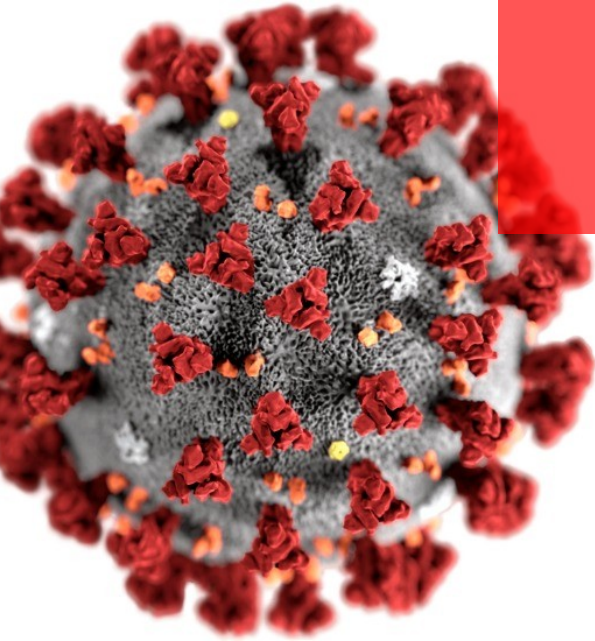




# THE MONA ECONOMIST

ANNUAL NEWSLETTER  
VOL. 7 (AUGUST 2020)



What's Inside?

- \*Reports
- \*Research
- \*Publications
- \*Personalities
- \*Adjusting to COVID-19
- \*Black Lives & Development





# EDITOR'S DESK

This is the seventh volume of *"The Mona Economist."* Seven is regarded by some as the number of completion, the number of perfection. I don't know that this year's publication satisfies either of these views, but here we are.

The academic year 2019/2020 will forever be defined as a watershed moment. Indeed, COVID-19 has upended every aspect of our daily lives. In some cases for the better. For example, I think everyone who works or studies on the Mona campus is happy to no longer collect those "germs cards" upon entering the gate. It seems as if we now attend more meetings, online meetings, which seem more mentally draining than face to face meetings. One upside is that we can now attend meetings without having to drive or walk to a specific location. We can also multitask. This volume offers some reflection on the pandemic. The relaxation of lockdown orders have coincided with mass protests against systemic racism against people of African decent. This volume joins the "global" movement against systemic racism.

In the last week of the academic year the region lost Owen Arthur, a graduate of our MSc Economics programme. As an A-Level student I choose to do a combination of Economics, History & Math. I was the only A-Level student, in the school, doing History in lieu of the "recommended" Accounting. I felt a bit out of place, but not enough to change my decision. One day I read that Owen Arthur, Barbados' PM at the time, did Economics and History at UWI. That was a boost for me. The Department of Economics (DoE) pays tribute to him and extends sincere condolences to his family.

As is usual, this volume provides information on our scholarly work (articles, presentations etc.) for the just concluded academic year (AY 2019-2020). Also, updates are provided on departmental changes.

While every effort has been taken to ensure the veracity of the information published here, errors are possible. Corrections will be made as needed, and the most recent version of the newsletter will always be found on the DoE's website.

Editor: Samuel Braithwaite  
[samuel.braithwaite@uwimona.edu.jm](mailto:samuel.braithwaite@uwimona.edu.jm)

"In the end, economics is not enough. People of different races, religions, and cultures have to learn to live peacefully with each other, and to develop pluralistic and federal institutions where this is the only way. Economic progress will help decisively, but racism has its own deep psychological springs that must be drained directly. To learn to live peacefully with each other is going to take a long time."

———— W. ARTHUR LEWIS ————

*Racial Conflict and Economic Development (1982)*



# Head of Department's Message

Dr Nadine McCloud-Rose



By every single metric, the Coronavirus pandemic has become a juggernaut in reshaping our economy, the operations of The University of the West Indies, our department, and our orthodox way of serving our students and other partners.

On March 10, 2020, the Ministry of Health and Wellness declared Jamaica's first case of the COVID-19. This announcement was the harbinger of unprecedented challenges and demand and supply disruptions, for which there exists no parity in our recent history, to our way of life. To avoid further importation and spread of the coronavirus, the Department of Economics immediately cancelled its West Indies Economic Conference 2020, scheduled for March 12-13. The Principal then declared that all classes would be suspended effective March 13, 2020, and would resume remotely on April 14, 2020. The rationale was that one month's closure would afford the University ample time to prime for remote delivery.

It became apparent to us that the pandemic had shoved us to an inflection point in our history. Yet, we remained steadfast and anchored to our vision and mission to help Jamaica and the region emerge from their impending economic troughs. We instantaneously viewed this pandemic as a catalyst for realizing our department's vision and mission. All staff members of the department, academic and administrative, coalesced around this perspective and morphed into active complementary inputs for this catalyst.

To this end, our academic staff and tutors engaged in several remote delivery training sessions in Blackboard Collaborate (BbC) and OurVLE arranged by the Faculty of Social Sciences office, our department, and the Open Campus. Academic staff toiled, countless hours, to upload lecture videos and other types of course materials to ensure readiness for teaching on April 14. Our administrative and technical staff speedily implemented steps to facilitate them in working remotely. For example, to maintain excellent customer care to our students and other stakeholders, the department engaged MITS to fast-track the "Online Chat" facility on our department's website.

All admin staff members received training in its use, and students notified of its availability. Students and other stakeholders were able to communicate effectively with our department representatives via this and other mediums.

Our department has always subscribed to the view that as stakeholders in a developing country, it's insufficient for us only to be passive beneficiaries of policies, solutions and technologies created and spilled over to us by our developed counterparts. We must also be active donors. We must hoard high levels of knowledge in economics and other related disciplines. We must use this knowledge to design pragmatic solutions for our benefit and the benefit of other developing countries. After all, no developed country has achieved a high level of sustainable development without investing in human capital deepening and critical thinking. Despite the plethora of distortions presented by the pandemic, our department has stayed true to these beliefs. Thus, our academic staff continued to unlock and hoard meaningful knowledge by undertaking high-quality research germane to Jamaica and the region. Our ongoing academic research focuses on topics such as trade and gender; the impact of weather on Jamaica's economic activity; the economic consequence of COVID-19 in the Caribbean; the economic impact of beach erosion in the Caribbean; peer effects on academic outcomes in Jamaica; estimating moral hazard in healthcare utilization from a large scale policy experiment in Jamaica; and the influence of inflation targeting on components of GDP using the synthetic control method.

Our academic staff also actively participated in numerous COVID-19 public engagements. These included television and radio interviews, Gleaner articles, online panel discussions and public fora. All topics covered in these engagements had COVID-19 and its implications for the economy as their focal point. The private sector commissioned department members to serve on or chair COVID-19-related task force and committees. Our members have rendered their expertise to, for example, the Socioeconomic Research Group of the National Research Agenda for COVID-19; IDB Project investigating the effects of COVID-19 on Jamaican Business (particularly MSME); and UNICEF Project examining the effects of COVID-19 on children in Jamaica.

