

Economics the Caribbean way

Sir Courtney Blackman

The Practice of Economic Management: A Caribbean Perspective

Ian Randle Publishers, 2006, 448 pp., \$50 (cloth).

Dr. S.B. Jones-Hendrickson

Essays on the Organization of Eastern Caribbean States (OECS) Economies

iUniverse, Inc., 2006, 328 pp., \$24.95 (paper).

THERE is a paucity of economic literature on the Eastern Caribbean, so the publication of two books reflecting on the realities of that region is most welcome. *The Practice of Economic Management*, written by the founding governor of the Central Bank of Barbados, Courtney Blackman, provides a clear and concise description of economic issues affecting the Caribbean within a broader political context. S.B. Jones-Hendrickson's *Essays on the OECS Economies* reflects on the economic evolution of the region from 1980 to the present.

Both authors provide the reader with useful insights into the peculiarities of Caribbean economies and the role of policymakers in helping shape their countries' economic development. For Jones-Hendrickson, the

closer union of the OECS in the early 1980s played a pivotal role in laying the basis for their economic development. For Blackman—who incorporates other disciplines such as sociology and history into his analysis—the Caribbean region's

economic experience is driven, in part, by its history and pervasive culture of weak economic management.

Blackman argues that many of the economic problems experienced in the Caribbean are a result of mismanagement by policymakers who often appear more intent on satisfying short-term demands of the electorate than focusing on more long-term issues such as fiscal reform and expenditure control. His essays are heavily prescriptive with a host of proposed policies, and he sometimes appears to be at odds with more traditional prescriptive approaches to economic policymaking.

Jones-Hendrickson follows a similar line of argument. He argues that the expansive fiscal policy pursued by the governments of the OECS often is driven by political considerations as they attempt to meet the electorate's



growing demand for public goods. The result has been escalating fiscal imbalances and ballooning debt. In contrast to Blackman, however, Jones-Hendrickson focuses on more standard economic fare in describing the economic problems of the Caribbean.

Both books serve as useful guides to understanding the dynamics of policymaking in the Caribbean. In the end, however, Blackman almost completely dismisses mainstream economics in defining the problems of small developing economies. Blaming economic failings almost exclusively on weak management seems a bit simplistic, given that human and technical capacity, cultural norms, and a country's history (particularly its colonial past) all play a role in determining economic outcomes.

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