



Opening Remarks by Therese Turner-Jones, Programme Coordinator

Launch of Financial Literacy Project by CARTAC

January 22, 2010

Kingston, Jamaica

Welcome

Hon. Minister of Finance, Mr. Audley Shaw, Central Bank Governor, Mr. Brian Wynter, Executive Director, Financial Services Commission, Mr. Rohan Barnett; CEO, Jamaica Deposit Insurance Corporation, Ms. Antoinette Mckain, colleagues from the Eastern Caribbean Central Bank (ECCB) and the Central Bank of Trinidad and Tobago, international development representatives, distinguished guests, the media, a pleasant morning everyone!

On behalf of my colleague Skip Edmonds, Financial Sector Adviser, and CARTAC's partners, the IMF, UNDP, CIDA, DFID, EU, CARICOM member states, and in particular the Jamaican authorities, I am delighted to welcome you here this morning. This launch, of CARTAC's Financial Literacy website and

education programme is the culmination of a project started eighteen months ago and bears the mark of many collaborators, international and regional. The website draws on the collective wisdom of mature programmes/websites dedicated to increasing financial literacy where we found best practices (US, UK, Australia), but also the experience of regional efforts, notably existing programmes in Trinidad and Tobago, and the Eastern Caribbean which you will learn about later this morning.

CARTAC's Financially Fit website site has a special Caribbean flair which we hope the viewing and using public will find fresh, exciting as well as educational. It appeals especially to a younger population as we hope to influence their financial knowledge at an early stage. Noting also that a younger Caribbean audience spends relatively more time on electronic media, including the internet, than print, we are targeting facebook users as a special community.

Context

Today's event comes against a backdrop of harsh reality. Across the world, the effects of the global economic recession continue to unravel, and despite signs of recovery, the IMF warns that in the absence of sustained fiscal stimulus in

major economies (read for the region, the US), a deeper global recession can be expected. In the Caribbean, we are still traumatized by last week's earthquake in Haiti, suspending our domestic economic concerns, to share in the grief and rehabilitation with one of our own.

The confluence of factors facing the region presents a unique opportunity. The Caribbean is in the midst of severe challenges: crippling public debt burdens (among the highest in the world), declining output in traditional and nontraditional industries, increasing unemployment; all contributing to rising poverty and uncomfortably high levels of crime. Many of these problems continue to befuddle policymakers and social strategists alike. Fortunately this morning, we are not here to discuss macroeconomic stabilization or poverty reduction, at least not directly. The intent this morning is to focus on empowering the individual Caribbean and how this can be done through improved financial education.

Motivation

Why are we motivated to make a big deal of a website at this time? On one level, it is simply to provide a public service at a time when it is important to

stimulate Caribbean people from all social strata, to take control of their financial well being to establish and achieve personal financial goals and to build financial security. To do so, the public needs to understand the fundamentals of budgeting, banking, saving, and investment. Research indicates that even in societies with high levels of education (such as pertain in the Caribbean), there is considerable lack of understanding or grasp of basic finance: budgeting, credit, investments, mortgage financing, interest rates are among the topics covered in financial education.

At a more expansive level, we expect that an educated public will also lead to better financial conditions and control at a national level. National economic progress is inextricably linked with individual success. As average citizens improve their savings and investments, eventually less consumption can free up resources for productive investments. Moreover, an educated investor can distinguish between legitimate investments and scams.

A key message from the web site is that taking control of one's finances is a universal movement. To demonstrate, we have examples of individuals blogging about their financial goals and success in meeting these goals. We also stress

that financial fitness is a way a life, a journey, and this journey begins with a life-time financial plan.

Conclusion

Finally, a few words from our sponsors! CARTAC is a broad-based organization, offering training and technical assistance in a number of areas of financial soundness, institution building in the Caribbean. Our main areas of training include Financial Sector Supervision, Capital Markets Development, Economic and Financial Statistics, Economic Analysis, Public Finance, and Tax and Customs Administration. CARTAC is one of seven IMF regional technical centers around the world. We exist to serve 21 countries to provide the training needed to help build strong a economic and financial infrastructure to support the public policy frameworks. CARTAC is possible because we have a set of international financial supporters, including CIDA, our main benefactor dedicated to pooling resources to enable CARTAC to deliver its mandate in the region and for this we are very grateful.

My job is almost done. I would like to thank the team at the Bank of Jamaica, including CARTAC's Steering Committee Chair, Mr. Brian Wynter for their excellent handling of arrangements for this launch. I invite you now to sit back and enjoy the show!

