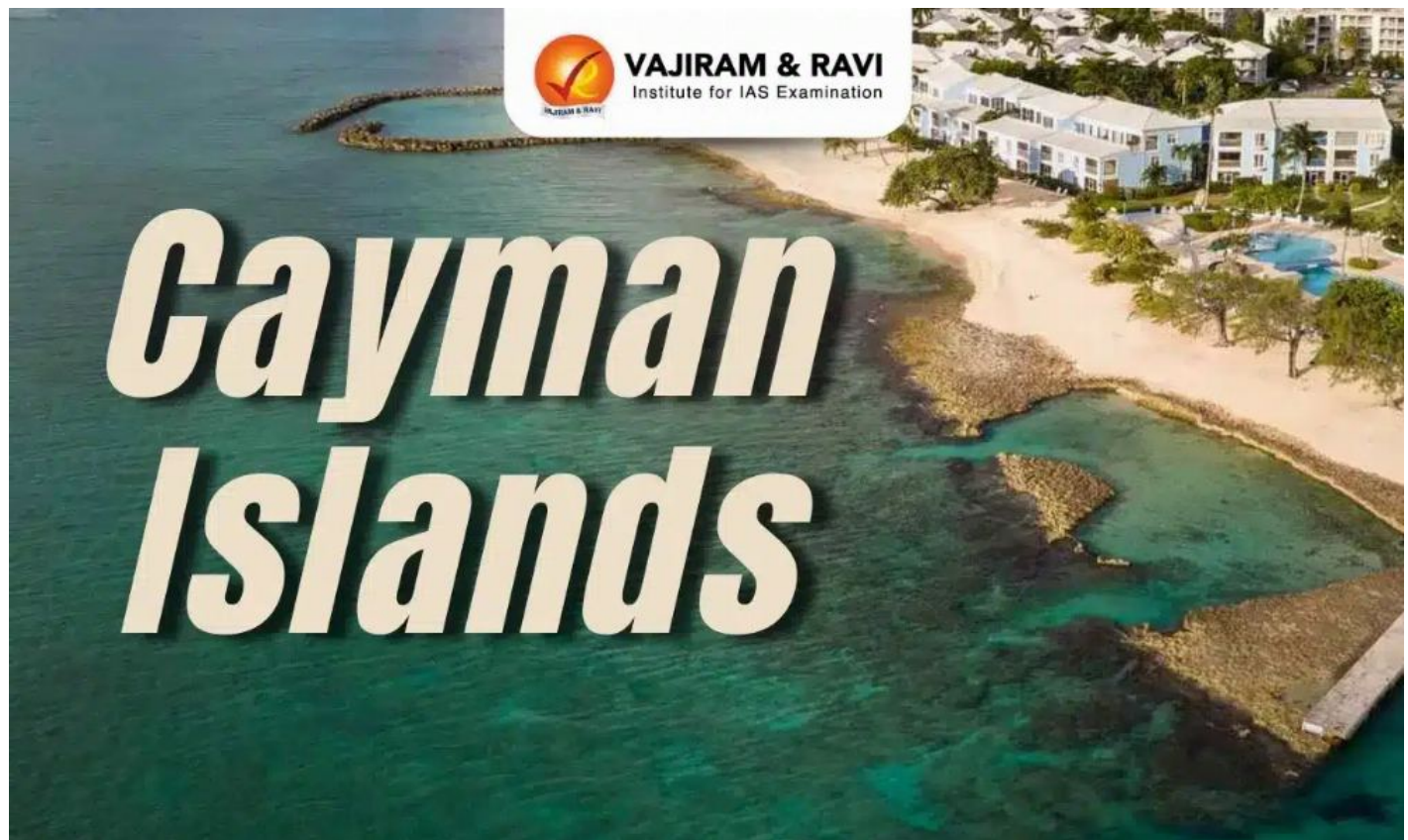


Cayman Islands, History, Location, Geography, Economy, Climate

February 5, 2026 • vajiramandravi.com



Cayman Islands are a group of islands in the Caribbean Sea, the overseas territory of the United Kingdom. It comprises the islands of Grand Cayman, Little Cayman and Cayman Brac.

Cayman Islands Overview

Cayman Islands are a group of Islands with distinct **geographical, climatic, economic and cultural features**. The features are discussed in details below:

History

- These Islands were first sighted by **Christopher Columbus in 1503** and came under **British control after the Treaty of Madrid (1670)**; permanent settlement began on **Grand Cayman**, with British settlers and African slaves forming a stable society after **emancipation in 1835..**
- Politically, the islands were linked to **Jamaica** until **1959**, returned to **direct British rule in 1962** and gained **internal self-government through the 1972 constitution**, later strengthened by constitutional

reforms in **2009** and the creation of a **Parliament in 2020**.

- The modern economy grew around **tourism and offshore banking**, reducing dependence on Britain.

Location and Islands

- The Cayman Islands consist of **three islands: Grand Cayman, Cayman Brac, and Little Cayman**.
- They lie **south of Cuba** and **northwest of Jamaica**.
- The capital of Cayman Island is **George Town**.

Language

- **English is the official** and most spoken language in the Islands, while **Spanish** is the second most spoken language.

Geography

- The Cayman Islands are **three low-lying limestone islands** in the **western Caribbean Sea-Grand Cayman, Cayman Brac and Little Cayman**; **Grand Cayman** is the largest and most populated.
- The coasts are mainly **ironsore with sandy beaches** and the islands are **surrounded by coral reefs** that support marine life and tourism.
- Due to the **porous limestone surface**, there are **no rivers**; **mangroves** cover a significant part of the land and protect the coastline.
- The islands have a **tropical climate** with **warm temperatures year-round**.

Climate

- The Islands have a **tropical climate**, which means the weather is **warm throughout the year**.
- The **average temperature** remains around **27°C**, with no extreme heat or cold.
- There are **two main seasons**:
 - **Rainy season** from **May to October**
 - **Dry season** from **November to April**
- **Rainfall** is moderate to heavy, especially during the rainy season.
- The pleasant climate supports **tourism**, which is important for the economy.

Economy and Currency

- The **currency of the Cayman Islands** is the **Cayman Islands Dollar (KYD)**.
- The economy is **service-based**, mainly dependent on **tourism and offshore banking**, which has resulted in the **highest per capita income in the Caribbean**.
- **Tourism** is supported by a **favourable climate, natural beauty, air and sea connectivity**.
- The Cayman Islands are a leading **international financial centre** due to **absence of direct taxes and liberal banking laws**, with banking revenues forming a major part of the government income.
- While **financial confidentiality** is protected, the islands follow **international rules** through **tax-information exchange agreements**, helping maintain global credibility.

Environment challenges

- Being **low-lying islands**, the Islands are highly **vulnerable to climate change**, especially **sea-level rise, hurricanes and coastal erosion**.
- **Coral reefs and mangroves**, which protect the coastline and support marine life, are under threat from **pollution, warming seas and tourism pressure**.

Rapid growth of **tourism and construction** has increased **waste generation, water scarcity and habitat loss**, putting stress on the natural environment.

Source: <https://vajiramandravi.com/current-affairs/cayman-islands/>

© Vajiram & Ravi. For personal use only.