

Developments Series

8 November 2023

Governor Hilaire Explains Caribbean Monetary Policy Challenges

On November 8, 2023 Governor Hilaire participated in a Panel Discussion: **Conversations with Central Bank Governors** hosted by the InterAmerican Development Bank at its headquarters in Washington, DC, USA.

Other panelists were Roger Madrigal López, President, Central Bank, Costa Rica; Julio Velarde, President, Central Bank, Peru; Diego Labat, President, Central Bank, Uruguay with IDB Regional Economic Advisor, Marta Ruiz Arranz as Moderator.

Governor Hilaire reviewed the difficulties posed by the COVID 19 pandemic on the Caribbean region, and the responses of the regional Central Banks.

He emphasized 5 key factors behind the Caribbean monetary policy responses that sometimes differentiated these actions from those in the US, Europe and some Latin American countries:

1. Inflation being just one objective legally assigned to most regional Central Banks.
2. The dominance of imported versus domestically generated inflation.
3. Issues of signaling, asymmetry and distribution in changing policy interest rates.
4. Monetary policy credibility, communication and patience.
5. The challenges in a world where interest rates could be higher for longer.

[Click here to view the recording of the panel discussion.](#)



Governor Hilaire presents alongside Roger Madrigal Lopez, President, Central Bank, Costa Rica and Moderator Marta Ruiz Arranz, IDB Regional Economic Advisor



Governor Hilaire delivers his presentation.

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