

## **CONCERNS ON THE FALMOUTH CRUISE SHIP PIER**

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The concept of governments pumping massive sums of money into projects to “stimulate” economic activity is now the hot topic around the world. However, long before it became fashionable internationally, Jamaica’s government, in particular the past administration, has been doing this for decades with the promise that it would create jobs and stimulate economic growth.

The results are there for everyone to see- a staggering and ever increasing national debt, joblessness and a stagnant economy. There is also out of control crime, serious and widespread deterioration in public infrastructure, and in facilities and services for education, health, policing and justice, and so on, with no resources to deal with these problems and deficiencies.

It should therefore be clear that Jamaica’s “stimulus package” has not worked, and it is arguable from experience, that this failure is due in large measure to the haphazard, unplanned and autocratic manner in how our governments have gone about determining what projects to prioritize for funding, and the wasteful, incompetent and corrupt manner in which implementation has generally been carried out.

Since coming to office the present JLP government, just like the PNP administration which preceded it, has been aggressively promoting a plethora of government led mega construction projects as the way forward to creating jobs and stimulating economic growth in Jamaica. One such project is the Falmouth Cruise Ship Pier, which has been carried over from the previous administration, with all the secrecy, obfuscation and high handedness that was a hallmark of that period.

It was in the news late last year with Mr. Noel Hylton, the chairman of the Port Authority of Jamaica (PAJ) reported as “clarifying” that the project is not a joint venture with Royal Caribbean Cruise Line (RCCL), and that the US\$102 million which RCCL is putting up front is a loan to be repaid by the country. In addition, based on media reports the PAJ was seeking to raise the remaining US\$122 million of the overall US\$224 million project through the Petro Caribe Fund and commercial bank loans. It is instructive to note that the very same Mr. Hylton is on record at an earlier public meeting in Falmouth as stating that this project would not cost the taxpayers anything! Perhaps he does not consider government guarantees of some 18 billion dollars in loans to be of any consequence to taxpayers, and he is used to treating with PAJ’s income as its own to spend as they please!

With the country broke and already heavily in debt, and the PAJ itself struggling financially, the media and the public should really have questioned the rationale for this project and the manner in which it is being implemented. Some of the concerns are as follows:

- 1) Falmouth, with its rich Georgian architectural history, has always had enormous tourism potential if the town were to be properly restored and improved. Like historic Spanish Town, and many of our other towns and cities, Falmouth has been allowed to deteriorate into near ruin because our successive governments have not considered it a priority, and have never had the funds to put money and effort into properly planning, and encouraging and financing redevelopment. Now, along comes a foreign company promoting its new mega liners and suddenly it has become an urgent national priority to find at least US\$224 million to build a new pier with an imitation historic town which attempts to “recreate” the character of historic Falmouth! This facility is where the new visitors will have “themed shopping, entertainment and restaurant facilities” in a controlled enclave, sterilized from the general public, while the real Falmouth sits beside it in its long neglected and run down condition, grateful to get some of the crumbs promised.

Our neighbor Grand Cayman in the Cayman Islands has a thriving Cruise Ship industry without a single Pier, and without the depth of historic attractions or natural scenic beauty of Falmouth and indeed Jamaica! What they have is an educated and orderly society, where locals as well as visitors can walk the clean streets of a living, breathing, and well maintained Caribbean town without being physically attacked, abused or harassed.

Would it not therefore be of greater benefit to the country and be a far better use of public resources if a fraction of the 18 billion dollars earmarked for the new pier was used in the restoration and development, upgrading and maintenance of the real Falmouth itself? This is not only in reference to the historic buildings and physical infrastructure, but also to assisting small businesses and addressing deficiencies in social conditions and services as well as public order, all of which impact on the daily lives of our Jamaican citizens, and deter tourists from wanting to visit.

- 2) With cruise ship piers in Montego Bay and Ocho Rios, and the new northcoast highway connecting them, cruise ship visitors can get to Falmouth within minutes. So the only rationale that could be put forward to try to justify the building of the Falmouth Pier is that that location is the only one in the island suitable to accommodate RCCL’s new line of mega sized cruise ships. Even assuming that this is so, is that sufficient reason to justify this project and the indecent rush with which it is being pushed through at any and all costs? Are we to believe that Jamaica and other destinations around the world that do not or cannot cater for this new fleet of mega liners will be unable to have a viable cruise ship industry? I claim no expertise in this area, but surely that would be absurd. It seems to me that RCCL needs this facility more than we need it, but it is the Jamaican taxpayers who are being forced to hug up most (if not all) of the debt and the risk.
- 3) A project of this magnitude, with so much public money at risk, and in such a historically and environmentally sensitive location, should not be autocratically decided on and rushed into implementation. To the best of available information, the design plans for this project were radically changed recently, and relocated to a different site than was originally submitted to the relevant authorities, and all requisite approvals have not been obtained.

In spite of this and the revelation by the PAJ's chairman, as reported in the news on November 21, 2008, that the PAJ had not yet concluded "the matter of repayment" of the US\$102 million to Royal Caribbean Cruise Lines, nor obtained the balance of the financing, a contract was signed with RCCL on November 7, 2008 to commence work!

Once again, the country and its people are being put into further extraordinary debt through secretly negotiated contracts on schemes concocted through the whim and fancy of a minister of government or the powerful head of a state agency. Once again we are being fed a fairy tale, this time about cruise ship visitors and tourism earnings, to justify hastily put together arrangements that are guaranteed to irreparably damage the historic potential and environmental assets of Falmouth, while incurring significant cost over-runs beyond the already enormous budget. Our government continues to ignore the core problems that have been seriously holding back the quality of life of its people and Jamaica's immense tourism potential, while depending almost entirely on expensive advertising, more and more segregated hotels and tour attractions to attract visitors and to keep them hidden away from the real Jamaica, and now an extravagant enclave for cruise shipping!

We have been down this road before, and it is time that the media and concerned stakeholders of this country wake up and see the reality, and stop accepting the rhetoric and empty promises.

**If continually incurring massive debt and raising taxes for spending on very large public sector led construction projects was a panacea for sustainable job creation and economic prosperity, Jamaica should have been experiencing double digit economic growth over the past decade and already have achieved near first world status, instead of ending up in the totally opposite direction!**

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