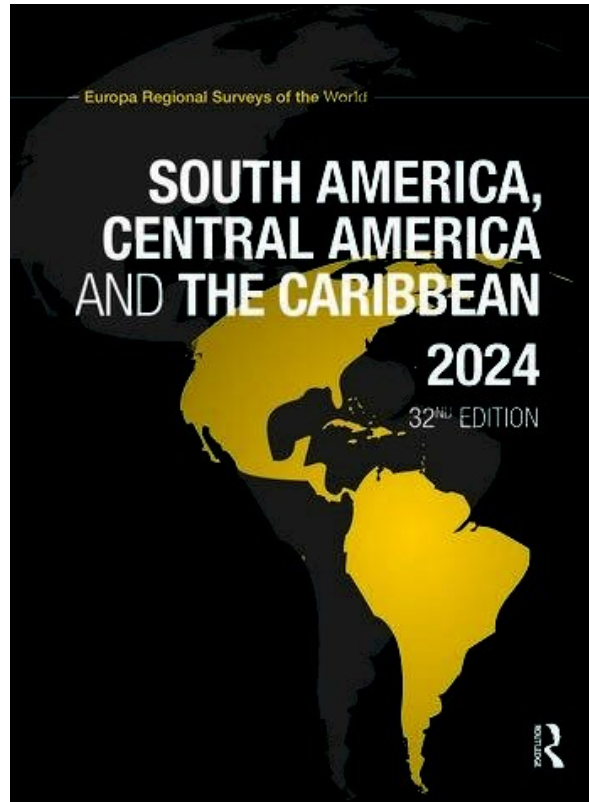


# Research, Webinars, Bermuda FPC Meetings and the ABCF

## A note on my activities in 2024



My update on the Barbados economy was published by Routledge, and I completed three working papers, two of which have been circulated for comment. Monthly *Economic Letters* were circulated to the media and to my email subscribers, and posted to my website. Weekly *ABCF Updates* were sent to email subscribers of the Association for Barbados-China Friendship, of which I am President. My travels were to Bermuda, for meetings of the Financial Policy Council in April, July and December; to Washington DC for the Spring Meetings of the IMF and World Bank; and to Jamaica for a launch of my book *Development and Stabilization in Small Open Economies*.

The 2024 update on Barbados for the compendium *South America, Central America and the Caribbean* noted that the Barbados economy has not been re-energized from a period of weak economic growth witnessed since 2011, and overall investment and foreign investment finance remain at low levels. Promised investment in new hotels has been slow to materialise, and Barbados Government debt is still rated well below investment grade.

My Working Paper “A practical policy model of the small open economy”, which may be read on my [website](#) or at the [Social Sciences Research Network](#), explains how fiscal and monetary policies may be employed to ensure a stable balance of external payments and maintain international competitiveness in small open economies in the face of oil price shocks, natural disasters and loss of foreign investment. My paper “Reflections on the modelling of Caribbean economies”, written jointly with Vanus James, may

also be found on [my website](#) and at *SSRN.com*. It is a survey and critique of two model traditions. A third paper, “Currency, dollarisation and inequality in Central America and the Caribbean”, is under consideration for a book on income inequality in Latin America and the Caribbean. It explores the impact of devaluation on income distribution in small open economies where a proportion of the population has access to income in US dollars.

My monthly *Economic Letters* dealt with questions about the brain drain, the balance of payments, devaluation, the United Nations Development Programme’s *Human Development Report*, oil-rich Guyana, the search for meaningful work, sovereignty, education, interest rates, foreign investment and renewable energy. I pointed out that no small economy can provide suitable outlets for the full range of skills and talents that the country produces, and that the inflow and outflow of workers may be beneficial, if carefully managed. I explained that foreign currency earned by the small open economy is for the purchase of needed imports, and that it is the imports, not the foreign exchange, that remain in the country. I also suggested that small countries do not need a domestic currency which can only be used locally, when bank accounts might just as well be denominated in US dollars, which are the currency of international commerce. I recommended that countries replace GDP growth as the measure of economic performance with the Human Development Index, which takes account of health and education, as well as the purchasing power of income. I highlighted that Guyana has eclipsed The Bahamas as the third largest economy in the English-speaking Caribbean, after Trinidad-Tobago, the largest in terms of GDP, and Jamaica. I noted that Jamaica’s economic performance compares unfavourably with that of Puerto Rico, an island of similar size and population, and noted that this raises questions about the economic value of sovereignty. I pointed out that mastery of basic maths and English is essential for productive participation in today’s workforce, and therefore the failures of Caribbean primary education undermine full-employment efforts. I lamented the low levels of foreign investment in the region, and in December I identified the high cost of smartening the distribution grid and installing storage as a barrier which has brought the region’s adoption of solar power to a standstill.

The ABCF was a prominent presence at the 2024 *Fish & Dragon Festival*, the first to be held in person since the advent of the Covid-19 pandemic. Three sessions were held of the Youth Forum, jointly organised by student members of the ABCF and students of the Zhejiang International Studies University in Hangzhou, China. In January, the Forum dealt with mental health and wellbeing; in May the topic was “The story of the fish and the dragon”; and November’s webinar compared table tennis and road tennis. The ABCF produces a weekly newsletter which is sent to a list of almost 400 subscribers, and the association hosts a [website](#) where reports of its activities, information for students, and stories about experiences of China may be found. The association celebrated its fifth anniversary in May.

I travelled to Bermuda for meetings of the Financial Policy Council in April, July and November. At each meeting I presented an update of the Bermuda economy. At the IMF/World Bank Spring meetings I attended meetings of the Bretton Woods Committee, and I participated in webinars convened by the College of Central Bankers in February and October.

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