until 1735 when the renowned Lebourdonnais became governor. He invested in infrastructure and experimented with agriculture. He, more than any other person, is responsible for the early economic and agricultural success of the island.

Mauritius continued to prosper under successive governors until it was transferred to British control in 1810²⁵ under the terms of the treaty of Paris. The British decided that the institutions, along with the French language, that had been painstakingly established by the French should be retained. This act ensured the transfer of French institutionalism and plantocracy which is still present in Mauritian society today.

In 1834 slavery was abolished throughout the British colonies and a new source of cheap labour had to be introduced in order to fill the gap in the labour market. By the next year, an indentured labour system was established, bringing vast numbers of Indians to labour on the plantations. During the next 65 years until it too was abolished, 451,776 Indians were brought to the

²² According to the records, pirates did use the island as a base from which they launched their attacks. They dubbed it ironically Libertalia creating even their own

²³ (Barnwell and Toussaint, 1949, p.21)

²⁴ (Barnwell and Toussaint, 1949, p.36)

²⁵ (Barnwell and Toussaint, 1949, p.72)

Island and only 157,639 returned to India after their term²⁶ of indenture. Today Indo-Mauritians account for the largest sector of society.

In the previous period the vast majority of the land was owned by the minority Franco-Mauritian plantocracy. As the indentured Indians were released from their periods of compulsory service they were given the option of owning small parcels of land. This enactment known as “morclement”²⁷ was designed to provide the increasing numbers of freed immigrants with a source of income and employment as they became naturalised. As early as 1892 they owned approximately one fifth of the total land in sugar cane on the island and by 1930 there land ownership had risen to over fifty percent. They were now a force to be reckoned with and as the agreements that had prevented them from belonging to co-operatives and selling their raw cane to particular sugar mills were removed in the mid thirties, their power and prosperity increased. One economist commented in 1938 that the future of the colony depended on their ability to maintain their prosperity²⁸. An eminently important factor that took place during this period was the labour riots that almost brought sugar production in the island to a halt. The unrest is alleged to boil down to three main factors, low wages, an unexpected reduction in the price paid for low grade sugar cane, and the small farmer’s inability to sell their cane to their preferred processing plants²⁹.

The implications of Mauritian land reform were two fold. Firstly, the Indians were finally given the rights and freedom to operate as they so wished and secondly it broke the monopoly that the old planter families/companies had on the sugar industry on the island. As they were working on smaller plots of land, the land owning proletariat were capable of both running their farms part time and also doing some extra work during times of need for the larger plantations acting as a reserve labour force. This system remained in place well into independence and led to the expansion of the middle classes and helped to integrate the Indian labour force into the general community³⁰.

26 (Chapin, 1994)

27 Aladdin 1986 p.93

28 Hooper’s Report, 1938

29 Lange, 2003 p.409

30 Alladin 1985 p.93

At the beginning of the 20th century a movement towards shared power and independence began. In 1936 the Mauritian Labour Party (MLP) was formed and headed by a Creole politician Dr Maurice Cure. Within a year rioting began to advocate the betterment of conditions for the majority of the citizens. These riots were sparked off as a result of changes in legislation to control where the Indo-Mauritians milled their sugar cane. After a great deal of debate, representation in the local government of all Mauritian communities was granted in 1942. Over the next 26 years there was a slow, but peaceful progression to independence. Step by step control was gained, firstly by increased representation and voting rights leading eventually to a new constitution. Finally in 1968 full independence was granted from Britain.

Post Colonial Period.

The transition from colonial power to independence saw not just a political change, but an economic turnaround that inspired continual prosperity. From a socio-economic point of view, one of the more important changes that occurred in the late colonial period was arguably the modification of land ownership. This ease of transition was partly due to the “free press and fair elections [...] with the low level of corruption”³¹ inherent in Mauritian society.

Another significant social change also coincided with this period. The population increased dramatically, doubling in only three decades³². This surge is attributed to two factors, the eradication of malaria and an increased standard of living accredited particularly to the change in the structure of land ownership. This drastic boost in population that led economic theorists, such as Meade³³, to presume that the Malthusian affect would run its course was fortunately unfounded. This phenomenon coincides with a radical increase in world population. Improvements in healthcare bear the primary responsibility and in the case of Mauritius, the islanders became more affluent. Malthusian theory also points the finger at the growth in prosperity to explain such an increase in family size.

Finally the third and last progressive factor that made a serious contribution to the eventual success of the island was the reform of the education system. In a way this was the final blow to the archaic relationship between plantocracy and labourer. It has been said that “education is one of the most important agents for social change, and a powerful catalyst in the process of modernisation of society”³⁴. There are debates for and against the effect of a formal education system on developing societies. On one hand it is clear that an increase in education contributed towards the structures of “nation building”, however on the other end of the scale the consensus is different and it suggests that education hampers the economy in several different ways. It increases the expectations of graduates, especially at a time when the economy is unable to “absorb the turnover of graduates”³⁵. This was a

³¹ Lange, 2003 p.398

³² Alladin 1986 p.95

³³ Meade 1961

³⁴ Harbison and Meyer, 1964 as quoted by Alladin 1986 p. 96

³⁵ Alladin 1986 p.96

risky governmental strategy that could have easily gone one way or the other, had the relevant authorities not had the foresight to invest in a substantial, long term redevelopment plan.

A combination of factors, mainly the aforementioned population increase came together to inspire change within the economic climate. Until this period Mauritius was a monocrop economy consisting almost entirely of sugar production, on which the colony had prospered for over two centuries. The population increase meant that this model was no longer viable. Additionally, despite the advantages of specialisation, there are also some serious disadvantages and the island was vulnerably dependant on the importation of food, good weather conditions, and the international sugar prices.

The sugar industry in Mauritius began to decline from 1970 when it had accounted for 90% of their total exports by 1982 this figure had drastically decreased to 60%. The reasons for this decline have been analysed by Alladin. He suggests that it was caused by a lack of investment and a decrease in the number of acres under sugar cultivation. As a result the government launched a two pronged plan to tackle this problem. Their aim was not to resurrect the sugar industry but to retain it while developing other industries that might have more potential to solve their population/employment problems. The sugar industry could be used as a crutch to fall back upon should the policy of diversification fail.

The first step was to modernise sugar manufacture in order to increase output and to reduce labour leading to reduced production costs. The methodology to achieve this was straightforward. They introduced a newly developed variety of sugar cane that dramatically increased the yield and they modernized the processing machinery for the production and transportation of the crop. These efficiencies freed more surplus labour for their growing manufacturing industries.

A development plan was also activated to address the manufacturing side of this two pronged effort to reverse the economic stagnation of the island. The plan, which had been a work in progress

since the beginning of the 1960s, aimed to create an EPZ³⁶ in order accelerate their economic development and was arguably the most beneficial of all to their economic progress. Fortunately, the previous year of institutional improvement gave them a head start at redevelopment. In addition to providing employment for those who had been laid off through the mechanisation of the sugar industry, the plan also aimed to include women, who, up to this point, had not been assimilated into the labour force^{37 38}.

A plan to establish a manufacturing industry was developed. The Lomé Convention³⁹ also opened up international markets even more and further contributed to economic growth. This development plan was separated into four stages, each aiming to increase foreign trade and jobs for local Mauritians. The first stage, also known as the “take-off”⁴⁰ brought taxes associated with foreign investment to an all time low, this move encouraged companies to become establish in the EPZ. Stage two took a different turn, increasing the export taxes fourfold aiming to squeeze revenue out of the now established companies. The aim of the third stage was the revival of the fast growth that was experienced in the early years of the project. The NEC was reduced to 26%, possibly as a result of the international acclaim that had been developed in the previous decade. The increased investment in infrastructure led to a dramatic fivefold increase in the number of new companies established.⁴¹. Finally the fourth and present stage of the plan was begun in 1988. It was tailored to increase investment and respond to rising wages as a result of near full employment. The EPZ now stands at about 20%. In addition sugar, for the first time in almost two centuries no longer dominated the export market and was superseded by manufactured goods, mainly textiles. This has removed the islands reliance on favourable weather conditions to produce a saleable/profitable crop. Since the foundation

³⁶ Economic Production Zone

³⁷ By 1986 women accounted for approximately 80% of the workforce on the EPZ Alladin, 1986 p.100. One of the side issues that arose here was exploitation of employees inside the EPZ. Comparatively, according to Alladin, women were underpaid and not protected from by a compensatory body for injuries incurred in the workplace.

³⁸ An exception being during times of seasonal work.

³⁹ The Lomé convention also protected sugar prices, as long as Mauritius manages to produce an annual quota of 500,000 tons a year (Alladin p.98)

⁴⁰ (Alter, 1991, p. 3)

⁴¹ (Alter, 1991, p. 3)

of the colony the island suffered doubts, plagues and cyclones at regular intervals and the livelihood of the inhabitants relied on fair weather conditions in order to survive. The movement away from agriculture as a source of productivity decreased the vulnerability of the island to natural forces, thus removing one of the major thorns in the side of the Mauritian economic atmosphere.

The political environment at the beginning of independence was in some way poignant. The Mauritian Labour Party (MLP) lead by Sir Amgoolam was composed of an alliance between two parties that had occurred in 1936. The two parties in question were the Hindu Independent Forward Bloc (IFB) and the Comité d'Action Muselman (CAM). This was an interesting alliance, especially considering the political environment of India at the time and taking into account that the majority of Mauritius was ethnically first and second generation Indian. The MLP gained recognition as a real contender for Post Colonial leadership during the late 1930s and early 40s.

