

Three issues in CARICOM economic development

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TEDU

Content

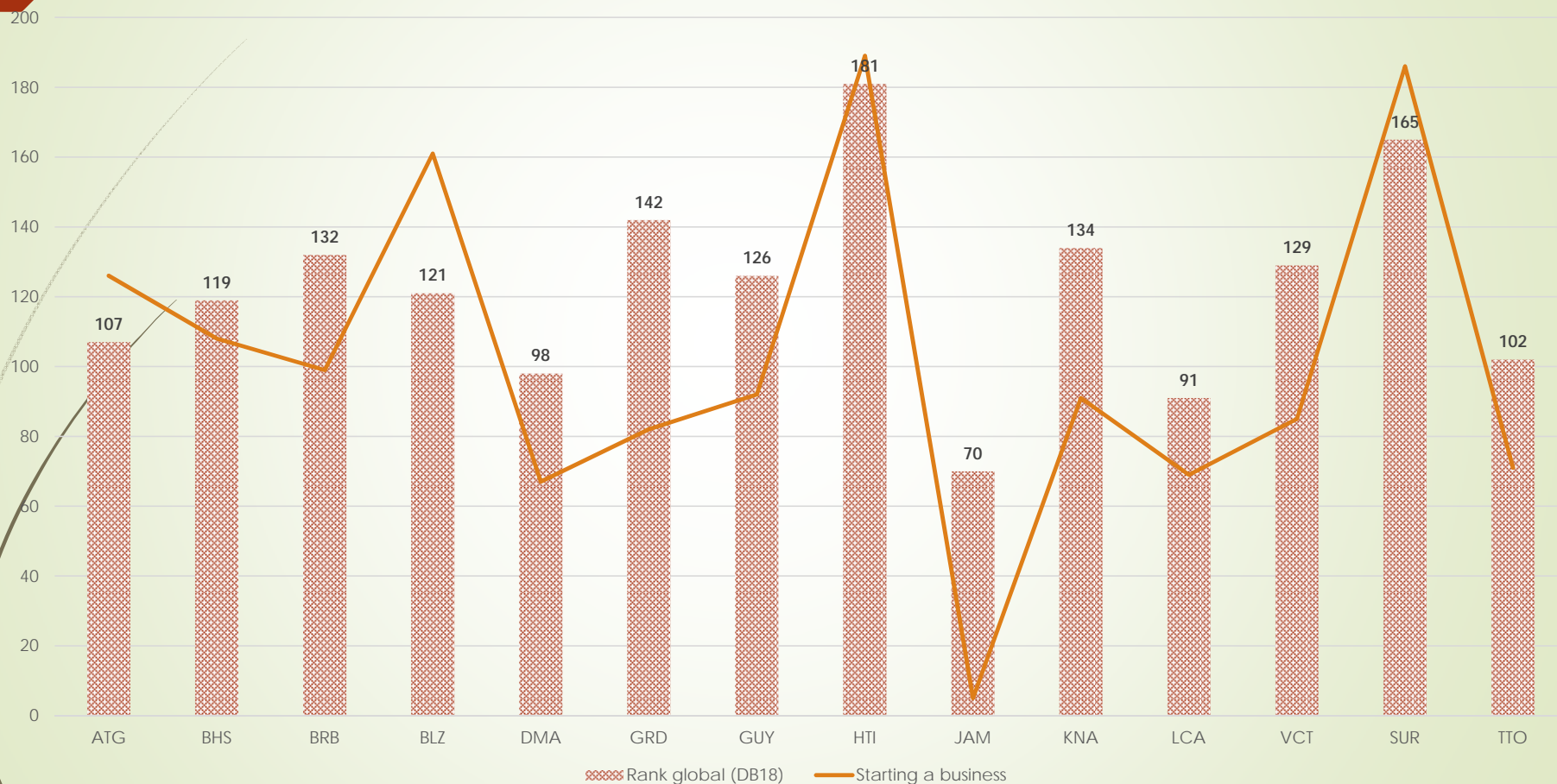
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- ▶ EODB in the CARICOM
- ▶ Taking over the commanding heights of the economy
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Ease of doing business

