

Topic: Finding Safe Harbor in Turbulent Times

Remarks: I. Chester Cooper, President & CEO, BAF

CHAIRMAN, LADIES & GENTLEMEN GOOD MORNING

COMMEND TCL AND SPONSORS FOR CONTINUING EBO IN ITS 5TH YEAR. I FEEL HONORED TO HAVE SPOKEN AT 4 OF THE LAST 5. INDEED FOR ME IT'S BEEN 40 YEARS OF WATCHING THE DEVELOPMENT OF EXUMA [YES I TURNED 40]. BUT AFTER 40 YEARS IRRESECTIVE OF WHAT THEY SAY ON THE WORLD'S QUALITY OF LIFE INDEX , HAVING BEEN TO ALMOST 40 COUNTRIES IN MY 40 YEARS – I STILL BELIEVE THAT EXUMA IS STILL THE GREATEST & MOST BEAUTIFUL LITTLE PLACE ON EARTH! <& ITS YOU WHO MAKE IT THAT WAY – SO ITS YOU WHO DESERVE A ROUND OF APPLAUSE>

OVER THE LAST FEW DAYS, I COULDN'T HELP BUT REFLECT ON THE KEY THEMES OF MY PRESENTATIONS OVER THE PAST FIVE YEARS:

1ST – OPPORTUNITY ABOUND & ALL MUST RISE TO THE OCCASION TO TAKE ADVANTAGE OF THE BOOM & BUOYANCY

2ND – I WAS NOT SATISFIED THAT EXUMA WAS BUILDING A SUSTAINABLE PRODUCT & A 5-STAR DESTINATION. YOU WOULD NO DOUBT RECALL THAT I REFERRED TO GEARGE TOWN AS A 1 ½ STAR TOWN. FURTHER, I WAS CONCERNED THAT THERE WAS LITTLE OR NO ENTREPRENEURIAL GROWTH OCCURING AROUND THE FOUR SEASONS HOTEL!

3RD – AS THE BOOM WAS JUST ABOUT OVER, MY OUTLOOK FOR THE NEXT 12 MONTHS WAS BLEAK. “THIS WILL GET WORST “FAR-WORST” BEFORE IT GETS BETTER”! FURTHER, I SAID THAT IT WOULD BE WISE TO RE-POSITION OURSELVES & BUNKER DOWN. I BELIEVE I DESCRIBED IT AS A HURRICANE ON THE HORIZON. THIS IS THE ONE TIME THAT WISH THAT I WAS WRONG.

4TH – [EMERALD BAY WAS CLOSED, IT WAS TIME OF DISTRESS....I DID NOT ATTEND] ...**NO CONNECTION BETWEEN THE TWO.**

5TH – ASSIGNED A TOPIC “FINDING SAFE HARBOR IN TURBULENT TIMES”. SO I SAY TODAY, THAT WE MUST LEARN THE LESSONS OF THE PAST & MAKE REVOLUTIONARY CHANGES TO OUR BUSINESS & PERSONAL LANDSCAPE ON BOTH MACROS AND INDIVIDUAL LEVELS TO ADJUST TO WHAT I SHALL DESCRIBE TODAY AS THE **“NEW NORMAL”** IN ORDER TO SEIZE NEW OPPROTUNITIES.

WITH THAT BACK-DROP, I WILL SPEAK WITH YOU FOR ONLY A SHORT WHILE. THE SUBJECT AT HAND PRE-SUPPOSES THAT THESE ARE INDEED TURBULENT TIMES. // FOR THOSE OF YOU WHO HAVE REFUSED TO PARTICIPATE IN THE RECESSION, YOU MAY’VE AT LEAST HEARD ON THE NEWS AT LEAST THAT THE ECONOMY IS IN A DEEP AND SEVERE RECESSION – THEY CALLING IT THE GREAT RECESSION. SO I DO NOT INTEND TO BELABOR THIS POINT EXCEPT TO HIGHLIGHT THE FOLLOWING:

