Folder Title:	President Wolfensohn - Briefing Book for President's Meetings and Events - Courtesy Call - Governor Duhalde - LACVP Attendee to be Advised by Emilia - April 17, 1996
Folder ID:	30484803
Dates:	04/12/1996 - 04/17/1996
Subfonds:	Records of President James D. Wolfensohn
Fonds:	Records of the Office of the President
ISAD Reference Code:	WB IBRD/IDA EXC-13
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A. CLASSIFICATION

- [x] Meeting Material
- [ ] Trips
- [ ] Speeches
- [ ] Annual Meetings
- [ ] Corporate Management
- [ ] Communications with Staff
- [ ] Phone Logs
- [ ] Calendar
- [ ] Press Clippings/Photos
- [ ] JDW Transcripts
- [ ] Social Events
- [ ] Other

B. SUBJECT: COURTESY CALL: GOVERNOR DUHALDE / LACVP ATTENDEE TO BE ADVISED BY EMILIA
VENUE: E1227 (OFFICE)
CONTACT: EMILIA & DANNY LEIPZIGER @ 37293
NOTE: JDW HAS AGREED TO THIS WITH NOGUES'
BACKGROUND: RVP, MD, AND EXC - ALL ADV. THAT THIS MTG. SHOULD NOT TAKE PLACE
IN ATTENDANCE: JDW, GOV. DUHALDE, MR. NOGUES
(B) BY LACVP (LEIPZIGER) / COMING: 4/16
EXC: ATSUKO

DATE: 04/17/96

C. VPU

Corporate
- [ ] CTR
- [ ] EXT
- [ ] LEG
- [ ] MPS
- [ ] OED
- [ ] SEC/Board
- [ ] TRE

Regional
- [ ] AFR
- [ ] EAP
- [ ] ECA
- [x] LAC
- [ ] MNA
- [ ] SAS

Central
- [ ] CFS
- [ ] DEC
- [ ] ESD
- [ ] FPD
- [ ] FPR
- [ ] HRO

Affiliates
- [ ] GEF
- [ ] ICSID
- [ ] IFC
- [ ] Inspection Panel
- [ ] Kennedy Center
- [ ] MIGA

D. EXTERNAL PARTNER

- [ ] IMF
- [ ] UN
- [ ] MDB/Other IO
- [ ] NGO
- [ ] Private Sector
- [ ] Part I
- [x] Part II
- [ ] Other

E. COMMENTS:

Meeting with Governor Duhalde of Buenos Aires, Argentina

Wednesday, April 17, 1996 at 11:45 am -noon "grip + greet"

Briefing Note

Meeting Participants

- Dr. Eduardo Duhalde, Governor of the Province of Buenos Aires
- Raúl Granillo Ocampo, Ambassador of Argentina in the United States
- James Cheek, Ambassador of the United States in Argentina
- Members of the Provincial Cabinet
- Danny Leipziger, Acting Director, LA1
- Paul Meo, Chief, LA1PS
- Julio Nogues, Executive Director for Argentina

Key Issues for Discussion

Purpose: Courtesy

- Governor Duhalde is the governor of the largest province in Argentina (40% of GDP and population) and the leading candidate in the President's party to succeed Mr. Menem in 1999.

- Because the Governor has opted for a slower track in the reform effort, the Province of Buenos Aires was not able to participate in either the Bank's Provincial Reform Loan or the Provincial Bank Privatization Loan.

- In an effort to solidify his electoral image and increase public investment he has secured a $250 million IDB loan, after the Bank had demurred from financing the Province's insufficient reform effort.

His concern:

- To improve his image with the Bank and the international markets in general. Minister of Economy Cavallo, who is a possible rival for the party's nomination, enjoys close ties with the Bank and the markets.

Your Message:

- Provincial public finances remain the Achilles heel of fiscal stability. A more aggressive reform effort by the Province of Buenos Aires would provide an important example for other provinces and would provide the markets with a more favorable outlook for Argentina.

- Buenos Aires is participating in several Bank loans, including Secondary Education, and Provincial Health Reform and, as long as it maintains a balance in its current expenditures it would be eligible for financing under future operations, including, Roads (FY97) and Agricultural Development (FY97).