Throughout this period there were various agricultural labour disturbances⁴² which resulted in the establishment of a broad network of national institutions which eventually survived the rigours of independence. The MLP's ability to convince the colonial government to listen to them and act on their requests on behalf of agricultural labourers endowed them with a considerable amount of support. There were three main causes for the initial riots and disruption; A- inflation had eaten away the real wages that the agricultural labourers were receiving, B- a decrease in the prices that were being paid for low grade sugar cane, and finally C- the smaller farmers were no longer able sell their sugar to any mill they choose to, thus removing competition from the market.

In addition, the government became less centralised and this enabled agricultural labourers to express their problems to the constabulary without having to take public action. Moreover Mauritius also benefited from having a well trained and funded military force that was capable of containing and

⁴² Lange p.408

quelling disturbances, so that when issues did occur they did not last for a lengthy period of time nor did they develop into large scale threats to stability.

The institutional changes that were initially made as a result of the coercion by the MLP set a foundation upon which the rest of the Mauritius success story was built.

On the side of the opposition there was a similarly mixed state of affairs. The opposition consisted of the Parti Mauricien Social-Démocrate (PMSD), lead by Gaëtan Duval which was mainly composed of Black-Creole Mauritians⁴³. Their aims were similar and consequently there was no impetus to create an ideological split.

Once a monocrop economy, the bulk of Mauritian politicians realised the potential that they could gain from diversification and it would appear that this ethos of research and development is an intrinsic part of Mauritian diversification today.

During this period from 1968 to the present, various other significant changes and incidents occurred within politics. Arguably, the most significant occurrence was the founding of the Mauritian Militant Movement (MMM) in 1969. They aimed to create a more democratic environment and also break down the boundaries between the many ethnic groups in Mauritius. It is my opinion that the success of the Mauritian state is as a result of its common aspirations. In 1982 the Mauritian people voted in the opposition, the MMM thus becoming the first African country to do so. International trade has also continued to develop along with the diversifying economy. In 2009 alone Mauritius signed trade pacts with both China and the EU.

In recent years the growth of high technology production has also held a significant portion of the exports. As early as 1988 Mauritian economists forecast the importance of computers in the future and established the NCB⁴⁴ to promote technological advancement. At present Mauritius is set to

⁴³ descendants of the original freed slaves

⁴⁴ National Computer Board

become the first nation in the word with coast to coast wireless internet- an indication of their economic foresight and success.

Sectional Summary & Initial Conclusion

In the previous section I have outlined the mainstream determinants of the historical progression of Mauritius.

To Summarise:

- In 1810 the British quite peacefully gained control of the island and retained the established French institutions and plantocracy.
- Slavery was one of the key elements which kept the island prospering. In 1836 slavery was outlawed and thus the Island had to find a different source of cheap labour, the answer to the problem was indentured labour from overcrowded India.
- In the second quarter of the twentieth century societal change instigated a movement towards universal suffrage and eventually independence.
- In post independence Mauritius the aforementioned colonial institutions, which were well established, were retained as was the conservative, but progressive governmental policy.
- As a result of independence new economic agreements and policies were drawn up
- The prosperity of the manufacturing industry led to a decrease in the importance of the island long standing relationship with the sugar industry thus removing the island's reliance on positive growing conditions, food importation etc. and replacing it with a steady reliable source of employment and revenue. The sugar industry did not disappear, it just modernised which in turn reduced the number of people required to run sugar plantations and consequently created a surplus labour force which fed the growing manufacturing industry.

Initial Conclusions

The prosperity of the island can be related to a combination of factors which came together at the right time to create an ideal environment to support a growing and diversifying economy.

One of the deep causes of this prosperity can be put down to the initial foundation onto which the new, post colonial, economy was built. The fact that each peasant had a small parcel of land is, in my opinion, a very significant part of this examination. These labourers had the means to create prosperity for themselves and their families. They had the ability to earn extra cash to fund little businesses for their offspring and send them to further education and to the cities. Had this not been the case it is my belief that there would have been a complete upheaval of the plantocracy once the colonial period had come to an end. This in turn would have sparked off violence and possibly encouraged the development of communism thus reducing prosperity throughout the island.

The Lomé convention also played a significant role. The terms of the agreement stated that Mauritius had to provide a quota of at least 500,000 tonnes of sugar each year, if they fulfilled their agreement they could expect a certain price for their crop. During the launch of economic diversification, Mauritius relied on the income generated from this crop. Furthermore, they also gained a considerable amount investment from India and China as a result of the ethnic links of its population.

The development of a strategic development plan was also another factor that helped Mauritius to prosper. Through sound economic theory, constant monitoring and the flexibility of the labour force the plan proved to be a success.

A Brief Explanation of the roots of the Jamaican Economic State

Pre-Colonial and Colonial Period

Jamaica, unlike Mauritius, was once inhabited by an indigenous population of Arawaks who were believed to have come from Guyana although; their impact on the island was minimal. They grew some crops, but their main source of food came from native plants, namely potatoes⁴⁵, and animals that they hunted with primitive weapons⁴⁶. They have left little evidence of their habitation on the island.

The Spanish were the first European conquistadors to arrive, who quickly enslaved the native population. Before long many of them had been wiped out by European diseases for which they had no immunity. In addition the Spanish were particularly brutal rulers and many died as a result of maltreatment.

In 1655 a convoy of English ships offloaded at Kingston harbour with the intention of capturing Spanish town the established capital. They had not been charged to specifically go to Jamaica, they had been sent to take control of Santo Domingo, however they failed and they decided to turn to a weaker target. By May of that year they had gained full control and began their own colonies⁴⁷.

Unlike the colony in Mauritius, from the beginning sugar was the main export of Jamaica and soon it rose to become the most important exporter of sugar of all the British colonies. This was made possible by a great influx of slaves from West Africa who outnumbered the white population 20:1⁴⁸ at the beginning of the eighteenth century. These figures eventually diminished to 11:1 by 1789⁴⁹.

⁴⁵ (Browne, 1756 p. 154)

⁴⁶ (Gleaner, 1993) The Daily Gleaner was established in 1834 and is now one of the oldest continuously published papers in Jamaica. It published a number of articles on the Jamaican history and geography in recent years based, for the most part, on its archives which are available online.

⁴⁷ (Gleaner, 1993)

⁴⁸ (Gleaner, 1993)

⁴⁹ (Stinchcombe, 1995 p.95)

Governors arrived in succession and each contributed to the development of agriculture and state policy. It was not until 1690 that cracks began to show in this relatively new colony. The Earl of Inchiquin took his seat as Governor in 1690. Almost as soon as he arrived the Maroons⁵⁰ managed to establish themselves in the north of the island. There they had a fort from which they plundered all that they could from the nearby plantations. They created a safe place for slaves to run to and as a result their numbers increased swiftly. During Inchiquin's⁵¹ first year as governor a slave revolt took place, fortunately for him, it was quelled, and the ring leaders were executed.

At this time as well England and France were at war with each other. In 1694 1,500 French troops landed in the north of the island hoping plunder it. They were opposed by both the slaves and the colonials and eventually were persuaded to leave after causing considerable damage to fifty estates and plantations and capturing 1,300 slaves which they took with them⁵².

In 1760 there were more serious problems with slaves. A number of slaves, approximately 1000, broke out of the neighbouring estate to St Mary's Parish and murdered all the colonials they could get their hands on. They were soon challenged by troops and their actions quelled. In the aftermath they were dealt with severely and the ringleaders were executed⁵³. The ratio of Slaves to whites was grossly disproportionate and by 1786⁵⁴ there were 11 slaves to every European on the island thus making violent instances ever more likely.

In England at the beginning of the nineteenth century radical changes in morality and technology forced changes upon the colonies. Firstly in 1772 all slaves in England were freed. Secondly in 1807 the slave trade between Africa and the West Indies, which was the main chain of supply⁵⁵, was dissolved. Thirdly, in 1808 a decree was passed banning more slaves from being brought to the island. At the time there was considerable anti abolition support from the land owners, who claimed that freeing the slaves would cause them to increase the peasant population and thus

⁵⁰ Runaway slaves(Gleaner, 1993)

⁵¹ (Gleaner, 1993)

⁵² (Gleaner, 1993)

⁵³ (Gleaner, 1993)

⁵⁴ (Stinchcombe, 1995 p.95)

⁵⁵ (Maddison, 2007 p.221)

decrease the growth rate⁵⁶. To counteract this, the Marquis of Sligo, governor at the time, introduced a policy of apprenticeship after which slaves could be freed with a trade in 1834. The final step was full emancipation in 1838⁵⁷.

From this point onwards there was a swift Victorianisation of the island with the establishment of an agricultural society, a college established in 1842 and the building of a railway in 1845. As well as these modern developments the first indentured Indian workers arrived in the same year⁵⁸.

In 1848 the levies that protected the trading interests of British colonies from those owned by foreign countries were lifted and all goods coming into England were levied at the same rate. The removal of this protection led to a crisis in Jamaica and caused diminished profits as well as the loss of Jamaican lending agencies⁵⁹. Mauritius on the other hand did manage to retain her trade agreements with Britain until the 1960s at which stage new agreements with other countries were drawn up thus continuing their histories of mutual benefit.