- THE US ECONOMY WHICH PRIMARILY DRIVES OUR ECONOMY IS PRESENTLY IN ITS WORST STATE SINCE THE GREAT DEPRESSION OF 1920’S.
- OUR LOCAL ECONOMY IS GOING THROUGH THE SAME SET OF CHALLENGES: WENDY CRAIGG – GOVERNOR - CENTRAL BANK SAYS “WE ARE IN UNCHARTED TERRITORIES”.
- UNEMPLOYMENT IN THIS COUNTRY IS PRESENTLY AROUND 17 – 18%, THIS DOES NOT INCLUDE PEOPLE ON 2 – 3 DAYS OR PEOPLE AT HOME WAITING FOR PEACE & PLENTY OR WHYNDAM TO RE-OPEN, NEITHER THE ADDITIONAL 30% WHO WOULD HAVE SEEN SIGNIFICANT DECREASE IN THEIR EARNINGS – WITH MORE LAYOFF’S PENDING INCLUDING AT GOV’T CORPORATIONS.
- 20% OF EVERY BANK LOAN IN THIS COUNTRY IS PRESENTLY SERIOUSLY > 90 DAY IN ARREARS, ADDITIONALLY THE BANKS OVER THE LAST TWO YEARS WOULD HAVE RESTRUCTURED UP TO 20% OF ITS LOANS DUE TO THE CHANGE IN THE CUSTOMERS INCOME SITUATION.

- COMING CLOSER TO HOME, AT THE 2ND EBO EVERYONE WHO WANTED TO WORK HAD 2 JOBS AT SALARIES NEVER BEFORE SEEN IN EXUMA. TODAY SANDALS WITH ITS TRIED AND TESTED BUSINESS MODEL HAVE COME INTO THE MARKET. THERE HAVE BEEN SIGNIFICANT ADJUSTMENTS OR SHOULD I SAY // CORRECTIONS IN THIS MARKET.
- WHEN WE TALK OF A U SHAPED RECESSION WITH A LONG BOTTOM AND SLOW TRAJECTORY TO RECOVERY, I AM THEREFORE VERY HESITANT TO CALL THESE “TURBULENT TIMES” BUT RATHER AS SOME ECONOMIST & ACADEMICS CALL IT “THE NEW NORMAL”.

& SO LADIES 7 GENTLEMEN, FORGIVE ME FOR I KNOW THAT IN CALLING THESE TIMES THE “NEW NORMAL” SMACK OF PESSIMISM. IN FACT IT’S EVEN HARD FOR ME TO COME TO TERMS WITH THIS CONCEPT. I AM ALWAYS KNOWN AS THE OPTIMIST IN THE ROOM & I WILL TRY NOT TO DISAPPOINT YOU. I STILL GET A KICK WHEN MY 85 YEAR OLD NEIGHBOUR PLANTS THE SEED OF AN AVOCADO THAT I GAVE HIM BECAUSE HE ENJOYED IT SO MUCH THAT HE WANTS TO EAT SOME FROM HIS OWN TREE. I AM THE KIND OF OPTIMIST WHO REJOICE WHEN I HEAR THE STORY OF THE 75 YEAR OLD LONDERNER WHO ENGAGES AN ARCHITECT TO DESIGN HIS DREAM HOUSE [WHICH WOULD TAKE 2 YEARS TO COMPLETE] AND NEGOTIATES A 25 YEAR MORTGAGE///.

WITH SUCH MAJOR SHOCK – I’M AFRAID THAT OPTIMISM HAS GIVEN WAY TO REALISM IN THIS “THE NEW NORMAL”.

THE NEW NORMAL

THE EXPRESSION 'NEW NORMAL' WAS COINED AFTER THE 'DOT COM' BUBBLE BURST 10 YEARS AGO, BUT HAS FOUND APPLICATION AGAIN BECAUSE OF THE SEISMIC NATURE OF THE RECENT GLOBAL ECONOMIC CRISIS AND THE RECOGNITION THAT IT WILL REQUIRE AN EQUALLY REVOLUTIONARY

CHANGE IN THE WAY GLOBAL BUSINESS IS CONDUCTED IF THE WORLD ECONOMY IS TO RECOVER AND IF WE ARE TO ENSURE THAT THE WORLD IS NEVER SHAKEN BY A CRISIS LIKE THAT AGAIN. INEVITABLY, A NEW ECONOMIC AND BUSINESS LANDSCAPE HAS EMERGED, AND WE ARE GOING TO SIMPLY HAVE TO DEAL WITH IT!

