



*XLIX (41<sup>st</sup>)  
Annual Monetary Studies  
Conference*

10–13 November 2009

Bank of Guyana  
Georgetown Guyana

# PROGRAMME

THEME:

“Building Financial Sector  
Resilience in the Caribbean”



Tuesday, 10<sup>th</sup> November, 2009

## OPENING SESSION

08.00 am – 08.30 am	<b>Registration</b>	
08.30 am – 08.35 am	<b>Chairperson</b>	<b><i>Dr. Gobind Ganga</i></b> Deputy Governor Bank of Guyana
08.35 am – 08.40 am	<b>Prayer</b>	<b><i>Mr. Mohan Samwaru</i></b> Training Assistant Bank of Guyana
08.40 am – 08.50 am	<b>Welcome Remarks</b>	<b><i>Mr. L. T. Williams</i></b> Governor Bank of Guyana
08.50 am – 09.00 am	<b>Opening Remarks</b>	<b><i>Dr. DeLisle Worrell</i></b> Governor Central Bank of Barbados
09.00 am – 09.25 am	<b>Feature Address</b>	<b><i>H. E. Bharrat Jagdeo</i></b> <b><i>President of the</i></b> <b><i>Republic of Guyana</i></b>
09.25 am – 09.30 am	<b>Vote of Thanks</b>	<b><i>Dr. Gobind Ganga</i></b> Deputy Governor Bank of Guyana
09.30 am – 10.00 am	<b>Photography Session</b>	
10.00 am – 10.30 am	<b>COFFEE BREAK</b>	
10.30 am – 12.00 pm	<b>SESSION 1</b>	

**Sub-Theme: FINANCIAL DEVELOPMENT AND RELATED ISSUES**

Chairperson: Daniel Boamah  
Deputy Governor  
Central Bank of Barbados

**Presenters:**

- 1. Building resilience in the Guyanese Banking System**

Gobind Ganga  
Deputy Governor  
Bank of Guyana

**2. Remittances and Economic Development: A Comparative Analysis of St. Lucia and Trinidad and Tobago**

Roger Hosein  
Lecturer  
Department of Economics  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

Martin Franklin  
Lecturer  
Department of Economics  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

Samantha Joseph  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

**3. Financial Systems in the Caribbean: An Overview**

Julia Jhinkoo  
Junior Research Fellow  
Caribbean Centre for Money and Finance  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

**4. Financial Integration of Belize with Central America and CARICOM**

Shanon Sebastian  
Economist  
Central Bank of Belize

12.00 pm – 01.30 pm      **LUNCH**

01.30 pm – 03.00 pm      **SESSION 2**

Sub-Theme: **COMMERCIAL BANKING EFFICIENCY AND STABILITY**

**Chairperson:** DeLisle Worrell  
Governor  
Central Bank of Barbados

**Presenters:**

**1. The Dynamics of Bank Spreads in the Jamaican Banking Sector:  
An Empirical Assessment**

Dwight S. Jackson  
Financial Stability Department  
Research and Economic Programming Department  
Bank of Jamaica

**2. Competition and Banking Sector Soundness: Empirical Evidence  
on Jamaican Data**

Sherene Bailey-Tapper  
Financial Stability Department  
Research and Economic Programming Department  
Bank of Jamaica

**3. Efficiency and Productivity in the Banking Sector in Trinidad and  
Tobago: A Panel Data Estimation of Efficiency Functions**

Earl Boodoo  
Research Department  
Central Bank of Trinidad & Tobago

Angela Henry  
Research Department  
Central Bank of Trinidad and Tobago

**4. Liquidity management, Interest Rates and Bank Behaviour in the  
Caribbean**

Jenee Stephens  
Post Graduate Student  
The UWI, Mona Campus

DeLisle Worrell  
Governor  
Central Bank of Barbados

Dave Seerattan

Research Fellow/Officer in Charge  
Caribbean Centre for Money and Finance  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

***DISCUSSION AND COMMENTS***

03.00 pm – 04.30 pm      **SESSION 3**

Sub-Theme:                      **MODELING BANK BEHAVIOUR**

**Chairperson:** Dave Seerattan  
Research Fellow/Officer in Charge  
Caribbean Centre for Money and Finance

**Presenters:**

**1. Dynamic Interactions of Bank Assets in two Foreign Currency Constrained Economies**

Tarron Khemraj  
Assistant Professor of Economics  
New College of Florida

And

Brian Langrin  
Chief Economist, Financial Stability Department  
Bank of Jamaica

