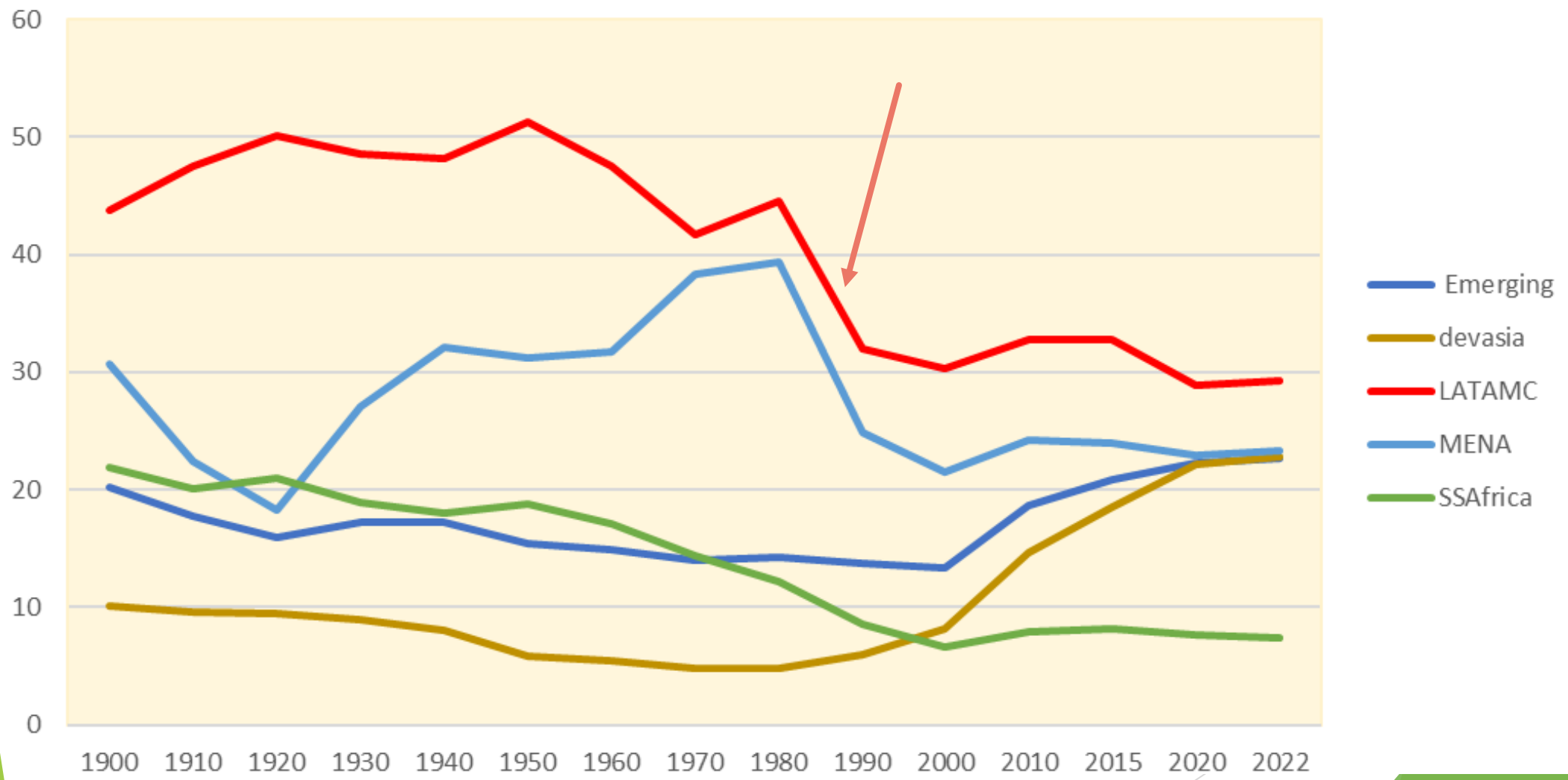


**Emerging Markets Forum
Washington DC
October 24 2024**

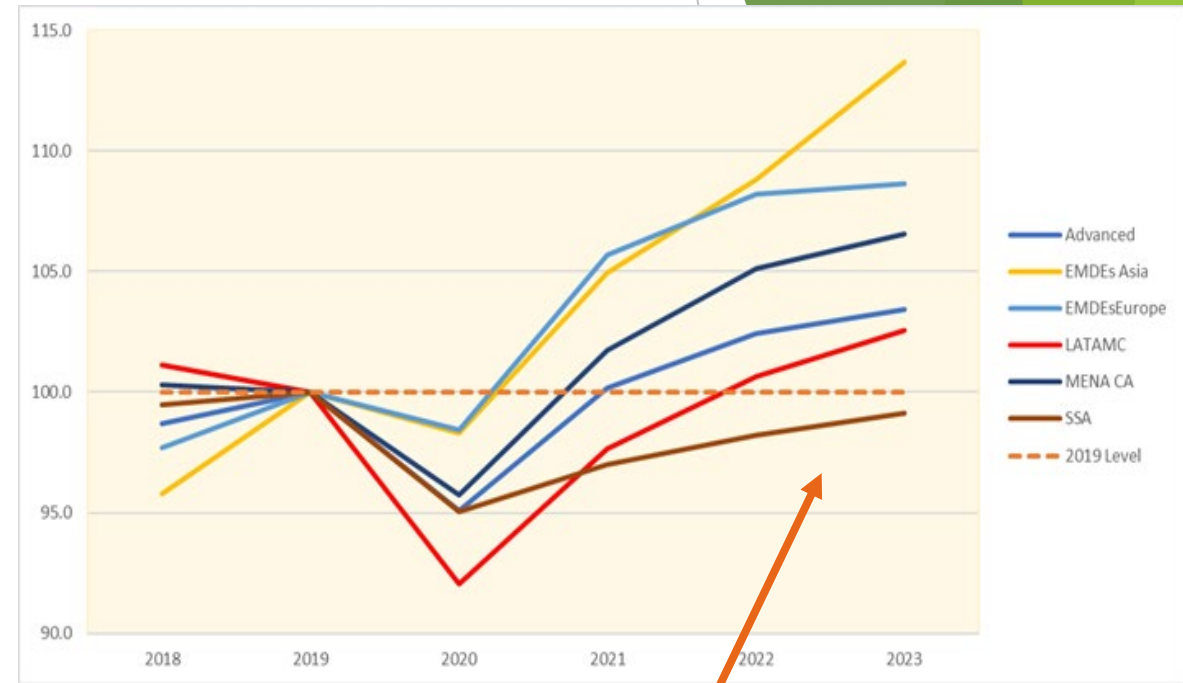
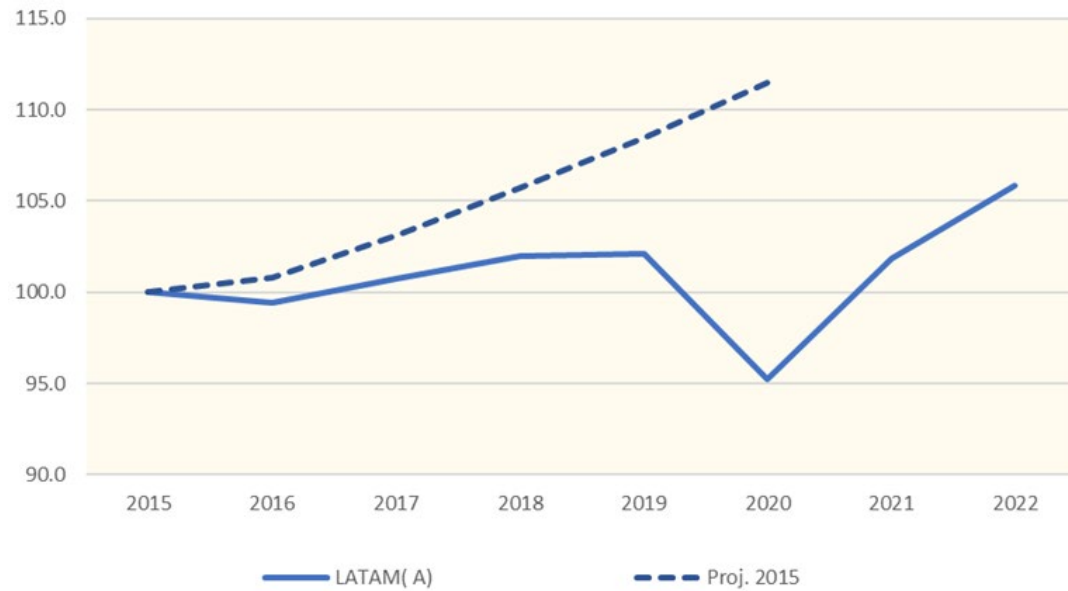
What the Book and the Presentation are About