## Our Vision

*The Department of Economics aspires to become a renowned hub for the production, dissemination, and exchange of cutting-edge knowledge.*

## Our Mission

*The Department of Economics' mission is to explore new frontiers of knowledge through academic research and to develop, implement and maintain excellent, innovative and relevant programmes in economics and statistics. We are committed to playing an integral role in the struggles of Caribbean societies for sustainable economic growth and development.*

This pandemic's immense economic crater has evinced the need for a large amount of regional human capital in both the short and long terms. Our students, the region's future economists, will also be salient inputs to building research capacity to assist the region in its COVID-19 recovery efforts and erecting sustainable economic buoyancy to other imminent crises. Students, you are part of the academic arc between the Department of Economics and the region. No longer can you entertain a perfunctory approach towards learning, even if for a modicum of time. Our department encourages you to continue creating a habit of deriving tangible and intangible long-term utility from interactions, albeit online, with your lecturers. Your ability to unearth feasible solutions to the region's economic challenges, and your resultant rewards from such feats, will be a function of how much spadework you engaged in during your time with us. After all, Winston Churchill said it best: *"To each there comes in their lifetime a special moment when they are figuratively tapped on the shoulder and offered the chance to do a very special thing, unique to them and fitted to their talents. What a tragedy if that moment finds them unprepared or unqualified for that which could have been their finest hour."*

During this pandemic, our department's agility is a credit to the support, resilience, and tolerance of its many stakeholders. Thus, recognition is in order. To our students, undergraduate and graduate, we understand that COVID-19 has upended your lives. But our admiration for you is now deeper given the tenacity you demonstrated during this period. To our tutors, who worked sedulously in the remote delivery of our teaching contents, our "gratitude is a must"! It would be remiss not to acknowledge our UWI colleagues, external to our department, who laboured tirelessly to assist us in completing the extraordinary second semester of the academic year 2019-2020. The Department of Economics wishes to thank Professor David Tennant, Dean of the Faculty of Social Sciences, and his administrative officers in the Faculty of Social Sciences Office for their managerial support during this pandemic. To the MITS team, which proactively shored up our technical capacity to ensure a seamless transition to remote teaching and a distant mode of communication, our department expresses its sincere gratitude. To the Examinations Section, which also went in overdrive to help us navigate uncharted territories in executing our assessment methods online, our department appreciates your guidance.

I hope that the content of this year's newsletter resonates with and inspires our readers who also see the urgency to transform and become active donors of knowledge in Jamaica and the wider Caribbean. The road ahead will not be easy. But as Winston Churchill once said, *"Difficulties mastered are opportunities won."*

## NEW ASSIGNMENTS

Graduate Committee

Co-Coordinator

DR CHRISTINE CLARKE  
DR NEKEISHA SPENCER

Undergraduate Committee

Coordinator

DR KELLY-ANN DIXON HAMIL

*Farewell*

DR DENARTO DENNIS  
MS SHERONA FORRESTER  
MRS NADIA GRANT-REID  
MR KINO MORRIS  
DR MEHMET ORHAN

The Department of Economics enters the 2020/2021 AY without the services of five of its hardworking and committed faculty. The DoE thanks them for their service and wishes them every good thing in their future endeavours.



*Congratulations*  
SENIOR LECTURER  
DR NEKEISHA SPENCER

Dr Spencer's field of research is environmental and climate change economics where she has made significant contributions to knowledge in an area that is important to the Caribbean. Her research has highlighted the impact of extreme weather events on a range of areas including economic welfare, crime, production efficiency and education. Given the vulnerability of the region to climate extremes, her work has also emphasized damages that could be associated with future climate change. Her work promises to bring more insights relevant to this core area of concern for the region. We congratulate her on a well deserved promotion to senior lecturer.

*Welcome*  
DR MOISE NKEN

Dr Nken joined the staff of the DOE during the AY 2019/2020. His fields of interest are International Trade and Microeconomics. We wish him a long and fruitful stay here at Mona.



*Thank You*  
MR STANFORD MOORE  
(FORMER FSS DEPUTY DEAN)

The DOE extends sincere appreciation and thanks to "Sir Moore" for his long and steadfast service to the Faculty of Social Sciences. We wish him every good thing for the future.



# Class of 2020

## MSc Economics

### **Distinction**

Priya Alexander  
Renaë Bogle  
Romae Finegan  
Shenelle Guscott  
Ta'Mar Phillip  
Tavoy Reid  
Katherine Thomson

### **Pass**

David Bailey  
Duan Barrett  
Alden Christian  
Darnellia Daniels  
Melanie Dawkins  
Denneiva Dwyer  
Justine Foster  
Ainsworth McDonald  
Natasha McLarty  
Camille Miller  
Kimberly Selvyn  
Mikael Spence  
Francine White  
Etel Williams

## MSc International Economics & International Law

### **Pass**

Jordan Whitby

# Graduate Awards

(Class of 2019)

## Oneka Taylor

### **Top Student Award**

Best Economics Graduate Student

### **The Economics Theory Prize**

Best Economic Theory Student

### **The Econometrics Prize**

Best Econometrics Student

## Kerry-Ann Purcell

### **The George Beckford Prize**

Best Student  
Economic Development

# Thank You, Dr Gordon

As at the end of the AY 2019-2020, Dr Gordon stepped away from the chairmanship of the DoE's Graduate Committee. Dr Gordon served in the position for 9 years. The following tributes are from his former students and colleagues, celebrating his unselfish contributions to the graduate programme and more importantly the lives of many.

"English pioneer Baptist missionary and author, William Ward, once said "The mediocre teacher tells, the good teacher explains, the superior teacher demonstrates, and the great teacher inspires." I believe Dr Peter-John Gordon exemplifies "the great teacher" as he has been, and continues to be, an inspiration to me, and, dare I say, to others.

Dr Gordon was always punctual to class and was deft in making lessons as relatable as possible. He was also impartial towards students and passionate about teaching as he capitalized on every opportunity to sharpen our analytical skills. Also, his willingness to having an "open-door" policy, regardless of who you are, illustrated his sincere desire to see his students thrive in their academics. This student-focused approach increased the probability of me understanding a topic, regardless of its level of difficulty.

A teacher's responsibility is not limited to the cognitive development of their students but also their social and emotional development. Dr Gordon illustrated this by the intermittent "pep-talks" about life, doctoral studies, or the workplace during class. At times, the pep-talks were revisited in his office. As a result, I was more inclined to visiting his office, along with some friends, whether to chill, engage in riveting discussions about anything, or just to sit and listen to his classical music playlist.

These experiences made me realize how blessed I was to have him as a teacher, and now, friend. Dr Gordon, thanks for being an inspiration. I pray God continues to bless you. Cheers to life's future endeavours." ~ MONIQUE GRAHAM

"Dr Gordon has motivated generations of students to realize their truest and full potential. He showed us the wider world through his rather fashionable lens, which has motivated some to pursue higher education and others to hold offices in foreign lands. Definitely a father figure many of us never had. We appreciate you and your role in today's society. Continue being great!" ~ JASON CHRISTIE

"PJ's dedication to the total welfare of graduate students, not just their graduate education, has been extraordinary. It is not an exaggeration to say that he has dedicated his entire academic career to that. From his arrival at Mona, he was passionate about the structure (which he helped greatly to design) and protective about the quality of the graduate programme. That passion has been apparent in his dedicated efforts to nurture their interest in economics and to guide their academic careers. With respect and appreciation." ~ DAMIEN KING



Dr Peter-John Gordon and a few of his graduate students from the class of 2015.

