

## World Economic Forum on Latin America Closes as the Region's Leaders Look Ahead to a Decade of Opportunity

29 April 2011

- The future looks bright for economies across Latin America, but challenges remain
- Regional cooperation is essential for continued economic growth
- World Economic Forum on Latin America 2012 will be held in Mexico
- More information on the meeting is available at [www.weforum.org/latinamerica2011](http://www.weforum.org/latinamerica2011)

**Rio de Janeiro, Brazil.** - Latin American nations are well placed to enjoy continued economic growth but many challenges remain, as governments across the region strive for development and social justice, according the Co-Chairs of the World Economic Forum on Latin America, which closed today in Rio de Janeiro, Brazil.

Over 700 regional and global leaders from 46 countries attended the meeting, designed to address the key challenges facing Latin America over the coming decade.

"Even in the midst of difficult circumstances [and] financial turbulence in the world, Latin America has continued to grow and has remained stable," said **Leonel Fernández**, President of the Dominican Republic, pointing to the region's "abundant natural resources" and the growing demand in India and China for commodities.

"Looking forward, the Dominican Republic and Latin America as a whole have a bright future. We believe our economies will continue to grow. Our GDPs will continue to grow," he added.

"We truly believe that this is the decade of opportunity for Latin America," said **Luis A. Moreno**, President of the Inter-American Development Bank. "This is one happy hemisphere, let me tell you."

However, the co-chairs also highlighted a series of major hurdles that Latin American countries would need to overcome, including infrastructure problems, high crime rates, corruption and political divisions. Latin American nations would also need to devise ways to make the leap from commodity exporter to having solid services industries. Moreno said Latin America would continue to face serious issues related to inequality and poverty, but added that progress was finally being made.

"Over the last decade or so, Latin America has experimented tremendously in how to close some of these [social] gaps," said Moreno, citing Brazil's *Bolsa Familia* social stipend, which offers financial incentives to mothers who keep their children in school. "That has allowed Brazil over the last eight years to get 30 million people out of poverty," Moreno said.

**Bruno Ferrari Garcia de Alba**, Secretary of the Economy of Mexico, said Latin American nations need to work harder to integrate their economies if they want to continue to prosper. "We need to enhance the relationships between ourselves," he said. "When you think of Latin America, you are thinking of a market of 550 million people ... that is having the second largest [level of] growth in the world after Asia."

"We need to be more proud about what Latin America can do ... and the knowledge we have," he

added.

**Frederico Fleury Curado**, President and Chief Executive Officer, of Brazil's Embraer, said that if Latin America was to fulfil its full potential, greater investment in technology and innovation was needed from both the private and public sectors. "There is no development without innovation," he said. "This will be a decade for Latin America if we are able to manage it in our own countries but also in a collaborative manner. It is doable. It is up to us to take advantage of this window of opportunity."

**Orit Gadiesh**, Chairman, Bain & Company, said Brazil's pre-salt oil discoveries had presented the country with a "dazzling opportunity" to develop. "Due to the pre-salt, it will become one of the [world's] top 10 producers," she said. However, Brazil, like its Latin American neighbours, needs to strive to diversify away from simply exploiting commodities for export, Gadiesh added. "What Brazil does need to do is to construct knowledge-based industry."

**Sir Martin Sorrell**, Chief Executive Officer, of the United Kingdom's WPP argued that Brazil hosting the 2014 World Cup and 2016 Olympics could also provide a significant tonic for the Latin American decade.

"These events have very powerful political consequences. They have powerful social consequences ... and an economic effect," Sir Sorrell said. "They escalate infrastructure investment ... and we have already seen that in the context of Brazil. You get faster development, and at the same time very significant reposition in the form of tourism." But the current economic boom was not just restricted to Brazil, Sorrell concluded. "There are other countries in Latin America," he said, pointing to Paraguay's rapidly growing economy, improving security in Colombia and Argentina's financial recovery. "There are very powerful countries beyond Brazil."

The Co-Chairs of the meeting are: **Frederico Fleury Curado**, President and Chief Executive Officer, Embraer - Empresa Brasileira de Aeronautica, Brazil; **Orit Gadiesh**, Chairman, Bain & Company, USA; Member of the Foundation Board of the World Economic Forum; **Luis A. Moreno**, President, Inter-American Development Bank, Washington DC; **Vikram Pandit**, Chief Executive Officer, Citi, USA; and **Sir Martin Sorrell**, Chief Executive Officer, WPP, United Kingdom.

## Notes to Editors

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