- ▶ Latin American and the Caribbean: Where is it coming from; where is it now; how did it get to this point; where is it going?
- ▶ Why did the region have the best performance and likely the greatest potential among emerging economies, but now is behind others?
- ▶ Is there one story or several, both geographically and over time?
- ▶ This presentation will be at most a review of key points, but the book seeks to cover much more
- ▶ This book would not have been possible without previous EMF work and the help of many people, including, centrally, Jose Fajgenbaum and Harinder Kohli, as well as Enrique García, Anil Sood, Rajat Naj, Hasan Tuluy, Ieva Vilkelyte, Laura Sheldon, Harpaul Kohli, and Nicole Lippmann.
- ▶ And certainly, without him even trying, Michel Camdessus.

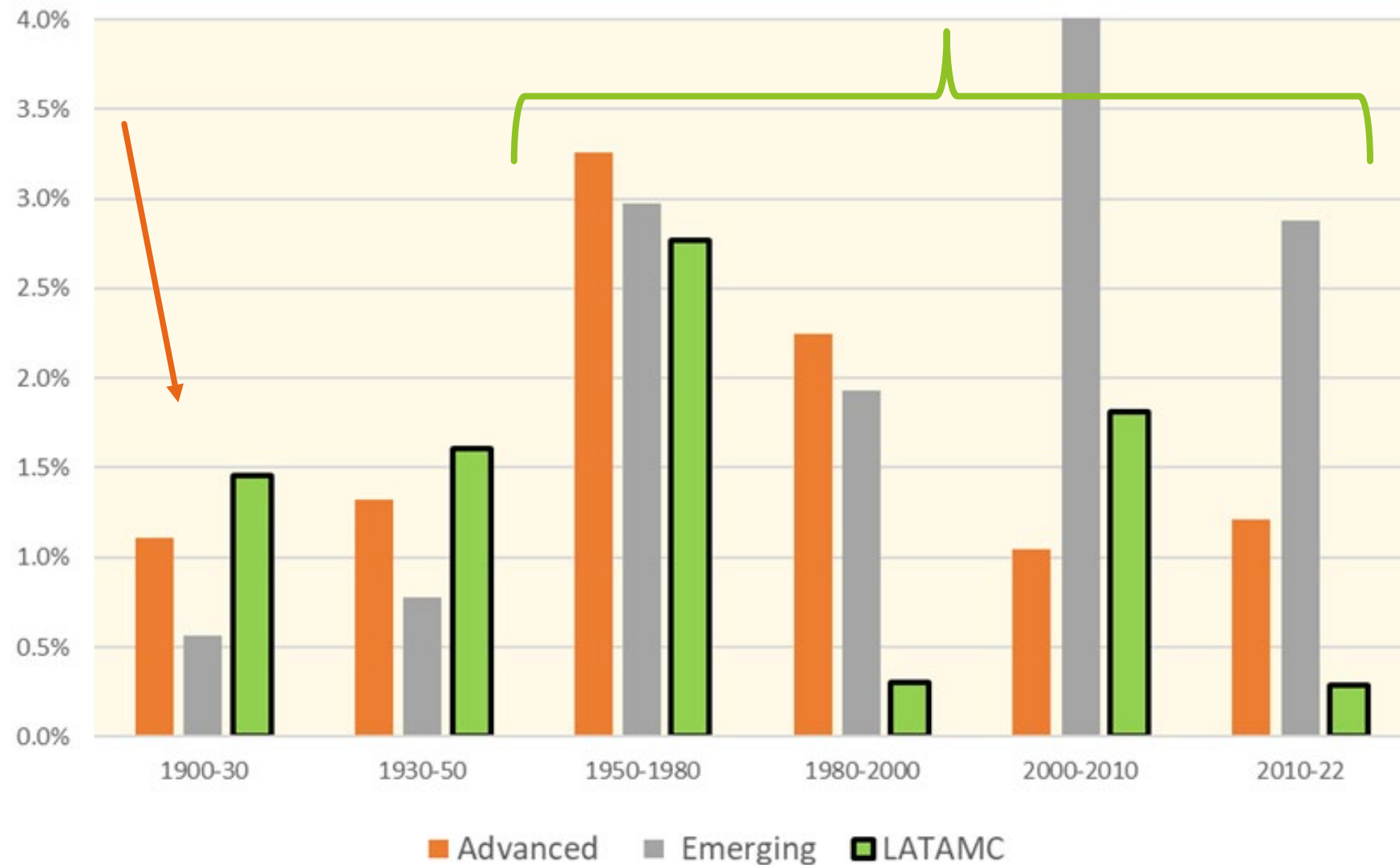
The ratio of per capita income to that of advanced countries has fallen more significantly for the region than for others, although it was also marked for MENA and SSA