"Thank you for being a great support, always willing to assist and/or provide information." ~ MARJORIE BRYAN

"In the lives of many you have left an indelible mark of wisdom, knowledge and character." ~ ETEL WILLIAMS

"Dear PJ, your dedication to the Masters students is legendary! You have contributed your time, energy and patience to molding countless young lives over the years. Rest assured that your commitment and dedication has not gone unnoticed or unappreciated! On a personal note, I am grateful to you for the role you played in introducing me to Linda, without whom I would not have survived MSU. I know I speak for so very many of the former students of the Masters programme when I say "thank-you for helping me fulfil my dreams!"

~ PATRICE WHITELY

"Peter-John has made an indelible and incomparable contribution to the DoE's graduate programme, and by extension the University of the West Indies. Through his stellar efforts many students of economics have acquired higher degrees, at home and abroad, and are now contributing to the sustainable economic development of Jamaica, the Caribbean and the wider world. Nuff Respect!"

~ SAMUEL BRAITHWAITE

"Dr Gordon is sincerely invested in seeing his students succeed. He goes beyond the call of duty to ensure students receive his time to understand the material. Most importantly, he has a keen interest in his students' development and is not afraid to let you know when you need to settle down and dedicate more time to the work."

~ ROCHELLE JOHNSON



## Publications (AY 2019/2020)

### Journal Articles:

**Freckleton, M.** and **P. Whitely** (2020). Can Trade Agreements among Small Countries Create Trade? *International Journal of Development Issues* Vol. 19 No. 2, pp. 205-216.

Lake, J., **Nken, M.** and H. M. Yildiz (2020). Tariff bindings and the dynamic formation of Preferential Trade Agreements, *Journal of International Economics* volume 122 (C).

**McCloud, N.** and Christopher F. Parmeter. 2020. Determining the Number of Effective Parameters in Kernel Density Estimation. *Computational Statistics and Data Analysis*, 143: 106843.

**McCloud, N.** and Christopher F. Parmeter. 2021. Calculating Degrees of Freedom in Multivariate Local Polynomial Regression. *Journal of Statistical Planning and Inference*, 210:141-160.

**Spencer, N.**, Urquhart, M. and **P. Whitely** (2020). Class Discrimination? Evidence from a Racially Homogeneous Labour Market, *Review of Radical Political Economics* 52 (1), 77-95.

**Spencer, N.** and E. Strobl (2020). The Impact of Decriminalization on Marijuana and Alcohol Consumption in Jamaica, *Health Policy and Planning*, 35: 180–185.

### Book:

**Clarke, Christine** and Nelson, Carol, Contextualizing Jamaica’s Relationship with the IMF, Palgrave forthcoming October 2020.

### Forthcoming Articles and Working Papers:

**Braithwaite, S.** (2020). "Decentralisation, Ethnic Fractionalisation & The Resource Curse: The Case of Guyana." Department of Government, Sociology, Social Work and Psychology (GSSWP) - UWI (Cavehill), Working Paper Series 2020 No. 3.

Rollinson, C., Finley, A., Alexander, M. R., Banerjee, S., **Dixon Hamil, K.**, Koenig, L., Locke, D., Peterson, M., Tingley, M., Wheeler, K., Youngflesh, C., and E. Zipkin. Working across space and time: approaches to ecological non-stationarity. *Frontiers in Ecology and Frontiers in Ecology and the Environment*.

**Spencer, N.** and E. Strobl. Hurricanes Damages, Climate Change, and Social Welfare: Evidence from the Caribbean. Forthcoming in *Climatic Change*.

## Department of Economics Seminars (AY 2019/2020)

**Nadine McCloud-Rose** and Ajornie Taylor “The Effect of Inflation Targeting on International Trade: A Synthetic Control Approach” Department of Economics Research Seminar, November 21, 2019

**Mehmet Orhan** “Policy Implications of the Lucas Critique Empirically tested along the Global Financial Crisis”

## Conference/Forum Presentations (AY 2019/2020)

**Samuel Braithwaite**, "Decentralisation, Ethnic Fractionalisation & The Resource Curse: The Case of Guyana." Department of Government, Sociology, Social Work and Psychology (GSSWP) - UWI (Cavehill), Forum, "Disruption or Development," April 30, 2020.

Daniel Henderson, **Nadine McCloud** and Christopher F. Parmeter. "Joint Estimation and Bandwidth Selection in Partially Parametric models". Presented at the 29<sup>th</sup> Annual Meetings of the Midwest Econometrics Group, Ohio State University, October 11-12, 2019.

Daniel Henderson, **Nadine McCloud** and Christopher F. Parmeter. "Joint Estimation and Bandwidth Selection in Partially Parametric models. Presented at the *Department of Economics, Emory University, USA, October 29, 2019.*

Daniel Henderson, **Nadine McCloud** and Christopher F. Parmeter. "Joint Estimation and Bandwidth Selection in Partially Parametric models". Presented at the 2019 Annual Meeting of the Latin American and Caribbean Economic Association (LACEA) and the Latin American Meeting of the Econometric Society (LAMES) on November 7 – 9, 2019, Puebla, Mexico.

**Nadine McCloud-Rose and Peter-John Gordon** "Peer Effects in Education: Do Boy and Girls respond differently?" Ministry of Education, Youth and Information, February 13, 2020

**Nadia Grant-Reid** "Effect of Vocational Training on Employment and Wages: Evidence from Jamaican Panel Data", 51<sup>st</sup> Annual Monetary Studies Conference, Eastern Caribbean Central Bank, Basseterre, St Kitts and Nevis. November 19-21, 2019.

**Nekeisha Spencer**, "The Impact of Extreme Weather on Temporary Work Absence," International Labour Organization Workshop on Extreme Weather Events," May 2020.

**Nekeisha Spencer**, "Economic Outcomes of Hurricanes," Fourth SDG Center International Seminar: Climate Action, March 2020.

**Nekeisha Spencer**, "Poverty and Hurricane Risk Exposure in Jamaica," Risk Considerations and Insurance in Developing Countries Conference, New York February 2020.

**Nekeisha Spencer**, "Poverty and Hurricane Risk Exposure in Jamaica," Annual Monetary Studies Conference, Basseterre, St. Kitts, November 2019.

# WECON

WEST INDIES ECONOMIC CONFERENCE

WECON 2020, which was to have taken place on March 12<sup>th</sup> and 13<sup>th</sup>, was unfortunately cancelled on March 10<sup>th</sup>. This was due to the possible public health risks posed by the coronavirus pandemic. Professor Janet Currie, from Princeton University, had been scheduled to give the keynote speech, which was on “Child Health as Human Capital”. Professors Suresh Naidu and W. Bentley Macleod, both from Columbia University, were to be the headliners of a special panel on labour that would have closed off the conference on Friday afternoon. Thirty-nine participants were to present in 9 different panels on topics including growth and development, energy and the environment, trade and productivity, health, etc. The conference would have been truly global with participants from all over the world including Germany, Canada, the USA, the UK, and Spain.

The relationship between WECON and BOJ continues to be strong, as the central bank had once again signed on to sponsor this year’s conference. The BOJ has sponsored WECON every year since its inception in 2017. Other sponsors of this year’s conference included Scotiabank, Sygnus Capital and Twinings. We are grateful to our sponsors for their support and look forward to an ongoing relationship with them.

Given the ongoing nature of the pandemic and the uncertainty surrounding the availability of a vaccine and when the world will return to “normal”, the conference planning committee has decided to also cancel WECON 2021. However, we have secured both Professor Currie and Professor Matias Cattaneo, from Princeton University, as keynote speakers for WECON 2022. We look forward to making the next staging of WECON bigger and better than before!