The Great Exhibition of 1891 aimed to promote the foreign trade⁶⁰ of Jamaica but it also had an added value to the island. It was opened by the Prince of Wales even though it was not intended to be a royal event, and in the mind of the Governor it was hoped that it would “foster a spirit of empire”⁶¹. Along with showing the best that Jamaica could produce it also demonstrated a unity amongst the population that proved that the race and class issues of the past had subsided⁶².

By 1894 when Hemming took over as Governor the state finances were in jeopardy. There had been a drought, and sugar the islands main export was being sold at an all time low price. The solution was simply to reduce governmental spending on the legislative council⁶³. The introduction of

⁵⁶ (Stinchcombe, 1995 p.108)

⁵⁷ (Gleaner, 1993)

⁵⁸ (Gleaner, 1993)

⁵⁹ (Gleaner, 1993)

⁶⁰ (Bryan 1991, p.18)

⁶¹ (Bryan 1991, p.18)

⁶² (Bryan 1991, p.18)

⁶³ (Gleaner, 1993)

steam shipping in 1901 also stimulated the economy. This faster system of transport opened up a new market for Jamaican bananas to be shipped to England without spoiling⁶⁴.

The economy was recovering, when, in 1907 an earthquake hit the island and pretty much destroyed the city of Kingston. The commercial district was set alight and about 800 people were killed. The cost of the damage was estimated to be in the region of two million pounds, a quarter of a million of which was refunded by the British government⁶⁵.

In 1930 a delegation from the UK led by Lord Olivier visited Jamaica in order to ascertain the state of the sugar industry. Britain had previously granted a tax reduction in order to encourage agricultural mechanisation. The feeling was at the time that the tax reduction should be abolished as they had achieved a sufficient level of modernisation. Unemployment was also rising in Jamaica in the thirties and by 1938 the position had reached such a state that a commissioner had to be appointed to deal with this problem and resulted in the establishment of the first “Labour union”⁶⁶ in Jamaica.

The outbreak of war in Europe in 1939 hindered the islands international trade and as a result of a perceived potential threat the “Defence of the Realm Act” was put in place⁶⁷. By the following year America, under an agreement with Britain, built army bases in Jamaica.

In 1944 a new constitution was drawn up and introduced by popular demand. As a result of this legislative change the general public gained more power. Coincidentally or otherwise the Labour Party also gained the majority vote over the People’s National Party (PNP). This action can be seen as an indication of the changes to come. By 1953 the new constitution was expanded and included several new ministries and although in 1947⁶⁸ the possibility of amalgamating The British West Indies with Jamaica was considered, they were not actually joined until 1958.⁶⁹

By the mid 1950s the wave of emigration that had begun slowly after the war quickly increased. The most popular destination for these emigrants was the UK and by 1956 over 17000

⁶⁴ (Gleaner, 1993)

⁶⁵ (Gleaner, 1993)

⁶⁶ (Gleaner, 1993)

⁶⁷ Defence of the Realm Act- This included all countries in the British empire in the case of Jamaica meant that profiteering was outlawed and army bases were built during this period. (Gleaner, 1993)

⁶⁸ (Gleaner, 1993)

⁶⁹ (Gleaner, 1993)

people left⁷⁰, by 1962 this figure had reached 39,000⁷¹. This year also saw the introduction of 1500 free places at secondary schools as well as 50 college scholarships per-year⁷².

The tide of change made another step towards independence when, in 1957, Jamaica gained full internal self-government. It required the implementation of a new governmental system which was loosely based on the British system⁷³. Another important change occurred in 1959, when the Cayman Islands separated from Jamaica, reducing the size of the West Indies Federation.

As a result of this new freedom the then PNP leader, Norman Manley, encouraged massive amounts of investment from North America for the development of two of Jamaica's largest national earners at the time: the bauxite industry and the tourist industry. This steered Jamaica's dependence from the UK market to the US market. One of the resulting elements of this new trade relationship was the "guns/ganja/organised crime nexus"⁷⁴. This basically involved Jamaican, drug lords swapping marijuana for arms⁷⁵ with their American counterparts.⁷⁶

In addition to an increased number of arms in the hands of the rising numbers of criminal groups there were also social inequalities that were beginning to appear in Jamaica's social fabric. Between the years 1950 and 1968 the Jamaican economy experienced an average growth rate of 4% and despite this increased income, inequality was rising, resulting in 5% of the population earning 20% of the national income and the lower 60% of the population earning 18% of the national income. In addition to the diminishing middle class there was also a rise in unemployment as a result of the closure of the migration outlet to the UK in 1962, quite abruptly there was no outlet for Jamaican surplus labour^{77 78}.

70 (Gleaner, 1993)

71 (Gleaner, 1993)

72 (Gleaner, 1993)

73 (Gleaner, 1993)

74 (Lacey, 1977 p.159)

75 Jamaica did not produce any arms on home soil, thus their availability was possibly more limited. (García-Muñiz, 1991 p. 112)

76 (Lacey, 1977 p.159)

77 During this period various labour saving devices were introduced to agriculture and industry. The resulting consequence was increased poverty, which brought it to an average of 13% for the country as a whole and 19% in Kingston (García-Muñiz, 1991 p. 112)

78 (García-Muñiz, 1991 p. 112)

Jamaica had already come a long way on the path to independence and by 1961 and it was decided to use a Referendum to consult public opinion concerning prolonging their relationship with the West Indies Federation. "256,261 people voted "No" and 217,319 people voted "Yes""⁷⁹. It was decided that they ought to withdraw from the Federation and apply for full independence. They were granted their application as long as they established a mutually friendly constitution. In 1962 it came into effect making them an independent nation in the British Commonwealth. In addition to the existence of class distinction, race also played a role in society: there was a correlation between colour and class, particularly the capitalist class was "easily identifiable [...] most were of Jewish and Arab ethnic origin"⁸⁰.

79 (Gleaner, 1993)

80 (García-Muñiz, 1991 p. 112)

Post-Colonial Period

The period in which the newly independent Jamaica was re-established was a time of uncertainty, not just for Jamaica, but for the major powers of the day, namely the US and the Soviet Union. The cold war was raging and Cuba, one of Jamaica's closest neighbours, had just sided with the Soviet Union thus allowing them to use vast areas of Cuban soil for classified military purposes. Unfortunately for Jamaica, it would not have been practical and conceivably not possible in the long run to remain unaligned. In addition to this air of uncertainty which was misted with the political miasmas present in the Caribbean at the time, Jamaica had more deep rooted problems of her own within her shores.

The economic community to which Jamaica belonged, namely the Federation of the West Indies, was in turmoil and the rival parties, namely the PNP and the JLP, used this situation to gain political leverage against each other. Ruinously, there was a nationwide split between those who wanted to leave and those who wanted to remain within the Federation. Eventually a majority was gained by the JLP, who, led by Alexander Bustamante, represented the stance against Cuba and therefore conceived an alliance with the US. By the end of the first week of independence the newly proclaimed prime minister had invited the US to establish "a military base where ever it decided to do so"⁸¹. In addition the new Jamaican government also granted the US the right to carry out surveillance on the coastline nearest to Cuba, a mere 145km from the Cuban coast. All of this was done without consulting parliament in the hope that they might be admitted to the OAS⁸². In the long run this political alliance was seen to be the way forward to industrialisation and eventual prosperity. Contrary to the conflicting political stances adhered to by the JLP and the PNP they both agreed that international investment was a necessity. However they differed as to the means by which this investment should be achieved. The PNP sought investment from the US government in order to

⁸¹ (García-Muñiz, 1991 p. 111)

⁸² Organization of American States: The OAS uses a four-pronged approach to effectively implement its essential purposes. The Organization's four main pillars—democracy, human rights, security, and development—support each other and are intertwined through political dialogue, inclusiveness, cooperation, and legal and follow-up instruments that provide the OAS with the tools to maximize its work in the Hemisphere.
(http://www.oas.org/en/about/what_we_do.asp)

develop their “branch plant manufacturing”⁸³, the bauxite and the tourism industries. The resulting situation led to severe dependence on trade with the US for economic survival.

One of the unfortunate side effects of this situation was the growing relationship between American ‘drug lords’ and their Jamaican equivalents. This led to the ganja/arms smuggling/organised crime nexus⁸⁴. This situation was not only enflamed by the growth of drug use during the later 1960’s but also the civil rights movement in Jamaica. The majority of Jamaicans could identify with the same issues faced by black American communities. This relationship was not only equivocal, in some respects there were also physical ties between both nations; Jamaicans fought in Vietnam, worked in the US police force and lived in Jamaican communities within the US such as Jamaica, long Island⁸⁵. At the same time Jamaica was bombarded with a huge influx of diverse political ideas which were popular in America at the time. Groups such as the Ethiopian World Federation⁸⁶, Christian Anti communist crusade⁸⁷ and the United Sons and Daughters of Africa^{88 89} grew in popularity. There were also the US tourists who came in their droves during this period.

