J'ACCUSE…! THE EUROPEAN UNION'S INSTITUTIONALIZED RACISM AND BULLYING

Roughly one year ago, I wrote about the European Union's (EU) "Blacklist" (sic) of countries it deems non-compliant with the EU's code of conduct and other ever-changing tax-related requirements. Not surprisingly, EU member states themselves are exempt from their "Blacklist", as the EU weaponizes its rules by arbitrarily, unilaterally, selectively, and disproportionately imposing them on certain hapless non-EU members, WITH NO KNOWN RECOURSE for these "Blacklisted" countries.

What could possibly prompt the EU to so brazenly adopt such an unfair, non-transparent stance? Perhaps:

• **The EU is uncompetitive** – Germany ran the world's biggest current account surplus for a fourth consecutive year in 2019 at EUR245.5 billion, while the total current account surplus for the Euro Area was EUR320.5 billion in 2019 – a mere EUR75 billion more than the surplus Germany alone generated. Twelve countries recorded current account deficits in 2019 - Ireland with the widest at EUR32.8 billion, and France second at EUR16.2 billion. The EU as a bloc, therefore, is internationally uncompetitive and may be desperate to address this by whatever means necessary. But why might the EU be uncompetitive?

• **EU taxes are too high** – Ranging from a low of 9% in Hungary to 34.4% in France, average EU corporate tax rates are higher than the global average. This is likely one of the key reasons why the EU is internationally uncompetitive, as outlined above. But why are EU taxes so high?

• **The EU is fiscally imprudent** – the EU's average debt/GDP ratio is still about 20pp higher than the average of "Blacklisted" countries, because the EU's fiscal expenditure is roughly 15% of GDP higher. Fiscal overspending inflates domestic prices for labour and other factors of production, leading to an erosion of international price competitiveness, especially when each member state has little or no monetary policy or exchange rate control. In this case, fiscal policy is everything. But why wouldn't EU member states lower their fiscal expenditure, affording taxpayers lower rates?

• **The EU is a bully** - instead of addressing its domestic problems with appropriate domestic policies, the EU aims to export its problems by "Blacklisting" non-EU countries which dare to exercise their (sovereign) right to set their own domestic corporate tax rates 'too low', thus effectively destroying the competition.

• **The EU is a racist institution** - Not all low-tax jurisdictions get "Blacklisted" by the EU – this classification is reserved only for those with predominantly non-white populations, naturally. The EU consistently omits its own low-tax members Hungary and Ireland, the USA's states of Delaware (69.2% Caucasian) and Nevada (68.1% Caucasian), and UK Overseas Territory Gibraltar (Gibraltarian 79%, other British 13.2%), among others.

And the EU does not limit this evidently successful approach to issues related to tax policy only.

ANALYSIS BY COUNTRY

Click to navigate to the economic analysis for each country

Bahamas | Barbados | Cayman Island | Cuba | Dominican Republic | Guyana | Jamaica | Suriname | Trinidad & Tobago

The Financial Action Task Force (FATF) is the global inter-governmental money laundering and terrorist financing watchdog, which sets policy and international standards that aim to prevent these illegal activities and the harm they cause to society in over 200 countries. The FATF monitors countries to ensure they implement the FATF Standards fully and effectively and holds non-compliant countries to account.

Here is an interesting chronology - back in 2005, the EU issued a directive "on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing". Since then, this directive has been repealed, with updated directives being issued over the years. Then in 2018 the EU published a list of 132 countries to be assessed between 2018 and 2025, alongside a shorter list 54 of "Priority 1 countries" - the remainder being Priority 2 countries. This Priority 1 list, therefore, reflected the countries considered by the EU to pose the highest risk of money laundering and terrorist financing, raising several questions:

- What gives the EU the authority to impose their own methodology globally, over and above the FATF's?
- Why does the EU find it necessary to impose harsher standards than the FATF on non-EU countries (the EU's methodology uses the FATF's list as a 'starting point')?
- Does the EU's process improve that of the FATF's?
- If so, why doesn't the FATF amend its process to reflect the EU's improvements?

