



Centrale Bank van Aruba
Economic Symposium, September 6, 2019

Fostering Economic Resilience in Aruba

Jeanette R. Semeleer
President
Centrale Bank van Aruba

UNLEASHING GROWTH AND STRENGTHENING RESILIENCE IN THE CARIBBEAN

Editors:
Trevor Alleyne
Inci Otker
Uma Ramakrishnan
Krishna Srinivasan

“Stronger economic growth is the essential foundation for a more resilient Caribbean. It is also a foundation for building defenses. Unfortunately, economic growth in the Caribbean has been low for several decades. This has led to rising social and economic challenges, including poverty, inequality, unemployment, and crime. While many authorities in the Caribbean were successful in their efforts to create a stable macroeconomic environment, growth still remains elusive”

Christine Lagarde (2017)



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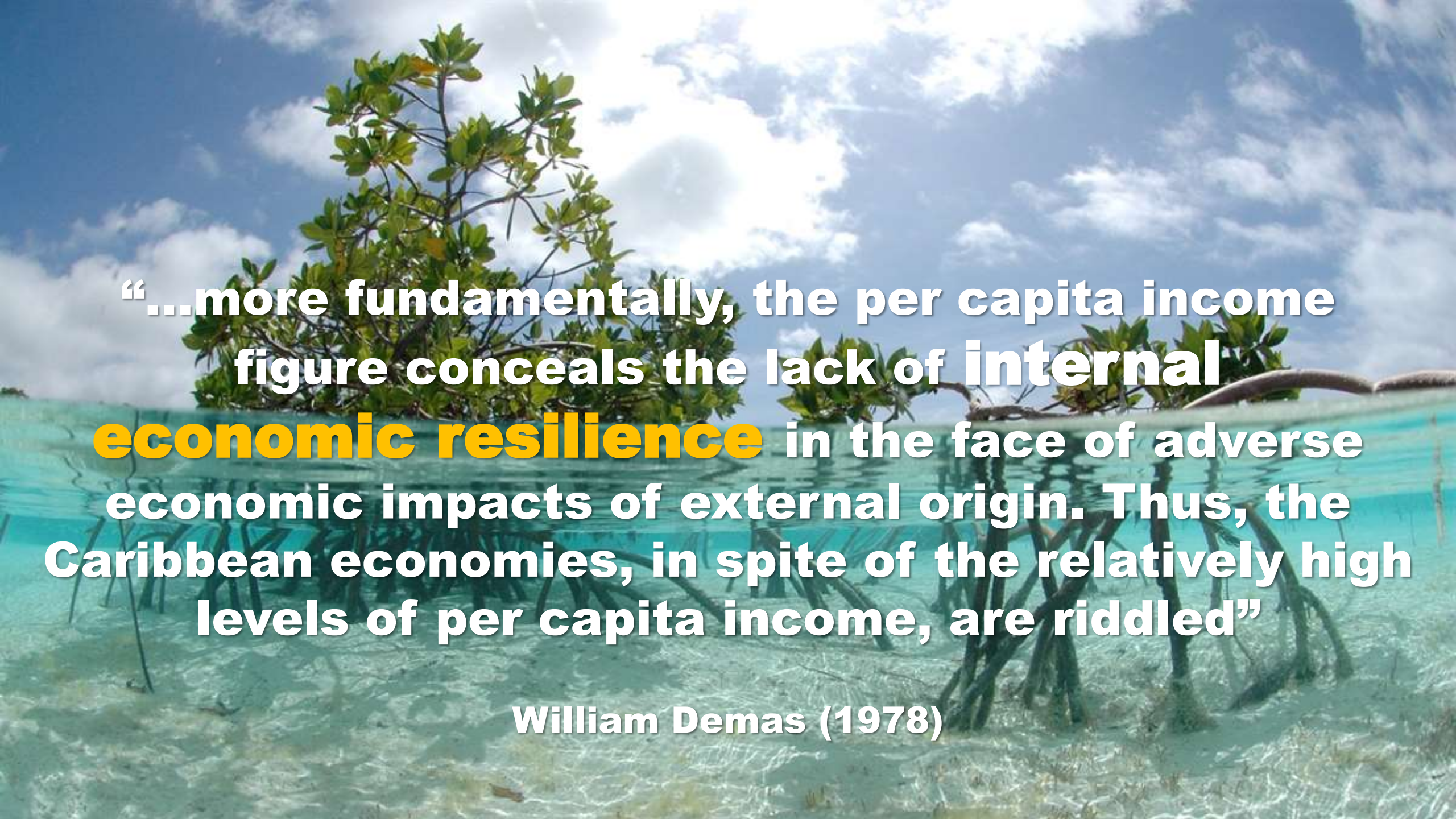
Table 2.1. Economic Growth, 2000–15
(Percent per year; median)