According to Lacey there were two events which occurred in 1966 which signified an ideological change in the Jamaican people. In March of that year the Queen of England came to visit, she was received graciously and politely, in contrast Emperor Haile Selassie arrived in April and was greeted with a “violent, ecstatic welcome”⁹⁰. This change of interest was significant for the future of the island as the people saw it. The interest in Haile Selassie was not necessarily about the fact that he

⁸³ Beruff, J.G. 1991 p.112

⁸⁴ Lacey 1977 p.158

⁸⁵ Lacey 1977 p.158

⁸⁶ The Ethiopian World Federation, Incorporated International Headquarters NGO in Special Consultative Relationship with the Economic and Social Council of the United Nations is an organization Dedicated to the Freedom and Independence of Africa, and the Cause of Right, Justice and Full Opportunity for Black Peoples everywhere. (<http://www.ethiopianworldfederation.com/>)

⁸⁷ Christian Anti-Communism Crusade: Objectives - To speed the advance of the Christian gospel and halt the advance of godless communism; to provide information on the philosophy of communism and its aims and methods; to provide avenues of service for those eager to work effectively as Christians and patriots; to provide lectures and educational materials for churches, schools and other groups; to help those Christians standing in the battlefields against communism in strategic areas. Publicists - L.R. Appleton, L.M. Schwarz, Elton Wilson (<http://espace.library.uq.edu.au/view/UQ:200030>)

⁸⁸ Sons and Daughters of Africa (SADA) is a membership organization. This organization is created to raise the level of consciousness of African descendants to one of self-knowledge. (<http://www.sada53.org/main.htm>)

⁸⁹ Lacey 1977 p.158

⁹⁰ Lacey 1977 p.158

represented black power, but perhaps more importantly what he represented to the Afro- American community.

Without question the most destructive, socially speaking, of all of the imports from the US was the aforementioned ganja/arms smuggling/organised crime nexus. This relationship was negative for both sides. The ganja was grown in Jamaica and swapped for guns and cash. Jamaica did not have any armament manufacturing plant of her own so this relationship supplied the growing gangs with a means to defend themselves, fight amongst each other for territory and to safeguard against interference from the JDF⁹¹. This information is supported by and almost daily account of ganja and arms discoveries during this period. All this time the Jamaican Government were somewhat successfully marketing the island as a haven for tourists and industry alike despite these fundamental problems.

The correlation between class and colour also played its role to enflame the situation. In the early 1960's there was still a significant relationship between race and social class. As Muniz describes it "one could speak of the black lower classes, the brown middle classes and the white or light skinned upper-classes"⁹². The colonial mercantile classes were still in place at this stage, a leftover from the colonial period and still a significant contender for economic stability. These people, interestingly, consisted of mainly Arab and Jewish families who had been in place since the later 19th and early 20th centuries.

Economic inequalities were also significant. Despite a healthy average real economic growth rate of 4% from 1950 to 1968 there was a growing gap between the rich upper-class and the soaring number of poverty stricken people on the bottom rung. The top 5% of earners earned nearly 20% of the national income; in contrast the lower 60% of the population earned only 18% of the national income during this period and in 1962 the surplus labour outlet that was free emigration to the UK

⁹¹ Jamaican Defence Force

⁹² (García-Muñiz, 1991 p. 112)

was closed. The most serious repercussion was a significant increase in the unemployment rate thus extending the gap between the top of the ladder and the bottom, economically speaking⁹³.

The political environment that the newly reformed state was released into was a time of uncertainty. The aforementioned Cold War was raging and Jamaica needed to establish where she stood in order to strengthen her relationship with her newly acquired ally, namely the US. The then prime minister, Bustamante, seized the opportunity to publicly disconnect from the soviet-Cuban relationship by banning communist literature, breaking trade agreements and also removing the passports of those who had visited Cuba. In issues of political support for the US Jamaica reflected her decisions and opinions. Conversely during this period the consulates which had already been established in Cuba were kept in order to service those Jamaicans who had gone previously to work on the sugar estates and in the mining industry.

In terms of Jamaican defence policy the continuation of the defence policy from the previous colonial period played a considerable role. The previous military organisation was adopted, although it was slightly altered, as were the other basic colonial systems including the educational and legal systems. In 1962 the JDF and the JCF⁹⁴ were the two main modes of defence. The JDF was composed of two parts a regular and a reserve army. Their official role was “to defend the country from external attack and to aid the civil power in emergency situations and to maintain essential services”⁹⁵. They numbered approximately 1000 members. Interestingly, although the British had left the island in 1962 a good many high ranking army staff remained in place for at least the first decade of independence. The other main peace keeping force was the JCF. Their role was to enforce the law on a day to day basis along with the normal duties of a police force. According to Muniz they proved to be unreliable for the duration of the 1960’s and thus relied heavily on the JDF for back up. In addition the JDF used situations which should have been dealt with by the JCF as practice sessions to test their networks of communications etc. Eventually these practice secessions ended up becoming an essential part of maintaining social security on the island as the JCF became less and less capable of

⁹³ (García-Muñiz, 1991 p. 112)

⁹⁴ Jamaican Constabulary Force

⁹⁵ (García-Muñiz, 1991 p. 112)

maintaining peace. Gangland violence was increasing with the rising unemployment rates. They acted as mutual catalyst.

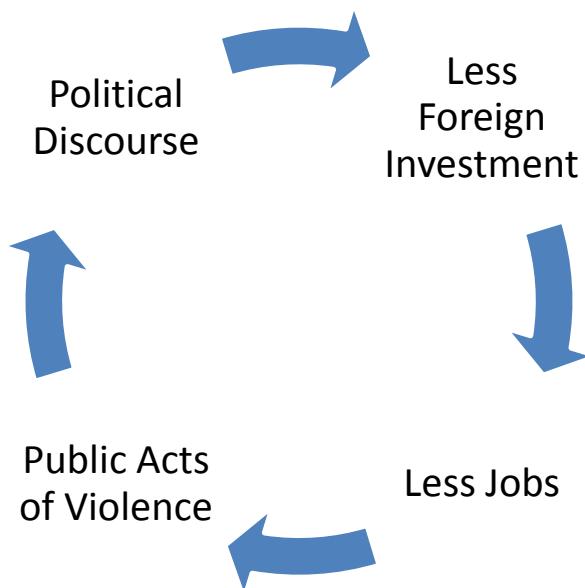


Figure 4: Jamaican Model for destabilisation, Authors own work

The first real violence began in 1966 after strikes and a general election. Both the JDF and the JCF were involved in quelling the unrest. The root of the violence was loosely based on trade union agreements. This was not the first time that there was violence in the streets; however this was the first time that fire arms were used. This bout of violence scared the constabulary into calling the JDF at the drop of a hat. According to Lacey

“The interesting thing that happened to the JDF during the 1960’s therefore was that towards the end of the decade it began to take part in the day to day burden of normal policing duties which were, at that time overwhelming the police force”⁹⁶

In short, by the end of the 1960s, the first decade of independence the defence force had drastically changed. They now concerned themselves with being stringently anti-communist and also suppressing “alleged black power subversives”⁹⁷. Moreover there was a change in the way in which the defence forces were deployed. The MP had ultimate control as a result of the newly formed bridge

⁹⁶ Lacey, 1977 p.115

⁹⁷ (García-Muñiz, 1991 p. 117)

between the JDF and the JCF. Despite the average growth rate of the economy reaching almost 6.5% the unemployment rate doubled to 24%, possibly due to the termination of the emigration agreement between Britain and Jamaica.

An air of discontent occupied the political scene eventually resulting in the election of the PNP, lead by Michael Manley, for the first time in 1972. There was an immediate reduction in the level of violence during the first year⁹⁸, however this was not to last.

The PNP was set on revamping the previous system, deeming it a failure. They decided to drastically change two main aspects of Jamaica policy. Firstly old ties with Cuba were reaffirmed with various public acts of friendship, including an official state visit to Cuba by Manley shortly followed by a return visit from Castro. Secondly the PNP choose to commit themselves to democratic socialism as the way forward.

Unfortunately this had a rather immediately negative effect on an already struggling economy. In the aforementioned social structure the top earners of the country owned a disproportionate amount of the wealth being produced by the country. The introduction of a socialist regime meant that land owning classes began to pull out funding, as did the international corporations that owned the bauxite mines and the tourist industry. Pretty quickly the economy became stagnant which resulted in an even greater general feeling of discontent than had been experienced during Bustamante's term as MP. Additionally, during this time the world economy was also suffering stagnation from quite a severe rise in oil prices, within a twelve month period, between 1973-4, the oil price rose almost 172%⁹⁹ thus further crippling the failing economy. Finally they had to turn to the IMF¹⁰⁰ for help with the admittance of defeat by the PNP. Additionally, according to Muniz, the country was also suffering from a slight dearth of foreign exchange¹⁰¹ with prevented them from purchasing the additional armaments required to prevent public chaos.

⁹⁸ (García-Muñiz, 1991 p. 118)

⁹⁹ (García-Muñiz, 1991 p. 119)

¹⁰⁰ International Monetary Fund

¹⁰¹ (García-Muñiz, 1991 p. 119)

By this time social discontent was rising swiftly and in the election years of 1976 and 1980 violence wreaked havoc on the major settlements throughout the island. In 1976 almost 500 people died and in 1980 889 people lost their lives in the rioting. Shockingly the P.M., Manley, publicly accused external and internal forces, possibly the US and the JLP, of interfering and trying to inflame the problems already inherent in the Jamaican economy.