Fast forward to 2020, when The Great Lockdown evidently catalyzed the EU's 5th iteration of its 'Delegated Regulation' methodology which "identifies third countries that have strategic deficiencies in their AML/CFT regimes that pose significant threats to the financial system of the EU," such that on May 7th 2020 the EU announced the addition of 12 countries (Bahamas, Barbados, Botswana, Cambodia, Ghana, Jamaica, Mauritius, Mongolia, Myanmar/Burma, Nicaragua, Panama and Zimbabwe) to, and the removal of 6 countries (Bosnia-Herzegovina, Ethiopia, Guyana, Lao People's Democratic Republic, Sri Lanka and Tunisia) from its list of such 'third countries'. The other countries remaining on this list are Afghanistan, Iraq, Pakistan, Syria, Trinidad & Tobago, Uganda, Vanuatu, and Yemen.

Once again, NOT ONE SINGLE COUNTRY on this EU list is predominantly white.

Furthermore, the EU lists as 'high risk third countries' Afghanistan, Iraq, Vanuatu, and Trinidad and Tobago, which the FATF has deemed compliant and are therefore "no longer subject to the FATF's monitoring process." The EU's listing of those four countries, and their "Blacklisting" of the OECD's "Largely Compliant" territories of The Cayman Islands and Samoa, could even be considered extrajudicial in nature, given that the FATF and the OECD are THE internationally recognized authorities on AML/CFT and Tax policy respectively – NOT the EU.

Which body or international treaty gives the EU the legal or even moral authority to impose separate requirements?

The consequences of being placed on these (Black)lists should not be underestimated, as they are of an economically existential magnitude for these developing countries. These consequences include EU directives such as "banks and other gatekeepers are required to apply enhanced vigilance in business relationships and transactions involving high-risk third countries". Furthermore, these (Black)listed countries are subject to sanctions by the EU. And perhaps most damaging of all is the fact that banks in Europe and North America are in effect compelled to "de-risk" banks from these (Black)listed jurisdictions by withdrawing or reducing correspondent banking services, and in many cases even physically exiting these jurisdictions. The withdrawal of correspondent banking services from these small, open, soft-currency jurisdictions is, in effect, to place a knee on the carotid artery of their economies – with socio-economic consequences that no small, developing country can survive, especially in this pandemic.

Could it be that every single predominantly-white country on earth is fully compliant with the EU's standards and requirements, and is therefore excluded from their (Black)lists? Not at all:

- In the first place, EU laws exclude (predominantly-white) EU states from appearing on these (Black)lists, despite evidence of non-adherence to their own standards and rules.

- There are also glaring omissions of predominantly-white, non-EU jurisdictions, well known as money laundering hotspots, presumably for political and/or economic reasons – Gibraltar, London, Russia and the USA, for example.

What further evidence is needed to suggest that the EU's behaviour is discriminatory against non-white countries and is therefore racist?

In addition to the element of race, there is in play that of power. There is evidence of large / powerful non-white countries (allies) well known for financing terrorism and/or money laundering, being excluded from the EU's (Black)list, again perhaps for political and/or economic reasons - Saudi Arabia, China, and Venezuela for example. Hence the suggestion from within Europe itself that the EU's list of "high-risk third countries" is less significant in terms of its inclusions than its glaring omissions.

This indicates that the EU is ESPECIALLY discriminatory against non-white politically and/or economically unimportant states. Is this 'might is right' attitude not tantamount to bullying? Not surprising, as this is the same EU which mercilessly "Blacklisted" Dominica 18 months after an estimated USD1.3 billion or 224% of its GDP was wiped out by a hurricane in late 2017.

If the EU's standards and requirements on tax policy and AML/CFT evidently do not apply to EU member states, nor to predominantly-white countries small or large, nor to the EU's powerful political and/or economic allies, what further evidence do we need to suggest that not only is the EU racist and influenced by a power criterion, but that their (Black) lists are arbitrarily and selectively constructed, and are therefore completely devoid of transparency and credibility?