*Dr. Patrice Whitely*  
*WECON Conference Chair*



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**WECON**

WEST INDIES ECONOMIC CONFERENCE

**MARCH 2022**

UWI REGIONAL HQ  
MONA, JAMAICA

[www.wecon-mona.org](http://www.wecon-mona.org)

# ONLINE CLASSES: BY THE NUMBERS

The following information was obtained from analysis of data collected from a Google Form survey of two ECON classes. The sample accounts for approximately 17% of the total population of both classes. Strict scientific methodology was not employed, therefore, the responses have to be interpreted with caution. For example, 68% of respondents attended live classes. This is certainly not reflective of the classes surveyed, however, it is likely that those students who responded to the survey are more committed to the class and are therefore more likely to have attended the live sessions. Notwithstanding these concerns the survey gives a glimpse into what obtains. Logistic regressions were used where applicable and the statistically significant outcomes reported. Comments from the survey are on the next page.

## Main location for internet use

**84%**

@ HOME

8% @ FRIEND'S HOUSE

4% @ RELATIVE'S HOUSE

1% @ PLACE OF WORK

## What type of device(s) do you use to access course material?

**80%**

USE LAPTOPS

**68%**

USE SMARTPHONES

**11%**

USE TABLETS

Female students are 3 times more likely to use Google Chrome only.

Users of Edge, Firefox, IE, Opera, and Safari are more likely to use at least one additional browser.

**68%**

OF RESPONDENTS ATTENDED LIVE LECTURES

**82%**

USE GOOGLE CHROME

26% USE SAFARI

8% USE FIREFOX

8% USE INTERNET EXPLORER

7% USE MICROSOFT EDGE

# ONLINE CLASSES: COMMENTS

*"I'm a final year Applied Chemistry major, Econ. Minor and I had a lot of clashes this semester with my core classes. This led to me having to learn asynchronously, aside from the buffering in the recordings at times, the material was delivered properly and I understood."*

*"My lack of internet access has resulted in me not being able to attend online classes and tutorials. I read on my own but I have not fully grasped many concepts and fear that I will not do well in my final exams."*

*"I'm not sure what to expect re the exams. The information is available, but I'm still worried about how things may be different/how I will approach it in this environment."*

*"The adjustment period is harder for others for me I'm still trying my hardest to focus as I have a lot going on with changes at work and just generally trying to be safe among thousand of persons who seem nonchalant daily. It is possible it could work but I'd prefer if there was a person by a board doing tutorials for sure."*

*"The only issue for me in doing exams online is the fear of losing internet connection as Flow is not always reliable."*

*"I usually learn using YouTube videos on specific topics so it is not much different."*

*"There have been a few technical difficulties so far as it relates to loading quizzes and lectures but it is good for the most part."*

*"I normally access the course through a data plan so it is sometimes difficult to attend the live lectures."*

*"The online classes have been a good experience; particularly due to the fact that the sessions are recorded, therefore allowing you to always have access to them."*

*"The fear of losing internet connection during an online exam is of paramount importance. I welcome the online teaching as it helps with me not being at every lecture due to my work arrangements and hope to see a continuation of this in coming semesters."*

*"I had an issue accessing the internet causing me to not attend lectures and I'm yet to download the lecture slides as internet is still a problem. However, it is moving at a much faster rate than it was before, hence why I was able to do the practice quiz and complete this survey."*

*"I must admit, adjusting to online classes was difficult for me. My internet service was not always reliable and my laptop's performance was not always optimal. And sometimes when I would miss a class, re-watching it was a drag. Because of this, along with being unmotivated to be a part of lectures, I found that the online lectures were not helping me to understand the material as would face-to-face lectures. Silver lining: I did find that reading the texts was super helpful."*

*"I'm mentally exhausted"*

# Learning in Isolation

Dr Peter-John Gordon & Dr Nadine McCloud-Rose

Department of Economics, UWI (Mona)

(Reprinted from the Jamaica Gleaner— May 5, 2020)

THE CURRENT COVID-19 pandemic has disrupted the operations of our schools, with classes currently delivered in a 'distance mode' in which pupils stay at home. A distance mode is not the same as simple homeschooling, in which the entire educational process occurs outside of a formal school. There is, however, an overlap between elements of the homeschooling and distance modes. Undoubtedly, the ongoing distance education has exposed the digital divide, with some students having access to technological infrastructure, which makes distance education possible, while others do not. The digital disparity, of course, is a huge issue. Still, we wish to abstract from it in the article and focus on other essential distortions to the education process that have emanated from, or been amplified by, COVID-19. To do this, we assume that all pupils have equal access to technology, which makes distance learning possible.

Distance education, while necessary in the current circumstances, is not a perfect substitute for face-to-face instruction. For younger children to participate in remote learning, there is a need for more home involvement, as parents or guardians have to supplement the role of the classroom teacher. Different homes have different capabilities in supplying this support. Let us assume that the primary 'teacher's aide' is the mother (although it could easily be the father or an older sibling). Different factors influence the ability of the home to supply competent teacher's aides. The different educational levels of mothers result in various capabilities. The amount of time that mothers have to devote to the education of their children also affects children's learning. We can think of more mother's time dedicated to children's education as an improvement in the quality of the teacher's aide.

## AFFECTING MOTHERS DIFFERENTLY

COVID-19 has affected the time constraints of mothers differently. Unemployed mothers, whether they were previously unemployed or have become unemployed, would be the set of mothers with the most time to devote to helping their children with remote learning. Although we had assumed away the digital divide, with some children being able to access the Internet and some not being able to, there is still a huge wealth effect. Wealthier families are more likely to have mothers who are housewives, with the least time constraint. They are also the ones best suited to be able to obtain extra resources by hiring in additional teaching help, as well as being able to procure supplementary educational material.

The more impoverished families are unlikely to command these resources. In many instances, they also rely on the school system for the nutrition of their children. Those mothers who are now working from home would be able to supply some amount of supervision to their children's learning efforts, but not as much time as the unemployed mothers. Those mothers who must still work outside of the household are the most time-constrained of all mothers and are the group with the least amount of time available for helping children with schoolwork. This latter group most likely needs to find adult supervision for their children away from school. Families with little or no time to act as teacher's aide, therefore, have limited coping mechanisms at their disposal to smooth or reduce the distortions to their children's education process; for them, distance learning is tantamount to a millstone around their necks.

In general, older students rely less on adult supervision and the knowledge of their parents or guardians than younger children. Very few households would have a mother (or another 'teacher's aide') who can help a CAPE or CSEC student with the structural representation of alkanes in organic chemistry, Newton's third law of motion in physics or Chaucer's Canterbury Tales in English literature.

*"The amount of time that mothers have to devote to the education of their children also affects children's learning. We can think of more mother's time dedicated to children's education as an improvement in the quality of the teacher's aide."*

## PEER INTERACTIONS

The education process is not purely linear between teacher and student. Students are concerned not only with their absolute performance, but also their performance relative to their peers. Students (both older and younger) are affected by their peers. These peer effects could be direct or indirect. For example, the insightful questions asked by one's classmates help one in coming to a deeper understanding of the concept under discussion (a positive direct peer effect). The disruption in a classroom caused by one student affects the learning of another (a negative immediate peer effect). An indirect peer effect could be student A observes that student B is doing well academically and so is motivated to work harder. Another indirect peer effect could be that student B's performance prods the teacher who, consequently, gives more inspiring classes from which student A receives benefits. Thus, for some students, particularly the older ones, their peers are complementary to a teacher's aide, whereas, for others, their peers are perfect substitutes for a teacher's aide.