“[destabilisation]... describes a situation where the sole source either outside or inside a country- or perhaps two sources working in concert, one outside and on inside- set out to create a situation of instability and panic by design”¹⁰²

The JLP continued to resist the changes implemented on Jamaica by the PNP and even resorted to sabotage in order to prevent success or stabilization. One of their tactics was to create road blocks and at one stage they did manage to affectively bring the economy to a halt for three days¹⁰³. In response to this Manley created the Home Guard (HG) in order to quell the problem at a reduced expense to the state. The HG was composed of volunteers who were sourced from the growing numbers of unemployed persons living in the more troublesome areas in the towns. They came from the discontented neighbourhoods and were street savvy thus making them more effective. Interestingly they were also armed whilst on duty; however they were also under constant supervision from the LCF. In some ways it proved to be a success, increasing by over 570% in the four years between 1976 and 1980.

As far as the JLP were concerned the HG was just another name for the ‘people’s militia’ and saw it as a threat. In the coming years the situation worsened as the riots became more frequent and more out of control. One of the massive problems being that the equipment was aging and incapable of being effective any longer. The JDF and the JCF could no longer quell the rioting crowds of discontented citizens; their only option was to try to reduce the number numbers.

One other social gap was that the members of the JDF and the FCF were not members of the general public. As a rule of thumb the officers leading the men were plucked from the upper and

¹⁰²

¹⁰³ Stone class p.194

middle classes and thus found it difficult to identify with the rioters and the other people that they were trying to control. There was another problem; the changes that the JDF and the JCF were trying to enforce would inevitably reduce the officer's circumstances and wealth, what was their motivation to persist with enforcing this new regime? The security forces began to come apart at the seams. There was even a plot by some members of the LDF in 1980 to join the JLP; however these plans were soon quelled. Although the problem was resolved alarm bells started to ring. Campbell wrote "In the end the supporters of the two parties tended to become more like members of opposing armies, than citizens with different views about their country"¹⁰⁴

In the 1980 elections the discontent which had been causing such immense aggravation amongst the Jamaican people was evident in the voting booths throughout the country. The JLP, led by Edward Seaga, won the election by a considerable margin and began immediately to expose the failings of the previous government. They realised that they needed to spend considerably on national security in order to revive the economy. Without a stable environment for the economy to recover it could not begin to grow. The JDF and the JCF were reviewed and reequipped with new armaments from the US and Canada and some members of staff were sent for training overseas in the US, Canada and the UK.

One of the more important public image roles Seaga did when he first came to power was to reaffiliate Jamaica with the US by creating a trade deal and also making a state visit to the White House. He played the part of being entirely anti-communist and reinitiating the free market economy in Jamaica. He aimed to rebuild the relationship that Jamaica had enjoyed with America that the PNP had so veraciously destroyed. One of the immediate benefits of this political rekindling was all of the military assistance that was given to Jamaica over the coming few years. Jamaica joined MAP¹⁰⁵ which immediately gave funds to buy new equipment, as they did with various other countries in the

¹⁰⁴ Campbell p. 31

¹⁰⁵ Military Assistance Program

geographical region under the terms of the SDAF¹⁰⁶. On top of this the US also provided training opportunities for the military thus altering the relationship between Jamaica and the UK.

Meanwhile social breakdown was gradually getting out of hand. Out of the 15 boroughs of Kingston it had been estimated that about 8 of them had active gangs¹⁰⁷. Not only did these gangs roam around the neighbourhoods without fearing retribution, they were also armed with the best of equipment that was on offer at the time including A.K.47s and the like. The ganja trade was clearly bringing in considerable amounts of revenue for the gangs as well as the arms that were suspected to have been supplied by opposing parties who were attempting to subvert governmental objectives.

Seaga was a realist and quickly realised that serious money needed to be spent in order to reclaim Jamaica's economic stability. One of his first actions was to ascertain the level to which the security forces had sunk under his predecessors. It was estimated that the JDF was working at only about 25% of the required operational level. The problem was far greater than he had initially considered it to be. Another issue was that although they now had the equipment with which to defend the nation. It was kept in a continuous state of poor repair; approximately 50% of it was out of order. He also chose to dismantle the HG as from the beginning the JLP had been opposed to their formation.

Unfortunately for Jamaica the trade agreements, namely with the US, that Seage established did not prove to be as successful as he initially thought they would be. In 1997 it was revealed that 7000 jobs were lost due to Jamaica's part in NAFTA¹⁰⁸. It would appear that Jamaica is no longer as competitive as its industrialized rivals like Mexico amongst others. A part cause of this is that it was unable to inspire the confidence of investors as it could not provide the domestic stability of its rivals in order to protect potential investments. As a result the large established businesses which were operating in the Kingston Free Zone have moved to other more stable and thus profitable locations.¹⁰⁹

106 Strategic Defence Acquisition Finds

107 (García-Muñiz, 1991 p. 124)

108 North American Free Trade Agreement

109 (Dunn& Mondesire, 2002 p.9)

In 1997 the People's National Party won all 60 seats in parliament resulting in an absolute majority. They began to get back to the political philosophy that they had been incubating in the 1970s. An example of the changes that they implemented was the nationalisation of the sugar processing plants which they had forcibly purchased in 1994 for five US cents.¹¹⁰ The next year they also introduced a 30% increase in fuel prices to cover the government deficit, which caused more riots.

In more recent years there has been a significant surge in the murder rate which can be viewed as an extension of the social disruption that was seeded in the mid 70's. In 2001 Jamaica officially had the highest murder rate in the world. This has been attributed to the long established gang violence. However, it would seem that this is only a symptom of other ongoing problems, specifically two main issues. Firstly the government banned drug related crime on the island and tried to eradicate it. They did not have the manpower to enforce the new laws. Secondly, there was never any cohesiveness or a continuity of order throughout the islands independent history. As an example of the real issues which the security forces faced in 2002 alone the police force managed to solve only 49% of cases.¹¹¹ To date the situation has not been resolved. In 2006 there were on average 25 killings per week. Who would consider investing in a state that was clearly out of control?

110 (The Caribbean's sickly sugar industry)." The Economist 28 Aug. 2003: 26. Print.
111 (Economist, 2002 p.36)

Sectional Summary & Commentary

To Summarise:

- Labour on the island consisted mainly of West African slaves who were imported for the purpose.
- The land ownership structure was only spread between the upper two of the three echelons of society.
- Emigration, especially of educated Jamaicans, began to take hold in the early twentieth century causing a brain drain effect.
- In the post-colonial period attempts were made to implement a manufacturing industry a kin to the one described in Mauritius. Unfortunately the plans were unsuccessful.
- After independence Jamaica suffered from various violent outbursts that were both politically and socially inspired. Several changes of governmental contributed to instability.
- In spite of all of the violence, somehow, Jamaica still managed to encourage a considerable tourist trade. It is a testament to marketing, the natural beauty of the island, along with a fall in popularity for its neighbour, Cuba.
- The cold war directed the drug trade away from Cuba and to Jamaica. It would appear that Jamaica provided a haven for drug lords many of whom accepted payment in arms and ammunition. It has been said that the drug lords were and are better armed than the Jamaican police force. Gangland culture rules sections of Kingston and seems to go unchecked.

Commentary

Jamaica, although it suffered initial difficulties, prospered and became the most important sugar producing colony of one the largest empires ever to exist. One of the defining features of the island is the antiquated land ownerships structure which seems to have been responsible for quite a lot of the aggravation and violence that arose in the nineteenth century.

After abolition slaves were given posts on the estates that they had originally belonged to. Many of these jobs were seasonal. Before the abolition, the slave owners knew that they had to keep a slave in good health through a balanced diet in order to gain the maximum advantage. During the process of releasing slaves they were taught a skill so that they could earn a living by it. Unfortunately this project proved to be a failure according to some accounts. The result was mass unemployment outside times of seasonal labour requirement, Jamaican peasants remained poor, and thus as soon independence occurred discontent was inevitable. The majority of Jamaicans sided with whomever they believed to have the power to rebalance their rights. Unfortunately, this was not the best strategy to encourage the international investors they so desperately needed. Flitting from left to right, governmental policy nationalised and privatised institutions as they liked. It is no surprise that it was a recipe for disaster; however, what are most surprising, if not shocking, are the incredible levels of violence, criminality and disregard for order that arose. In spite of this the tourist trade continues to flourish.

Jamaica is now infamous for having the highest murder rate in the world, a far cry from their unparalleled prestigious agricultural claims. The core reason why Jamaica changed so drastically after independence is due to colonial the ownership structure. It is possible, based on the evidence, that obtaining even a subsistence living was fraught with difficulty. Predictably people turned to illicit methods of earning incomes and thus the growth of the illicit drug trade took off. It is important to note that the island's proximity to the US had a considerably catalytic affect upon the drugs trade. Drugs were certainly swapped in some cases for armaments and before long the standard of weapons

rose above that of the Jamaican army. The rise of gangland warfare also has risen alongside the power and reputation of the gangs themselves.

Returning to the issue of economic struggle, the problems seem to be deep rooted in the issues arising from the unstable politics and gangland culture both of which are descended from property ownership structures. Consequently the volatile nature of the Jamaican state, it would seem, is descended from both the colonial era and mismanagement after independence.

Explaining the Divergence

Violence and the rise of open access orders

From the evidence that I have presented concerning the progression of the socioeconomic conditions of both Mauritius and Jamaica it would appear that the real problems began to arise from the period of transition from the limited-access order to the open-access order. According to North et al. the mechanism behind transition is slow and is based on mutual benefit for both the elite and the common man. However it appears that there was a significant difference between the transition periods in both Mauritius and Jamaica.