IT OCCURRED TO ME THAT BEFORE THE GLOBAL CRISIS STRUCK THERE WAS AN EXISTING BUSINESS LANDSCAPE (WE COULD CALL IT THE 'OLD NORMAL'). IT ALSO OCCURRED TO ME THAT PERHAPS, WE DIDN'T HANDLE THAT VERY WELL. WE MUST THEREFORE ASK WHY? THAT 'OLD NORMAL' OFFERED US MANY OPPORTUNITIES FOR SUCCESS. THE QUESTION & THE CALL THEREFORE, IS WILL WE LEARN THE LESSONS OF THE PAST AND RESPOND TO THE FUNDAMENTAL RESTRUCTURING REQUIRED - AVOID THREATS THAT THE NEW NORMAL POSES.

THE WORLD ECONOMIC FORUM DESCRIBED **“THE NEW NORMAL”** BY NOTING THAT EVEN WHEN THE ECONOMY REBOUNDS IT WILL NOT GROW AT THE LEVEL WE’VE SEEN BEFORE THE CRISIS. THE AVERAGE GROWTH RATE FOR THE NEXT FIVE (5) YEARS WILL BE MUCH LESS THAN THE RATE OF GROWTH FOR THE LAST FIVE (5) YEARS. THE RECOVERY BACK TO PREVIOUS LEVELS, WILL BE LONG AND SLOW. PWC GLOBAL SURVEY OF 1,200 CEOS – 25% OF THEM PLAN TO CONTINUE JOB CUTS FOR THE NEXT 12 – 18 MTHS. THIS IS **THE WORLD’S NEW NORMAL**.

IN AMERICA THAT “NEW NORMAL” MEANS 62% LESS SPENDING [WHICH HAS DRIVEN THE US ECONOMY], LAVISH LIVING, CONSUMER EXCESS, CREDIT CARDS, i- PHONES, CARS, BOATS, GAS-GUZZLING SUV’S, FLAT SCREEN TVS AND LONG BOISTROUS VACATIONS ARE OVER! THE PAIN INFLICTED BY THE MORTGAGE CRISIS HAS BROUGHT MANY AMERICANS TO THEIR FISCAL SENSES. HIGHER SAVING

RATE IS GOOD, BUT IT WILL NOT HELP IN DRIVING ECONOMIC GROWTH AND RESUME VACATION SPENDING, WHICH AS YOU KNOW DRIVES'S THE BAHAMAS' ECONOMY.

IN EUROPE, THAT "NEW NORMAL" MEANS THAT COUNTRIES LIKE ICELAND AND GREECE ARE GOING BANKRUPT. ITALY, SPAIN, PORTUGAL WITH SIMILAR ISSUES ON THE HORIZONS. EVEN WHEN THEY GET THEIR DEBT IN ORDER, WILL STILL HAVE THE QUESTION OF COMPETITIVENESS. IN GREECE WE SAW RIOTS AS THE GOV'T ATTEMPTED AUSTERITY MEASURES LIKE TAX INCREASES AND EXPENSE CUTS TO CORRECT A DISASTROUS NATIONAL DEBT PROBLEM – **THIS OF COURSE SHOULD BE INSTRUCTIVE TO THE US IN THE BAHAMAS!**

IN ASIA AND OTHER EMERGING MARKETS, THE 'NEW NORMAL' IS STEADY GROWTH THE BALANCE OF ECONOMIC POWER SHIFTING IN THEIR DIRECTION. SOURCE OF INVESTMENT CAPITAL WILL RESIDE IN EMERGING MARKET IN ASIA ETC - COUNTRIES LIKE CHINA WHICH HAS A HALF TRILLION USD OF RESERVES AND ANXIOUS TO BUILD LINK IN THE DEVELOPING WORLD, & WE'RE ALREADY SEEING EVIDENCE OF THIS INVESTMENT IN INDUSTRY & TOURISM AS THE CASE MIGHT BE WITH HUTCHINSON WHAMPOA AND BAHAMAR.

