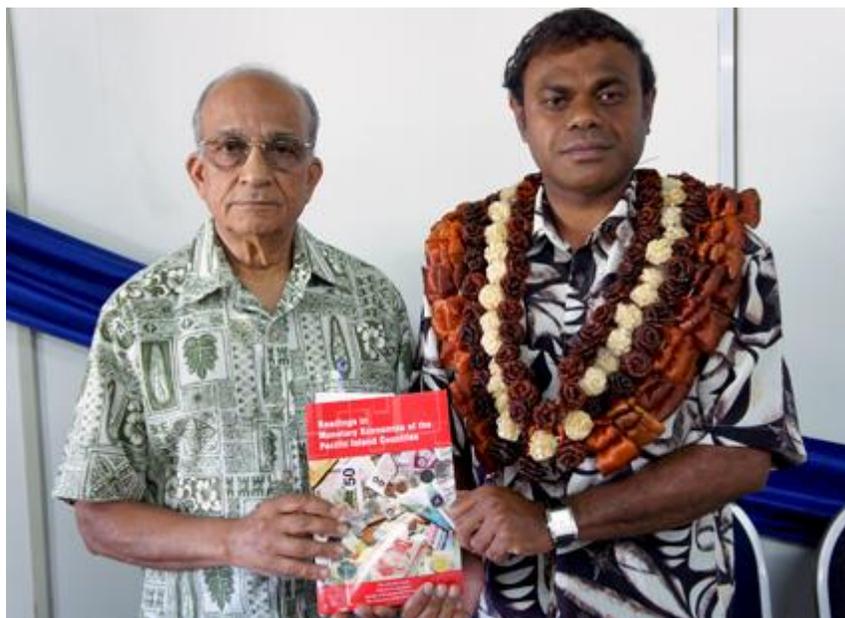




USP - SHAPING  
PACIFIC FUTURES

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Dr T.K. Jayaraman (left) and the Governor of the Reserve Bank of Vanuatu, Mr Odo Tevi with the new publication titled *Readings in Monetary Economics of the Pacific Island Countries*.

A new publication looking at monetary economics of Pacific Island Countries (PICs) was launched at The University of the South Pacific by the Governor of the Reserve Bank of Vanuatu, Mr Odo Tevi on 20 March 2012.

The book is a collection of contributions on various aspects of monetary economics of the six PICs which have independent currencies. These countries are Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu.

22 Mar 2012 04:15:00 pm Titled, '*Readings in Monetary Economics of the Pacific Island Countries*', the book was authored by the Associate Professor at the School of Economics at USP, Dr T.K. Jayaraman.

Dr Jayaraman has vast experience in writing on monetary issues since 1998.

He published the first volume of his work in 2003 titled: *Issues in Monetary Economics of Pacific Island Countries*. The new publication marks the second volume of his work, which he accomplished on various aspects of monetary economics in the Pacific during the 2004-2011 period.

Speaking at the launch which was held at the Laucala Campus in Suva, Mr Tevi described the book as a welcoming development. While Pacific Island economies face many economic

challenges, Mr Tevi explained that one of the key issues concerning growth of Pacific Island economies is its sustainability. “The key to improve and sustain growth in PICs is to continue to adopt sound policy reforms in macroeconomic and structural fronts. Continuous reforms and understanding paradigm shifts in economic development is the key. Currently we need to also think of how to make use of opportunities offered by emerging economies,” he added.

The Governor said that the book is useful in addressing these issues as it is based on findings from sound empirical research. Mr Tevi is confident that the articles in the publication will stimulate much debate amongst students, academics and policy makers in the region. “Most of the books written on Monetary Economics are focused mostly on advanced economies and this book is unique in a sense that it is focused on PICs and will be of particular interest especially to those countries that have central banks and also to those that love monetary economics in general,” he said.

On the topic of adopting a single currency for PICs, which is further discussed in the book, Mr Tevi stated that for PICs to adopt a single currency is still not suitable, either in the form of adopting the Australian dollar or creating a new single currency. This was also confirmed in the meeting of Central Bank Governors recently. The publication argues that in the longer term adopting a single currency can only work if there is significant progress towards closer economic cooperation between PICs as spelled out in Pacific Island Countries Trade Agreement (PICTA) and Pacific Closer Economic Relations (PACER).

Mr Tevi commended USP and Dr Jayaraman for the book and encouraged the University to publish more books on other areas of economics with special focus on the Pacific island economies. In his address, the Acting Head of the School of Economics, Dr Sunil Kumar said the articles in the publication deal with the role of money, monetary policy formulation and implementation. “This publication will be a good supplementary text for macroeconomic and monetary economics courses, both for undergraduate and postgraduate students, not just at USP but also at other universities in the region,” he pointed out. Dr Kumar said that the articles in the book are a good mixture of theory, methodology and the empirics of monetary economics. The book also discusses the impacts of the financial crises on island economies.