Business Setting: National

- The fiscal balance and the employment situation remain as major concerns. Revenues continue to stagnate, although targets are likely to be met. Unemployment came down slightly from the 18.6% level (in Greater Buenos Aires) during the height of the crisis to about 16% by October. While growth prospects for 1996 have improved, a strong recovery to ease the employment and fiscal situation is taking longer than expected.

- Bank lending for FY97 could reach $1.3 billion, including new adjustment operations for provincial pension transfer and fiscal reform.

- A 21 month agreement with the IMF for $1.04 billion was reached in early April.

Business Setting: Buenos Aires Province

- Buenos Aires Province is the largest in Argentina with a population of more than 13 million, (the Municipality of Buenos Aires, with almost 3 million inhabitants, is a separate political jurisdiction). With much of the Pampas within its borders, the Province is an important agricultural producer. However, other heavy industries and light manufacturing are found on the outskirts of the Municipality and La Plata (the capital city). The Province accounts for almost forty percent of Argentina's economic activity.

- The fiscal accounts of the Province have benefited from a healthy local tax base and access to international private financing for public investments. However, its accounts deteriorated last year and the level of debt is now causing some concern.

- Buenos Aires has lagged in following the fiscal reform effort of the Federal government and Governor Duhalde has shown little enthusiasm in the past for privatizations. Under prodding from the Federal government, in recent months the Governor has agreed to begin privatizing some of the major public utilities.

- The Bank of the Province of Buenos Aires, the second largest bank in the country, actually increased its deposits during the recent financial crisis. Some observers suggest, however, that the provincial bank is not very healthy financially with several major loans outstanding to provincial public enterprises. This, they say, accounts for the caution Duhalde has shown towards bank privatization.

Biographical Information

Governor Duhalde is a long time Peronist Party politician. He was elected Vice President in 1989 on the same ticket as President Menem. He resigned in 1991 to run for Governor of Buenos Aires Province, the largest province in Argentina. He is the leading candidate to be the party's nominee for President in 1999. He was recently reelected governor in a landslide.

Prepared by M. Hagerstrom, LA1CO
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Meeting Attendees

THE WORLD BANK/IFC/MIGA

OFFICE MEMORANDUM

DATE: April 12, 1996

TO: Ms. Rachel Lomax, Chief of Staff

FROM: Julio J. Nogués

EXTENSION: 82064

SUBJECT: Meeting with Mr. Wolfensohn - April 17

I enclose the CV of Dr. Eduardo Alberto Duhalde, Governor of the Province of Buenos Aires.

For your information, the following officials will accompany Governor Duhalde:

Raúl Granillo Ocampo
Ambassador of Argentina in the U.S.

James Cheek
Ambassador of the U.S. in Argentina

Rodolfo Frigeri
President, Bank of the Province of Buenos Aires

Luis Remes Lenicov
Minister of Economy of the Province of Buenos Aires

Hugo Toledo
Minister of Public Works of the Province of Buenos Aires

Julio Nogués
Executive Director

Please be advised that a photographer and a cameraman will be coming with the Delegation.

Again, thank you for your assistance.

cc: Ms. Allison Tsatsakis

CV

Record Removal Notice

File Title	Barcode No.
President Wolfensohn - Briefing Book for President's Meetings and Events - Courtesy Call - Governor Duhalde - LACVP Attendee to be Advised by Emilia - April 17, 1996	30484803

Document Date	Document Type
12 April, 1996	CV / Resumé

Correspondents / Participants

Subject / Title
Dr. Eduardo Alberto Duhalde - Governor of Buenos Aires

Exception(s)
Personal Information

Additional Comments

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.