Furthermore, the EU appears to have adopted a decidedly discriminatory stance against small (and already powerless) countries, whose combined share of global economic activity is insignificant at 1.1%, rendering the EU's actions grossly disproportionate, in direct contravention of the EU's own doctrine of proportionality.

Finally, in the context of the pandemic and The Great Lockdown, which has thrown ALL of these (Black)listed economies into recession, the EU's behavior is nothing short of brutal. But then again, this is an institution whose members are no strangers to domination, exploitation, and brutality. In fact, every single country on BOTH of the EU's aforementioned (Black)lists were once colonized or otherwise occupied by Europeans.

These (Black)lists are a clear manifestation of Europeans' longstanding penchant for domination, exploitation and brutality, which evidently continues unabated even today. As mentioned in the opening line, this issue was raised over a year ago, but nothing changed. At this point in time however, it would appear that it is finally acceptable - if not politically correct - to call out individuals, institutions, and Governments, who have consistently and deliberately displayed racial discrimination. The time has come for the EU to examine its behaviour, to be honest with and introspective of itself as an institution, and to conduct the reforms necessary to eliminate its clearly racist policies.

Evidently, we, the former European colonies, are being held to a higher standard than our former colonizers, BY our former colonizers. We are still denied the sovereignty to manage our domestic affairs - even in a manner similar to that of our former colonizers. There is no precedent for this in history. It would appear that enjoying low taxes and laundering money are privileges reserved only for predominantly-white countries and their powerful allies. Non-white former colonies are meant to remain poor and subjugated, if not exploited and enslaved. When will we ever have the freedom to conduct our affairs as white and powerful countries conduct theirs?

When will we ever be given the opportunity to determine our own policies, our own fate, and compete internationally on a LEVEL PLAYING FIELD?

J'accuse...!

This travesty is nothing short of a modern-day Dreyfusian example of a glaring miscarriage of justice being perpetrated on the level of Nation States. And the same factors are in play - race and abuse of power.

The EU's policies in this context represent indisputable examples of institutional racism and bullying. The EU's (Black)lists lack any shred of credibility, as the criteria for inclusion are applied unilaterally, arbitrarily, and selectively. The EU's action against (Black)listed countries is brutally disproportionate relative to our insignificant level of economic activity (including money laundering) versus that of EU member states and other omitted countries. There is no known effective legal or other recourse for these (Black)listed countries to pursue, to appeal for justice. And finally, the penalties being imposed on (Black)listed jurisdictions have the potential to damage their economies irreparably. This is nothing short of economic warfare.

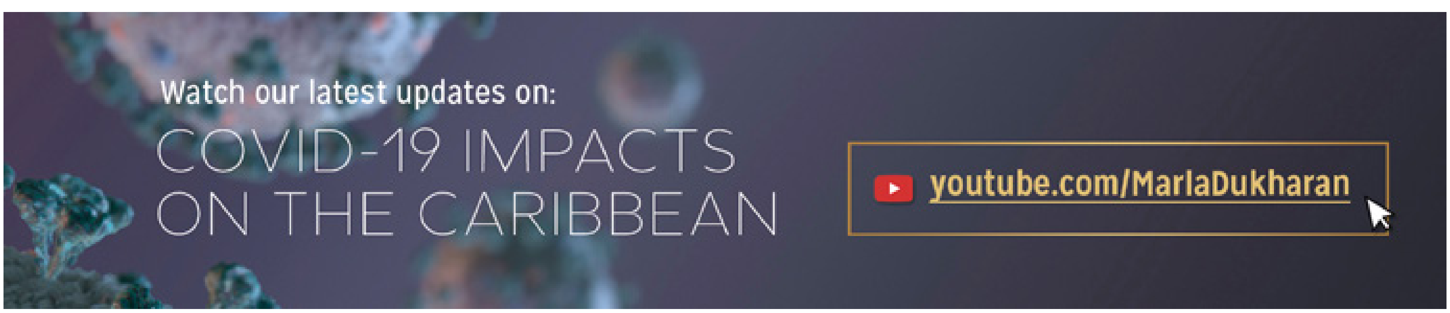
For centuries, thriving European economies were built and sustained on the backs of the very colonies which are now desperate to survive and compete in whatever limited way we can, yet the EU Is seeking to destroy the ability of these weaker states to compete. The EU is our accuser, their own expert witness, the judge, the jury, and the executioner. By design therefore, it is impossible for us to satisfy the EU's ever-changing requirements, and in relentlessly attempting to so do, we all risk Haitian-like consequences. Perhaps this is the EU's intention?