Country	Real GDP Growth	
	Total	Per Capita
Caribbean	2.1	1.2
Tourism-Intensive Caribbean Economies	1.6	0.8
Antigua and Barbuda	1.6	0.8
The Bahamas	0.6	–0.4
Barbados	0.8	0.5
Dominica	1.7	2.1
Grenada	2.2	1.6
Jamaica	0.6	0.1
St. Kitts and Nevis	2.2	1.2
St. Lucia	1.3	0.6
St. Vincent and the Grenadines	2.1	2.0
Commodity-Exporting Caribbean Economies	3.7	3.0
Belize	3.4	0.9
Guyana	3.1	2.9
Suriname	4.2	3.0
Trinidad and Tobago	3.9	3.6
Memorandum		
Non-Caribbean EMDEs	4.2	2.6
Non-Caribbean Small States	3.0	1.4
Non-Caribbean Commodity Exporters	4.2	2.4
Advanced Economies	1.9	1.1

Fostering Economic Resilience:
From Roots to Routes

Centrale Bank van Aruba
2019



A photograph of a mangrove forest with green trees and roots in clear, shallow water under a blue sky with white clouds. A quote is overlaid on the image.

“...more fundamentally, the per capita income figure conceals the lack of **internal economic resilience** in the face of adverse economic impacts of external origin. Thus, the Caribbean economies, in spite of the relatively high levels of per capita income, are riddled”

William Demas (1978)



What is the State and Future of Economic Resilience in Aruba?