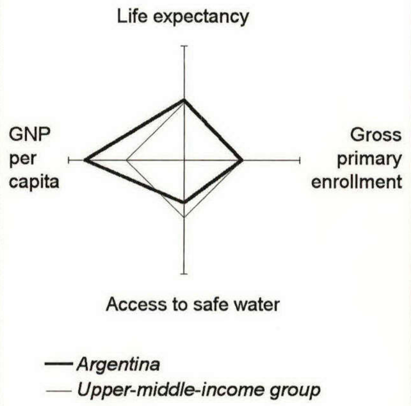
Withdrawn by	Date
Tarsica Morgan-Taylor	January 30, 2025

Argentina at a glance

Argentina at a glance

POVERTY and SOCIAL	Argentina	Latin America & Carib.	Upper-middle-income
Population mid-1994 *(millions)*	34.2	471	472
GNP per capita 1994 *(US$)*	8,060	3,310	4,720
Average annual growth, 1990-94			
Population *(%)*	1.2	1.8	1.6
Labor force *(%)*	1.5	2.4	2.2
Most recent estimate *(latest year available since 1989)*			
Poverty: headcount index *(% of population)*	..	..	..
Urban population *(% of total population)*	88	71	71
Life expectancy at birth *(years)*	72	68	69
Infant mortality *(per 1,000 live births)*	24	42	37
Child malnutrition *(% of children under 5)*	4	..	..
Access to safe water *(% of population)*	64	80	86
Illiteracy *(% of population age 15+)*	5	15	15
Gross primary enrollment *(% of school-age population)*	107	110	107
Male	108	..	..
Female	107	..	..

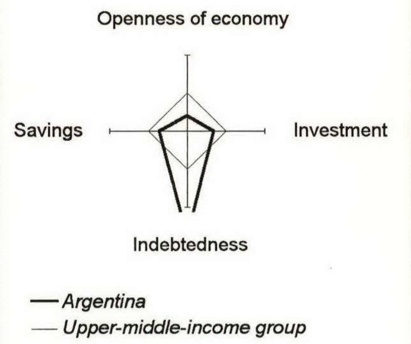
Development diamond*



KEY ECONOMIC RATIOS and LONG-TERM TRENDS	1975	1985	1994	1995
Gross domestic investment/GDP	29.4	17.6	19.9	17.5
Exports of goods and non-factor services/GDP	5.8	11.7	6.8	8.9
Gross domestic savings/GDP	29.3	23.1	17.6	17.7
Gross national savings/GDP	30.7	17.7	16.3	16.1
Current account balance/GDP	-2.5	-1.1	-3.7	-1.4
Interest payments/GDP	0.9	5.0	1.2	..
Total debt/GDP	14.7	57.8	28.9	32.8
Total debt service/exports	44.7	60.1	49.8	52.8
Present value of debt/GDP	..	..	29.2	..
Present value of debt/exports	..	..	391.2	..

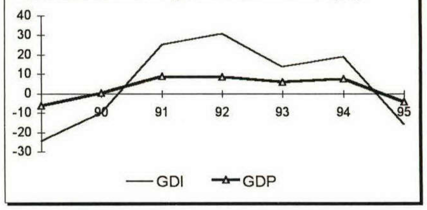
(average annual growth)	1975-84	1985-95	1994	1995	1996-04
GDP	1.0	2.8	7.4	-4.4	4.9
GNP per capita	-1.5	2.0	5.9	-3.1	3.7
Exports of goods and nfs	5.1	5.9	14.8	26.0	8.0

Economic ratios*



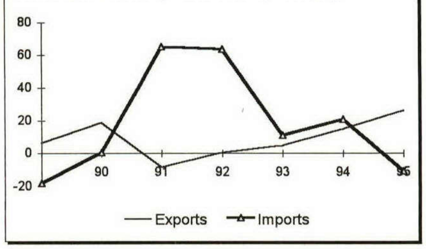
STRUCTURE of the ECONOMY *(% of GDP)*	1975	1985	1994	1995
Agriculture	6.6	7.6	4.9	..
Industry	50.1	39.3	30.1	..
Manufacturing	38.2	29.6	20.0	..
Services	43.3	53.1	65.1	..
Private consumption	58.1	..	..	..
General government consumption	12.6	..	..	..
Imports of goods and non-factor services	6.0	6.3	9.1	8.6

Growth rates of output and investment (%)



(average annual growth)	1975-84	1985-95	1994	1995
Agriculture	1.7	1.6	3.8	..
Industry	-1.1	2.7	6.5	..
Manufacturing	-1.4	*1.4*	..	..
Services	2.5	3.1	8.5	..
Private consumption	..	..	..	..
General government consumption	..	..	..	..
Gross domestic investment	-2.4	5.4	19.0	-15.9
Imports of goods and non-factor services	4.5	14.0	20.9	-10.6
Gross national product	0.0	3.4	7.2	-5.0