Coincidentally, this piece is being written on June 26th 2020 - the 75th Anniversary of the signing of the United Nations (UN) Charter, and "its principles ring just as true today". On October 4th 1963, the late Ethiopian Emperor Haile Selassie I addressed the UN General Assembly with a stirring appeal for (nuclear) disarmament and equality. An excerpt of this address was famously transformed into a captivating cry for justice and equality by Bob Marley, but beyond that poetic portion, ironically, almost 60 years later, Selassie's words "ring just as true today"; "In 1936, I declared that it was not the Covenant of the League that was at stake, but international morality. The Charter of the United Nations expresses the noblest aspirations of man: abjuration of force in the settlement of disputes between states; the assurance of human rights and fundamental freedoms for all without distinction as to race, sex, language or religion; the safeguarding of international peace and security. **The goal of the equality of man which we seek is the antithesis of the exploitation of one people by another** with which the pages of history and in particular those written of the African and Asian continents, speak at such length. **Exploitation, thus viewed, has many faces.** But whatever guise it assumes, this evil is to be shunned where it does not exist and crushed where it does. It is the sacred duty of this Organization to ensure that the dream of equality is finally realized for all men to whom it is still denied, to guarantee that exploitation is not reincarnated in other forms in places whence it has already been banished. In the United States of America, the administration of President Kennedy is leading a vigorous attack to eradicate the remaining vestige of racial discrimination from this country. We know that this conflict will be won, and that right will triumph. The United Nations has done much, both directly and indirectly to speed the disappearance of discrimination and oppression from the earth. **The basis of racial discrimination and colonialism has been economic, and it is with economic weapons that these evils have been and can be overcome. Procedures must be established to protect the small and the weak when threatened by the strong and the mighty.**"

Almost 60 years since this appeal was made by Emperor Haile Selassie I at the UN on behalf of the oppressed, international immorality, racial discrimination, subjugation and brutality evidently "ring just as true today". Plus ça change, plus c'est la même chose.

If the EU is not held to account for its longstanding abhorrent behaviour now, systemic racism, brutality, and power-mongering will continue to thrive globally. I call on each Government in the Caribbean and CARICOM in the first place, to (collectively) denounce the EU's (Black)listing. Further, I call on the UN as "the forum where nations whose interests clash may lay their cases before world opinion" (Selassie I, 1963) to intervene on behalf of all its (Black)listed members and denounce the EU's actions. And in closing, I call on the EU to finally do the right thing, fall on its sword, and cease and desist from conducting its racist agenda. Now that the evidence of this agenda is abundantly clear, anything less could and should be seen as defiantly racist, and totally unacceptable.