Students, of course, learn more than academic subjects in the school setting. A big part of the education process is character formation. Peer interaction is a vital part of character formation. The richness of the school environment in terms of co-curricular activities is essential in character formation, which feeds back into the education process. The willingness to stick to a task and strive for excellence are traits that can be nurtured or reinforced through co-curricular activities. Students who are gifted and who excel in non-academic areas do influence other students through peer effects, even if those other students will never shine in these non-academic areas.

*“for some students, particularly the older ones, their peers are complementary to a teacher's aide, whereas, for others, their peers are perfect substitutes for a teacher's aide.”*

Homeschooling removes these peer effects, whereas remote learning can reduce or even eliminate them. The possible heterogeneity of peer effects across gender is likely to compound the distortions associated with remote learning. Indeed, there is a strand of the psychology literature which suggests that girls are more responsive than boys to peers. We should, therefore, ruminate that girls and boys may be affected differently from the diminution of peer interactions caused by the introduction of distance learning.

The COVID-19 disruption to our education production process grants us an opportunity to think about how the education process works and what its essential components are. The more we understand this process and its various inputs, the better we will be in constructing an education infrastructure that educates all our pupils to the highest possible standards.

*“Students, of course, learn more than academic subjects in the school setting. A big part of the education process is character formation. Peer interaction is a vital part of character formation. The richness of the school environment in terms of co-curricular activities is essential in character formation, which feeds back into the education process.”*



## Estimating Moral Hazard in Healthcare Utilization from a Large Scale Policy Experiment: Universal Healthcare, Not Universal Benefit

George-Levi Gayle; Peter-John Gordon;  
Devon Lynch and Prasanthi Ramakrishnan

In 2007 there was a general election in Jamaica which had implications for the health care system. The Jamaica Labour Party who were not expected to win those election (according to public opinion polls leading up to the election) campaigned on 'free health services'. The JLP did in fact win that election and implemented the policy of free health care in public facilities, moving from a means-tested user fee regime to a 100 percent state funding. The change in the health regime can therefore be described as an unexpected event (no one changed their actions in anticipation of this change). This unexpected event allow up to utilize a quasi-experiment approach with a structural model to estimate the level of moral hazard in health care utilization.

The mean tested system which existed prior offered free health care to the poor at public facilities. This is very important in our quasi-experiment as we have a group of persons for whom the policy change did not make a difference in terms of pricing and another group (the non-poor) for whom it did. We are able to compare the health care choices by both groups before and after the policy change. The poor, for whom nothing changed, acts as a control group and the others are the group on which the experiment occurs. Any change in relative behaviour by both groups could be attributed to the policy shift.

We utilize data from the Survey of Living Conditions for the years 2004 to 2012. First we use a non-linear difference-in-difference approach to evaluate the effect of the change in policy on facility usage (public and private) as well as the frequency of visits. We find no evidence that the visits to health facilities increased in response to the free health situation. We do however find that usage of public facilities increased relative to private one.

Since the poor did not face a change in relative prices for their health services the finding suggests that the poor were 'crowded out' of health care by this policy. Health care provisions it appears were redistributed away from the poor toward the non-poor.

We then extend the model of Cardon and Hendel (2001) to allow for choice of the type of hospital (public or private) and health insurance. We show how the quasi-experimental variation allows for identification of the structural parameters of the model. We then use these parameters to estimate models so as to quantify welfare implications of moral hazard, adverse selection, and the level of redistribution away from the poor. The results of the exercise that the policy change increased overall welfare for most income groups with the rich benefiting the most. However, two notable groups saw significant reductions in their welfare. These two groups are the people in bad health and the elderly.

This paper was accepted for presentation at the following top international economic conferences:

1. Society for Economic Dynamics June 21-23, 2020 in Barcelona Spain. In light of the Covid-19, this conference has been postponed until 2021. The acceptance for next year stands.
2. European Economics Association, August 24 - 27, 2020 in the Netherlands. In light of the Covid-19 pandemic this conference will be virtual.

Dr George-Levi Gayle (Washington University) and Dr Devon Lynch (University of Massachusetts - Dartmouth) obtained BSc and MSc economics degrees from the UWI (Mona).

Prasanthi Ramakrishnan is a PhD. student at Washington University Dr Gayle is her supervisor. Dr Peter-John Gordon is a faculty member of the Department of Economics (Mona).

## Inflation Targeting

Nadine McCloud-Rose & Ajornie Taylor  
Department of Economics, UWI (Mona)

In the last three decades, many central banks across the world started adopting a new monetary framework called inflation targeting (IT) with the initiative of controlling the rate at which general price levels increase. In the presence of high inflation, there is wide-scale erosion of savings and purchasing power, stimulation of capital flights, distortion in the value of interest rates, reduction in employment and growth, and reduction in the ability to plan for the future accurately. Moreover, its effects may expand to higher exchange rate volatility and changes in the international balance of payments account. Advocates of inflation targeting think that the persistent increase in the general price level must be low and stable for the well-being of any economy. At the core of IT, there is an estimation of a projected inflation target using all available information and a public announcement to commit to the projected target. To achieve the target, the central bank manipulates the policy rate to steer actual inflation towards it. The target can be a specific value or range; by sticking to it, a monetary authority provides sufficient information to channel inflation expectations around a common trend. The central bank achieves control indirectly by fashioning information that increases the propensity for people to price things in a way that is harmonious with the central bank's goal. Because there is an inverse relationship between interest rates and inflation rates, a central bank's action to increase or reduce interest rates become more transparent under inflation targeting policy.

### What should precede IT?

Before adopting the framework, three main pillars are necessary for its success. Firstly, the inflation target should be the objective of monetary policy. Central banks typically have one instrument, the rate of interest, and can only have one primary objective.

Deviations of the inflation rate from the projected target are combated by the necessary monetary policy for it to revert to the point target or the target band by the end of the time horizon, usually the medium-run. Moreover, prioritizing the rate of inflation does not mean the abandonment of other economic variables such as output. A central bank may respond to demand or supply shocks, given that it is keeping with the achieving of the target. Another pillar is the absence of fiscal influence. The contradiction of objectives may hinder the central bank's ability to meet the projected target. Assume the central bank is required to help the government finance its deficit or monetizing the debt and simultaneously meet the inflation target. It will be unable to accomplish its primary goal with the use of one instrument due to insufficient influence over that instrument. Finally, the central bank must have robust control over its policy instrument; such influence and a smooth transmission mechanism are necessary for the central bank's actions to affect different economic variables along the channel linked to the inflation rate.

After successfully implementing the three main pillars necessary for the framework to be successful during operation, IT must comprise five primary elements. There should be a general announcement of the projected medium-term numerical target to the public. The numerical target may be a point estimate or a target band. Such announcements are essential to direct the public's expectation of the rate of the general price increase. Price commitment should remain the primary goal of monetary policy to which other goals are inferior. Also, accessible and reliable data on many variables to fuel an inclusive information strategy is necessary to predict future inflation, determine if it is deviating from the target, and how much monetary policy needs to be adjusted for it to revert. Increased communication with the public and firms is also an essential element in increasing the transparency of the central bank's decisions and the monetary policy framework. Finally, the central bank must increase accountability for attaining its target.

### Why IT over other nominal anchors?

The IT framework is an apparatus to promote long-run economic growth by maintaining price stability, which is done by managing inflation. Generally, a monetary framework provides a nominal anchor to restrain the price level.