Actual GDP was much lower in 2023 than projected in 2019, but even more relative to 2015. The recent recovery has been also slow

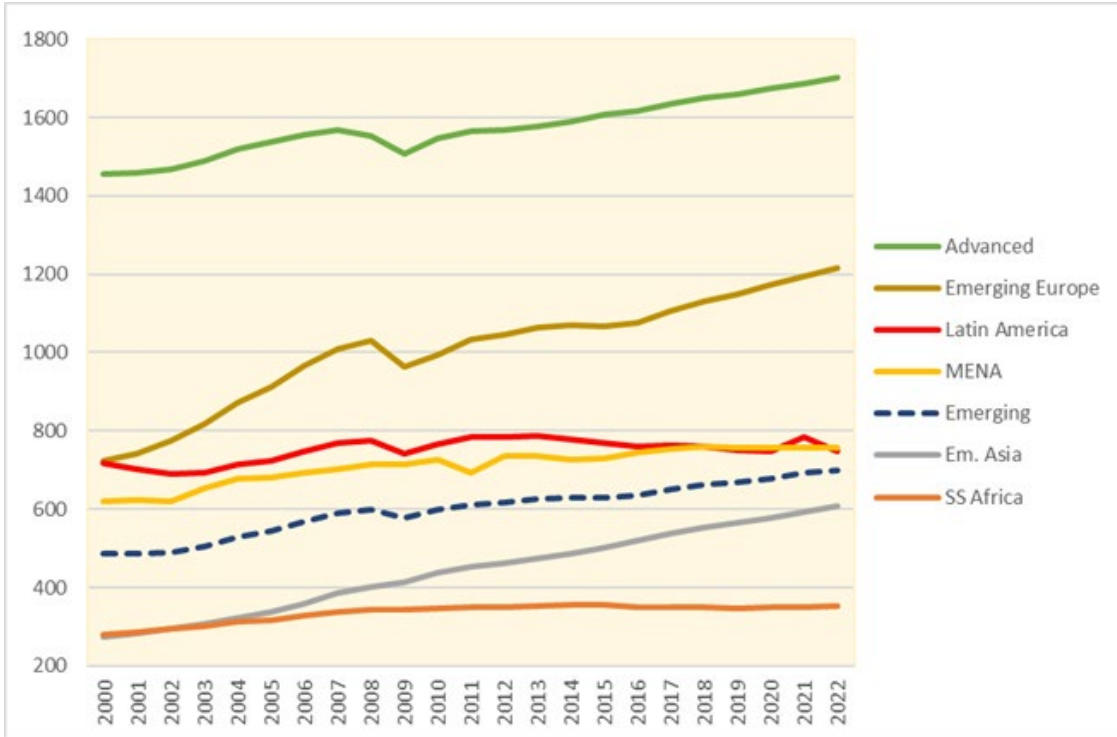


Average per capita income growth rate, lagged others (on average) for $\frac{3}{4}$ century, except during the early commodity boom

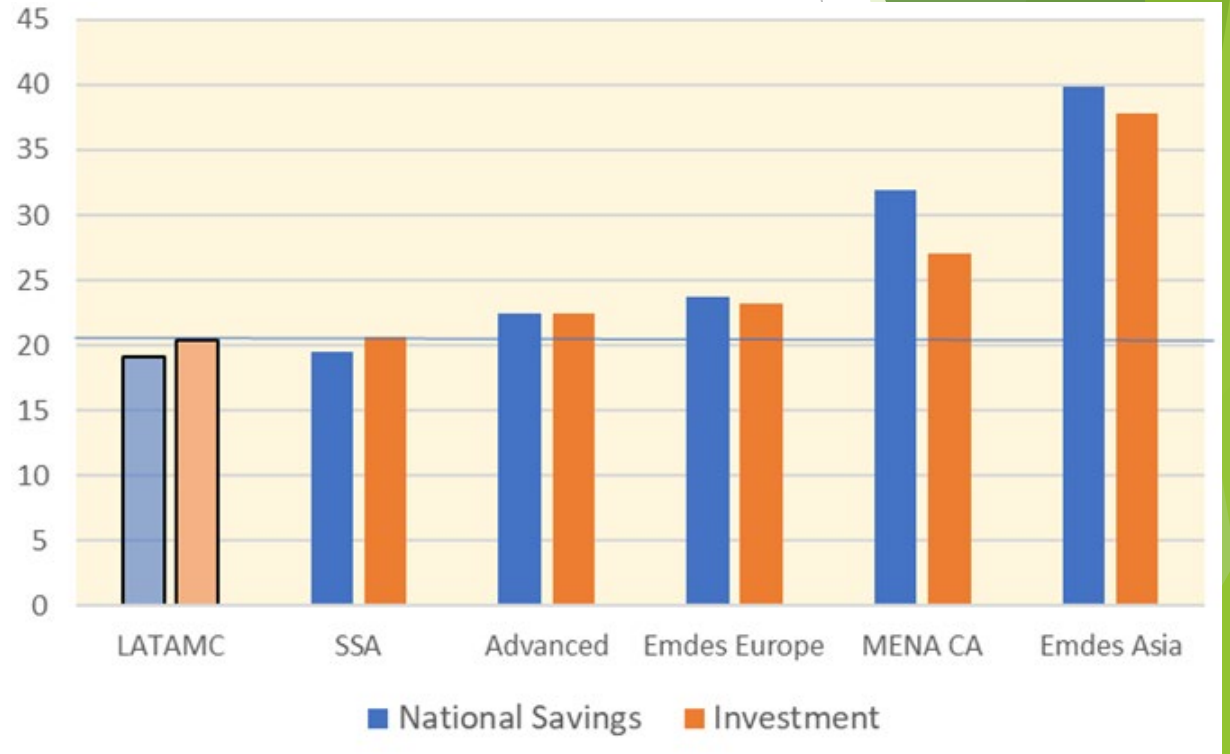


Productivity (TFP) growth has been about the worst of all regions, as has been the case with investment and savings

