



Haiti Jobs and Growth: What will it take?

On Friday, March 12, 2010, two months to the day from the January earthquake that devastated Haiti, the U.S. Chamber of Commerce and its affiliates, the Association of American Chambers of Commerce in Latin America (AACCLA) and the Business Civic Leadership Center (BCLC), brought together business leaders and policy experts in an effort to help identify critical factors in the revitalization of a vigorous, formal private sector in Haiti. Several key themes emerged from the conversation regarding steps that could help increase the capacity of the private sector to contribute to Haiti's rebuilding task by promoting economic growth and social development through free enterprise.

A Transparent Process: Allocate responsibility of the reconstruction process to one coordinating Haitian entity. Responsibility for reconstruction, donor fund investment, and progress should lie in the hands of a domestic body to ensure both transparency and buy-in from the Haitian community.

Utilize and Enhance Local Capacity: With respect to governance, rebuilding, and private enterprise, among other things, rely to the greatest extent possible on local knowledge, and invest in building indigenous capacity where it is found to be lacking.

Train Haitians to Help Haiti: Promote and encourage a culture of civil service as a path to development for Haiti. Encourage civil service and employment in national enterprises as an alternative to working for international aid organizations. International aid organizations should implement programs that strengthen the local capacity as key to Haiti's success.

Create Poles of Investment Attraction throughout Haiti: Decentralize the economic and political sectors by enabling population and investment to thrive outside of Port-au-Prince. Evaluate all reconstruction projects on the basis of encouraging regional decentralization.

Incentivize Investment: Implement preference programs and tax credits that encourage job-creating investments in Haiti. The United States' Plus One for Haiti program, Brazil's trade preference program, and duty-free access for Haitian exports to markets around the world will encourage investment and increase employment.

Focus on Job Creation: Experience from past disasters is that aid is important for addressing immediate critical needs, but jobs are critical for long-term recovery. Programs that put Haitians to work (including Cash for Work programs), promote entrepreneurship, or help existing businesses grow are critical. In the short term it is also important to provide micro-credit for existing small and medium sized enterprises (SMEs) to sustain operations, due to a current lack of readily available capital.

Beyond Health and Education: While rebuilding housing, schools, and hospitals is critical, ensure that donor funds are invested in infrastructure projects, such as critical transportation, communications and public services to benefit Haiti in the long-term by creating an attractive investment climate for domestic and international business.

Capitalize on Existing Resources: Promote value-added Haitian products, such as coffee, mangos, textiles, and essential oils; and invest in the SMEs that can produce them to take advantage of existing know-how. Market Haiti's natural beauty and build the tourism industry to create jobs, lead to investment in the country's infrastructure, decentralize the economic sector, and encourage settlement outside of Port-au-Prince.

Establish a Multi Donor Fund: Based on the Haiti Post Disaster Needs Assessment (PDNA) establish a multi donor fund to fill in the gaps where funding is lacking or not available. The fund would initially be owned by the UN but would transfer over to the ownership of the Haitian Government.