



XXVIII MEETING OF THE LATIN AMERICAN NETWORK OF CENTRAL BANKS AND FINANCE MINISTRIES

October 23-24, 2008
CR-3, Enrique V. Iglesias Conference Center
1330 New York Avenue, N.W., Washington, DC

OCTOBER 23

10:30 am – 12:30 pm Opening by Luis Alberto Moreno, President, IDB

THE GLOBAL UNFOLDING OF FINANCIAL CRISIS AND SLOWDOWN IN THE US: WHERE WILL IT STOP?

Are we headed towards a major banking crisis in the US and/or Europe? Will LAC banking system fall victim of contagion in due course or is it well immunized? Are we headed towards a deep recession in the US? How is this economic stress unfolding in the rest of the developed world and impacting global imbalances? What is the risk of a serious global crisis?

Moderator: Santiago Levy, Vice President Sectors and Knowledge, IDB

Panel: Simon Johnson, Senior Fellow, Peterson Institute for International Economics
Michael Gavin, Emerging Market Economist, Citadel Investment Group
Eduardo Levy-Yeyati, Head of Latin America Research, Barclays Capital

12:30 – 2:00 pm **LUNCHEON ADDRESS** (Executive Dining Rooms, 7th Floor)

LIKELY IMPLICATIONS OF THE FINANCIAL CRISIS

Host: Daniel Zelikow, Executive Vice President, IDB

Keynote Speaker: Olivier Blanchard, Economic Counselor, Head of Research Department, International Monetary Fund

2:15 – 3:30 pm **WHAT IS BEHIND THE COMMODITY PRICE ROLLER COASTER?**

How much can be explained based on supply and demand factors? Are there alternative financial explanations that hold water? All things considered, what can we expect in the future?

Moderator: Eduardo Lora, Manager and Chief Economist a.i., Research Department, IDB

Panel: Thomas Helbling, Advisor and Head of Commodity Unit, Research Department, International Monetary Fund
Máximo Torero, Director of Market Trades and Institutions Division, IFPRI

3:30 – 3:45 pm **COFFEE BREAK**

3:45 – 5:45 pm

THE IMPACT OF THE GLOBAL ENVIRONMENT ON OUR REGION

How is the region's macroeconomic performance being affected by the deterioration and instability of the global environment? How great is the stress? How much less are countries glittering? How diverse are country experiences in this regard? What should we expect as the global environment evolves through the slowdown? What would it take to provoke a serious regional slowdown?

Moderator: Augusto de la Torre, Chief Economist for Latin America and the Caribbean, The World Bank

Presentation: Ernesto Talvi, Executive Director, CERES, Uruguay

Panel: Guillermo Mondino, Barclays Capital
Luis Céspedes, Director of Economic and Financial Policy, Finance Ministry, Chile

OCTOBER 24

9:00 – 10:30 am

POLICY OPTIONS FOR FACING CURRENT TURBULENCE AND ADDRESSING RISKS

The global environment is putting our economies under stress and already having substantial impact. Furthermore, its unfolding is still underway and poses substantial future risks. What are the policy options that countries should consider both to face current turbulence and prepare for the risks? How should policies be adjusted in light of the new scenario (such as monetary, exchange rate and reserve accumulation, fiscal, debt management, financial regulation)? What are the implications for fiscal sustainability? What policy options should be considered as the situation unfolds?

Moderator: Eduardo Fernandez-Arias, Advisor, Research Department, IDB

Panel: Ernesto Talvi, Executive Director, CERES, Uruguay
Roberto Chang, Professor Department of Economics, Rutgers University
Rodrigo Valdés, Director and Chief Economist for Latin America, Barclays Capital

10:30 – 10:45 am

COFFEE BREAK

10:45 am – 12:30 pm

POLICY EXPERIENCE IN FACING CURRENT TURBULENCE AND ADDRESSING RISKS

How are countries evaluating and presently adjusting and exercising their policy options?

Moderator: Otaviano Canuto, Vice-President for Countries, IDB

Panel: Jorge Carrera, Deputy Manager, Central Bank, Argentina
Kevin Cowan, Director of Financial Policy, Central Bank, Chile
André Minella, Senior Advisor at the Research Department, Central Banks, Brasil
Jorge Toro, Head of Economic Research, Banco de la Republica, Colombia
Alejandro Werner, Sub Secretary for Finance and Public Credit, Mexico

12:30 – 2:00 pm

WORKING LUNCH (Room Las America 7th Floor)

Discussion on agenda items for next meetings and suggestions for supporting research

Coordinator: Eduardo Fernandez-Arias, Advisor, Research Department, IDB

Special Participation: IDB's Regional Economic Advisors: Fidel Jaramillo, Andrew Powell, Jose Seligmann and Ernesto Stein

2:00 – 3:15 pm

NEW EVIDENCE ON INFLATION PASS-THROUGH

How do changes in commodity prices work their way through the price structure and impact measured overall inflation? Have inflation concerns disappeared with the current global slowdown?

Moderator: Luis Catão, Senior Research Economist, IDB

Presentation: Roberto Rigobón, Professor MIT

Lead Discussant: Paul Castillo, Deputy Manager, Monetary Policy Design, Central Bank, Perú

3:15 – 3:30 pm

COFFEE BREAK

3:30 – 5:30 pm

THE CASE OF CENTRAL AMERICA

Central America is being hit especially hard because of its tight links with the US, including a strong dependence on workers' remittances. Many of the countries may face a commodity price double-whammy due to food and energy. What are the policy options available to Central America and how are countries coping?

Moderator: Ernesto Stein, Regional Economic Advisor, Country Department Central America, Mexico, Panama and Dominican Republic, IDB

Presentations: Roberto Rigobón, Professor, MIT

Igal Magendzo, Professor, Adolfo Ibáñez University

Discussants: Luis Aquino, Chief Economist, Central Bank, El Salvador

Roger Madrigal, Chief Economist, Central Bank, Costa Rica

Oscar Monterroso, Chief Economist, Banco de Guatemala