

# **John A Rolle: Role of the Bahamian Financial Services Sector in the Transformation and Growth of the Bahamian Economy**

Remarks by Mr John A Rolle, Governor of the Central Bank of The Bahamas, at the Bahamas Business Outlook 2021 on "Role of the Bahamian Financial Services Sector in the Transformation and Growth of the Bahamian Economy", 14 January 2021.

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## **Introduction**

It is an honour to speak at this 30th Annual Bahamas Business Outlook and to reflect on the related themes of “recover, adapt and advance.” I would like to focus my presentation on the role of the financial sector in this process, from the perspective of transformation and growth, and to relate this to the ways in which the policies and initiatives of the Central Bank can be supportive.

Although the COVID-19 pandemic has sharpened the focus on our economic vulnerabilities, Hurricane Dorian provided a stronger jolt, because it highlighted the growing threat from climate change that is more challenging to resolve than just diversifying our economic base. Adaptation for greater climate change resilience will be a costly, transformative undertaking, because it also puts a premium on sturdier infrastructure that has to be developed and on the stronger financial insurance arrangements that are needed.

Also relevant now is improving average growth prospects, through a strategy underpinned by higher rates of savings and investments, and increased international competitiveness. The Bahamas has to strive for faster growth in spite of the pandemic, to finance more adequate public services and to reduce a high public debt burden that pre-dated the pandemic. Now, because of the pandemic, new debts are mounting, just to stabilize the economy.