IN THE CARIBBEAN, MANY OF US - CAYMAN, BERMUDA & BAHAMAS BUILT OFFSHORE SECTOR THAT WE USED TO CALL TAX HAVENS IN 1980'S WHEN I DID SOCIAL STUDIES. IN THE **CARIBBEAN'S "NEW NORMAL"** FIN SVCS CAN ONLY BE RELIANT ON SERVICE AND INNOVATION TO STAY ATTRACTIVE AND ITS SUSTAINABILITY IS THEREFORE IN QUESTION. WE SHOULD NOT BE SURPRISED OF EVENTUALLY SOME FINANCIAL PROTECTIONISMS BY LARGE COUNTRIES THAT DISCOURAGES FDI. // SOME OF OUR NEIGHBOURS MUST RETURN TO SUGAR PRODUCTION WHILST SOME LIKE JAMAICA DEPEND ON THE IMF FOR LIFE SUPPORT.

COMING CLOSER TO HOME **THE BAHAMAS' "NEW NORMAL"** ...CREDIT CRUNCH CONTINUES. THE HOTEL WORKERS WERE THE FIRST TO BE FROWNED UPON, NOW THE BANK'S SCRUTINY EXTENDS TO THE PROFESSIONAL CLASS - REALTORS, DOCTORS & EVEN MORTICIANS. **GOV'T JOBS AIN'T SAFE NO MORE AND MP'S CAN'T HELP EVEN THE DIE HARDS.** GOVERNMENT IS SELLING OFF ASSETS TO PAY THEIR OVERDRAFT. I CONTEND THAT **THE SALE OF BTC IS MUCH LIKE SELLING THE HOUSE TO PAY THE LIGHT BILL.** I MAINTAIN THAT IF WE FREE'D THE CORPORATION OF POLITICAL INTERFERENCE, AND INTRODUCED ORDERLY COMPETITION OVER TIME, WE WOULD SEE A MORE EFFICIENT & PROFITABLE ORGANISATION FROM WHICH ANNUAL DIVIDENDS MAY'VE BEEN OBTAINED. AT A MINIMUM, A SALE TO FIRM JOINT-VENTURED WITH BAHAMIANS WOULD'VE KEPT SOME OF THOSE DIVIDENDS AT HOME. I TRUST THAT IF A DEAL DOES HAPPEN, IT WILL BE SUCH THAT THERE WILL BE SOME SPIN-OFF ENTREPRENEURIAL OPPORTUNITIES. *[BUT MAYBE THAT'S A SPEECH FOR A DIFFERENT DAY].*

IN EXUMA THAT 'NEW NORMAL' MEANS ...//WELL YOU KNOW – YOU'RE LIVING IT EACH DAY. SO I WON'T RUB IT IN BY TELLING YOU //THAT THE GLORY DAYS OF THE FOUR SEASONS ARE OVER!!!

THE FUNDAMENTAL QUESTION TODAY AT THE EXUMA BUSINESS OUTLOOK # 5; IS WHAT WE MUST DO AT THE NATIONAL AND LOCAL LEVEL; AND AS BUSINESSES AND INDIVIDUALS TO FIND OUR "SAFE HARBOR – IF YOU WILL" IN THESE TURBULENT TIMES OF THE "NEW NORMAL". AND SO...**DESPITE MY REALISM TODAY, I AM FOREVER MINDFUL THAT TODAY & TOMORROW'S ENVIRONMENT IS DIFFERENT – BUT NO LESS RICH IS POSSIBILITIES FOR THOSE WHO ARE PREPARED.**

SUFFICED TO SAY, OUR MODE OF OPERATION IN TERMS OF HOW WE LIVE, HOW WE WORK, HOW WE SAVE, HOW WE SPEND, HOW WE DO BUSINESS AND HOW WE GOVERN, REQUIRES SHORT & LONG

TERM STRATEGIC PLANNING AND FUNDAMENTAL RESTRUCTURING IN ORDER TO NOT ONLY SURVIVE BUT TO THRIVE IN THE “NEW NORMAL”.

