



**REMARKS BY  
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GOVERNOR OF THE EASTERN CARIBBEAN CENTRAL BANK  
ON LAUNCH OF RESULTS OF  
FINANCIAL LITERACY AND FINANCIAL INCLUSION SURVEY  
SEPTEMBER 18, 2023**

**Salutations:**

Members of the Monetary Council  
Members of the ECCB Board of Directors  
Dr. Didacus Jules, Director General of the OECS Commission  
Ms. Lilia Buruncic, Director for the Caribbean, World Bank and team  
Ms. Helen Gradstein and team from the United Nations Capital Development Fund (UNCDF)  
Dr. Valda Henry, Deputy Governor  
Ms. Tracy Polius, Chief Director (Policy)  
Mrs. C. Teresa Smith, Director of the Research, Statistics and Data Analytics Department  
Heads of Department, Management and Staff  
Mr. Imran Williams, Project Manager and OECS Project Team, now the Director of Finance in the Government of Saint Lucia  
Mrs. Gail Gray-Phillip, Head of UWI Global Campus, St. Kitts and Nevis  
Mr. Edwin St. Catherine, CEO, Data Point Solutions Inc. and team  
Specially invited guests  
Students  
Members of Media  
Fellow citizens and residents of the ECCU

**Introduction**

Greetings from your Eastern Caribbean Central Bank! We work for you.



Today, we are pleased to share the results of our inaugural Financial Literacy and Inclusion Survey.

We could not undertake this effort without partnerships. Consequently, at this juncture, I wish to highly commend all those associated with this Survey, especially Mrs. C. Teresa Smith and Dr. Leah Sahely from the ECCB, and the entire Project Management Unit at the OECS Commission led by Mr. Imran Williams, now the Director of Finance in the Government of Saint Lucia. I wish also to acknowledge the technical and financial support of the World Bank under the Caribbean Digital Transformation Project; Mr. Edwin St. Catherine whose company, Data Point Solutions Inc., executed the Survey; and all the persons who participated in the Survey.

## *Why Did The ECCB Commission This Survey?*

Here at ECCB, financial inclusion is a strategic priority. Financial inclusion **refers to access to a range of financial services including banking, credit and insurance.**

Investopedia defines financial literacy as **the ability to understand certain financial issues and use financial skills for personal financial management such as budgeting and investing.**

In a region which boasts high levels of adult literacy (high 90 per cent), financial literacy is lamentably low and lugubrious. How do we explain the following?

- Persons falling for scams that offer prizes for competitions in which they were never registered.
- Persons who engage in hire purchases being ignorant or indifferent to effective interest rates, with some as high as 35%.
- The proliferation of payday loans, which essentially means attempting to ride up on a down escalator—a veritable debt trap.
- Highly credentialed persons being clueless about managing their personal finances.



- Only 1 in 25 persons (4 per cent) in the ECCU are invested in the regional and international capital markets, but several persons are now pursuing investments in high-risk cryptocurrencies.
- Persons spending their limited income on wants while begging family, friends and government for their basic needs.

This latter behaviour calls to mind a remarkable observation by the late Martin Luther King Jr. who in the 1960s observed that many black people were spending money on their wants and then begging for their needs.

Against this backdrop, this Survey is no ordinary survey and cannot be an academic exercise. Indeed, urgent action is needed to address financial literacy and inclusion in the ECCU.

Over the past 21 years, the ECCB has sought to raise the level of financial literacy through our savings and investment courses, our annual Financial Information Month, and in the past seven years through our weekly podcast *ECCB Connects*. For these efforts, I wish to acknowledge the work of past and present ECCB staff and partners. You have helped many, but many more still need to be helped. In short, we need to scale up.

I also wish to hail the pioneering work of Professor Annamaria Lusardi through the Global Financial Literacy Excellence Centre. In 2018, in the margins of the IMF/WB Annual Meetings, I had the opportunity to see her present the findings of the Standard and Poor's Financial Literacy Survey. The key finding was that only 1 in 3 persons are financially literate. That encounter planted a seed in my mind. I returned to the ECCU with a question and a determination to investigate the precise state of financial literacy in the ECCU and to do something about it.

## **Call to Action - *Time for a Strategy to Scale Up***

We live in a shock-prone world. As a region vulnerable to external shocks, we must be engaged in a lifelong pursuit of building resilience including financial resilience. This is imperative for member countries, companies and individuals. The Survey reveals that 1 in 2 persons in the ECCU are not financially resilient.



I think of **financial resilience as the capacity to absorb and bounce forward from a shock**, such as a health event, a job loss, an economic downturn, a natural disaster or even a pandemic. Let's face it, there are persons in the ECCU who have experienced all these shocks during the past five years.

When it comes to our personal finances, we must hope for the best but plan for the worst. Never forget, hope is not a strategy.

Every citizen should aspire to be financially literate and resilient.

Armed with the results of this Survey and seized with a sense of urgency, I issue a clarion call for a coalition of partners and champions (institutionally and individually) to join the ECCB as we craft and implement a strategy to scale up financial literacy and inclusion in the ECCU.

The mission of the ECCB is **“to advance the good of the people of the currency union” where they do not merely strive but thrive.**

Could you imagine what our Currency Union would be if every citizen were financially literate? We would be thriving!

Could you imagine if every high school graduate in the ECCU were financially literate? To achieve this, we need our Ministries of Education and the Caribbean Examinations Council to make this outcome a high priority.

Could you imagine the improvement in mental health, financial resilience and well-being if more of our people were capable of managing their personal finances?

Could you imagine if every workplace—starting with governments (the largest employers)—offered financial wellness programmes?

That would be a new day and a giant stride in **our big push** for financial resilience and wealth creation!

This is a cause worth pursuing, with huge potential dividends.



# Eastern Caribbean Central Bank

As a region, we cannot change our history nor can we change our geography, but collectively we can elevate our development trajectory through innovation and collective action.

Let us seize the moment and may God crown our efforts with resounding success.

I thank you.