Firstly, Mauritius began to take steps towards transition from as early as the abolition of slavery in 1836. By allowing the indentured labourers to own property they were sharing power. Moreover, the landowning peasants owned a significant proportion of the total land under cultivation by 1900 and were in a position to obtain more rights, such as universal suffrage and the right to mill their sugar crops where they wished to. By the time of independence the transition to an open-access order had already occurred and thus there was no great rush to catch up with other developed/developing nations.

Conversely, Jamaica did not begin transition until the first quarter of the twentieth century thus they were leagues behind Mauritius in this respect by the time independence occurred. After abolition in Jamaica elitist powers remained in place and continued the tradition of a limited access order. As mentioned previously the class system was still very much intact in the early 1900's indicating the lack of the class mobility which is essential for transition¹¹². This lack of mobility led to class oppression and social frustration which eventually caused the lawlessness of Jamaica today. It is this lawlessness which has robbed Jamaica of economic progression. As soon as independence happened the frustrated population tried to catch up with other developing nations by seizing private

¹¹² P. 32

property for public enterprise. This fact, along with the following *causes* and *deep causes* eventually resulted in their respective situations today.

Causes

The following graphs have been compiled from information that has been retrieved from the annually produced *Bluebooks of statistics*¹¹³ from both colonies. Their analysis is paramount to understanding and verifying the origins of the economic *progress* of both Jamaica and Mauritius. From the figures represented in the introduction we get a sense of the overall level at which both regions were operating, however these figures are only indicators. The following passage examines some issues that affect the stability of the regions in question.

According to North et al¹¹⁴ the balance between the rise of an open access society and violence is of paramount importance when understanding the growth of socio-economic stability and the transition from a limited-access order to an open-access order. This relationship is essential to understanding the possible origins of the divergence. The following figures¹¹⁵ represent the number of crimes reported, the number of convictions, and the number of incarcerations per-capita. These three series of statistics in concert supply the required evidence to back up North, Wallis and Weingast's theory. Each one of these sets of data complements each other and supplies a rounded view of the regions ability to control crime and essentially violence. The examination of just one of the following three graphs is not enough to get an overall insight into the respective situations thus this trilogy is a necessity.

The importance of criminal statistics as an indicator in the case of both regions is significant. It is clear that Mauritius managed to evolve into a prosperous state, so why did Jamaica not follow the same path? I believe that the most significant element of the solution is contained in the data given below. The following three graphs indicate that there was a serious underlying discrepancy between

¹¹³ The blue books of statistic were produced by each British colony to demonstrate their outgoings and the income as well as their general performances. One of the publication aims was to make each colony comparable to the next which obviously makes this source extremely useful to comparative historians.

¹¹⁴ (North, Wallis, & Weingast, 2009)

¹¹⁵ Figures 5, 6 & 7

both regions in the field of criminality, the reasons for which I will explain in the accompanying commentary. I believe this factor is the most significant issue that separates the later colonial and post colonial histories.

Crimes Reported

In the graph below you can see that in the beginning of the 20th century there was a vast rift between the numbers of crimes being reported in both regions. Despite both colonies being ruled by the same set of regulations there were some institutional differences. I suggest that the differing issues below demonstrate the fact the Jamaica did not really have a regular police force during this period; this issue has been discussed in the pre and post colonial history of Jamaica. Instead of a regular police force there were military forces that kept law and order on the streets. This leaves a gap between, what is considered a petty crime and a significant breach of the law. Whyte¹¹⁶ states that Jamaican society was already considered at the beginning of the 20th century to be “violent”. She also suggests that the black community, in particular, resolved petty crimes amongst themselves, as was the case in other post colonial ex-slave colonies. This suggests that the discrepancy between the figures can be explained by different cultural attitudes towards governing authorities.

In the case of Mauritius, there is clearly a prolonged period leading up to eventual independence in which the level of crimes reported is somewhat constant indicating the relative stability of the island. Adversely, if we examine the corresponding statistics for Jamaica, the number of crimes reported rises as military rule declines¹¹⁷. By the early 1920s there was an established police force, undoubtedly, we have to factor in the significance of path dependence here but , perhaps, one of the only measurements we can use to demonstrate this factor are these figures, which are ascending in pattern, and rise to meet those of Mauritius. The path dependence that I refer to here is the movement away from left regulating communities, to a society which is centrally ruled.

¹¹⁶ Whyte, 1977

North et al theory stresses the importance of a lengthy transition period from a limited access order to an open access society. According to these figures, Mauritius was not significantly affected by the change of government during this period, nor were they effected by the amalgamation of the military and police forces. This resulted in a slow, peaceful transition. Conversely, however, Jamaica clearly was leading up to a peak of civil unrest. According to the figures from the bluebooks Jamaica was undergoing a less stable transition and from the figures; we can see that the constant increase in crimes reported increased over the first half of the 20th century. In combination with Whyte's theory that the crimes being reported were only of significant cruelty this evidence is symptomatic of an uneasy transition period.

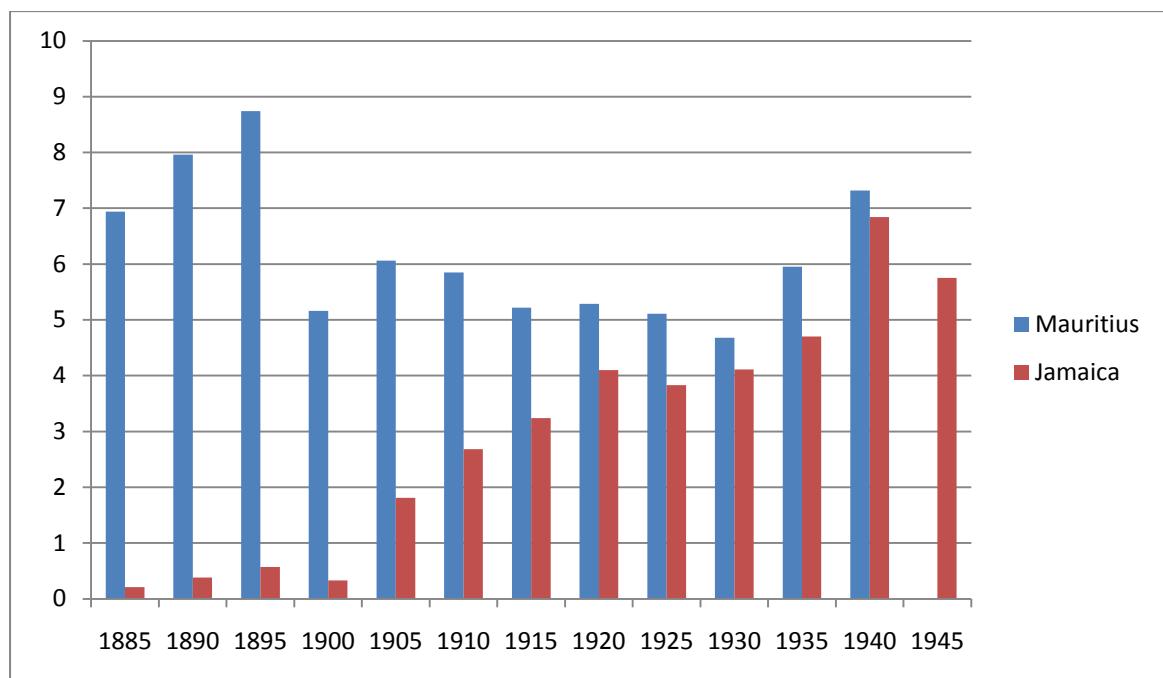


Figure 5: Crimes Reported per capita as a % of the population

Number of Convictions

The graph below (Figure: 6) indicates that there was a significant difference between the number of convictions between Mauritius and Jamaica. This discrepancy mirrors and reinforces the issues that I have outlined in the commentary for the previous graph. Mauritius was clearly more efficient at controlling its population than was Jamaica and thus the primary differences between both regions were in actual fact a combination of self governance versus central control and an uneasy transition period.

The ability to impose law on its people is one of the more important factors for a developing nation. Investors like to know that their investments are protected, and consequently Mauritius's ability to demonstrate this is an important factor to explain the disparity that developed between the regions, I believe, that although it is not a so called deep cause of the divergence, it is a symptom of a more deeply rooted problem.

Lastly I would like to point out one further notable factor that is evident in the graph. In 1920 there are an unusually high amount of convictions; this can be simply explained by the labour riots¹¹⁸ mentioned into the *pre and colonial history of Mauritius* section of this paper, which were the most significant outbursts of violence in the era leading up to independence. The clear illustration in the graph of the outburst is indicative of sensitivity of the figures to civil unrest and it provides evidence of this accuracy. Adversely there is also an anomaly here with Jamaica, why do they show such little variation, despite the comparatively unsettled later colonial period? Perhaps this can be explained by an increase on petty crimes being reported, which would explain the previous graph, conversely, it could also indicate the crimes being reported were not leading to convictions which suggests that there was already an undermanned police force.

¹¹⁸ The example acts as a control to demonstrate the sensitivity of this graph to the upheavals of the time. It also emphasises how uncreative the Jamaican figures are to political/social strain.