WHEN WE LOOK AT POTENTIALLY RADICAL BUT EFFECTIVE SOLUTIONS, WE WILL FIND THAT THE SOLUTIONS ARE AS RELEVANT AT THE NATIONAL LEVEL AS THEY ARE FOR EXUMA. AS RELEVANT FOR BUSINESSES AS THEY ARE FOR INDIVIDUAL. I THEREFORE SHARE SOME BRIEF POTENTIALS SOLUTIONS . THESE IDEAS AREN'T NECESSARILY NEW, BUT IN LARGE MEASURE HAVE BE ADOPTED FROM PLACES LIKE ‘SINGARPORE” WHO IS A RELATIVELY SMALL COUNTRY WITH LIMITED NATURAL RESOURCES WHO CONTINUE TO DO WELL; OR ABACO IN SOME RESPECTS WHO SUSTAINED GROWTH OVER THE YEARS AND WILL THEREFORE FARE RESONBALY WELL:

1. **SENSIBLE FINANCIAL MANAGEMENT]**

I WILL NOT DISCUSS PERSONAL FINANCIAL PLANNING TODAY – BUT YOU KNOW THAT YOU SHOULD SEEK FINANCIAL PLANNING GUIDANCE FROM ANY LOCAL FINANCIAL INSTITUTION – WE DO IT FREE AS A COMMUNITY SERVICE AT BAF.

WHAT I AM TALKING ABOUT TODAY.. IS A SENSIBLE AND PROGRESSIVE APPORACH TO IMPROVING YOUR INCOME & TOP-LINE; FOR EXAMPLE, **OUR COUNTRY NEEDS TAX REFORMS,** AND THE TIME HAS COME TO PUT IN PLACE VAT OR SALES TAX OR A COMBINATION OF BOTH. THE EXCUSE THAT WE DO NOT WANT TO NEGATIVELY IMPACT OUR OFFSHORE FINANCIAL SERVICES BUSINESS BY BEING SEEN TO INTRODUCE SOME FORM OF DIRECT TAXATION IS MOOT – ITS AN OLD “TAX HAVEN” ARGUMENT AND THAT WE’RE NOT - AS EVIDENCED BY THE NUMBER OF TAX TREATIES WE’VE SIGNED! I AM TOLD THAT STUDIES HAVE BEEN DONE, SOMEONE SIMPLY NEEDS THE WILL TOTAKE THEM FROM THE SHELF AND IMPLEMENT – IT

MUST BE DONE! THIS WILL CREATE EFFICIENCY & SPEED OF COLLECTIONS, IMPROVE OVERALL GOV'T REVENUE WHICH CAN BE USED TO REDUCE THE BALLONING NATIONAL DEBT THAT IS APPROCHING 60% OF GDP IN A RAPID, SCARY AND UNHOLY WAY.

2. WE MUST CREATIVELY FIND AND EXPLOIT **NICHE BUSINESSES**. THE ISLAND IS CRYING OUT FOR ENTERTAINMENT & RESTAURANTS, FOR EXAMPLE. //PEOPLE STILL NEED TO EAT & PLAY. IN BUSINESS, WE MUST MAKE STRUCTURAL ADJUSTMENTS - ADJUSTING HOURS OR WORKING HARDER TO ENSURE SUSTAINABILITY. [FOXY'S PIZZA - CANADIAN GUESTS -]. I SAY THIS AS A MESSAGE ON CONSISTENCY TO PROTECT THE SUSTAINABILITY OF OUR ISLAND'S DESTINATION & ECONOMY.
3. **FIND ADJACENCIES**: USING YOUR EXISTING SKILL & RESOURECES TO PROVIDE NEW SERVICES AND MAKE NEW REVENUE STREAMS. AT BAF INSURANCE WE'VE BEEN DOING INSURANCE FOR 90 YEARS – SO WE'RE CURRENTLY IN NEGOTIATION WITH INSURANCE COMPANIES IN THE REGION TO PROVIDE BACK OFFICE SERVICES FOR THEM. SAME SYSTEMS, SAME RESOURCES, SAME PEOPLE – NEW REVENUE STREAMS!
4. WE MUST IMPLEMENT WHAT HARVARD UNIVERSITY CALLS **"BREAK AWAY STRATEGIES"**: FINDING NEW ANGLES TO YOUR BUSINESS, STARTING A NEW BUSINESS OR SERVICE THAT CAN SURVIVE, ADD VALUE TO THE CUSTOMER WHEN TIMES ARE DOWN BUT THAT WILL CAUSE YOU TO BREAK-AWAY FROM THE PACT WHEN THINGS IMPROVE. AGAIN AS AN EXAMPLE, THE BAF GROUP STARTED **CASH N GO** – THEY OPENS LATE & SATURDAYS, WITH SOME VERY BASIC FINANCIAL SERVICES LIKE, MONEY GRAM, BILL PAYMENT, PHONE CARDS & CHEQUE CASHING - FOR PEOPLE WHO DON'T HAVE A BANK ACCOUNT OR FOR PERSONS WHO NEED THESE BASIC SERVICES AFTER HOURS.