"We know that we shall win, as we are confident in the victory of good over evil." – **Emperor Haile Selassie I**



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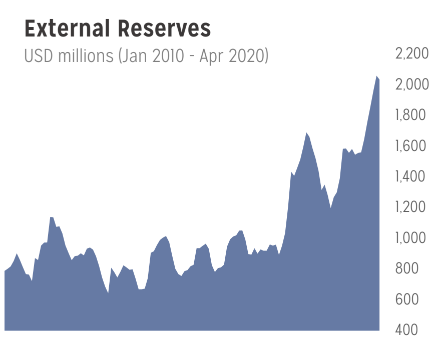
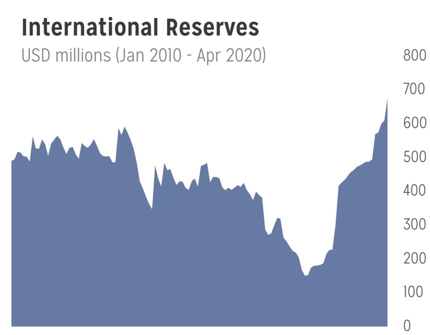
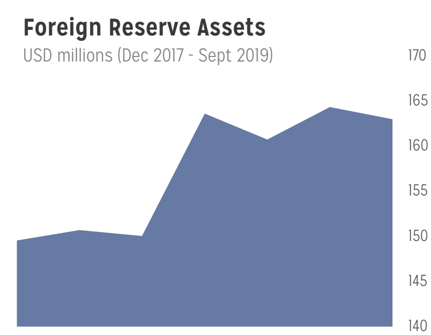
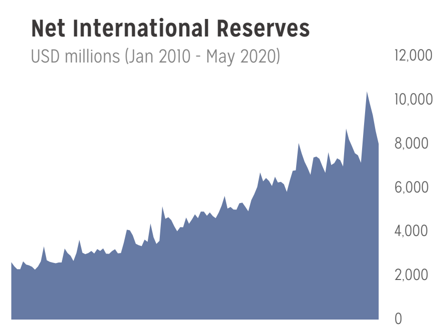
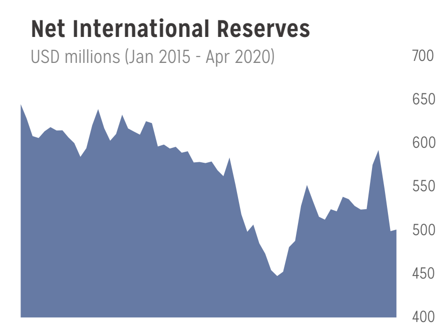
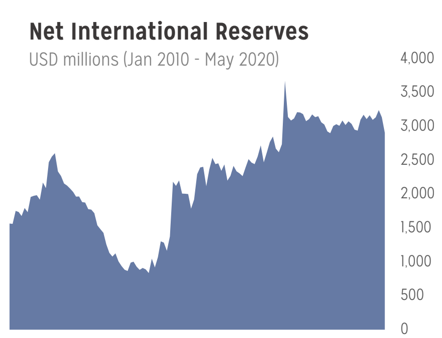
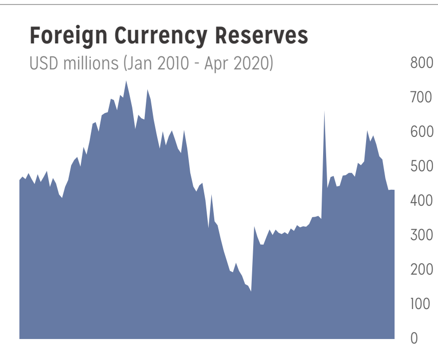
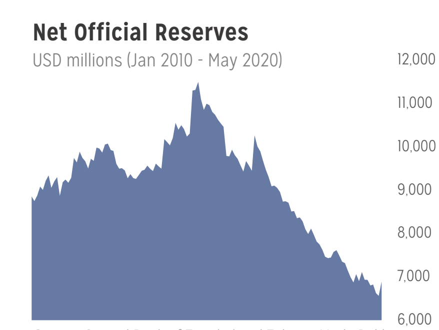
	BAHAMAS	BARBADOS	CAYMAN ISLANDS
UPDATE	Moody's downgraded Bahamas to non-investment grade Ba2 with a negative outlook. The Central Bank expects the economy will contract 12% in 2020 and government anticipates debt-to-GDP will reach 82.8% at the end of FY2020/21 (up 14.9 p.p.) as a result of the double shocks of Hurricane Dorian and COVID-19. The primary fiscal deficit in FY2020/21 is projected at 8.1% of GDP, and gov't will seek external funding to finance the budgetary gap and provide balance of payments support. The IMF already approved a USD250 million rapid financing instrument. To maintain adequate reserves to support the peg to the USD, the Central Bank has suspended the Investment Currency Market and Bahamas Depositary Receipt program, used for the purchase of foreign securities and foreign real estate, instead encouraging domestic investment. Foreign reserves stood at USD2.03 billion at the end of April 2020, still at all-time highs as a result of reinsurance inflows following Hurr. Dorian. The IDB anticipates The Bahamas could lose USD900 million in reserves this year.	The economy contracted 3% y/y in Q1 2020, due to the sharp drop in tourism in late March, accompanied by weak activity in agriculture and manufacturing. Unemployment rose to 24% in early May as containment measures took effect. Long-stay visitors declined 17.9% y/y in Q1 2020, and cruise passengers fell 11.5%. Inflation increased in March to 5.2%, based on higher vegetable prices and an increase in bus fares. Net international reserves stood at USD675 million at the end of April, providing 19 weeks of import cover. The IMF approved a USD91 million increase to the Extended Arrangement, and the primary surplus target has been reduced to 1% of GDP for FY2020/21. The IMF expects a 40% decline in arrivals y/y if tourism resumes in Q4 2020 - around four times the decline based on the Global Financial Crisis. This scenario translates into a 55% drop in travel exports and a current account deficit of 10% of GDP. FDI is expected to contract by 70% y/y with the balance of payments impact cushioned by multilateral financing inflows.	