Latin America and Comparators - Total Factor Productivity Indices

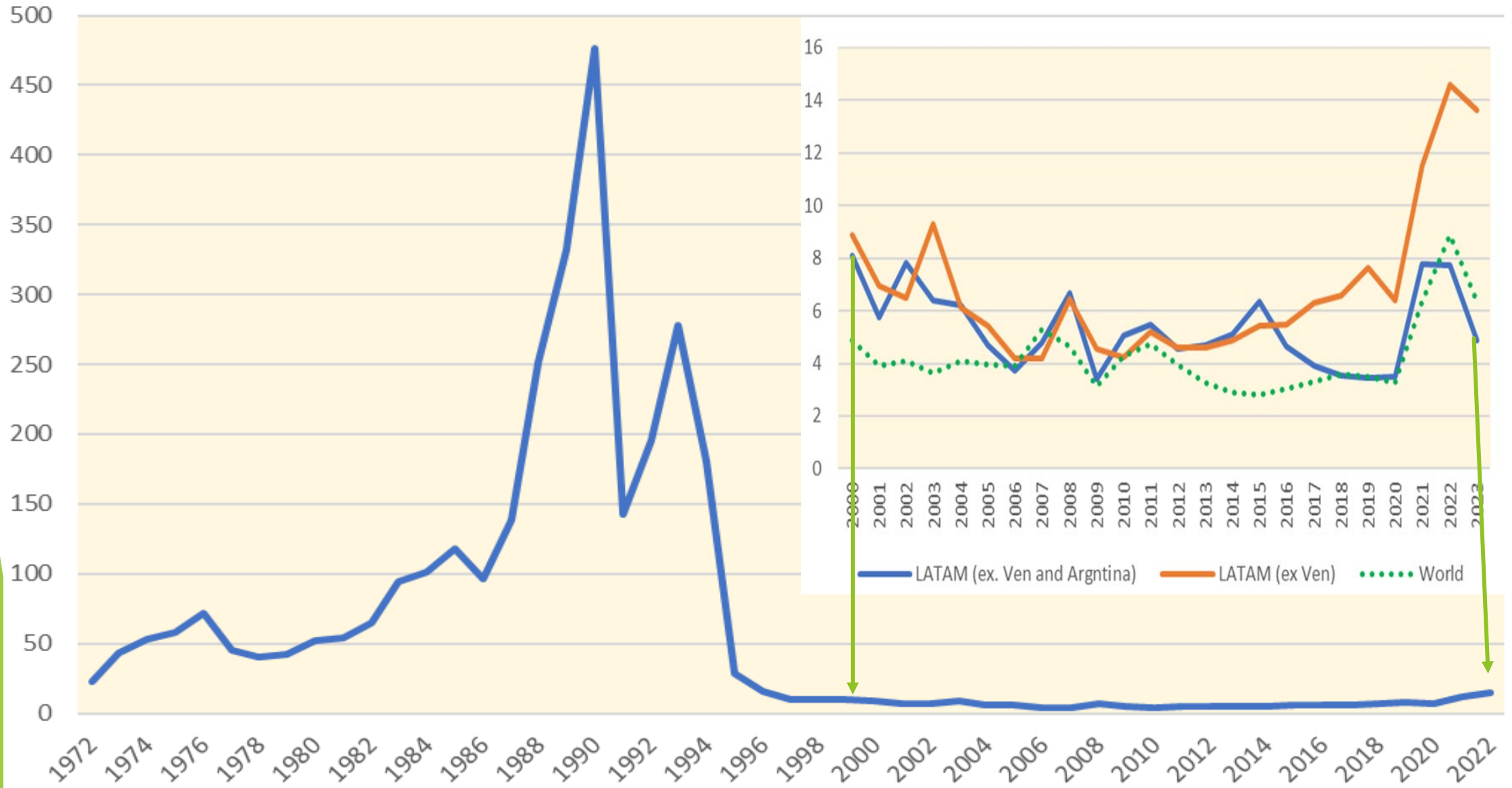


National Savings and Investment by Region (per cent of GDP, 2000-22)

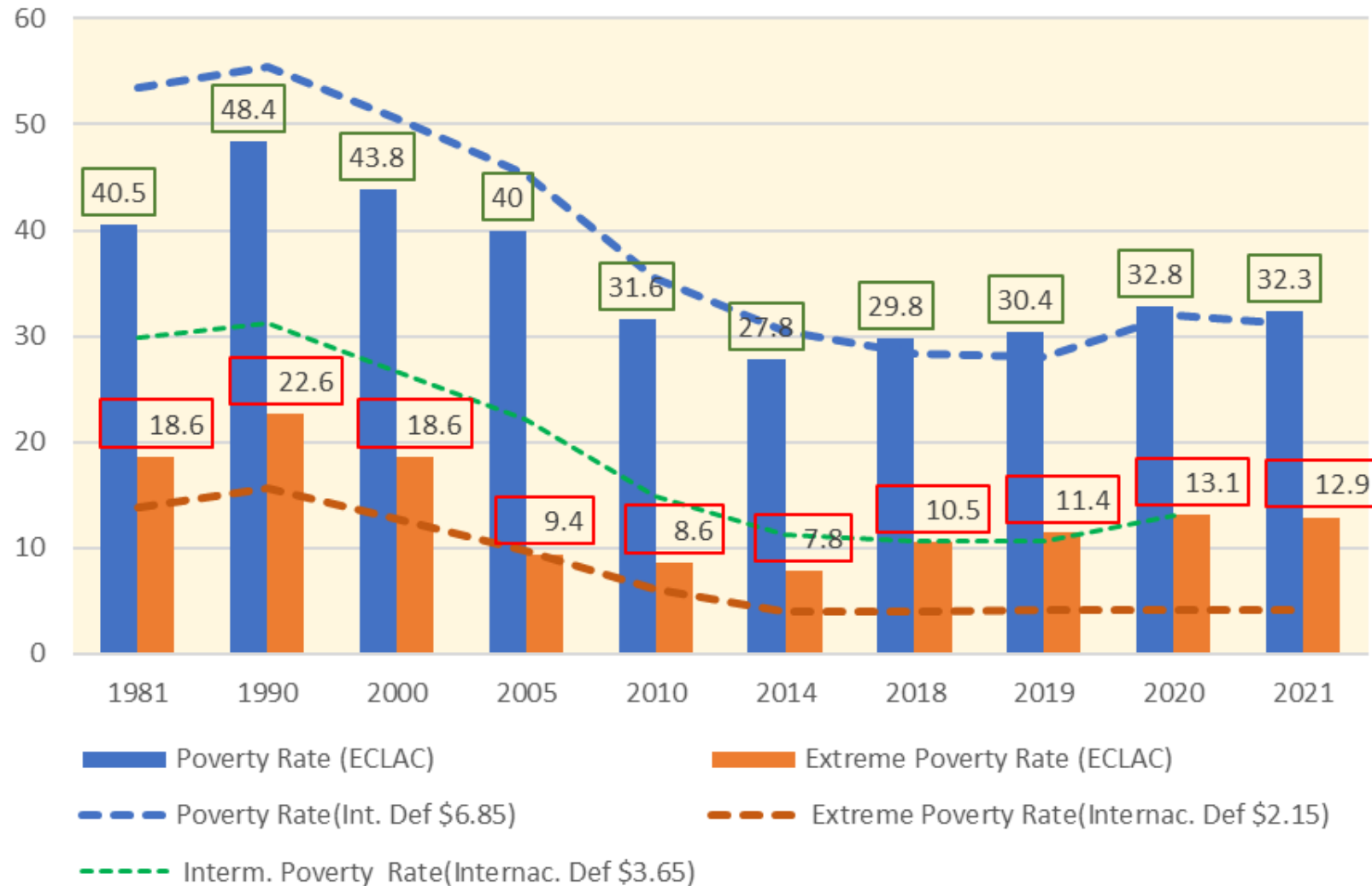


And growth rates have been particularly slow for the larger countries

Inflation, a burden from the 1960s has receded markedly, with the main exceptions of Venezuela and Argentina

