

ABSTRACT

The Privatization Process In Jamaica (With A Critical Comparison with the British Experience).

This thesis compares the process of administration of privatization as a public administration strategy in Britain and Jamaica. It aims to distill differences and similarities in the experiences of these two countries which if seen as First World and Third World countries, are strikingly different.

The analysis is based on extensive comparative reading; interview of key persons involved in the privatization process in Jamaica; compilation of data from the National Investment Bank of Jamaica (NIBJ); review of available cabinet papers on privatization and a case study.

The findings are that the implementation of privatization policies can be more successful in a developed market economy. Jamaica, unlike Britain, lacks certain fundamental preconditions for a permanently successful privatization programme. For example, the nature of the composition and the orientation of the local private sector present the most serious impediment and structural weakness for the successful implementation of privatization policies. In fact, the only factors shared somewhat equally between these two countries are well established property rights and an emerging belief in the superiority of private sector activities.

The modes of privatization are important in determining whether privatization will serve merely as a mechanism for further

minority economic entrenchment. Furthermore, in certain contexts, privatization policies are poised to be used as manipulative mechanism for political advantage.

The underdeveloped state of the Jamaican economy and immaturity of the political system require government to implement privatization policies with caution, ensuring that appropriate mechanism are in place. Emphasis should be placed on transparency which is of particular importance in politicized political contexts and where there is deep mistrust of public officials. The selling of shares can help to avoid the concentration of wealth that results from private placement.