The Government's stimulus plan is expected to reduce the contraction in GDP by as much as 1/3 (to -7.3%) saving roughly 1,500 jobs. Unemployment could rise from 3.5% at the end of 2019 to 19.7% this year under worst-case scenarios. Current scenarios would see the economy reopening in July and visitors returning in October, an economic contraction of 11.4% and unemployment of 11.6%. Inflation was 3.0% in Q1 2020. Past fiscal prudence has given the government a strong position to finance stimulus measures. Government revenues will decline by as much as 26% this year while expenditures will increase to respond to the crisis, generating a fiscal deficit of KYD250 million. Government has averaged fiscal surpluses of around KYD100 million per year since 2013 and had a debt-to-GDP ratio near 9.4% at the end of 2019. Tourism and construction are major contributors to economic activity and will be important to recovery, with output multipliers of KYD2.56 and KYD2.03 of economic activity for each additional KYD1.00 of demand, respectively.
TOURISM	Stay-over: 2020: 347,450 (Mar) -28.0% Cruise pax: 2020: 1,327,084 (Mar) +10.0%	Stay-over: 2020 est: 172,655 (Mar) -17.9% y/y Cruise pax: 2020 est: 249,707 (Mar) -11.5% y/y	Stay-over: 2020: 93,558 (Feb) +8.5% Cruise pax: 2020: 448,435 (Feb) -4.3%
GROWTH	1.8% (2019 prelim. est.)	-0.1% (2019 prelim. est.)	2.8% (2019 prelim. est.)
RESERVES	 Source: Central Bank of The Bahamas, Marla Dukharan	 Source: Central Bank of Barbados, Marla Dukharan	 Source: CIMA, Marla Dukharan
OUTLOOK	Central Bank forecasts a contraction of 12% in 2020. IMF expects a contraction of 8.3% this year, which is subject to further downward revision.	IMF forecasts an 11-12% contraction this year, which is subject to further downward revision. Growth will return to a medium-term average of 2% as structural reforms are implemented.	The government estimates the contraction this year could be between 7.3-11.4%, largely dependent on the effectiveness of stimulus measures.