5. **IMPROVE SAVINGS & RESERVE FUNDS:** CENTRAL BANK SAYS 90% OF BANK ACCOUNTS STILL HAVE LESS THAN \$10K. UNLIKE OUR AMERICAN COUNTERPARTS WHO HAVE EXPERIENCED ENOUGH PAIN TO ADJUST THEIR BEHAVIOURS, WE ARE STILL SPENDING & BORROWING LIKE THERE IS NO TOMORROW.
6. **PROMOTE ECONOMIC EMPOWERMENT THROUGH THE DEVELOPMENT OF SMALL & MEDIUM SIZED ENTERPRISES “SME’S”:** EMPLOYING THE SINGAPORE MODEL WE MUST PROMOTE BUSINESS FRIENDLINESS, MAKE APPROVALS AND PERMITS FASTER. **SO REGULATORS, LOCAL ADMINISTRATORS, COUNSELLORS, LICENSING BOARDS – WE MUST MANAGE RISK YES BUT PROVIDE PROGRESSIVE LEADERSHIP TO ENABLE & FACILITATE BUSINESS, FOSTER ECONOMIC GROWTH AND IMPROVE QUALITY OF LIFE OF OUR PEOPLE.** IF YOU WORK FOR A UTILITY COMPANY, YOU MUST NAVIGATE THE BUREACRACY - INSTALL THE POWER, WATER OR DSL SUPPLY FASTER – EXUMA IS SMALLER THAN NASSAU – SO DON’T TELL ME YOU CAN’T BE FASTER! A BUSINESS FRIENDLY ENVIRONMENT DRIVES ECONOMIC ACTIVITY. I AM DELIGHTED TO BE A PART OF A CHAMBER OF COMMERCE TEAM (PRIVATE SECTOR DRIVEN) WORKING WITH THE GOVERNMENT TO CO-ORDINATE & STREAMLINE THE ENTIRE PROCESS FOR SME’S FROM BUSINESS PLANNING & BUSINESS SUPPORT, TO LICENSING, TO FINANCIANG, ALL UNDER ONE ROOF. HOPEFULLY, THIS WILL BE GIVEN TEETH THROUGH A NEW PROPOSED SMALL BUSINESS ACT. THIS SHOULD BRING NEW ENERGY TO THIS SECTOR AND HELP TO DRIVE SME DEVELOPMENT. IN SINGARPORE, 70% OF JOBS ARE CREATED IN THE SME SECTOR AND THERE IS NO CO-INCIDENCE THAT THEIR ECONOMY HAS BEEN SUSTAINABLE – TO THE TUNE OF 8% GROWTH IN 2010- EVEN IN THESE TURBULENT TIME!

7. **SENSIBLE IMMIGRATION POLICY & APPROACHES:** THIS IS IMPORTANT AT THE NATIONAL LEVEL TO ATTRACT WEALTHY INDIVIDUAL AND SPECIALISED EXPERTISE [BARBADOS FOR EXAMPLE HAS GAINED SIGNIFICANT GROUND IN FINANCIAL SERVICES IN A SHORT TIME BECAUSE OF PROGRESSIVE POLICES INCLUSIVE OF FREE MOVEMENT OF PROFESSIONALS FROM THE REGION]. OF COURSE, THIS POINT IS NOT ONLY FOR THE GOVERNMENT BUT ALSO FOR EXUMIAMS. DEPT OF STATS CONFIRMED A 105% INCREASE IN EXUMA'S POPULATION OVER THE PAST 10-YEARS. THERE WAS A DIRECT CORRELATION BETWEEN ECONOMIC GROWTH & POPULATION GROWTH. I SUBMIT, THAT **WE CANNOT EFFECTIVELY DEVELOP & SUSTAIN BUSINESSES [OR GET ENOUGH TAXES OR NIB CONTRIBUTIONS] UNLESS WE DOUBLE THIS ISLANDS POPULATION FROM 7K TO 15K IN THE NEXT 10 YEARS.** AND SO WE MUST EMBRACE NEW PEOPLE COMING TO EXUMA WHETHER THEY ARE WORKERS, BOATERS, 2ND HOME OWNERS OR RETURNING EXUMIAMS. THESE PEOPLE ARE CUSTOMERS, CUSTOMERS SPEND MONEY AND CIRCULATING MONEY DRIVES ECONOMIC GROWTH. **EXUMA I SAY TO YOU, THAT THE DAYS OF CLASSIFYING THESE PEOPLE AS "DRIFT WOOD" ARE OVER!** MAY I ALSO ADD THAT MANY OF THESE "DRIFT WOOD" HAVE ADOPTED EXUMA AS THEIR HOME AND CONTRIBUTED GREATLY TO COMMUNITY DEVELOPMENT.

