

Naval Postgraduate School
National Security Affairs
Political Economy of Latin America

Dr. Robert Looney
Spring Term 2021
NS4540

Office Hours, appointments on Zoom
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COURSE OUTLINE

Course Theme:

The Political Economy of Latin America examines various aspects of economic growth and development in the region. The focus of the class will be on the causes of the recent economic slow-down in the region, economic impacts of the Covid-19 pandemic, and strategies for revival.

Class Objectives: Obtain a better understanding of the conditions and prospects of the region's economies, and the challenges they face, both internally and in a changing global environment.

Text: Beatriz Armendariz and Felipe Larrain B, **The Economics of Contemporary Latin America**, (Cambridge: MIT Press, 2017).

Supplemental Texts – in Sakai – resources—supplemental texts

Javier Reyes and Charles Sawyer, **Latin American Economic Development, second edition** (London: Routledge, 2015).

Robert Looney ed., **Handbook of Emerging Economies** (London: Routledge, 2014).
– chapters on Brazil, Argentina, Chile, Mexico, and Colombia.

Robert Looney ed., **Handbook of Caribbean Economies** (London: Routledge, 2011),
chapters on main Caribbean economies.

Kemal Dervis ed., **Think Tank 20: Growth Convergence and Income Distribution: the Road from the Brisbane G-20 Summit**, (Washington: Brookings Institution, 2014) – links on class web-page.

Leszek Balcerowicz and Andrej Rzonca eds, **Puzzles of Economic Growth** (Washington: World Bank, 2015) Comparative case studies of Costa Rica and Puerto Rico, Mexico and Spain, Haiti and the Dominican Republic, and Chile and Venezuela.

Peter Kingstone, **The Political Economy of Latin America: Reflections on Neoliberalism and Development**, Second Edition, Routledge, 2018

Assignments

The readings for each topic are on the class website. For each class, please check the class website under "readings for next class" for additional papers for discussion. All the papers and references that we will need for the course can be found on the website. I will indicate which readings can only be found on Sakai

Lectures

Introduction (March 30/April 1)

Reyes and Sawyer Ch. 1
 Overview of Region
 Main Trends
 International Comparisons
 Key Issues

Historical Background (April 6, 8, 13).

Beatriz Armendariz and Felipe Larrain B, Chapters 1, 2, 3, 4
 Geography and Colonial Legacy
 Export Led Growth/Origins of Protectionism
 Debt Crisis and Lost Decade
 Import Substitution

Social, Dynamic, and Political Context (April 15, 20).

Beatriz Armendariz and Felipe Larrain B, Chapters 5, 6
 Poverty and Income Inequality
 Political Economy of Latin American Development

Latin American Growth Dynamics (April 22, 27)

Reyes and Sawyer Chapter 3
 Growth Mechanisms
 Neoclassical Model
 Stage Theories
 Marxian Models

Mexico and the Caribbean (April 29, May 4)

Beatriz Armendariz and Felipe Larrain B, Chapter 7
 Main Issue: Fiscal Policy
 Mexico
 Cuba
 Dominican Republic
 Haiti

Central America (May 6, 11).

Beatriz Armendariz and Felipe Larrain B, Chapter 11

Main Issue: Labor Markets

Nicaragua

Costa Rica

Panama

Honduras

El Salvador

Guatemala

South America Atlantic (May 13, 18, 20)

Beatriz Armendariz and Felipe Larrain B, Chapter 9

Main Issue: Exchange Rates

Guyana

Argentina

Uruguay

Brazil

South America Interior (May 25, 27)

Beatriz Armendariz and Felipe Larrain B, Chapter 8

Main Issue: Inflation

Paraguay

Bolivia

South America Pacific (June 3, 8)

Beatriz Armendariz and Felipe Larrain B, Chapter 10

Main Issues: Trade Financial Liberalization, China in Latin America

Chile

Peru

Ecuador

Colombia

Summing Up Latin American Growth and Development/Prospects (June 10)

Beatriz Armendariz and Felipe Larrain B, Chapter 12

Course Grade

(1) Class participation 15%.

(2) Research Project, Class Presentation (18-20 page research project and class presentation (15 minutes) – spread out over the last three weeks (85%).