<table>
<tr><th></th><th>CUBA</th><th>DOMINICAN REPUBLIC</th><th>GUYANA</th></tr>
<tr><td>UPDATE</td><td>The estimated USD3.7 billion in annual remittances could be impacted by new US regulations prohibiting doing business with military-run companies, including several hotels and financial company FINCIMEX. Remittances are Cuba's second most important inflow of foreign currency. Decreasing aid from Venezuela has created massive pressures on external balances. The first phase of re-opening economic activity will include domestic tourism, self-employment and trade and investment related activities. The reopening of Cuba's already declining international tourism sector, which saw stay-overs contract 9.3% y/y in 2019, will submit visitors to strict protocols and vigilance at hotels, and will initially open only the Keys in the North and South with no excursions to the cities. Demographics contribute to the risks and impacts of COVID-19 include an aging population, with the percentage of people over 60 years already 5 p.p. greater than the population under 15. Furthermore, 58% of the population over 60 is suffering from at least one chronic condition.</td><td>The depreciation of the DOP in May accelerated to 8.7% y/y, reaching DOP55.39 : USD1.00. With general elections scheduled for July, COVID-19 related uncertainty, lower remittances and FDI, suspension of tourism and reduced activity for tradables, the Central Bank has intervened both directly and through reduced foreign currency reserve requirements to ensure productive sectors access to foreign currency. International reserves ended May 2020 at just over USD8 billion, 5% above the average level for 2019. The country received USD651 million in rapid financing facility from the IMF. The Central Bank left its policy rate flat at 3.50% in May 2020, with inflation at 1.07%, far below the 4.0% ± 1.0% target and core inflation at 2.75%. The economy registered 0.0% growth in Q1 2020, and a contraction of 7.5% for Jan-April 2020. Credit is expanding at a pace of 14% y/y. The Central Bank expects a V-shaped recovery and anticipates April 2020 will be the lowest month of activity due to containment measures, highlighting unemployment decreased m/m in May to 13.3% from 14.7%.</td><td>The uncertainty related to the election result could spook investors, with the (now apparently victorious) opposition indicating they would change oil production-sharing agreements to increase the government's share. The oil production target of 120,000 bbl per day for June 2020 is now in doubt after Exxon reduced production to deal with technical problems. Guyana received USD35/bbl for its second oil shipment in May 2020, which is USD20/bbl below the price achieved for its first shipment in February. Lower prices and production levels will see the government falling short of its fiscal target of USD300 million in oil revenues for 2020. A total of USD95 million has been sent to the sovereign wealth fund since oil production began. Government's public debt was 40.9% of GDP at the end of 2019, with external debt at 31.6% of GDP. International reserves in April 2020 dipped to the lowest level since 2018 at USD501 million. State-run sugar company GUYSUCO's request for a bailout was denied by the finance ministry. Sugar production contracted 12% y/y in 2019.</td></tr>
<tr><td>TOURISM</td><td>Stay-over:
2019: -9.3% y/y / 2020: 792,668(Feb) -16.5% y/y
Cruise pax:
2018: 877,500 +43% y/y (*341,005 from USA)</td><td>Stay-over:
2020: 1,392,676 (Apr) -43.4% y/y
Cruise pax:
2020: 344,485 (Apr) -24.3% y/y</td><td>Stay-over:
2019: 282,221 (Nov) +9.5% y/y
Cruise pax:
n/a</td></tr>
<tr><td>GROWTH</td><td>0.5% (2019 prelim. est.)</td><td>5.1% (2019 prelim. est.)</td><td>4.7% (2019 prelim. est.)</td></tr>
<tr><td>RESERVES</td><td>n/a</td><td>

