

Naval Postgraduate School
National Security Affairs
Political Economy of Latin America

Dr. Robert Looney
Winter Term 2019
NS4540

Office Hours, MW 10-11:30
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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 and strategies for revival

Class Objectives: Gain 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:

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.

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 (January 7/9)

Reyes and Sawyer Ch. 1

Overview of Region

Main Trends

International Comparisons

Key Issues

Historical Background (January 14, 16, 17).

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 (January 23, 28).

Beatriz Armendariz and Felipe Larrain B, Chapters 5, 6

Poverty and Income Inequality

Political Economy of Latin American Development

Latin American Growth Dynamics (January 30, February 4)

Reyes and Sawyer Chapter 3

Growth Mechanisms

Neoclassical Model

Stage Theories

Marxian Models

Mexico and the Caribbean (February 6, 11)

Beatriz Armendariz and Felipe Larrain B, Chapter 7

Main Issue: Fiscal Policy

Mexico

Cuba

Dominican Republic

Haiti

Puerto Rico

Jamaica/Barbados

Central America (February 13, 20).

Beatriz Armendariz and Felipe Larrain B, Chapter 11

Main Issue: Labor Markets

Nicaragua

Costa Rica

Panama

Honduras

El Salvador

Guatemala

South America Atlantic (February 25, 27, March 4)

Beatriz Armendariz and Felipe Larrain B, Chapter 9

Main Issue: Exchange Rates

Guyana

Argentina

Uruguay

Brazil

South America Interior (March 6)

Beatriz Armendariz and Felipe Larrain B, Chapter 8

Main Issue: Inflation

Paraguay

Bolivia

South America Pacific (March 11, 13)

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 (March 18)

Beatriz Armendariz and Felipe Larrain B, Chapter 12

Course Grade

- (1) Class participation 25%**
- (2) Project, Class Presentation 50% (18-20 page research project and class presentation (15 minutes) – spread out over the last four weeks)**
- (3) Take-Home Final 25%**