A currency peg's usage as a possible nominal anchor means tying the local currency's value to that of a country with a low rate of inflation. However, such an anchor constrains the central bank's ability to respond to shocks such as changes in the country's export value relative to that of its imports (trade terms) or changes in the real rate of interest. In combatting this caveat, many countries began to adopt a more flexible exchange rate system, which forced them to find a different anchor.

Targeting money supply growth to control the rate of price increase is a possible substitute. It works if the monetary anchor can effectively control the money supply, and money growth is stably related to inflation. The success, however, of such an anchor has been minimal due to the volatility of money demand as a result of innovations in the financial markets; this, prompt economies with a flexible exchange rate system to take a more direct approach in targeting inflation through their knowledge of "transmission mechanism" such as the change of the central bank's policy rate and its channel effect on inflation.

Successful adoption and application of the framework as a medium-term strategy for monetary policy has many advantages to the applied economy. IT permits the central bank to concentrate on supply and demand shocks and other considerations in the domestic market compared to the exchange rate pegging. Relative to monetary targeting, IT does not require a stable relationship between money and inflation. Instead, the adjustment of the monetary instrument comes from an analysis of all available information. Another advantage is its transparency and its ability to be easily understood by the public. The framework also reduces the possibility of the central bank pursuing short-run policies that will prevent it from achieving the numerical target, and as such, they are more accountable. Short-run actions are typically influenced by politics to stimulate the economy. Thus, IT focuses the central bank's political debate on managing inflation compared to trying to stimulate output, increase employment and increase competitiveness with monetary policy, which it cannot do with monetary policy.

### IT and Macroeconomic variables (Our analysis)

*"Inflation Targeters also seems to have been more resilient in turbulent environments. Recent studies have found that in emerging market economies, inflation targeting seems to have been more effective than alternative monetary policy frameworks in anchoring public inflation expectations. In some countries, notably in Latin America, the adoption of inflation targeting was accompanied by better fiscal policies. ....[t]he monetary policy outcomes after the adoption of inflation targeting may reflect improved broader economic, not just monetary, policymaking." Sarwart Jahan (Senior Economist, IMF's Asia and Pacific Department, 2017)*

This statement is consistent with the perspective that IT creates a more stable macroeconomic environment than its non-IT counterpart that allows its economic agents to make more informed investment and consumption decisions. In the aggregate, such decisions redound to the benefit of the IT economy. The underlying assumption is that across countries, inflation uncertainty trumps all other factors that figure prominently into economic agents' decision processes.

Does IT affect the components of GDP in all Targeters? We empirically delve into the answer to this question. We utilized the novel synthetic control method (SCM) to estimate the aggregate counterfactual international trade, domestic investment, and household consumption outcomes in the absence of IT. Using a linear factor specification, the SCM adaptively builds a comparison economy from a convex combination of countries in a donor group -- a group that did not adopt IT. To this end, the SCM allows for comparative case studies in instances where no one unit from the control group provides a good comparison for the treated unit. We find IT has some effect on the aggregate levels of international trade, domestic investment and household consumption but for only a few Targeters.

# RESEARCH CORNER

"Decentralisation, Ethnic Fractionalisation  
& The Resource Curse: The Case of Guyana."

*Department of Government, Sociology,  
Social Work and Psychology - UWI (Cavehill)  
Working Paper Series 2020 No. 3.*

Samuel Braithwaite  
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During the 5 year period, 2015 to 2020, 16 discoveries of commercially recoverable oil deposits were made in Guyana. The discoveries amount to more than 8 billion barrels of oil. According to the IMF, Guyana's GDP will grow by approximately 86% in 2020, the first full year of oil production. This is all excellent news. However, the big question is, how can Guyana mitigate against the resource curse? Surely, mitigating against the harmful effects of the resource curse will require efforts on multiple fronts, by the people of Guyana. This paper proposes decentralisation as one solution for mitigating the likely adverse economic effects which will arise with the inflow of significant oil revenues. Decentralisation is recommended because it could help to mitigate against the perennial issue of ethnic fractionalisation. Indeed, ethnic fractionalisation has contributed significantly to the underdevelopment of Guyana. The influx of massive oil revenues will surely add more fuel to the fire of ethnic fractionalisation, and so any effective measure for dealing with ethnic fractionalisation provides a potent channel for avoiding the so-called resource curse.

What accounts for the vast differences in per capita income across time and space? This is the central question of economic growth theory. While there is general agreement that technological advancement is the sine qua non for the rapid expansion in growth across time, the same cannot be said for the differences in economic growth across space. Of course, there are reasonable explanations to explain the vast differences in economic performance across space. Some researchers have shown that developing countries with vast quantities of natural resources perform worse than less endowed countries. The Dutch Disease is perhaps the most popular example, or explanation, of the resource curse, but there are other explanations, such as corruption and ethnic conflict. A resource rich country, Guyana already fits the definition of a country "afflicted" by the resource curse.

With the discovery of significant recoverable oil deposits the country could very well remain below the potential afforded it by its vast amounts of resources. Therefore, to treat with the question of whether Guyana can break free of the resource curse, we must first understand the fundamental cause, or causes, through which the country is unable to experience rapid economic growth, in keeping with its potential. Once a fundamental cause of the resource curse is identified, then solutions can be initiated to deal with it as opposed to focusing on proximate causes.

Ethnic fractionalisation is a fundamental cause for Guyana's continued underdevelopment and presents a natural channel through which Guyana's potential for rapid growth and development, as a new oil producing country, can be stymied. Ethnic patronage, economic sabotage and competition for economic rent, result from ethnic fractionalisation. Undoubtedly, the resource curse has visited the country before, but this time much more is at stake. Much more can go wrong. Therefore, efforts must be made to remedy the issue of ethnic fractionalisation. Decentralisation is but one possible solution. Indeed, it can be argued that decentralisation is necessary, but certainly not sufficient, to resolve ethnic fractionalisation in Guyana. There is no singular framework for decentralisation, however, in the first instance it is recommended that greater decision making and financial resources be devolved from the centre to the current sub-national system of government. Taxation can be covered later.

The main objectives of the local government system, as proposed in 1980 by then Minister and later president, Desmond Hoyte, are paraphrased here;

- Provide an institution for transferring power to subnational groupings with the overarching objective of accelerating the process of development while creating self-reliant and productive communities, where people accept individual and collective responsibility.
- Create, sustain and systematically improve the material and cultural conditions of life in the various communities.
- Facilitate the mobilisation of people for economic, cultural and educational activities.
- Provide an institutional channel for harnessing the power and collective wisdom of people for the development of their respective communities.

The outgoing Granger administration did its part to re-energise the sub-national government framework, it is for the new government to continue the process. Failure to so do could lead to future ethnic conflict and possibly partition.

# RESEARCH CORNER

## An Economic solution to electricity theft in Jamaica

Alrick Campbell  
Department of Economics, UWI (Mona)

There are a multitude of socioeconomic factors that contribute to increasing electricity theft in Jamaica, and solutions are not easy to come by, but there are economic solutions that we may be ignoring. I argue that a viable solution is to reduce the price of electricity to residential consumers.

