



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

http://www.iadb.org/OCE/networks_banks.htm

October 26 and 27, 2000

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

Agenda

Thursday - October 26, 2000

10:00 - 11:00 a.m. Registration – Main Lobby, 1300 New York Ave., N.W.

11:00 – 11:15 a.m. Welcome Remarks - Enrique V. Iglesias, President - IDB
Program Overview - Eduardo Fernández-Arias, Lead Research Economist, IDB

Session I

11:15 a.m.– 12:30 p.m.	Global and Regional Prospects
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What are the prospects of external conditions relevant to the region, such as world growth, terms of trade, world interest rates? What are the risks associated with developments in the U.S. economy, such as a tight monetary policy, the collapse of stock prices, a hard landing? What are the prospects for capital flows to our region? Is the FDI boom winding down; have debt markets recovered? Are recent financial volatility and contagion-like phenomena (e.g., correlation with NASDAQ fluctuations) likely to become permanent features that will threaten economic performance and stability across the region in the medium and long run? What are the policymakers' expectations of country prospects?

Chair: Enrique V. Iglesias, President - IDB

Panel: Michael Mussa, Director, Research Department - IMF
Michael Gavin, Executive Director, Economic & Financial – UBS Warburg
Eduardo Lora, Chief Economist, a.i. – IDB

12:30 – 12:45 p.m. *Photograph of the group* - Atrium (1st floor)

12:45 – 2:45 p.m. Luncheon * by invitation only * Executive Dining Rooms 7th floor
“Globalization and Three Trinities: Currencies, Conditionality, and Climate”

Keynote Speaker: *Jeffrey Frankel, Harvard University*

Hosted by Mr. Enrique V. Iglesias, President - IDB

Session II

3:00 – 5:30 p.m.

What is Holding Back Growth in the Region?

Latin America is recovering from the 1998-99 recession, but the growth rebound is disappointing in a number of countries. What is the cause of low growth? Is inadequate access to foreign funds currently an obstacle to recovery in the region? Is it another short-term factor missing in the recovery process, such as weak demand or impediments in domestic credit markets? Or are we facing a structural limitation to long-run growth that discourages investment and inhibits productivity, such as inadequate human capital, inadequate infrastructure, or a weak institutional and policy environment?

Chair: Winston Dookeran, Governor, Central Bank, Trinidad and Tobago

Speaker: Ricardo Hausmann, Professor - Harvard University

Discussant: Ernesto Talvi, Executive Director - CERES, Uruguay

Panel: Daniel Marx, Secretary of Finance, Ministry of Economy, Argentina
José Darío Uribe, Deputy Governor, Banco de la República, Colombia
Francisco Rodríguez, Chief Economist, Macroeconomic Analysis, National Assembly, Venezuela
Felipe Morandé, Chief Economist, Central Bank, Chile

Friday - October 27, 2000

Session III

Selected Issues on Public Debt Management

9:00 – 10:15 a.m.

The Frontier of Public Debt Management

Chair: Ricardo Hausmann, Professor – Harvard University

Speaker: Andrés Velasco, Professor – Harvard University

Discussant: Eduardo Fernández-Arias, Lead Research Economist, IDB

10:15 – 10:30 a.m.

Coffee Break

10:30 a.m. – 1:00 p.m. The Interaction between Debt Management and Monetary Policy

- How should monetary/exchange rate policy take into account the public debt structure (e.g. maturity and currency denomination) and debt management policy? How should the private debt structure be factored in? What would be the implications for international reserves policy in an asset-liability framework? Should the setting of monetary/exchange rate and debt management decisions be institutionally independent or centrally coordinated?
- How are debt management choices affected by monetary/exchange rate policies and forecasts? How should debt management strategy incorporate the exchange rate regime? Should floaters focus on lengthening the

maturity of domestic currency debt? Should fixers avoid domestic currency debt on the grounds that it is inefficiently expensive and gives the wrong signals? How should financial regulation of private debts contribute to these objectives?

Panel: Andrew Powell, Chief Economist - Central Bank, Argentina
Daniel Gleizer, Director of International Affairs - Central Bank - Brazil
Fabio Barbosa, Secretary of National Treasury – Brazil
Moises Schwartz, Director of Macroeconomic Analysis, Banco de Mexico
Heinz P. Rudolph Herrera, Director of International Finance - Ministry of Finance, Chile

1:15 – 3:15 p.m.

Working Lunch of the Network

Session IV

3:30 – 5:00 p.m.

**New Developments in International Financial Architecture:
Should We All Get a CCL?**

What are the new developments in international financial architecture relevant to our region that are being implemented or are being proposed in international forums? Should countries in the region apply in block for IMF contingent credit lines (CCL) to benefit from the program while avoiding the signal of weakness associated with individual requests? What are the main issues to be addressed in the upcoming CHFI seminar on debt and fiscal management (December, Canada).

Chair: José Alejandro Rojas, Minister of Finance, Venezuela

Panel: Daniel Marx, Secretary of Finance, Ministry of Economy, Argentina
Marcos Caramuru de Paiva, Secretary of International Affairs, Ministry of Finance, Brazil
Carlos Noriega Curtis, Under-Secretary, Ministry of Finance and Public Credit, Mexico
Alonso Pérez Kakabadse, Economist, Presidency of the Republic, Ecuador