8. **STAY FOCUSED ON QUALITY OF LIFE ISSUES:** INVESTORS COME TO OUR ISLAND BECAUSE OF THE QUALITY OF LIFE. THE PRISTINE BEAUTY & ENVIRONMENT, LOW LEVELS OF CRIME AND GENERALLY HIGH QUALITY OF LIFE THAT WE ENJOY. **WHEN I LISTEN TO THE NEWS SOMETIMES - KNOW THAT EXUMIAMS AREN'T DESTROYING IT FOR THEMSELVES – SO TELL THOSE NASSAUVIANS WHO DO THIS THAT WE HAVE A LOW TOLERANCE AND THAT BEHAVIOUR IS NOT WELCOMED HERE!**

LADIES & GENTLEMEN

THE BAD NEWS IS //THAT DESPITE THE OBAMA’S EFFORTS TO TALK UP THE US ECONOMY, IT WILL BE ANOTHER 12 MONTHS BEFORE THEY SEE ANY APPRECIABLE TANGIBLE IMPROVEMENT. WHAT THIS MEAN IS THAT IT WILL LIKELY BE 24 MONTHS BEFORE WE MIGHT BE “OUT OF THE WOODS”.

THE GOOD NEWS IS THAT SOME OF THE BEST DEALS ARE MADE DURING THESE TIMES. WARREN BUFFET IS ON RECORD AS MAKING MOST OF HIS BILLIONS IN RECESSIONARY TIMES. MY BUSINESS PARTNER HAS A SAYING THAT HE LIKES TO BUY “FREE STUFF”. WHETHER IT’S A TROUBLED BUSINESS OR DISTRESSED REAL ESTATE, WE MUST SEIZE TODAY’S OPPORTUNITIES. THESE SAME TURBULENT TIMES WILL BE THE MAKING OF MANY NEW MILLIONAIRES.

I AM REMINDED,// THAT AS A KID GROWING UP IN FORBES HILL, I USED TO SAY THAT I WAS AS “SERIOUS AS A HEART ATTACK”. WELL THE ECONOMY AND MANY OF US HAVE GONE THROUGH A FINANCIAL HEART ATTACK...BUT HEART ATTACKS WITH THE RIGHT ATTENTION AND MEDICATION AREN’T AS FATAL ANYMORE.

IF I MIGHT SAY SO MYSELF, THE THOUGHTS THAT I HAVE SHARED TODAY– IF EFFECTIVELY EXECUTED, COULD VERY WELL BECOME “THE NEW NORMAL” IN TERMS OF SOLUTIONS TO THESE VEXING ISSUES THAT NOT ONLY IMPACT EXUMA, BUT REST OF THE BAHAMAS & THE WORLD. JUST AS ELIZABETH HARBOR IS THE ULTIMATE SAFE HARBOUR OF THE HEMISPHERE, WE MUST RE-CREATE OURSELVES TO BE THE “NEW NORMAL” – THE MODEL FOR THE REST OF THE BAHAMAS, THE REGION & THE WORLD. I KNOW THAT WE WILL LEAD WAY & WE WILL SUCCEED – THAT’S SIMPLY HOW WE DO IT IN EXUMA!

THANK YOU – GOD BLESS!