INDICE

Drefees	vii
Preface Evacutive Summers	VII
Executive Summary	١,
Initial response to the debt crisis	1
The economic reforms: content and results	2
Path ahead	_
Note	5
1. Introduction	6
Brief historical background	8
Prospect for reform	9
Notes	10
2. Muddling through: adjustment from 1982 to 1987	11
External and domestic origins of the crisis	12
The adjustment	13
Failed heterodox stabilization attempts in the mid-1980s	18
Notes	22
3. A new consensus on economic policy and structural reform	23
The crisis of traditional economic thinking in Latin America	24
Factors behind the emerging consensus	27
The main elements of the Emerging consensus and the reforms	
Notes	34
4. Macroeconomic adjustment as a priority	36
Debt restructuring, debt relief, and macroeconomic adjustment	37
Fiscal policy and macroeconomic equilibrium	42
Exchanges rates, inflation, and disinflation	50
Notes	53
5. The opening of Latin America	- 00
From protectionism to liberalization: analytical aspects	54
Recent trade liberalization reforms in Latin America	58
The effects of trade liberalization	60
Real exchange rate behavior, capital inflows, and the future of trade	- 00
reform in Latin American	63
Regional trading blocs in Latin America	67
Appendix	72
Notes	74
6. Privatization and deregulation	77
Analytical issues and policy options	78
Privatization in Chile, Mexico, and Argentina	84
Labor market regulations in Latin America	92
notes	97
7. Capital market deregulation, savings and investment	99
Historical background	100
Financial deregulation in Latin America	103
Savings and investment	111
Notes	116
8. Poverty, income distribution, and human resources	118
Poverty and income distribution	119
Human development in Latin America	124

Education, human capital, and social conditions	127
The reduction of poverty: policy options and priorities	130
Appendix	135
Notes	136
9. The path ahead	
Consolidating the reforms	138
Maintaining prudent macroeconomic management	139
Deepening structural and institutional reforms	141
Alleviating poverty	
Assuring environmentally sustainable policies	142
Notes	143
Bibliography	145