

## Developing Financial Literacy in the Caribbean

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Over the past decade there have been increased efforts by many countries to promote the financial literacy of their citizens. These efforts have been propelled in part by the global economic crisis, technological innovations in financial markets, the changing nature of financial products and a greater involvement of consumers in financial markets (Orton, 2007). Researchers in various countries have recognized a significant gap between what consumers know and what they need to know to make informed financial decisions. Such deficiencies can expose families to financial risks and jeopardize the wellbeing of households. The Organization for Economic Cooperation and Development (OECD), the World Bank, IMF and other prominent international institutions are in the vanguard of the campaign for improving financial literacy worldwide, urging governments, central banks and national economic institutions to address this issue in their respective countries. Some countries, led by the G20 Group, have responded positively, by developing national strategies<sup>3</sup> for improving financial literacy and instituting varied financial and economic education programs (Russia G20 Presidency & OECD, 2013).

Much has been written about the national financial education efforts and strategies of the developed countries (Russia G20 Presidency & OECD, 2013). Little is documented, however, about the efforts of developing countries at instituting national financial education strategies and programs to address their populations' financial literacy deficiencies. This study heightens awareness of this issue and seeks to fill the research gap.

This study examines national policy initiatives and efforts aimed at improving financial literacy in selected Anglo-Caribbean countries. It examines the *raison d'être* for such national programs; the involvement of international and regional agencies; and the role of existing economic institutions in the financial literacy efforts. It examines also program delivery methods, compares measurement and evaluation techniques across programs and, where applicable, discusses the evolution of national programs over time.

This study uses information and data derived from phone interviews and email correspondence with officials responsible for financial literacy initiatives in selected Caribbean countries; content analysis of financial education webpages of Caribbean Central Banks, the Caribbean Regional Technical Assistance Center (CARTAC) and other relevant agencies; and, secondary data and information from the Organization for Economic Cooperation and Development (OECD), the International Gateway for Financial Education (IGFE) and, official documents from relevant Caribbean agencies.

### References

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<sup>3</sup>A national strategy for financial education is defined as "a nationally coordinated approach to financial education that consists of an adapted framework or program" (G20 Presidency & OECD, 2013).