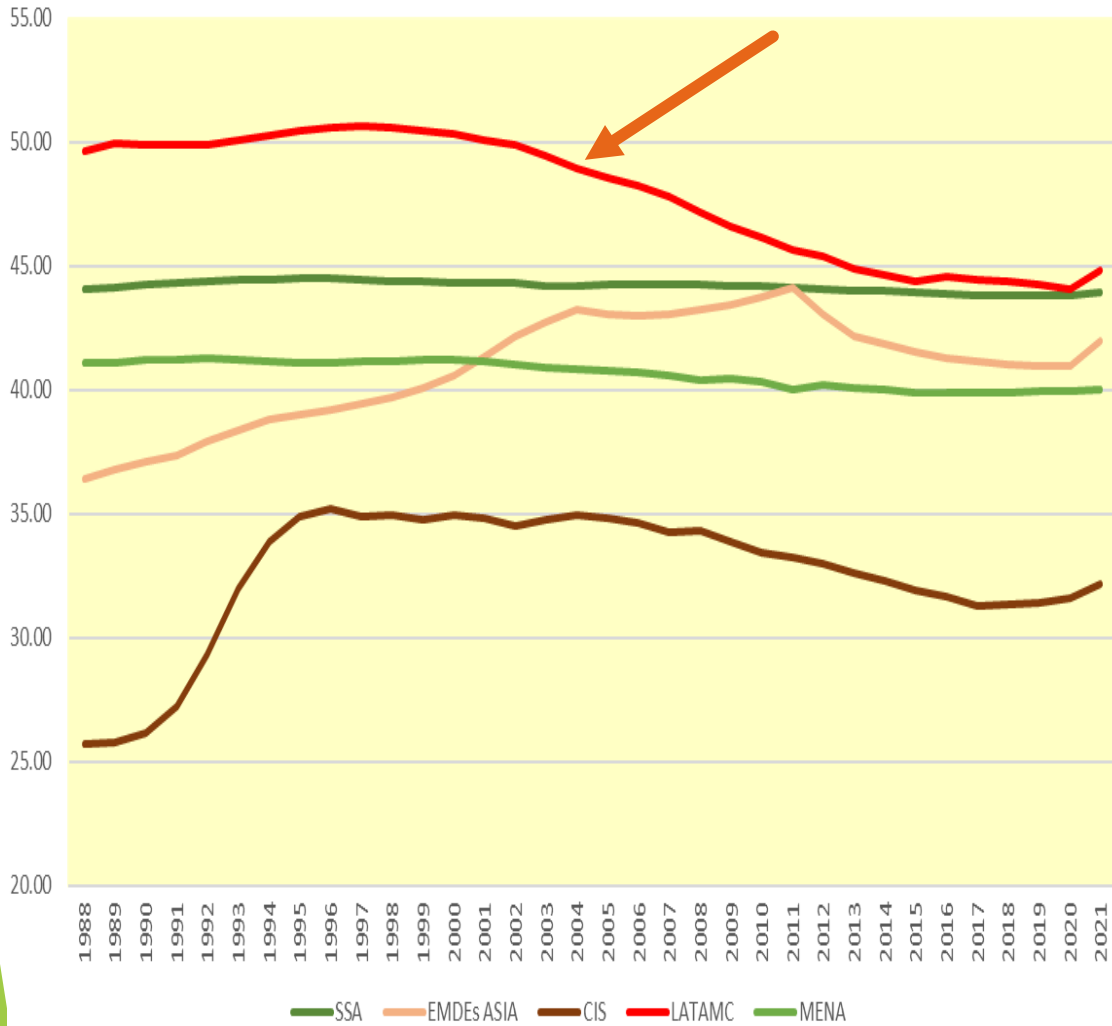


Latin America: Poverty and Extreme Poverty (in % of Population- ECLAC, WB)

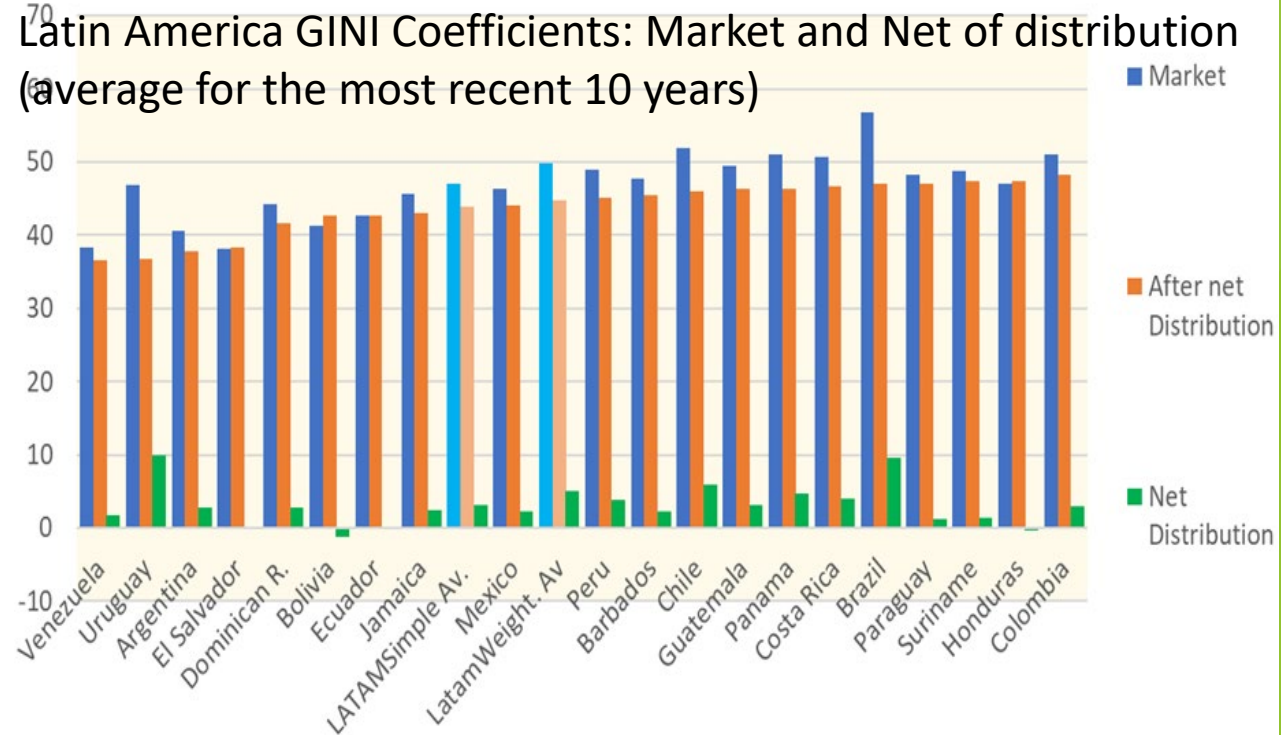


Poverty declined markedly from 1990 to 2014 (helped by high terms of trade). It was cut by 2/3 in terms of extreme poverty, although it increased again subsequently.

