



GEORGETOWN UNIVERSITY
The Graduate School

School of Economics and Business

**REEVALUATING THE ROLE OF PUBLIC SECTOR
BANKS AS A COUNTERCYCLICAL POLICY TOOL:
EVIDENCE OF THE CREDIT CHANNEL IN LATIN
AMERICA, 2000-2010**

**Thesis to receive the title of Master of Applied Economics
from Georgetown University and title of *Magíster en
Economía Aplicada a Políticas Públicas* from Universidad
Alberto Hurtado**

By

James P. Newman

Thesis Advisor: Professor Carlos José García Toledo

**Santiago, Chile/Washington D.C., USA
2011**

TABLE OF CONTENTS

Abstract	iv
I. Introduction	- 1 -
II. Literature Review	- 2 -
III. Empirical Context	- 6 -
IV. Data	- 9 -
V. Model	- 10 -
VI. Estimation Results	- 13 -
VII. Conclusions	- 14 -
Bibliography	- 15 -
Appendix: Estimation Results	- 16 -