

INTRODUCTORY REMARKS
By Robert P. Forrestal, President
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To the Argentine Delegation Luncheon
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Good afternoon! I am pleased and honored to welcome this distinguished group of Argentinian government and business leaders to the Federal Reserve Bank of Atlanta. I am also delighted that several important members of Atlanta's business and banking communities could join us today. I am sure that by now our friends from Argentina have been told more than once that Atlanta is in many ways the heart of the southeastern United States. This is often said in reference to the high level of commercial and financial activity that takes place here and, increasingly, as a testimony to the city's growing stature as a cultural center. However, I think your presence in our city emphasizes another way in which Atlanta is emerging as a hub for the region, and that is as a truly international city. In a global economy that is becoming more integrated on a daily basis, I feel--as do most Atlantans--that our future will be shaped more and more by our international outreach.

Like the city in which we work, the Federal Reserve Bank of Atlanta plays a central role in the Southeast's economy. Our job as part of the nation's central bank is to maintain the smooth functioning of the payments system, supervise and regulate commercial banks, and contribute to national monetary policy. Our district includes all or part of six states--Alabama, Florida, Georgia, Louisiana, Mississippi, and Tennessee--and we have a staff of about 2500 people located here and in 5 branch offices. Part of the Atlanta Fed's responsibility includes supervising the activities of international banking in our region, and this brings us into contact with numerous Latin American firms.

Our work with these institutions, as well as our continuing interest in international economic developments, has made us acutely aware of the economic difficulties that plague so many countries in Central and South America. These troubles are all the more

painful for us to see because we know how much potential exists in your countries. Argentina in particular has the land and natural resources--and most important of all, the human resources--to take its place among the economic and political leaders of the world. I know that you have come to seek ways to put those resources to work in order to fulfill that potential, and I applaud you for undertaking this task. I hope that we at this Bank can help you better understand the economic and financial structure of this region so that you can identify ways in which your interests and ours come together.

To give us a picture of the global context in which the economies of both Argentina and the southeastern United States now function, I have asked Dr. Marco Espinosa to join us this afternoon and discuss the outlook for the international economy. Marco is an economist in our research department, and part of his work is to help prepare me for my participation in national monetary policy decisions. He is a graduate of the Instituto Tecnológico Autónomo de México and holds an M.A. and Ph.D. in Economics from the University of Minnesota. Aside from his expertise in international economics, Marco is particularly suited for today's program since he is able to address you in your native language. So I will now ask Marco to make his presentation, and afterwards, I will be happy to answer any questions you might care to ask.