Net GINI Coefficient: Emerging Regions (1988–2021)

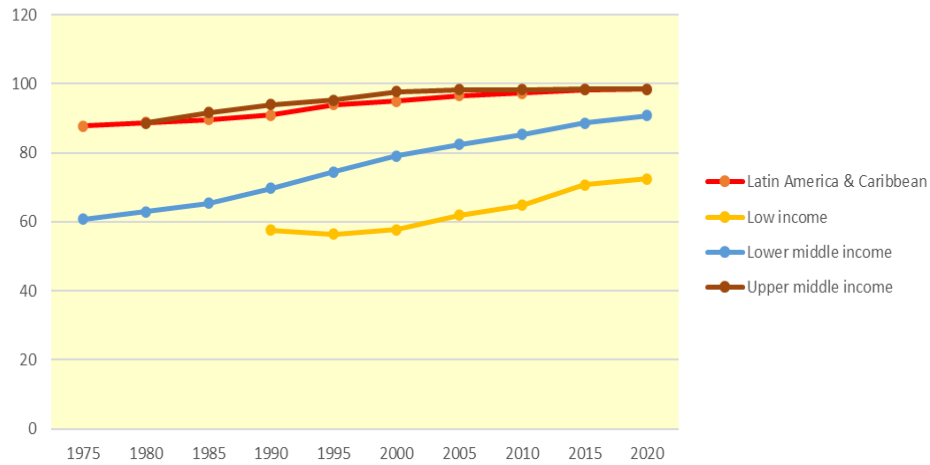


Income distribution (after taxes and subsidies declined in the 2000s, although with little progress subsequently. Policy redistribution has been small, may be except for Uruguay, Chile, and Brazil

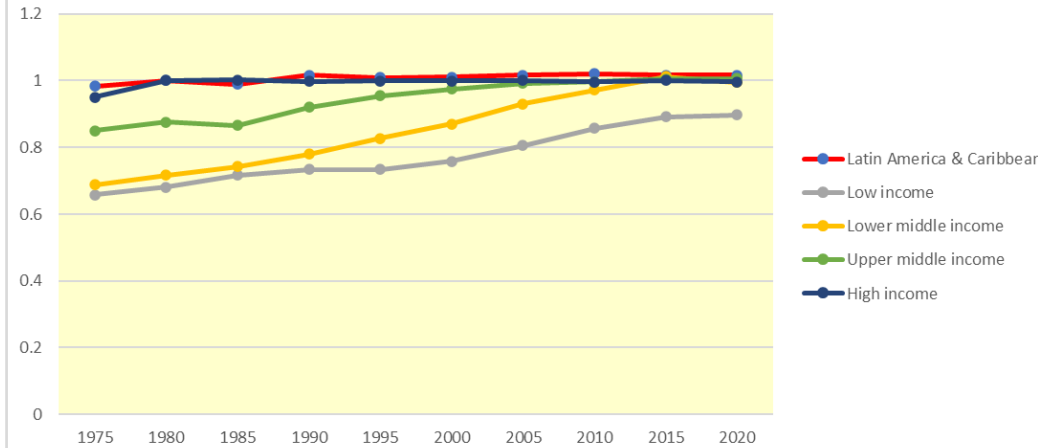


Broad indicators of education have been reasonable , although completion rates have been disappointing.

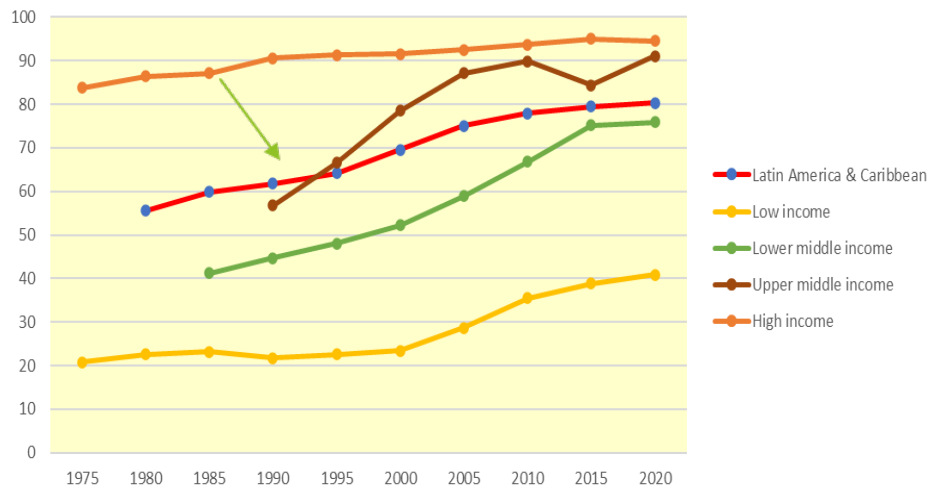
Literacy Rate (Youth 15-24)



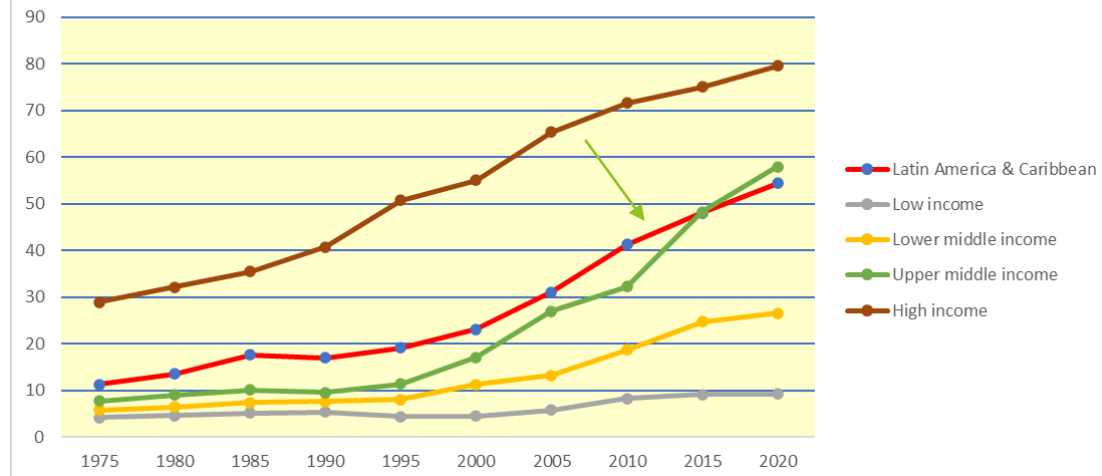
primary and secondary enrollment (gender parity ratio)