**2. The Simple Analytics of Oligopoly Banking in Developing Economies**

Tarron Khemraj  
Assistant Professor of Economics  
New College of Florida

**3. Implications of Optimal Price Regulation in Sub-Prime Banking Markets**

Darron Thomas  
Department of Economics  
The University of the West Indies  
Mona Campus  
Jamaica

**4. Quantifying Management's Role in Bank survival Using Data**

**Envelopment analysis (DEA): Case of Jamaica**

Lisa-Kaye Wallace  
Financial Stability Department  
Research and Economic Programming Department  
Bank of Jamaica

***DISCUSSION AND COMMENTS***

05.00 pm – 07.00 pm      ***WELCOME COCKTAILS***

***END OF DAY 1***

Wednesday, 11<sup>th</sup> November, 2009

09.00 am – 10.30 am      **SESSION 4:**

Sub-Theme:                      **FINANCIAL DEVELOPMENT**

**Chairperson:**      Colin Bullock  
Lecturer  
University of the West Indies  
Mona Campus

**Presenters:**

**1. Financial Aspects of Growth and Development in the Caribbean**

Delisle Worrell  
Governor  
Central Bank of Barbados

Anthony Birchwood  
Research Fellow  
Caribbean Centre for Money and Finance  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

Andrina Brackin  
Post Graduate Student  
The UWI, Cave Hill Campus

## **2. Cross-Border Equity Flows in the CARICOM Region**

Preeya Mohan  
Sir Arthur Lewis Institute of Social and Economic Studies  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

Patrick Watson  
Director  
Sir Arthur Lewis Institute of Social and Economic Studies  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

## **3. Co-Movement of Caribbean Equity Markets with Macroeconomic Indicators**

Varuna Ramlal  
Post Graduate Student  
Sir Arthur Lewis Institute of Social and Economic Studies  
The University of the West Indies  
St. Augustine Campus  
Trinidad & Tobago

### ***DISCUSSION AND COMMENTS***

10.30 am – 10.45 am      **COFFEE BREAK**

10.45 am – 12.15 pm      **SESSION 5**

Sub-Theme:      **FINANCE AND MACROECONOMIC STABILITY**

**Chairperson:**      Andrew Powell  
Regional Economic Director  
Inter-American Development Bank  
Washington D.C., U.S.A.

#### **Presenters:**

### **1. Setting the Monetary Policy Rate in the Presence of Persistent Excess Liquidity: The Case of Trinidad & Tobago**

Anthony Birchwood  
Research Fellow  
Caribbean Centre for Money and Finance

The University of the West Indies  
St. Augustine Campus  
Trinidad & Tobago

**2. Towards a Computable General Equilibrium Model of Banking System Stability for Jamaica**

Jide Lewis  
Senior Economist  
Financial Stability Department  
Research and Economic Programming Department  
Bank of Jamaica

**3. Do Exchange Rate Regimes Matter for Inflation and Exchange Rate Dynamics? The Case of Central America**

Rodrigo Caputo  
Senior Economist  
Central Bank of Chile

Igal Magendzo  
Manager of Macroeconomic Analysis  
Central Bank of Chile

***DISCUSSION AND COMMENTS***

12.15 pm – 01.45 pm      **LUNCH**

01.45 pm – 03.15 pm      **SESSION 6**

Sub-Theme:      **FISCAL POLICY AND DEBT SUSTAINABILITY IN THE CARIBBEAN**

**Chairperson: Lester Henry**  
**Lecturer**  
**Department of Economics**  
**The University of the West Indies**  
**St. Augustine Campus**

**Presenters:**

**1. Do Archipelagic Countries have Bigger Governments?**

Amos C. Peters  
Lecturer  
University of North Carolina at Chapel Hill



Tracy D. Polius  
Caribbean Centre for Money and Finance  
The University of the West Indies  
St Augustine Campus  
Trinidad and Tobago

**2. Fiscal Adjustment and the Prospects for Growing out of Debt in Jamaica**

Colin Bullock  
Department of Economics  
The University of the West Indies  
Mona Campus, Jamaica

**3. Financing Recovery: Implications of Natural Disaster Indebtedness on the Fiscal Sustainability of ECCU States**

Ankie Scott-Joseph  
PhD Student  
University of the West Indies  
Cave Hill Campus, Barbados

***DISCUSSION AND COMMENTS***

03.15 pm – 04.45 pm      **SESSION 7**

Sub-Theme:      **MACROECONOMIC DYNAMICS IN SMALL OPEN ECONOMIES**

**Chairperson:** Prakash Ramlakhan  
Lecturer in Banking and Finance  
Department of Management Studies  
The University of the West Indies  
St. Augustine Campus

