



XVI Meeting of the Latin American Network of Central Banks and Finance Ministries

Preliminary Agenda

April 16 and 17, 2002

1300 New York Avenue N.W., Washington, D.C.
Cecilio Morales Room (12th Floor)

Tuesday – April 16, 2002

8:30 - 9:00 a.m. **Registration** – Main Lobby, 1300 New York Ave., NW

9:00 – 9:15 a.m. **Opening:** Enrique V. Iglesias, Inter-American Development Bank

SESSION I

9:15 – 10:45 a.m. **Global and Regional Outlook**

How serious is the global slowdown? What are the prospects for the length and depth of the U.S. recession? What is the outlook for international financing to emerging markets? Was Argentina's contagion contained? What is the outlook for key Latin American trade and financial markets? Under what conditions will capital flows resume? Is fiscal sustainability an issue? What are the growth perspectives for the region?

Chair: Enrique V. Iglesias, Inter-American Development Bank
Speakers: **World Economic Outlook:** David Robinson, International Monetary Fund
Global Financial Outlook: Charles Blitzer, International Monetary Fund
Latin American Outlook: Arturo Galindo, Inter-American Development Bank

10:45 – 11:00 a.m. **Coffee Break**

SESSION II

11:00 – 12:30 p.m. **The Course of Reforms in Latin America**

What is the expected course for reforms in Latin America? What went wrong with the reforms of the nineties? Is there reform fatigue? Is there a chance for the resurgence of populism? What is the role of the Argentine crisis in expectations about reforms? Will there be ideological contagion? Was the credibility of the Washington Consensus policies severely damaged by the crisis? Are policy reversals expected? What will be the political and geopolitical impact of the crisis? Does the crisis reduce the significance of external actors such as the U.S. Treasury or IFIs in the region?

Chair: Guillermo Calvo, Inter-American Development Bank
Speakers: Eduardo Lora, Inter-American Development Bank
Arturo Valenzuela, Georgetown University

12:30 – 2:15 p.m.

Luncheon:

(Las Americas Dining Room, 7th Floor, by invitation only)

Keynote Speaker: Anne Krueger, International Monetary Fund

Hosted by Enrique V. Iglesias, Inter-American Development Bank

2:15 – 2:30 p.m.

Photograph of the group - Atrium (1st floor)

SESSION III

2:30 p.m. – 4:00 p.m.

Obstacles in the Road to FTAA

What are the main impediments for the negotiation of the FTAA? What are the constraints faced by the U.S. for a free trade agreement? Who are the winners and losers from the agreement? How will countries deal with pressure from loser industries? What are the political consequences of eliminating sub-regional protection agreements? What role will large regional economies play in negotiating FTAA? Will they act as leaders, or can they become stumbling blocks for the integration process? Has there been any resurgence of protectionism in Latin America? If so, has it become a major obstacle for FTAA? What are the implications for market access of simultaneous negotiations in the WTO, extra-regional initiatives (in particular the FTAA and those with the EU) and deepening of subregional schemes?

Chair:

Andrés Rodríguez-Clare, Council of Presidential Advisors, Costa Rica

Speakers:

Robert Devlin, Inter-American Development Bank

Ernesto Stein, Inter-American Development Bank

Jaime Zabludovsky, Inter-American Development Bank

4:00 p.m. – 4:15 p.m.

Coffee Break

SESSION IV

4:15 p.m. – 6:00 p.m.

Monetary Coordination for Integration In Latin America

What macroeconomic coordination is necessary to guarantee successful integration? Under what circumstances does exchange rate divergence become a serious problem? Are North-South agreements such as NAFTA immune to exchange rate divergence? How do crises, contagion and the sudden loss of access to credit impact on these issues? Is there a role for exchange rate policy coordination? If so, what form should this coordination take, and what kind of institutions should be in place to make it work?

Chair:

Guillermo Perry, The World Bank

Speakers:

Eduardo Fernández-Arias, Inter-American Development Bank

Rodrigo Valdés, Central Bank, Chile

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SESSION V

9:00 a.m. – 10:30 a.m. Lessons from Argentina

How did the crisis impact other countries in the region? What have other countries learned from the Argentine crisis? Are other highly dollarized economies at risk? Are countries prepared to face sudden stops in capital flows? What can they do to prepare? What are they doing to avoid similar problems?

Chair: Guillermo Calvo, Inter-American Development Bank
Speakers: Umberto Della Mea, Central Bank, Uruguay
Guillermo Escudé, Central Bank, Argentina
Armando Pinell, Central Bank, Bolivia
Ernesto Talvi, CERES, Uruguay
Renzo Rossini, Central Bank, Peru

10:30 a.m. – 10:45 a.m. Coffee Break

SESSION VI

10:45 a.m. – 12:45 p.m. Argentina: What Next?

How is the crisis going to evolve and what policy responses can be expected? How can you deactivate the "corralito" bomb? How can efficient financial intermediation be reestablished? Can monetary credibility be reestablished? How should International Financial Institutions respond to the crisis? How is the restructuring of external debt likely to proceed? What is the optimal monetary regime for Argentina?

Chair: Guillermo Calvo, Inter-American Development Bank
Speakers: Mario Blejer, Central Bank, Argentina (Videoconference from Argentina)
Jorge Todesca, Ministry of Finance, Argentina (Videoconference from Argentina)
Augusto de la Torre, The World Bank
Kristin Forbes, US Department of Treasury
Pablo Guidotti, UTD, Argentina

1:00 p.m. – 2:30 p.m. Working Lunch
Agenda ideas for next meeting

SESSION VII

2:45 p.m. – 4:45 p.m. **What Detains Growth in Central America?**

What long-term structural factors have been determinant in explaining Central America's slow growth pattern? What role can be attributed to physical and human capital formation? Are financial markets functioning properly in the region? What types of reforms are needed to stimulate long-term growth? Is integration with North America the solution? What are the short-term growth forecasts for the region? How has the slowdown in the world economy impacted Central American countries? How much do current growth estimates depend on foreign direct investment? Is FDI expected to maintain its current levels in the short term? What are the perspectives of bond markets short run development? Has the recent Argentine crisis increased the probability of a generalized risk of sudden stops of capital flows to the region? Is fiscal sustainability a common trend in the region? What impact can a sudden stop have on fiscal sustainability and on the stability of the financial sector?

Chair: Manuel Agosin, Inter-American Development Bank
Speakers: Mario Alonso, Central Bank, Nicaragua
Rolando Guzmán, Instituto Tecnológico de Santo Domingo, Dominican Republic
Roberto Rivera Campos, FUSADES, El Salvador
Andrés Rodríguez-Clare, Council of Presidential Advisors, Costa Rica
Eduardo Weymann, Ministry of Finance, Guatemala