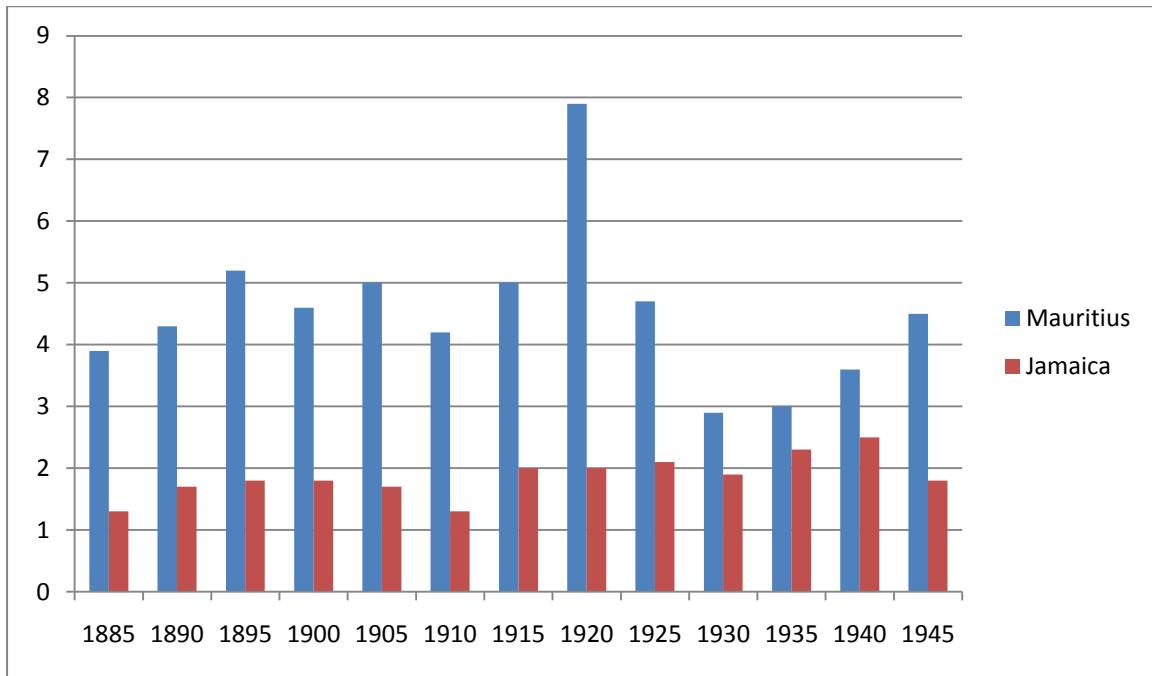


Figure 6: Number of convictions as a % of the population

Incarcerations

An examination of the number of incarcerations per capita in concert with the numbers of crimes reported gives us an important insight into effectiveness of the judicial system and also suggests the nature of the crimes being reported. Unfortunately, the aforementioned Blue books do not specify a wide number of crimes, although they do outline the different types of murders every year, thus we have to look at the number of incarceration per year to gauge the severity of crimes that were being reported and brought to court.

As is evident from figure 7 there is again a massive discrepancy between the number of convictions in Mauritius and Jamaica. If we examine all three graphs at once it is clear that in about 1905 in figure 5 the number of incarcerations in Mauritius soared, in figure 6 they remained at a similar rate and in figure 7 they also remained the same, once again this graph echoes the aforementioned main deep causes of the divergence.

I would like to bring the reader's attention to the particulars of the graph. Notice the aforementioned Mauritian labour riots in the 1920s and look at the number of convictions for that year: nothing out of the ordinary, this is completely expected. The vast majority of the people that were involved in riot related crime were just reported and convicted, but not sent to jail, as is the norm for such large scale violent public outbreaks. There is also a significant decrease in the numbers of people going to jail throughout this period in Mauritius. It is unclear why this might be, however, a developing judicial system may be key to the understanding this situation. There were certainly enough prison cells to keep potential inmates and there was no real problem with policing. With reference to figures 5 and 6, in my opinion this is a sign of the increasing development of the nation. There was essentially the same number of reported crimes and convictions, but the level of severity of the crimes being reported decreased, or, from another point of view, the crimes were dealt with in a more progressive manner i.e. fines, community service etc instead of jail sentences. The indication that crimes of a less severe nature were being reported is a suggestion the people living in that region trusted the constabulary enough to resolve even the smallest of crimes. Of course, by itself, the increase in crimes reported would indicate violence, however, when we look at the number of incarcerations, and know that Mauritius had more than enough prison cells to contain potential criminals we can conclude that crimes of a less severe nature were being reported.

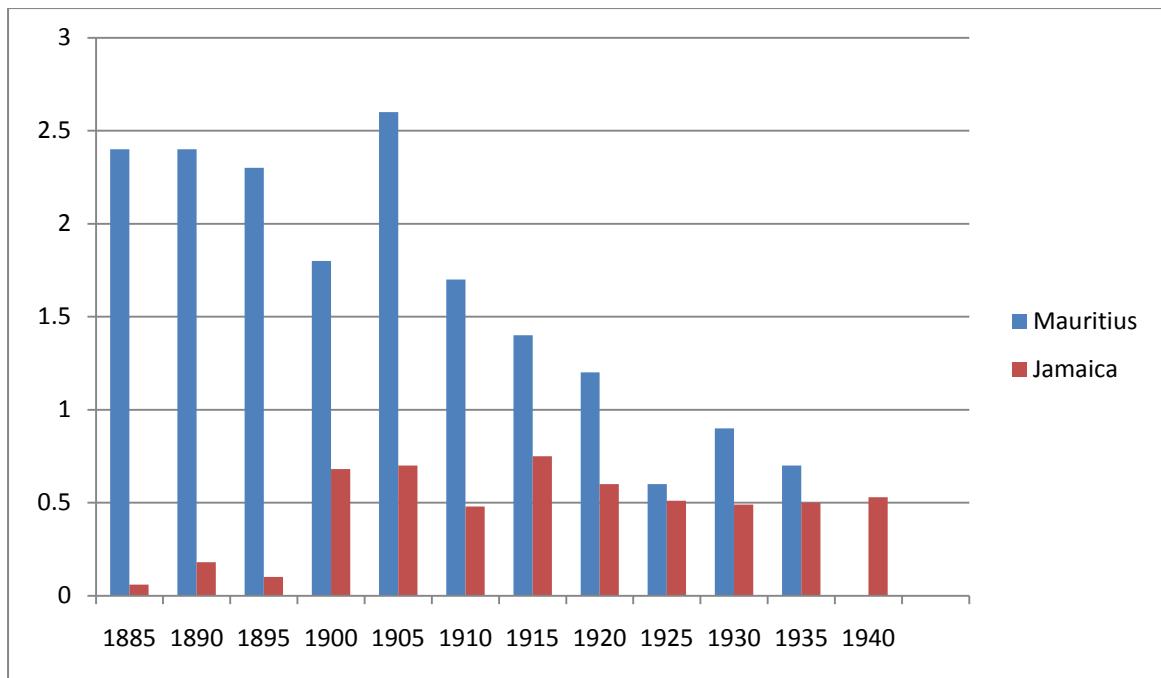


Figure 7: Number if felons incarcerated as a % of the population.

Divergence

The central question within this study is essentially why did the divergence between both of these regions occur? There is no one answer that can explain the vectors behind this issue. The root cause has already been divulged as have most of the subsidiary issues which caused the eventual divergence.

Deep Causes

According to the figure analysis there was a clear disparity between both regions in the colonial period. It would appear that these issues resulted from a lack of the efficiencies resulting from public security. The deep cause of this security problem, which in itself is only indicative of a deep issue, is as a result of land ownership structures developed in Mauritius in the mid nineteenth century. The ability to own a plot in Mauritius, and work for generations on an estate in Jamaica is one of the fundamental differences. But how has this resulted in civil unrest? The peasants of Mauritius, although many of whom still had do part time work, were able to supplement their diets from food they grew on their plots, consequently the ability to provide a subsistence living was comparatively simple for Mauritians. When the time came to diversify there was political cohesion and foreign connections, especially with investors from India and China, consequently their effort to diversify were successful.

In the case of Jamaica however the freed slaves did not own land and accordingly the need to find employment was an essential part of survival. After abolition, plantation owners obviously no longer had slaves, thus they did not need to feed them all year long when in actual fact they just needed them for seasonal work. Mechanisation in the early nineteenth century did away with many jobs and created- mass unemployment, desperation and frustration: a recipe for a politically volatile nation. Regardless of the law people need to make a living somehow and this suggests that the

concern caused by unemployment spurred on the growth of the black market and in turn gangland warfare. The proximate causes are also partly to blame, namely the Cuban missile crisis which caused extreme political adversity in Jamaica causing switches from left to right and discouraged badly needed foreign investment. Furthermore, Jamaica's proximity to the USA made her an ideal place to source drugs, which provided an income for the growing gangs furnishing them with superior weapons to those of the police force.

A critical aspect of this investigation is that despite the fact that both regions were closely related in many ways, as the introduction states, there were some fundamental underlying differences that occurred in the middle of the 19th century that did not become apparent in the economic indicators until much later on in this respective histories. This difference is the issue of criminality. By itself criminality is only an indicator. The real question is did the post slavery arrangements lead to a heightened state of volatility?

Criminality as has already been mentioned contributes towards the stability of a nation: this stability underpins confidence for both foreign and domestic investment and therefore growth and progression, eventually leading to prosperity. Without this basic stability and safety it is difficult for an economy to grow and contributes to the difficulty of industrial diversification. From the investors point of view the increased risk of losing assets in such an environment would not make it worthy of even initial consideration for investment.

There are also a great number of side issues that came into effect later on, although none in particular determined the future of the respective regions; however they played a proximate role in their development.