Source: Central Bank of the Dominican Republic, Marla Dukharan</td><td>

Source: Bank of Guyana, Marla Dukharan</td></tr>
<tr><td>OUTLOOK</td><td>No official estimates are out, but we expect a contraction in the 10-15% range this year.</td><td>The IMF expects a contraction of 1.5% in 2020 while the Hotel and Restaurant Association forecasts a contraction of up to 4.7%.</td><td>The IMF is expecting growth at 53% this year – still the fastest in the world. But with political uncertainty and the collapse of oil prices, we expect growth to be much lower.</td></tr>
</table>

	JAMAICA	SURINAME	TRINIDAD & TOBAGO
UPDATE	The economy contracted 1.7% in Q1 2020, according to PIOJ, with a 13.9% contraction in Hotels & Restaurants and a 1.5% contraction in Services overall. Goods producing industries contracted 1.5%, with Mining & Quarrying down 37% y/y and Construction down 2%. Agricultural output increased 7.8% y/y. The PIOJ forecasts a contraction of 12-14% for Q2 2020 resulting from containment measures and the halt in tourism activity, which employs over 300,000 workers. The phased reopening of the economy is underway, with international tourism reinitiating on June 15. Net international reserves declined 5.5% y/y to USD2.9 billion at the end of May, roughly 37 weeks of goods and services imports. The IMF approved a USD520 million disbursement to address balance of payments needs. BoJ has ensured USD liquidity by lowering the cash reserve requirement on banks by 2 p.p. in May, expanding USD swap arrangements and through direct sales under B-FXITT, among other measures. A State of Emergency was recently imposed in Kingston.	With a change in government very likely, there is a great deal of uncertainty. The National Assembly will elect the President with a 2/3 majority on August 15, and the opposition has currently secured such a majority. Domestic debt increased 69% m/m in April. A surge in inflation is already being felt with prices rising 8% m/m and 26.2% y/y in April 2020. This is partly due to the 83% y/y expansion in the money supply in March 2020, as the Central Bank continued monetary financing of the gov't. The prior cycle of double-digit inflation that ran from Nov 2015-Oct 2017 was in the context of an average expansion of the money supply of 28% y/y and a devaluation following the election. We are likely to see a repeat of this. The ratio of money supply to foreign reserves stood at SRD22.21 : USD1.00 in March 2020, showing just how much pressure is building on the exchange rate. Foreign currency reserves have continued to decline, down 15% y/y in April 2020 to USD434 million, with total official reserves providing approximately 2.6 months import cover.	International reserves fell to USD6.89 billion in May 2020, providing 8 months of import cover. Reserves were boosted by a USD400 million drawdown from the Heritage and Stabilization Fund and international loans. Reserves in 2020 have averaged the lowest level since 2007, while the exchange rate has remained virtually unchanged since November 2016. The Finance Ministry announced a revised fiscal deficit of about TTD14.5 billion or 8.8% of GDP for FY2020. The Minister of Finance expects GDP will contract by 2.4% this year, similar to the economic contraction of 2.3% seen in 2017, in the absence of a global pandemic and lockdown. The Central Bank indicates COVID-19 is having an "unprecedented" impact on economic activity and employment and responded in March by reducing the repo rate and the reserve requirement ratio. Average excess reserves increased from TTD4 billion for Jan-mid-March to TTD8.3 billion at the end of May, and the basic prime lending rate fell 1.75 b.p. to 7.50% at the end of March.
TOURISM	Stay-over: 2020: 462,940 (Feb) +6% y/y Cruise pax: 2020: 383,144 (Feb) -15.2% y/y	n/a	Stay-over: 2019: 388,576 (Dec) +3.5% y/y Cruise pax: 2019: 66,460 (May) -30.7% y/y
GROWTH	1.0% (2019 prelim. est.)	2.3% (2019 prelim. est.)	0.0% (2019 prelim. est.)
RESERVES	 Source: Bank of Jamaica, Marla Dukharan	 Source: Centrale Bank van Suriname, Marla Dukharan	 Source: Central Bank of Trinidad and Tobago, Marla Dukharan
OUTLOOK	The IMF is forecasting an economic contraction at -4.6% in 2020, while S&P expects a sharper contraction of -13% this year.	We expect a balance of payments crisis in the near future. The IMF is projecting a 4.9% contraction this year, but we believe a double-digit contraction is more likely.	The IMF is projecting an economic contraction of 4.5% this year, but we expect it to be about twice as deep. We also expect a balance of payments crisis and an IMF program by 2021.