

Latin America & Caribbean Economic Shifts: FDI, Tourism Recovery, and Digital Growth

Economics · Answer Key · 8 Questions

1. According to UNCTAD's World Investment Report, what was the percentage decrease in Foreign Direct Investment (FDI) flows to Latin America and the Caribbean in 2024, and what was the total value?

- A) A 8% decrease, totaling \$175 billion
- B) A 12% decrease, totaling \$164 billion**
- C) A 10% decrease, totaling \$170 billion
- D) A 15% decrease, totaling \$158 billion

2. In 2024, which subregion within Latin America and the Caribbean experienced the most significant percentage increase in FDI inflows, and what was the approximate value?

- A) South America, with a 18% increase to \$111 billion
- B) Central America, with a 4% increase to \$52 billion
- C) The Caribbean, with a 21% increase to \$3.9 billion**
- D) Mexico, with a 47.9% increase to \$24 billion

3. The Caribbean Tourism Organization (CTO) reported that in 2024, international tourist arrivals surpassed pre-pandemic levels. What was the percentage increase above the 2019 benchmark?

- A) 4.5%
- B) 5.2%
- C) 6.9%**
- D) 7.5%

4. Which country remained the most visited destination in the Caribbean in 2024, and approximately how many tourists did it welcome?

- A) Jamaica, with 7.2 million tourists
- B) The Dominican Republic, with 8.5 million tourists**
- C) Puerto Rico, with 6.8 million tourists
- D) The Bahamas, with 7.9 million tourists

5. Regarding FDI in 2024, while overall flows to Latin America and the Caribbean decreased, what type of investment saw an increase in both number and value, boosted by projects in refined petroleum, the digital economy, and renewable energy?

- A) Cross-border mergers and acquisitions
- B) International project finance
- C) Greenfield investments**
- D) Portfolio investments

6. According to ECLAC's projections for 2025, what is the expected GDP growth rate for the Caribbean region (excluding Guyana)?

- A) 1.8%
- B) 2.6%**
- C) 2.1%
- D) 2.9%

7. In 2024, what was the estimated total value of Foreign Direct Investment (FDI) inflows for Latin America and the Caribbean, according to ECLAC?

- A) \$164 billion
- B) \$175 billion
- C) \$188.96 billion**
- D) \$195 billion

8. Which key sector, besides tourism, is expected to remain a significant driver of economic growth in the Caribbean in 2025?

- A) Technology manufacturing
- B) Agricultural exports
- C) Construction**
- D) Financial services