At present, about 30% of the electricity produced in Jamaica is stolen or lost through network inefficiency. In a 2014 document, the Jamaica Public Service company (JPS) pointed out that 18% of its total losses are due to theft. Much of this theft is linked to vulnerable groups such as low-income residential households that are confined to inner city communities and rural areas. The JPS also pointed out that illegal connections within these communities are not easily removed without the assistance of the police due to the volatile nature of some communities. In such an environment, if electricity costs represent a large share of the consumer's budget, an increase in price is likely to incentivise theft if the benefits of stealing outweigh the costs of being caught. From this standpoint, stealing is a rational economic decision for consumers.

In a 2018 journal publication\* I showed that residential consumers (compared to commercial and industrial electricity users) are likely to have the largest reduction in electricity use when electricity price rises. Electricity demand is based on actual sales of electricity, and a larger reduction in electricity use observed for residential consumers in comparison to other segments may be reflective of increasing theft when prices are rising rather than increased usage of substitute sources of energy. It seems then that one of the solutions to discouraging electricity theft is to make it more affordable by lowering the price of electricity to residential users. This approach would be less favourable to industrial and commercial customers as they are less responsive to electricity price changes due to their greater reliance on the power network, lower tariffs, and the need for them to have access to standby electricity demand service in the event that on-site generating units fail.

While reducing electricity prices may be beneficial to consumers, lower prices may lead to major increases in electricity consumption which the JPS cannot satisfy due to network constraints. This could create increased load shedding where the company disconnects some customers to serve others. In giving consideration to lowering electricity prices, the demand on the system and the impact on the environment through more burning of fossil fuels to increase electricity production should be taken into account.

\*Campbell, A., 2018. Price and income elasticities of electricity demand: Evidence from Jamaica. *Energy Economics*, 69, pp.19-32.

*“At present, about 30% of the electricity produced in Jamaica is stolen or lost through network inefficiency. In a 2014 document, the Jamaica Public Service company (JPS) pointed out that 18% of its total losses are due to theft. Much of this theft is linked to vulnerable groups such as low-income residential households that are confined to inner city communities and rural areas.”*

# Discrimination and Prejudice in Development

Brookings (July 15, 2020)

## Célestin Monga

Visiting Professor of Public Policy:

Harvard's Kennedy School of Government

Associate Faculty: Center for International Development, Harvard University

Years ago, I was appointed senior economist in the Europe and Central Asia department of the World Bank. Despite my being appointed through a tough, open, and competitive process, some of my colleagues were anxious that a Cameroonian was picked for the position. They wondered whether I would be able to handle the highly complex fiscal, monetary, and economic issues facing these countries, all engaged in the European Union accession process. Having done research on the economics of monetary integration, I was actually well prepared for the job.

My colleagues' dark prediction did materialize. When my appointment was officially communicated to the various countries under my responsibility, one of the ministers of finance reacted with shock and horror. A Ph.D. holder herself, she only inquired about my citizenship. When told that I was Cameroonian, she did not read my books and papers, or examine my credentials. The minister publicly voiced her disapproval, telling news media that she was deeply disappointed that the World Bank would select "someone from Africa" to be their senior economist and advise them on complex macroeconomic issues.

While I was stress-free, my superiors were not. The World Bank sent an official letter to the European minister to diplomatically condemn her comments, raise the possibility that she might have been misquoted by the media, express the wish that she would take the first opportunity to clarify her statements. She angrily responded with an even stronger statement, asserting that I probably did not know where her country was located and might need a map to find it.

The World Bank stood its ground. It kept that country in my portfolio despite the minister's threat— on which she actually followed through: During my three-year tenure in that position, her country reduced macroeconomic dialogue to a bare minimum and basically suspended all budget support operations. When I traveled twice a year to her country on routine macroeconomic monitoring missions, she told me, with admirable and bizarre honesty, that her anger was "not against me personally," but that she simply could not accept the idea that an African economist would be assigned to her country.

I reflected on such issues in my books "Nihilism and Negritude" (Harvard University Press, 2016) and "Un Bantou en Asie" (PUF, 2011). Writing the books made me think about other angles of the problem, most notably the superiority complex or even racist attitudes exhibited by some development experts. In the African context in particular, they often fall into the trap of self-righteousness, which prevents them from really engaging with stakeholders and enriching their understanding. Armed with strong beliefs in their academic credentials, they fail to recognize their ignorance of the terrain, the people, or the suitability of their proposed policies in places where they spend little time and interact with minuscule, nonrepresentative samples of politicians.

Many of the development experts who set the policy agenda across Africa are recent university graduates with very little professional experience in any field, and none about life and policies in developing countries. Yet, they do not lack supreme confidence in their diagnostics of the problems or in the pertinence of their prescriptions. Not surprisingly, their policy advice, provided on the basis of a fuzzy understanding of country context, is often of poor quality, irrelevant, and harmful. The myth of dominant "donor" knowledge and the power of money (channeled through loans and grants to cash-strapped governments constantly facing crises) can seal the fate of nations.



Dr Célestin Monga

Critics of the development industry tend to focus too narrowly on the sometimes-imperial public discourse of the visible individuals at the helm of major institutions. The problem goes well beyond asymmetric power relationships between those who have the funding and conditionalities, and the poor-country policymakers constrained by their macroeconomic crises and tense domestic situations. It is useful here to take the analysis toward the idea that "power is everywhere" (Michel Foucault), disseminated and embodied in the discourse, practices, and "regimes of truth" across the development industry.

The deleterious consequences of prejudice by some members of the "donor community" and their misuse of power cannot be underestimated. First, government officials who are subjected to the superiority complex and disdain from the representatives of foreign aid institutions eventually stop sharing honest opinions, as they must do whatever it takes in order to secure external financing. African policymakers often feel helpless when they are told in no uncertain terms (generally in writing) that their major strategy and policy papers must be validated by the all-too-powerful "donors" as a prerequisite for discussions about foreign aid.

The sense of powerlessness worsens and becomes a feeling of being blackmailed when they realize that getting the approval and formal clearance from a small number of (sometimes ill-informed) multilateral partners is also a condition for securing aid from almost any bilateral source. Yet, the world expects these countries to set their own objectives, choose their strategies and policies, and fully own the results—whatever they may be. I once attended a workshop in Ouagadougou to discuss Burkina Faso’s health sector strategy. Two-thirds of the participants were from foreign countries and organizations — each of them with strong views and preferences on what the country’s health policy should be. Who would be accountable if the recommended policy eventually proved to be erroneous?

Second, the opportunity costs of these learning deficits are substantial. A perverted incentive system emerges, as the other actors (business communities, civil society organizations, and people in poor countries) feel disempowered in discussions and decisions about the future of their own country. Local stakeholders always have precious knowledge of the country and the real status of government accounts and programs, which they may not be able to share with the visiting experts of the aid community. This asymmetry of information often leads to the use of inaccurate data. Without honest and transparent debates over policy options, the wrong diagnostics are often made, followed by erroneous and harmful policy advice. Ultimately, a vicious circle unfolds: Citizens in recipient countries question the legitimacy and ownership of public policies imposed from outside, which their government officials accept either because they have no other choice if they urgently need financing or because of the political allegiance of their leaders, their intellectual laziness, and their poor organizational and governance skills.

Prejudice in the development business does not only come from outside. There is also entrenched self-doubt, self-hatred, and various forms of sociopolitical ills from within the continent. Racist attitudes are sometimes internalized by African elites themselves, illustrating a profound deficit of self-esteem (one of Africa’s main deficits) and a lingering social disease, which could be called “postcolonialism stress disorder.” As a World Bank senior official, I once traveled to an African country with my assistant who, despite being African herself, was light-skinned and easily seen as a Caucasian. The authorities had been alerted of my arrival and dispatched a protocol team to welcome us at the airport. Despite the late-night flight, the hot and humid weather, the government officers were there to pick us up upon our arrival. But they did not know me and did not have a picture. They waited in the customs area holding a sign with my name. I introduced myself and thanked them for the effort and hospitality.