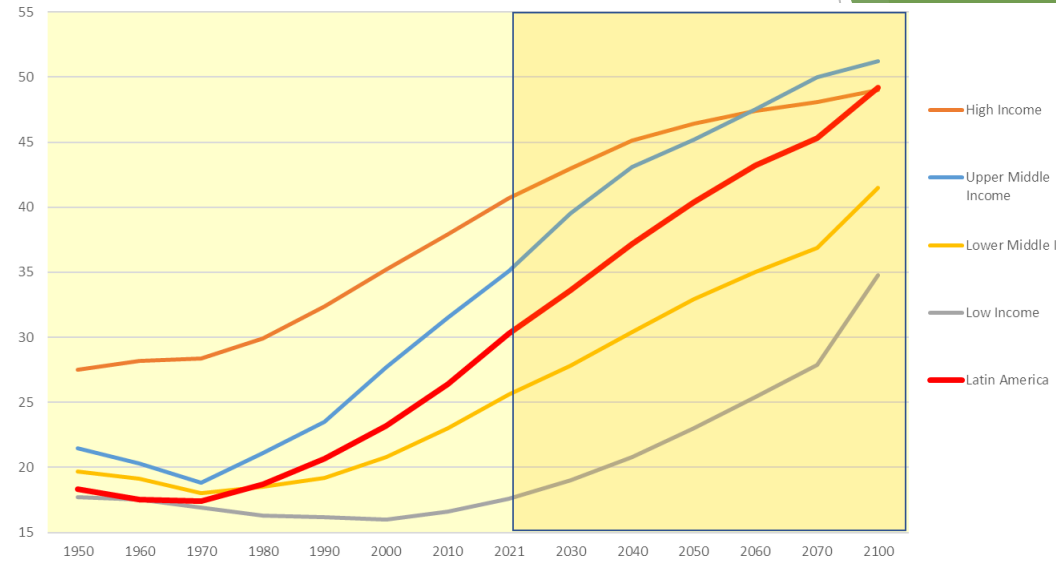
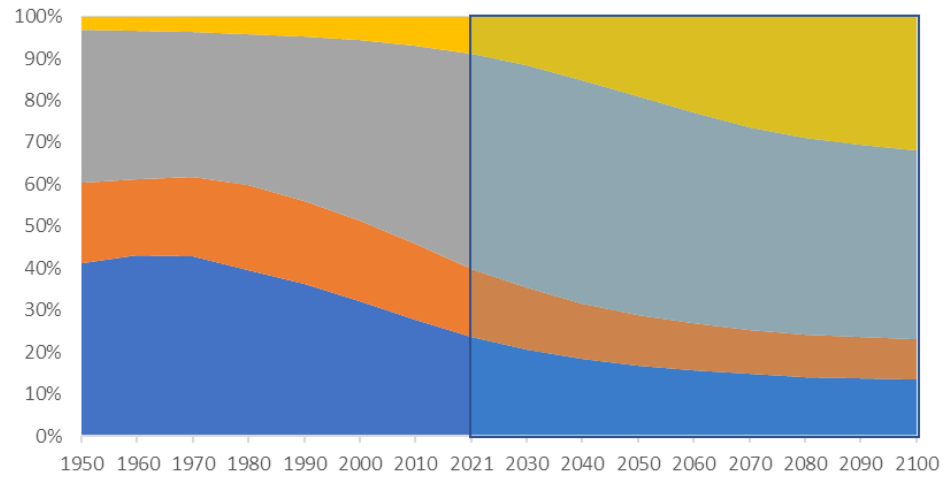


Lower Secondary Completion Rate(% of Cohort)



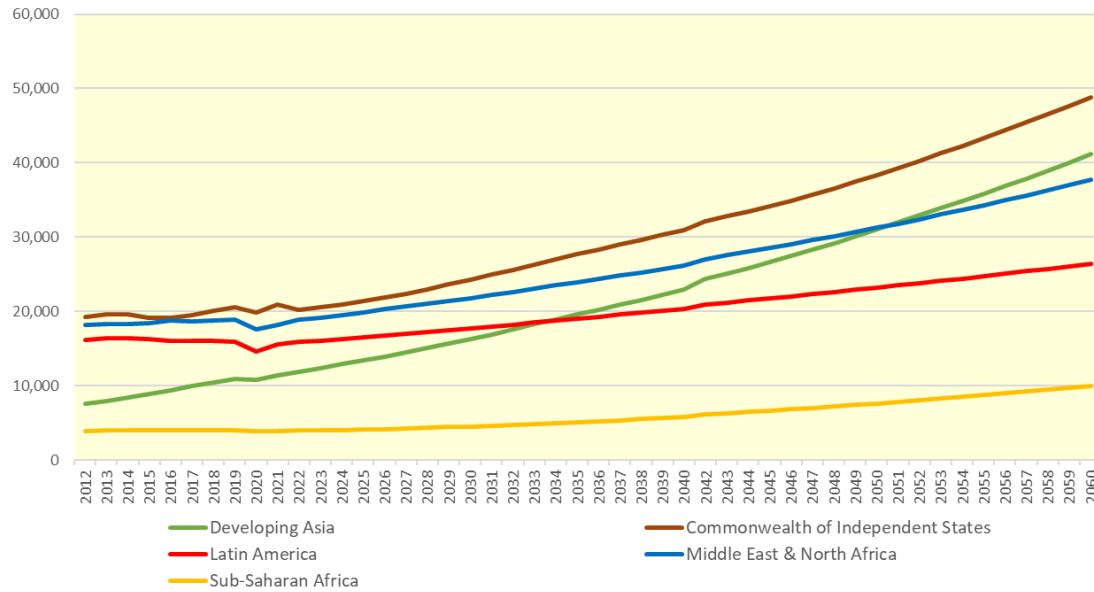
tertiary enrollment (%)