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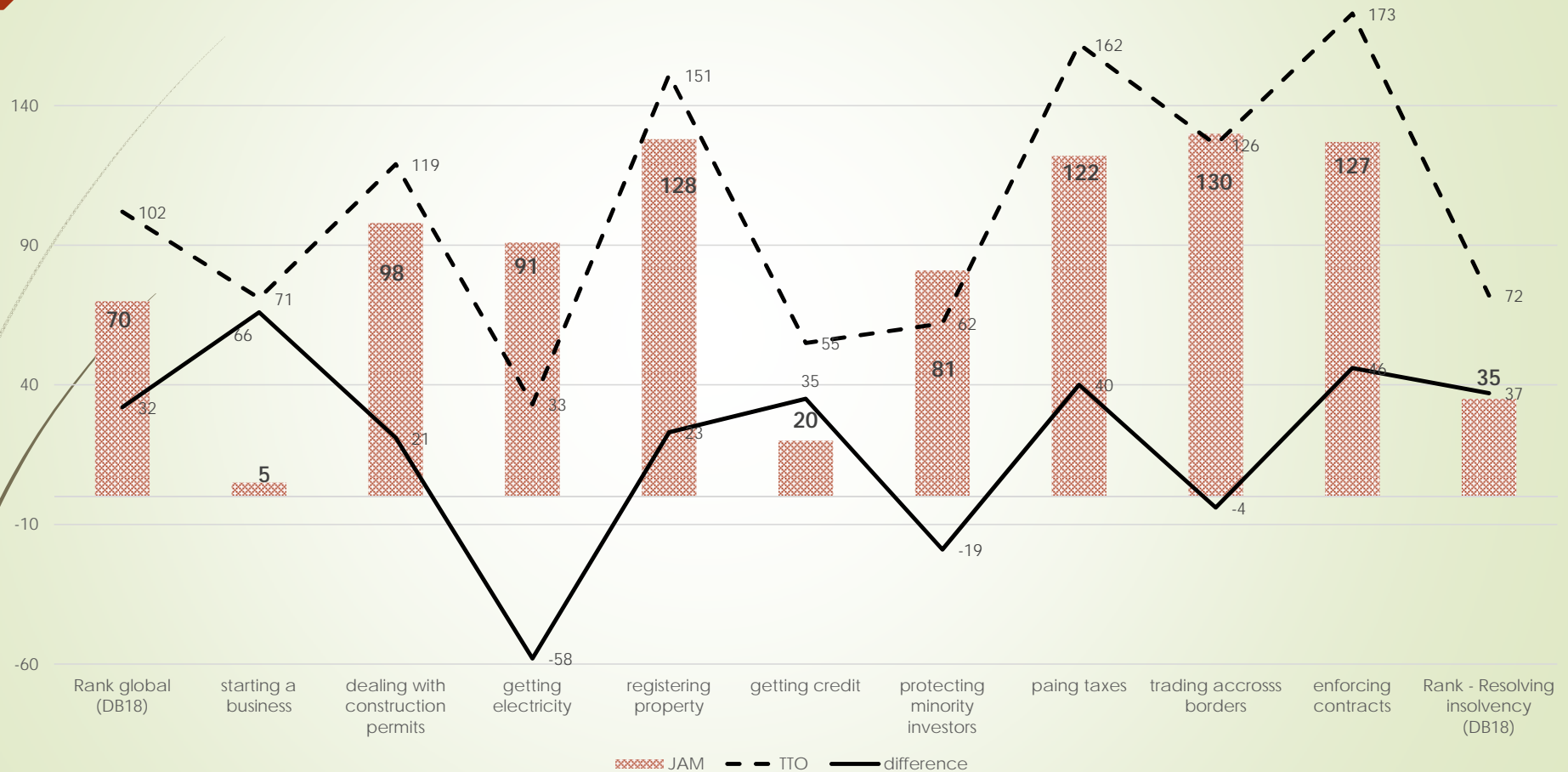
EODB global rank and on the starting a business category



Ease of doing business

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Best in class: difference in ranking on the EODB classifications between TT and Jamaica, 2018



Taking over the commanding heights of the economy: Best versus Lewis

Sir Arthur Lewis: *"To start manufacturing in a new country is a formidable enough problem: if one adds to it trying to break into established markets, the difficulties may prove almost insuperable. Therefore, one seeks manufacturers who are already established in the market, and tries to persuade them to set up branches in the new country".*