Migration

I believe that negative migration, as illustrated in figure 2, contributed to the eventual divergence although, by itself it is not wholesomely responsible. This migration is a double edged

sword. Firstly younger people, tend to migrate, the main destinations of which were the UK and the USA, and Canada thus explaining the divergence in figure 2. Secondly the remaining people belong to an older demographic age. And older demographic mean that there are more retired people thus the burden on the state is greater leaving less money in the coffers to spend on education and health hence bringing the vicious cycle full term.

Cold War and Communism and Geographic Proximity

During the period when Mauritius was establishing her newly diversified economy, there was a war going on, on the door step of Jamaica, just 90 kilometres from her coast. The Cuban Missile Crisis and Cuba's involvement in the Cold War affected Jamaica in various ways, not just because Jamaica was so close, but also because she was also undergoing a political time of uncertainty herself. As explained in detail in the section "Post Colonial History of Jamaica" the government during the late 60 and 70s was switching from left to right publicising and privatising all kinds of institutions, like hotels etc. a combination of these two issues along with constantly switching from one allied group to the other. This would make trade agreements difficult at the best of times, and certainly a non conducive starter in the middle of a war. In combination they proved to hinder almost any growth from Jamaica at a time she needed it the most. This left a withered economy with a great deal of young people with time on their hands and without any prospects of jobs.

The one section of the economy that remained healthy was the tourist industry fed by the Americans who no longer felt safe going to Cuba. Despite this positive turn, the situation also turned bad, resulting in the aforementioned ganja/arms smuggling/organised crime nexus which ended up funding gangland violence which persists to this day. These gangs, in a loose definition, strain from the colonial systems of self governance.

Conclusion

The motivation behind this study was basically to ascertain the reasons for the divergence between two comparatively similar nations. Their colonial histories were so intrinsically linked that they offered a prime opportunity to discover the true reasons for the divergence. This work is fascinating to me, how did two such different outcomes originate from, what was basically, the same beginning point? I hope that this thesis will also shed light other developing nations, that they may benefit from the mistakes of the past and gain insight to recognise opportunities for the betterment of their regions.

In the opening chapter of this thesis I outlined the central question to be discussed, the reasons for the divergence between Mauritius and Jamaica. There was no real debate as to when the divergence took hold, the GDP per capita figures¹¹⁹ pointed at the mid seventies; however this divergence is defined as an elevation of the Mauritian market, rather than the reduction of the Jamaican market. They both had the same opportunities in the colonial and post colonial eras so why did they perform so differently later on? It is no surprise that Mauritius gained so much from diversification and international trade, but why did Jamaica not follow suit?

From this study I have surmised that the divergence between both regions did occur because of one deep cause and also several proximate causes. The deep cause I have identified is the land ownership structures. Therein lays the root cause of the divergence which stemmed from political instability caused by the desperation of the peasants. The growth of communist politics of the early nineteenth century in Europe with the ideology that land should belong to the people I imagine frustrated the Jamaicans, many of who were never even able to hope for a place to call their own. If they were lucky enough to keep a job they could eat, however if they were not they could not even grow their own food. Frustration turned to political upheaval, switching from communism to capitalism and back again in a very short space of time causing international investors to lose huge quantities of money which in turn discouraged future potential investors. In the meantime the cold

¹¹⁹ Represented in figure 1.

war was raging and reeking political disorder on Jamaica's allies as they switched from left to right. Additionally, the problems, which had already set their seed on home soil, were beginning to rear their ugly heads. The proximity of Jamaica to the USA made it an ideal place from which to source drugs and thus the most destructive modern force was born. There funding of the black market meant that before long the Gangs were suddenly better equipped than the army and the police force combined. In combination all of these factors wreaked havoc on the Jamaican economic state.

The Mauritian story is much more positive, despite their initial similarities. Both regions basically shared the same history until the end of slavery at which stages they turned to indentured slavery as a means to cheap labour. The major difference was what they did with those labourers after their terms working on the sugar plantations. Once they had completed their terms they were given grants of land on which to work. These grants were not big enough to immediately sustain a whole family; however the plantations still required seasonal work which would have been carried out by these landed peasants. For most of the year the peasants were able to feed themselves from the farms and the money they earned from seasonal work helped to keep poverty at bay. The thought of communism to these people was not an attractive prospect. Once mechanisation of the sugar industry took over many of these seasonal job were not longer available, however, by that stage jobs were beginning to become available in the manufacturing industry which kept unemployment to a minimum. The transition from the colonial state to independence was smooth, despite one hiccup¹²⁰ which was swiftly addresses. Mauritius has continued to prosper and though diversification

It is striking how these deep causes remained an underlying irritation in the case of Jamaica for such a long time until several proximate causes came together in a relatively short period and resulted in a depressed economy.

Mauritius had gained a world renowned reputation for creating high end textiles and clothes. The question at this stage is where do they go from here? It would appear, from recent reports that Mauritius is beginning to suffocate under the elevated expectations of its government and labour force. The high cost of wages combined with a comparatively high tax is beginning to drive business

¹²⁰ Agricultural labour riots.

away to other more profitable regions. In the past Mauritius has suffered from a reduction in foreign investment. In these cases they were counteracted by a reduction in tax, however in the meantime the wages have risen well above other competitive regions. Is it enough just to reduce tax this time? Is the highly skilled workforce capable of counteracting high wages to attract new investment? Only time will tell.

Historical Webs

The following figures (8 and 9) are pictorial representations of the main argument discussed in this thesis. The central axis (the words written in bold) represents the main steps towards the eventual outcome. Additionally, the peripheral causes are represented both above and below.

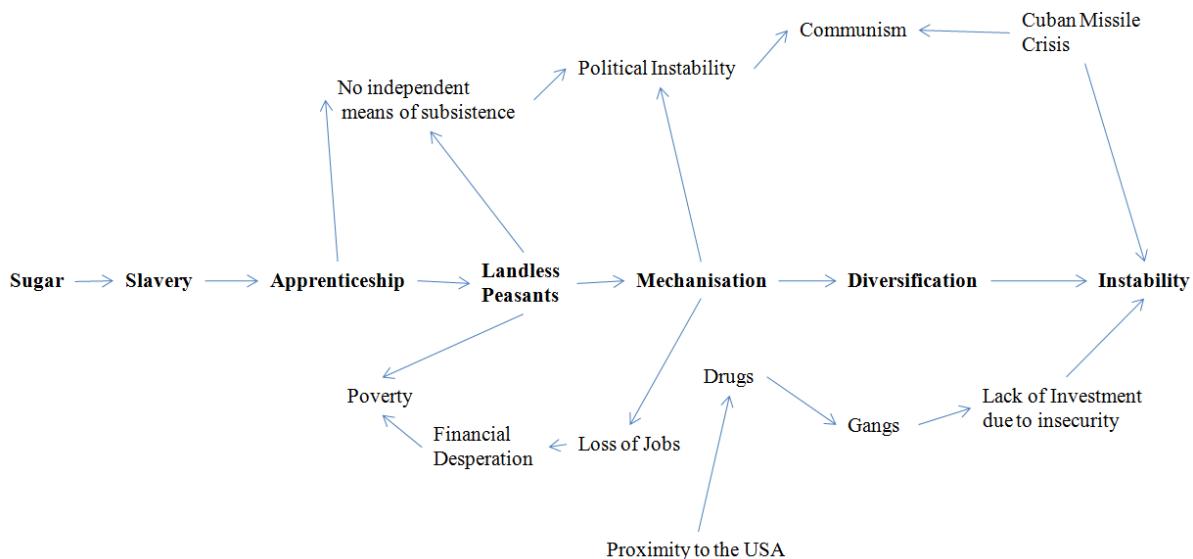


Figure 8: Historical Web: Jamaica

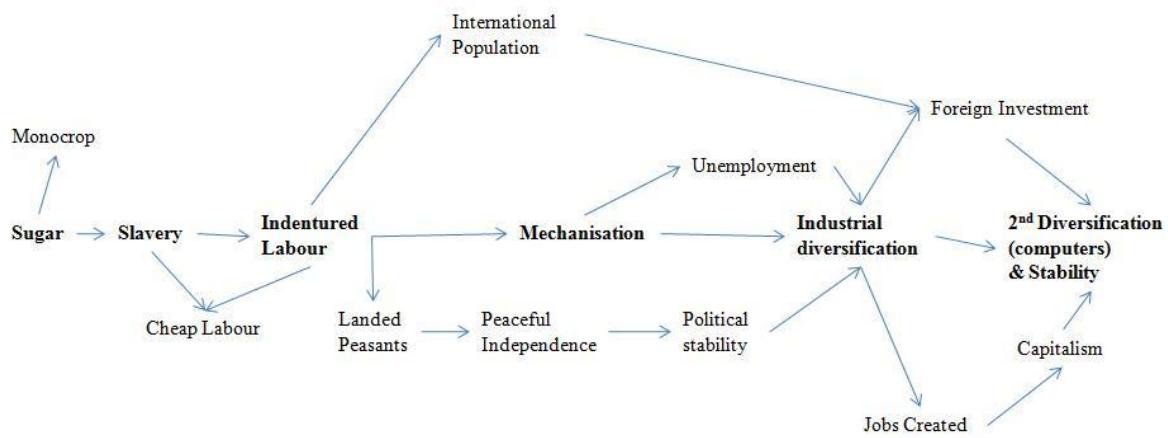


Figure 9: Historical Web: Mauritius

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