They barely responded to me. They both rushed to my assistant with large smiles, called her “Dr. Monga,” and welcomed her very kindly. One of them turned around and ordered me to pick up the suitcases from the luggage carousel. My assistant tried to explain that she was only accompanying me on the trip. With a surprised look on his face, one of the protocol officers eventually apologized and confessed: “We thought that the white lady was Dr. Monga, and you her assistant. Sorry.”

Prejudice and racism are still too common across Africa — often within the same ethnic groups. Superficial differences in physical appearances or cultural background are too often exploited by cynical political entrepreneurs to build constituencies, create conflicts among poor communities, position themselves for rents and state capture, and generate what I have called in my work negative social capital. The weaponization of ethnicity in particular carries heavy implications for economic transformation and the collective quest for prosperity and social peace. Addressing these issues would improve the quality of public policies, and foster growth and social inclusion.

#### Editor’s Note

Dr Monga’s article “Discrimination and Prejudice in Development,” was published by the Brookings Institution on Wednesday July 15, 2020 (<https://www.brookings.edu/blog/future-development/2020/07/15/discrimination-and-prejudice-in-development/>).

We are grateful to Dr Monga for accepting our request to have his article re-published in our newsletter. Dr Monga’s timely article joins a list of stories by black people (Africans and the African diaspora) who are raising their voices in unison and telling their stories to the world. Stories which were told before, especially to other black people, with the concomitant advice about what to expect and how to deal with systemic racism. How to shrug off the overt, and covert, manifestations of prejudice and racism and press on. Working “ten times harder” to achieve our goals. Undoubtedly, social media has magnified the loudness, the reach, of our stories.

Dr Monga presents a detailed and balanced account of his experiences in the world of economic development. Indeed, Dr Monga also apportions blame to black people for the persistence of racism and prejudice against black people. The war against prejudice and discrimination will have to be fought on two fronts; within and without.

PROFESSOR, THE RT. HONOURABLE  
OWEN SEYMOUR ARTHUR  
1949-2020

A Tribute by Dr Damien King



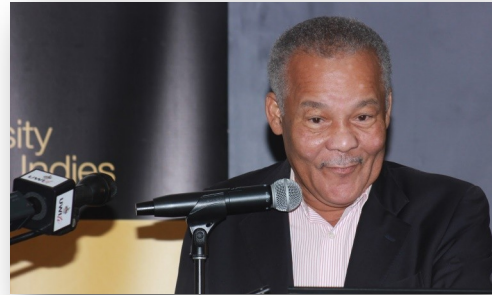
L-R: Damien King, Dana Morris Dixon and Owen Arthur  
(Photo Credit: Damien King)

Last year, Jamaicans mounted a largely successful social media campaign to claim Jamaican nativity for the Barbadian pop star, Rihanna. Somewhat less popular, but to be equally celebrated is the late, Honourable, Owen Arthur, former Prime Minister of Barbados, who died at the age of 70.

The Caribbean rightly celebrates Mr. Arthur for two reasons. First, he is amongst only a handful of Caribbean leaders who transcended his local, national politics to provide intellectual leadership to the region. The emphasis in that sentence is on the word “intellectual”. He was a man of ideas. In this regard, he is in the hallowed company of regional leaders like Eric Williams of Trinidad and Tobago and Michael Manley of Jamaica.

The other reason why many hold Mr. Arthur in such high regard is that he was an unapologetic regionalist. He was keenly aware of the inherent limitations of an inward-looking approach to development in small islands and therefore was supportive of regional solutions. Just as much as by the economic argument for regionalism, he was equally motivated by the heart.

There is no need for a social media campaign by Jamaicans to try to claim this Barbadian. For the many years he spent studying and working here, without any diminished passion for his country of birth, he considered himself to be also a Jamaican, and always looked forward to his many visits “home”. The Caribbean would do well with more of his kind.



Department of Economics  
Public Forum, November 2016



PROFESSOR, THE RT. HONOURABLE  
OWEN SEYMOUR ARTHUR  
1949-2020

Reflections By Prof Claremont Kirton

My sincerest sympathy to Owen's wife, Julie, his daughters, Sabrina and Leah, his family, colleagues, friends and the people of Barbados and the Caribbean Region. I find it extremely difficult, if not impossible, to speak of Owen in the past tense. Owen is one of my closest "bredrin" for over forty years. Our bonds of affection and friendship will remain with me forever.

I met Owen Arthur in 1974 when he came to Jamaica to pursue his Master's degree in Economics at UWI Mona. He began working in Jamaica in 1973, first as a Research Assistant at UWI and also taught in the Economics Department. He and I developed and taught a revised version of the course "Caribbean Economic Problems". We had planned to publish a book of readings on the topic, but this never materialised.

Owen later worked as an Assistant Economic Planner with the Government of Jamaica's National Planning Agency. He was also the Director of Economics of the Jamaica Bauxite Institute between 1979 and 1981.

Our friendship continued to the day he was hospitalized. Over the last four months of his life, we spoke daily – many times daily – on WhatsApp. Our dialogue almost always focused on the situation in Guyana. Owen was the leader of the Commonwealth Observer team which monitored the March 2, 2020 election in Guyana. He was saddened by the post election developments in Guyana.

As a committed regionalist, he wanted to ensure that the Guyana experience did not fragment the Regional movement and cause CARICOM to collapse. Owen's mantra was "Rally round de West Indies". He believed it and lived it as economist, politician and Caribbean man. Caribbean regional integration was his lifelong goal. After his native Barbados, Owen lived and loved Jamaica and Jamaicans, and loved Guyana and Guyanese.

*"I find it extremely difficult, if not impossible, to speak of Owen in the past tense. Owen is one of my closest "bredrin" for over forty years."*

For those who know Owen, he is liked for his simplicity, his humility, his character, his personality, his honesty and frankness. He never suffered fools gladly and was always ready to offer an honest critique filled with details as well as humour. In most instances, Owen was difficult to match and virtually impossible to surpass.

As an indefatigable worker, he was on the job up to the day he was hospitalized. I can attest to this. We had planned to speak on Guyana and West Indies cricket the following day. I was very surprised when I had not heard from him by midday. He usually called me at around 5am Jamaica time (6am Barbados time). When the call did not come, I contacted a mutual friend in Barbados who told me that Owen was in hospital.

He was working on so many things: his memoirs, Guyana's elections, LIAT, advising the Government of Barbados, and a book on Caribbean Economic Problems which we were still planning to write for UWI students. When I asked him about rest and relaxation, he spoke of recently taking up gardening and cooking.

As an economist, he played a critical role in the establishment of the CARICOM Single Market and Economy (CSME). As its chief architect and intellectual guide, he was passionately involved in its ongoing attempts at implementation. As the lead CARICOM Head of Government with responsibility for CSME, he always committed Regional Heads to accelerate the integration process. Following his demitting office in 2008 there was marked deceleration in the integration process.

Owen has left the future generations not only his experience and knowledge, but a legacy of commitment to regional integration which must be carried forward. Let us recognize his work and continue his legacy.

Walk good my bredrin!





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