Lloyd Best noted: *"The conclusion which emerges is that the primary planning task in both time and importance is to create a framework within which the Caribbean economy would be able to make effective decisions about development. In terms of action, this means a transformation of the character of the corporations and a drastic revision of the terms of their participation. In this connection, measures for nationalization or even expropriation cannot be arbitrarily ruled out (Best, 1971 pg 33)."*

Details of State Owned Enterprises in TT, 2007-2016

	Nominal GDP TT\$bn	Capital Revenues TT\$mn	Assets/GDP (%)	SOE Debt TT\$mn	Transfers to SOE TT\$mn	Total debt TT\$bn	SOE debt as a % of total debt
2007	136.9	30.4	59.9	7275.6	2280.1	18.8	38.7
2008	175.3	36.9	52.48	10756.8	2326.3	17.7	60.8
2009	121.3	54.5	97.28	12558.1	1892.4	20.0	62.6
2010	141.3	228.5	87.76	13968.4	1601.3	24.8	56.3
2011	163.1	300.3	87.06	17092.4	3501.4	27.3	62.6
2012	165.2	31.9	92.86	17622.7	4127.2	40.1	43.9
2013	170.3	1569.3	99.71	18431.7	2231	42.4	43.5
2014	167.8	334.3	101.31	20192.3	3572.1	45.7	44.2
2015	150.2	5861.3	108.79	20363.1	2079.1	45.9	44.4
2016p	145.9	214.1	115.22	20533.9	2330.5	57.4	35.7

Source: Ministry of Finance and online CBTT database

Transport Board, Barbados

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Summary of Revenue & Expenditure for 2010/11 to 2017/18

Year Ended	Total Revenue \$	Total Expenditure \$	Deficit to be Financed \$
2010-11	48,973,325	127,594,184	-78,620,859
2011-12	54,551,820	122,724,527	-68,172,707
2012-13	53,550,911	130,692,320	-77,141,409
2013-14	50,871,552	123,504,936	-72,633,384
2014-15	38,239,348	97,770,058	-59,530,710
2015-16	39,077,523	83,648,864	-44,571,341
2016-17	32,352,159	79,489,651	-47,137,492
2017-18	27,142,790	73,845,084	-46,702,294

Source: TB COL 2010-2021

El Dorado

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Guyana: Medium-Term Macroeconomic Framework

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Annual percent change)									
Real GDP	3.9	3.1	3.4	2.1	3.4	4.8	29.8	22.1	11.8	27.9
Non-oil real GDP	3.9	3.1	3.4	2.1	3.4	4.8	4.6	4.6	4.8	4.9

Sources: Guyanese authorities; and Fund staff estimates and projections.

The colonisers found Guyana but wasn't sure how to find El Dorado

Guyana: Balance Payment 1/										
9	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Merchandise trade(net)	-570.7	-340.3	-30.7	-196.2	-192.6	-136.1	697.5	1,532.8	2,007.5	3,667.4
Exports (f.o.b)	1,167.1	1,151.3	1,434.4	1,435.9	1,584.6	1,743.8	3,001.3	4,219.8	4,955.3	7,114.0
Bauxite	124.7	104.3	92.1	102.3	119.3	125.0	130.9	137.0	143.5	150.8
Sugar	88.0	78.4	73.4	48.5	23.6	29.0	33.4	35.1	36.5	36.8
Rice	249.5	220.8	178.8	201.0	220.0	221.1	229.9	239.1	248.7	258.6
Gold	469.8	501.1	830.7	817.5	933.5	1,072.2	1,174.8	1,279.9	1,359.8	1,439.4
Timber	53.4	43.7	40.4	35.8	36.8	37.2	37.6	37.9	38.3	38.7
Oil	-	-	-	-	-	-	1,127.6	2,220.1	2,854.7	4,913.9
Other	181.7	202.9	219.0	230.8	251.3	259.3	267.1	270.7	273.9	275.6
Oil price assumption	96.2	50.8	42.8	52.8	62.3	58.2	55.6	54.1	53.6	53.6

Sources: Bank of Guyana; and Fund staff estimates

Questions and comments