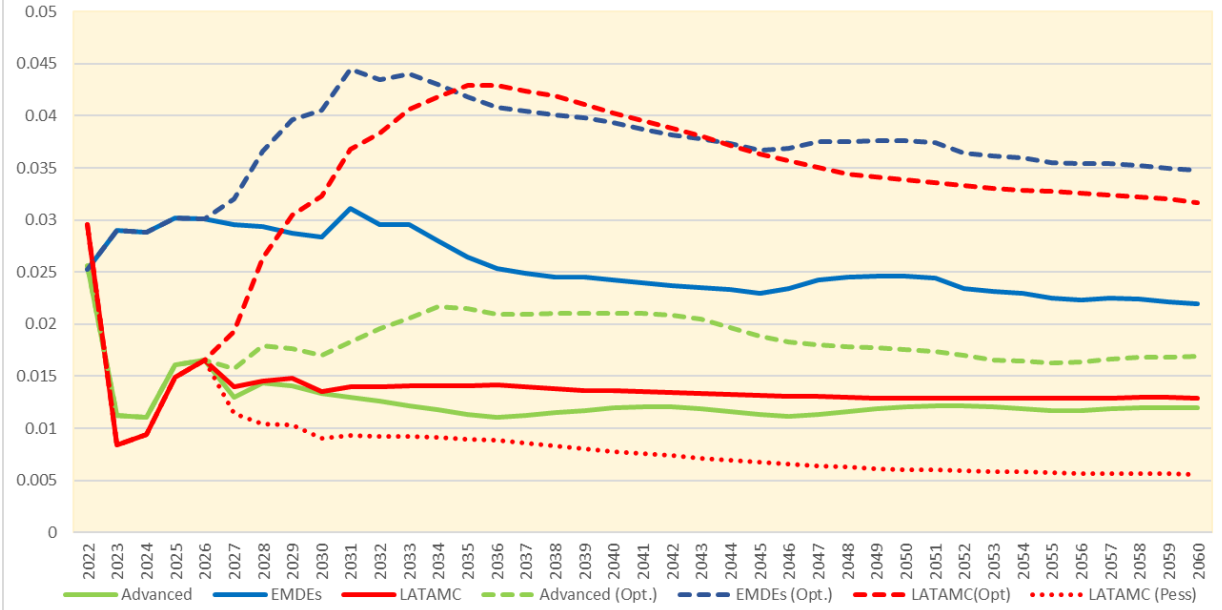


We are aging

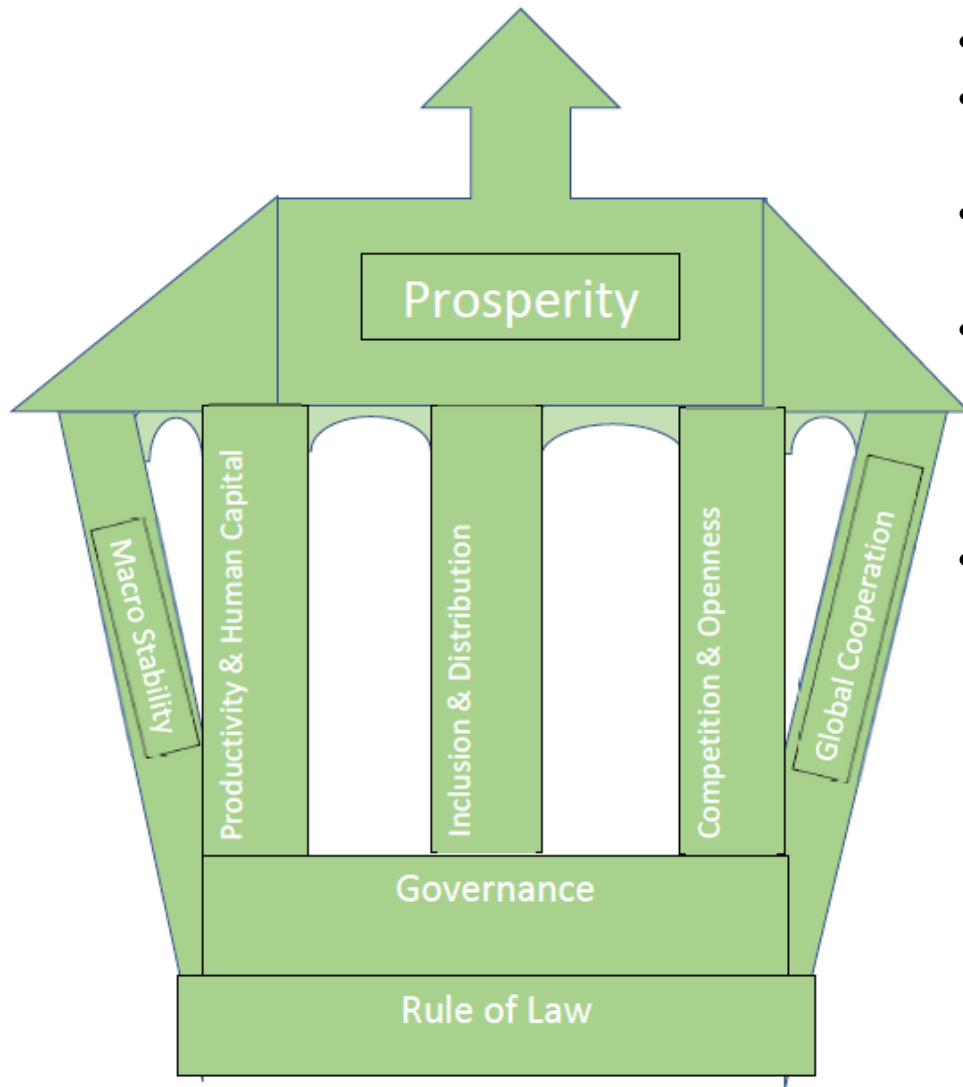
GDP Per Capita PPP- Central Scenario: Selected Regions (2019-60)



Rates of GDP Growth-Selected Regions 2022-2060



Region	Scenario	GDP (US\$ trillion PPP2018)			GDPPC (US\$ PPP2018)		
		2022	2060	Av per cent growth	2022	2060	Av per cent growth
Latin American Caribbean	Central	10.4	19.9	1.7	15974	26400	1.3
	Strong policy		41.4	3.7		54880	3.3
	Poor policy		16.3	1.2		21584	0.8
EMDEs	Central	79.8	184.5	3.3	11865	30884	2.5
	Strong policy		420.7	4.5		47681	3.7
	Poor policy		157.4	1.8		17843	1.1



- The list of actions is long and general.
- Each country requires its own plan
- The implementation of a country program to move away from the current trajectory requires refinement and planning.
- There is little option to what is discussed here to bring out the region from its mediocre performance
- Required changes are not defined by ideology, but by experience, learned from the individual countries, from different countries in the region, and from the world at large, beyond alleged differences of culture and circumstance.
- Need for political and societal will, moving away from the easy actions of short-term expediency, presented as alleged solutions