**Presenters:**

**1. The Macroeconomic Impact of IMF-Supported Programmes in Small Open Economies: The Case of Barbados**

Daniel Boamah  
Deputy Governor  
Central Bank of Barbados

Kevin Greenidge  
Director of Research  
Central Bank of Barbados

Sasha Mapp  
Economist  
Research Department  
Central Bank of Barbados

**2. The Productivity-Wage Gap and the Current Account Balance: An Empirical Analysis**

Donneil Cain  
Department of Economics  
The University of the West Indies  
Mona Campus, Jamaica

**3. Structural Shocks and Labour Market Dynamics in a Small Open Economy: Theory and Some Evidence**

Patrice Boada  
Universite es Antilles et de la Guyane  
And Nlandu Mamingi  
The University of the West Indies  
Cave Hill Campus

Nlandu Mamingi  
Professor of Economics  
The University of the West Indies  
Cave Hill Campus

***DISCUSSION AND COMMENTS***

***END OF DAY 2***

Thursday, 12<sup>th</sup> November, 2009

09.00 am – 10.30 am      **SESSION 8**

Sub-Theme:    **International Finance and Foreign Exchange Markets**

Chairperson:    Roland Craigwell  
                         Professor  
                         The University of the West Indies  
                         Cave Hill Campus

**Presenters:**

**1.    A Market Microstructure Analysis of Foreign Exchange Intervention in Jamaica**

Bijon Brown  
Financial Stability Department  
Research and Economic Programming Division  
Bank of Jamaica

**2.    Exchange Rates and Market Microstructure – The Case of Guyana**

Allan S. Wright  
Lecturer  
The University of the West Indies  
Mona Campus, Jamaica

Diaram RamjeeSingh  
Senior Lecturer  
The University of the West Indies  
Mona Campus, Jamaica

Tarron Khemraj  
Assistant Professor of Economics  
New College of Florida

Sukrishnalall Pasha  
Lecturer  
University of Guyana

**3. Intervention in the Foreign Exchange Market, Market Turnover and the Impact on exchange and interest rate Dynamics**

Dave Seerattan  
Research Fellow/Officer in Charge  
Caribbean Centre for Money and Finance  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

**4. Evidence of Moderate Capital Mobility in 15 Caribbean Countries and the Absence of the Feldstein-Horioka Puzzle**

Allan S. Wright  
Lecturer  
The University of the West Indies  
Mona Campus, Jamaica

Diaram RamjeeSingh  
Senior Lecturer  
The University of the West Indies  
Mona Campus, Jamaica

***DISCUSSION AND COMMENTS***

10.30 am – 10.45 am      **COFFEE BREAK**

10.45 am – 12.15 pm      **SESSION 9**

Sub-Theme: **Financial Integration and Risk Management in the Caribbean**

Chairperson: Kevin Greenidge  
Director of Research  
Central Bank of Barbados

**Presenters:**

**1. Risk Transmission in the Caribbean**

Christian E Castro  
Young Professional  
Inter-American Development Bank  
Washington DC  
United States of America

Andrew Powell  
Regional Economic Advisor  
Inter-American Development Bank  
Washington DC  
United States of America

**2. Issues Facing the Onshore and Offshore Financial Services Sector Since the Onset of the Global Financial Crisis**

Lester Henry  
Lecturer  
Department of Economics  
The University of the West Indies  
St. Augustine Campus  
Trinidad & Tobago

**3. Principal Component Value at Risk: An application to the Measurement of the Interest Rate Risk Exposure of Jamaican Banks to Government of Jamaica (GOJ) Bonds**

Mark Tracey  
Economist  
Financial Stability Department  
Research and Economic Programming Division  
Bank of Jamaica

**4. A New Framework for Managing Sovereign and Banking Sector Risk in Trinidad and Tobago: An Application of the Contingent Claims Approach**

Jwala Rambarran  
Lecturer in Economics  
Arthur Lok Jack Graduate School of Business  
The University of the West Indies  
St. Augustine Campus, Trinidad and Tobago

Prakash Ramlakhan  
Lecturer in Banking and Finance  
Department of Management Studies  
The University of the West Indies  
St. Augustine Campus, Trinidad and Tobago