Growth rates of exports and imports (%)

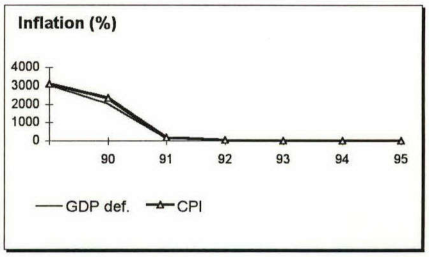


Note: 1995 data are preliminary estimates. Figures in italics are for years other than those specified.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

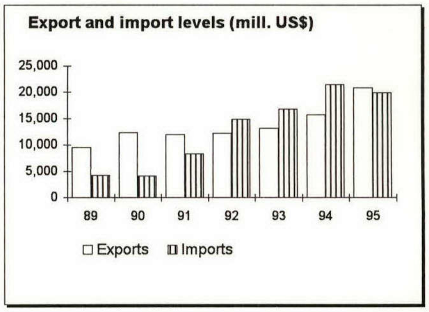
PRICES and GOVERNMENT FINANCE

	1975	1985	1994	1995
Domestic prices				
(% change)				
Consumer prices	182.6	..	3.9	1.6
Implicit GDP deflator	198.2	618.0	1.8	2.5
Government finance				
(% of GDP)				
Current revenue	..	..	16.6	16.5
Current budget balance	..	..	0.7	-0.1
Overall surplus/deficit	..	..	0.0	-1.0



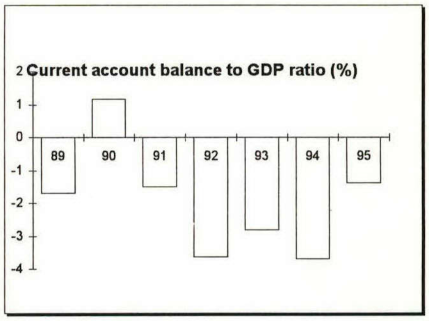
TRADE

	1975	1985	1994	1995
(millions US$)				
Total exports (fob)	..	..	15,739	20,896
Food	..	..	1,323	1,950
Meat	..	..	1,546	1,567
Manufactures	..	..	8,059	10,733
Total imports (cif)	..	..	21,544	19,967
Food	..	..	..	..
Fuel and energy	..	..	591	628
Capital goods	..	..	6,039	4,766
Export price index *(1987=100)*	..	..	118	124
Import price index *(1987=100)*	..	..	115	120
Terms of trade *(1987=100)*	..	..	102	103



BALANCE of PAYMENTS

	1975	1985	1994	1995
(millions US$)				
Exports of goods and non-factor services	3,498	10,039	19,090	24,659
Imports of goods and non-factor services	4,324	5,285	25,828	24,068
Resource balance	-826	4,754	-6,738	592
Net factor income	-466	-5,706	-3,654	-4,845
Net current transfers	6	0	318	452
Current account balance, before official transfers	-1,286	-952	-10,074	-3,801
Financing items (net)	208	2,200	10,190	1,936
Changes in net reserves	1,078	-1,248	-166	1,865
Memo:				
Reserves including gold *(mill. US$)*	848	4,703	16,029	16,229
Conversion rate *(local/US$)*	3.7E-10	6.0E-05	1.0	1.0



EXTERNAL DEBT and RESOURCE FLOWS

	1975	1985	1993	1994
(millions US$)				
Total debt outstanding and disbursed	7,723	50,946	72,743	80,837
IBRD	341	700	3,739	4,109
IDA	0	0	0	0
Total debt service	1,603	6,209	6,806	10,626
IBRD	43	114	567	709
IDA	0	0	0	0
Composition of net resource flows				
Official grants	0	6	32	16
Official creditors	58	217	2,665	745
Private creditors	-111	2,350	3,808	5,809
Foreign direct investment	0	919	6,305	1,200
Portfolio equity	0	0	3,604	1,205
World Bank program				
Commitments	0	0	1,760	508
Disbursements	19	144	1,507	548
Principal repayments	17	68	334	425
Net flows	1	75	1,173	123
Interest payments	26	46	233	284
Net transfers	-25	30	940	-161