Perils in Paradise





**Economic
recessions**

**International
trade tensions**

Shocks

**Socio-political
turmoil**

**Climate
Change**



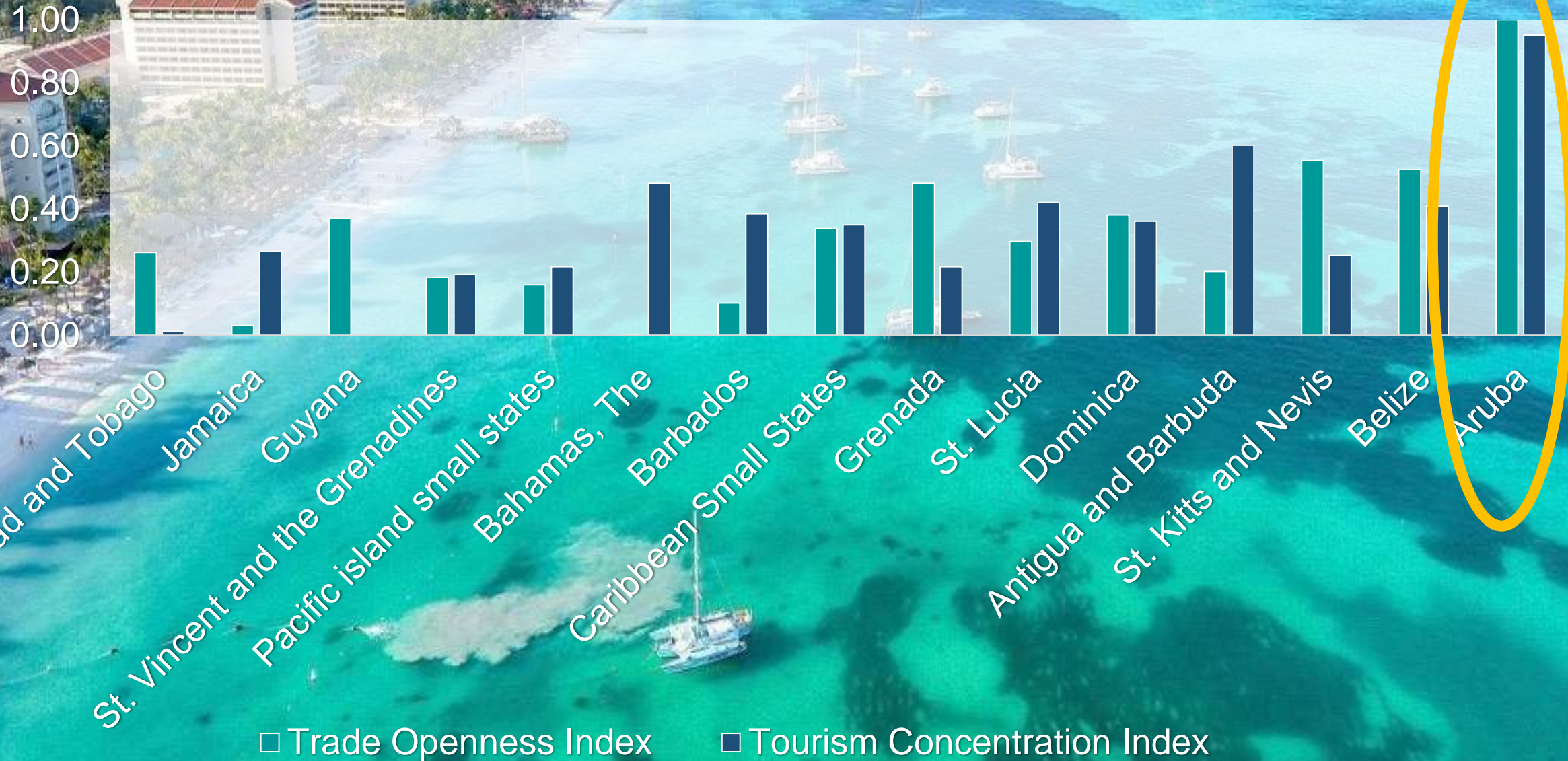
Hidden Threats



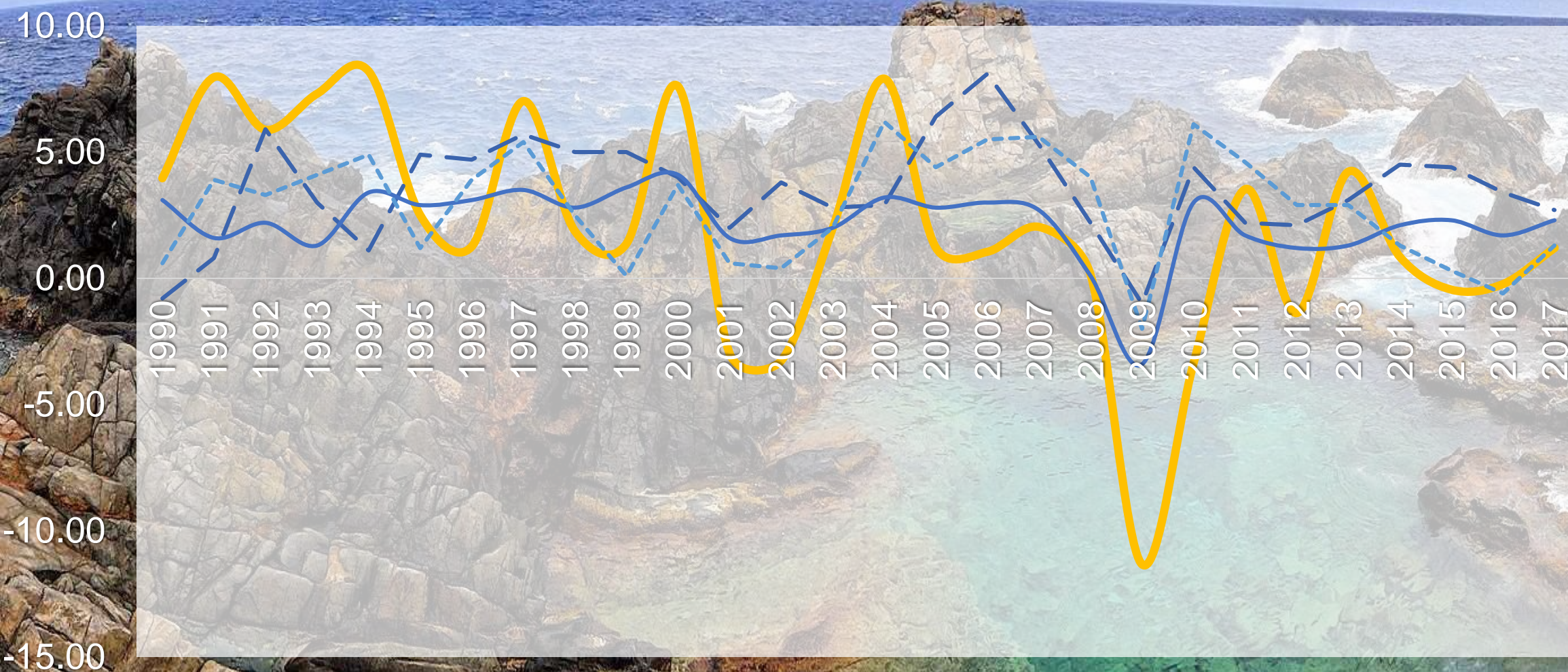
Slow Burn

Recovered from Aruba's seabed in 2019

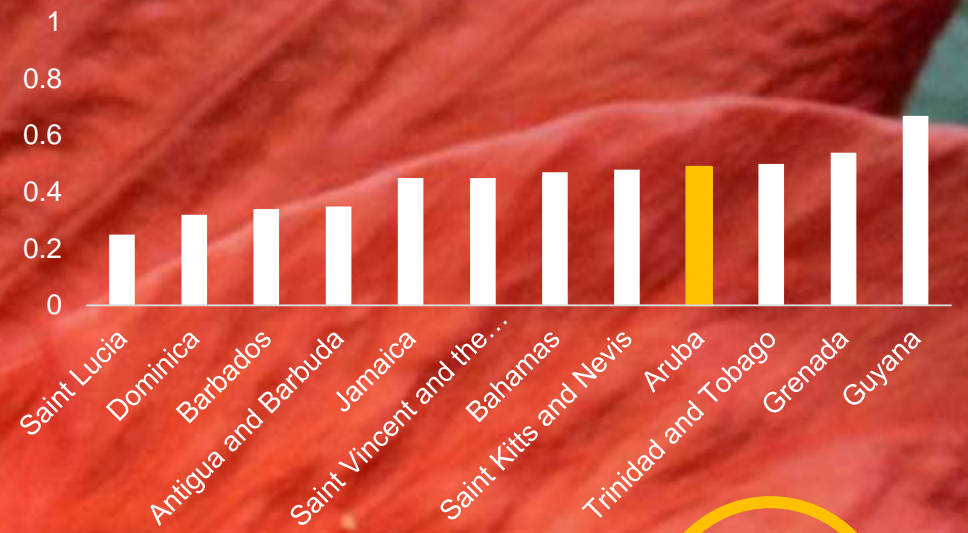
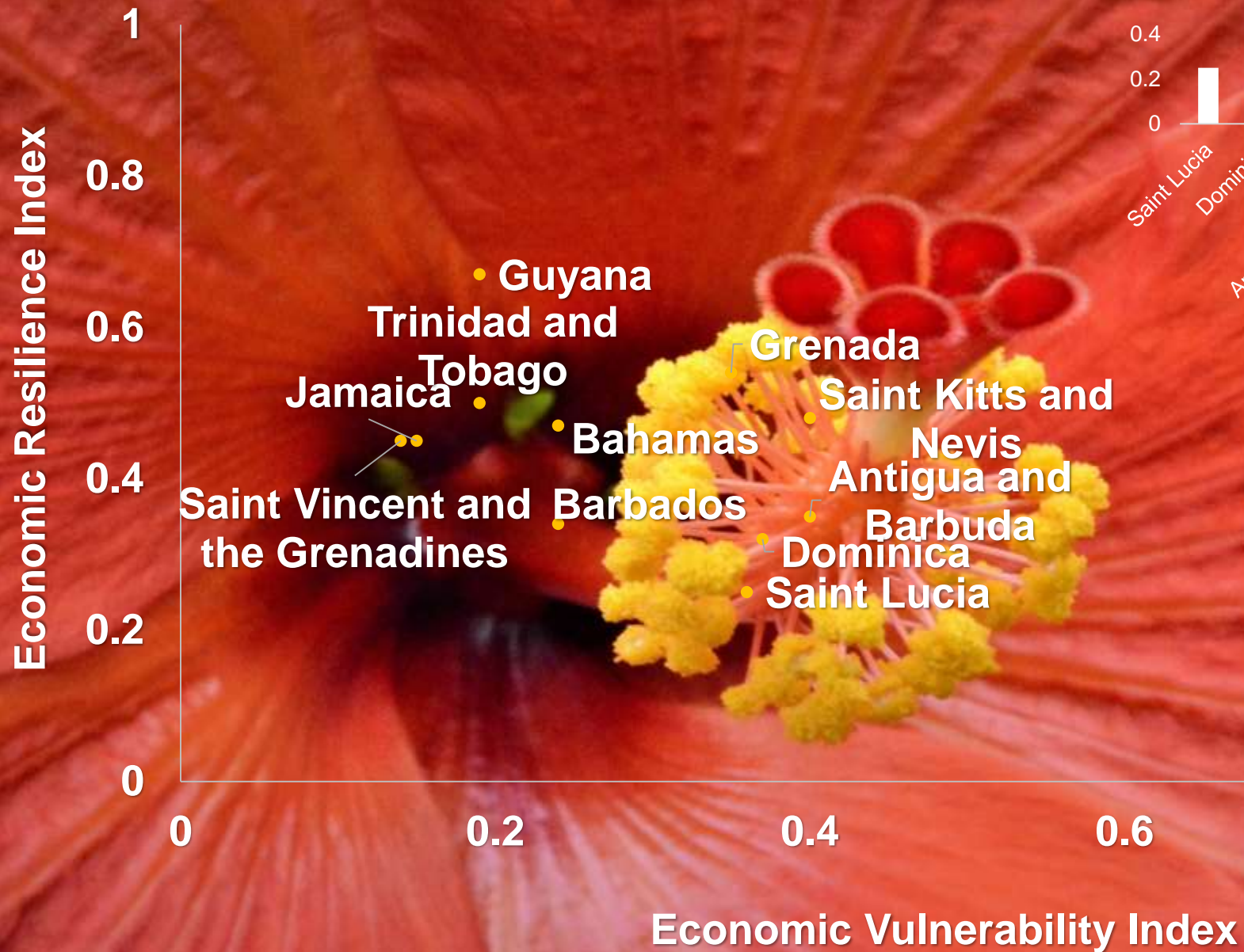
Economic Vulnerability of Caribbean Small States



Real GDP Growth 1990 - 2017 (%)



— Aruba — Caribbean — Advanced economies - - - Latin America





**1. Fiscal
Space**

A diagram showing five economic pillars (Fiscal Space, Monetary Stability, External Sector Flexibility, Labor market & Productivity, and Technology & Innovation) with white lines pointing to the center of a red flower with yellow stamens.

**2. Monetary
Stability**

**3. External Sector
Flexibility**

**4. Labor market &
Productivity**

**5. Technology &
Innovation**

**Institutional
capabilities**

A close-up photograph of a red flower with yellow stamens. A white line points from the text 'Institutional capabilities' to the central stem of the flower. Two yellow lines point from the text 'Fiscal Labor Education Social' and 'Commerce & Enterprise Innovation & Entrepreneurship' to the stamens.

**Fiscal
Labor
Education
Social**

**Commerce & Enterprise
Innovation & Entrepreneurship**

A vibrant red hibiscus flower is in sharp focus on the left side of the frame. In the background, a hummingbird is captured in mid-flight, its wings blurred. The background is a soft, out-of-focus green.

***"We are called to be architects
of the future, not its victims".***

R. Buckminster Fuller



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Masha Danki

Jeanette R. Semeleer
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