

[Home](#) > [Developing Sustainable Balance of Payments in Small Countries](#) > Chapter

Foreign Currency Flows and the Jamaican Economy


| Chapter | First Online: 16 April 2017

| pp 1–12 | [Cite this chapter](#)



Developing Sustainable Balance of Payments in Small Countries

[Andre Haughton](#)

 337 Accesses

Abstract

Chapter 1 analyzes Jamaica's foreign currency flow with the rest of the world and puts the research into proper context. It explores the rationale for each exchange rate regime and their impact on the progression of the nation's economy. Since gaining independence from Britain in 1962, Jamaica has employed five main types of exchange rate strategies. Each was designed to achieve specific objectives of the government, taking the local and global economic environment into account. Jamaica's exchange rate regime moved from a currency board to a crawling peg to a dual exchange rate, then to an auction and allocation system and finally to a free-floating exchange rate system.



This is a preview of subscription content, [log in via an institution](#) to check access.

Access this chapter

[Log in via an institution](#) →

Subscribe and save

Springer+ Basic

€32.70 /Month

- Get 10 units per month
- Download Article/Chapter or eBook
- 1 Unit = 1 Article or 1 Chapter
- Cancel anytime

[Subscribe now](#) →

Buy Now

^ **Chapter**

EUR 29.95

Price includes VAT (Poland)

- Available as PDF
- Read on any device
- Instant download
- Own it forever

[Buy Chapter](#) →

^ **eBook**

EUR 85.59

Price includes VAT (Poland)

- Available as EPUB and PDF
- Read on any device
- Instant download
- Own it forever

[Buy eBook](#) →

^ **Softcover Book**

EUR 106.99

Price includes VAT (Poland)

- Compact, lightweight edition
- Dispatched in 3 to 5 business days
- Free shipping worldwide - [see info](#)

^ **Hardcover Book**

EUR 106.99

Price includes VAT (Poland)

- Durable hardcover edition
- Dispatched in 3 to 5 business days
- Free shipping worldwide - [see info](#)

Tax calculation will be finalised at checkout

Purchases are for personal use only

[Institutional subscriptions](#) →

Notes

1. 'Inflow and outflow of Foreign Fund',
www.bankofengland.co.uk/archive/Documents/historicpubs/qb/1962/qb62q293102.pdf.
2. Details on the PetroCaribe debt, the latest EFF with the IMF and other foreign currency debt obligations are discussed in [Chapter 3](#).
3. Jamaica's interest rate policy is discussed in [Chapter 9](#). Jamaica is normally a high interest rate regime, with an interest rate as high as 35 percent in the early 1990s. It is only recently, with the latest IMF agreement, that interest rates began to fall consistently.
4. Jamaica's relationship with the IMF and other multilateral lending institutions is examined in [Chapter 2](#).
5. See IMF Country Report on Jamaica 2013 for more details.
6. The Cambio is a retail outlet that buys and sells foreign currency.

Author information

Authors and Affiliations

University of the West Indies, Mona, Jamaica

Andre Haughton

Rights and permissions

[Reprints and permissions](#)

Copyright information

© 2017 The Author(s)

About this chapter

Cite this chapter

Haughton, A. (2017). Foreign Currency Flows and the Jamaican Economy. In: Developing Sustainable Balance of Payments in Small Countries. Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-319-53031-4_1

[.RIS↓](#) [.ENW↓](#) [.BIB↓](#)

DOI	Published	Publisher Name
https://doi.org/10.1007/978-3-319-53031-4_1	16 April 2017	Palgrave Macmillan, Cham
Print ISBN	Online ISBN	eBook Packages
978-3-319-53030-7	978-3-319-53031-4	Economics and Finance
		Economics and Finance (R0)

Publish with us

[Policies and ethics](#) 

Search

Search by keyword or author



Navigation

[Find a journal](#)

[Publish with us](#)

[Track your research](#)