***DISCUSSION AND COMMENTS***

12.15 pm – 01.45 pm

**LUNCH**

01.45 pm – 03.15 pm

**SESSION 10**

Sub-Theme: **Economic Uncertainty and Economic Planning**

**Chairperson:** Anthony Birchwood  
Research Fellow  
Caribbean Centre for Money and Finance

**Presenters:**

**1. Terms-of-Trade Shocks and Sector Labor Reallocation: The Case of Jamaica, Guyana and Trinidad and Tobago**

Talan B İşcan  
Professor of Macroeconomics and International Finance  
Dalhousie University  
Halifax, Canada

Andrew Powell  
Regional Economic Advisor  
Inter-American Development Bank  
Washington DC  
United States of America

Alessandro Rebucci  
Senior Research Economist  
Inter-American Development Bank  
Washington DC  
United States of America

**2. Global financial crisis to real sector contraction: Transmission mechanisms in a small open economy and Business coping strategies in Jamaica**

David Tennant  
Lecturer  
Department of Economics  
The University of the West Indies  
Mona Campus, Jamaica

**3. The Causal Relationship Between Government Expenditure and Tax Revenue in Barbados**

Tracy Maynard  
Economist  
Research Department  
Central Bank of Barbados

Kester Guy  
Economist  
Research Department  
Central Bank of Barbados

**4. Price Reform and Household Demand for Electricity in Barbados**

Adrian Carter  
Market Analyst  
Marketing and Communications Department  
Barbados Power and Light Company Limited

Roland Craigwell  
Professor  
University of the West Indies  
Cave Hill Campus, Barbados

Winston Moore  
Lecturer  
University of the West Indies  
Cave Hill Campus, Barbados

03.15 pm – 04.45 pm      **SESSION 11**

Sub-Theme: **Economic Dynamics in Highly Open Economies**

**Chairperson:** Colin Bullock  
Lecturer  
The University of the West Indies  
Mona Campus

**Presenters:**

**1. Inspecting the Mechanism: The ECCU and External Shocks**

Garfield Riley  
Economist  
Eastern Caribbean Central Bank  
St. Kitts

**2. Towards a Greater Degree of Financial Integration in the OECS**

Professor Simon Jones-Hendrickson  
Professor  
University of the Virgin Islands

**3. The Challenges Facing the Caribbean in the Current Environment and the IADB's Response**

Desmond Thomas  
Economist  
Inter-American Development Bank  
Washington DC

***DISCUSSION AND COMMENTS***

06.30 pm **ADLITH BROWN MEMORIAL LECTURE**

***END OF DAY 3***

Friday, 13<sup>th</sup> November, 2009

09.00 am – 10.30 am **SESSION 12**

Sub –Theme: **Panel Discussion on the Development of Modeling in the Caribbean**

**Chairperson:** Roland Craigwell  
Professor  
The University of the West Indies  
Cave Hill Campus

**Presenters:**

1. Kevin Greenidge  
Director of Research  
Central Bank of Barbados
2. Tarron Khemraj  
Assistant Professor of Economics  
New College of Florida
3. Garfield Ridley  
Economist  
Eastern Caribbean Central Bank  
St. Kitts.

***DISCUSSION AND COMMENTS***

10.30 am – 10.45 am **COFFEE BREAK**



10.45 pm – 12.15 pm

**SESSION 13**

Sub-Theme: **The Informal Economy and Development in the Caribbean**

**Chairperson:** Gobind Ganga  
Deputy Governor  
Bank of Guyana

**Presenters:**

**1. Unregulated Investment Schemes in Jamaica: Recent Experiences, Problems and Prospects**

Cleremont Kirton  
Department of Economics  
The University of the West Indies  
Mona Campus, Jamaica

**2. Revisiting the Underground Economy in Guyana**

Clive Thomas  
Faculty of Social Sciences  
University of Guyana

Natoya Stephen  
Junior Researcher  
Institute of Development Studies  
Faculty of Social Studies  
University of Guyana

Sukrishnalall Pasha  
Lecturer  
University of Guyana

**3. Tax Evasion, Growth and the Informal Economy in Trinidad and Tobago**

Sandra Sookram  
Research Fellow  
Sir Arthur Lewis Institute of Social and Economic Studies  
The University of the West Indies  
St. Augustine Campus, Trinidad and Tobago

***DISCUSSION AND COMMENTS***

12.15 pm – 12.25 pm

**CLOSING COMMENTS**

***Dave Seerattan***

Research Fellow/Officer in Charge  
Caribbean Centre for Money and Finance  
The University of the West Indies  
St. Augustine Campus  
Trinidad and Tobago

12.25 pm – 01.45 pm

**LUNCH**

01.45 pm – 05.00 pm

**SHOPPING TRIP**

07.30 pm

**FAREWELL PARTY**



