

**Simon Fraser University
Latin American Studies Program
Theories of Latin American Development (LAS 815)**

Spring, 2010
Thurs, 13:30-17:20
BLU 10031
Office Hours: M-F 9-4

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Description and Schedule

Description

Objectives

This course is designed to introduce students to contemporary Latin American (LA) economic development issues from an interdisciplinary perspective. LA is a beguiling region- rich in resources and with highly capable people, it has suffered from low and volatile growth and is one of the worst regions in terms of equity. The course guides students through in depth analyses of the sources and possible solutions to such problems. This course is a complement to LAS 800, which introduces methods, 835 covering social and political development, and POL 483, which offers an introduction to Latin American Political Economy. The course is designed to be accessible to students who do not have a background in economics. Students with limited background in LA can access the course with some additional background reading. Students will be intensively guided through a course project.

Required Readings

All readings will be available through library subscriptions or on reserve. For those with limited background in either LA studies, or particular topics within it, or who need additional work in skill areas, I can recommend a number of texts and/or exercises.

Assignments

Education requires a heavy reading volume and time to think in order to grasp a topic in an analytical sense. Students are expected to examine, consider, and react to them and prepare discussion papers for class following the guidelines at the end of this syllabus. Students should be aware of current events, and motivated to do outside reading in their area of interest. At the graduate level, the bulk of the course will be in a seminar format, with me guiding discussion and providing background information as needed. Students will also prepare a semester-long course project, to be developed in several stages. This exercise will help them to understand how to prepare for a large writing project that will be the centerpiece of their MA/PhD.

The assignments are the following:

- 1- Active participation and thorough preparation
- 2- Short (2-3 pp.) reflection papers on each week's readings for class discussion. Students should prepare these papers in 2 stages. The first stage would be synthesizing the main points of the reading. The second would be giving your own point of view (an argument) on the reading or a particular aspect of them, and using some preliminary evidence. Your paper based on this second part.
- 3- Short exercises (3-5 pp) that help you to work towards your research project.
- 4- The preparation of a 10-15 pp. discussion paper including a literature review and analysis of primary data and a presentation on it to the class at the end of the term. Students will be preparing background and analysis throughout the course through assignments tied to the readings and discussion papers. The paper could be based on your MA/PhD topic.

Grading

The assignments will be graded proportionally as follows:

-participation, including attendance	15%
-Reflection papers	25%
-Research project discussion papers	20%
-Research paper	30%
-Presentation and Discussion of Research Paper	10%

Students are expected to meet professional level standards in terms of their attendance and the quality of their assignments. They can hand in outlines or polished rough drafts for quick feedback with at least **one week's notice** to me, or stop by for quick consultations any time. All assignments are due promptly at the beginning of class. There are penalties for late work. See my webpage for further guidelines.

Office Hours

I generally do not mind students dropping in without an appointment unless the issue requires significant time. I encourage students to contact each other and me by e-mail. I will gather a voluntary contact list for this purpose early in the class.

Weekly Schedule

Background

I. Introduction to Course and Latin American Economics Primer (Jan. 7)

Readings: -Robert Dunn and John Mutti, *International Economics*, London: Routledge, c.2, 19-49 HF 1411 T392 2000

-Hira, The usefulness of the shared mental model framework for understanding Latin American economic history : from dependencia to neoliberalism, 296-306 in Ravi K. Roy, Arthur T. Denzau, Thomas D. Willett, eds., *Neoliberalism : national and regional experiments with global ideas*, NY: Routledge, 2007, HD 87 N46 2007

-Rosemary Thorp, *Progress, Poverty and Exclusion: An Economic History of Latin America in the 20th Century*, Washington: Inter-American Development Bank, 1998. HC 125 T565 1998 2

copies on reserve

Assignment: Select your research topic in consultation with me. Conduct preliminary research to better define feasibility and scope.

II. Persistent Economic Problems (Jan. 14)

Readings:

-David Lindauer and Lant Pritchett, "What's the Big Idea? The Third Generation of Policies for Economic Growth," *Economia*, Fall, 2002: 1-39.

-Raúl Prebisch/CEPAL, *The Economic Development of Latin America and its principal problems*, esp. pp.1-14, NY: UN, 1950 HC 161 U523

-Matia Vernengo, "Technology, Finance, and Dependency: Latin American Radical Political Economy in Retrospective," *Review of Radical Political Economics*, 38 (2006): 551-86.

- *Assignments due:* Reflection paper- suggested topic- a brief review of the persistent economic problems of your country or of the issue you are studying

III. Origins of the Latin American State and Political Capacity Issues (Jan. 21)

Readings:

-James Mahoney, "Long-Run Development and the Legacy of Colonialism in Spanish America," *American Journal of Sociology*, 109, 1 (2003): 50-106.

-Miguel Angel Centeno, pp.167-98 in *Blood and Debt: War and the Nation-State in Latin America*, University Park: the Pennsylvania State U. Press, 2002, F1410.5 C46 2002

-Hector Schamis, "Distributional Coalitions and the Politics of Economic Reform in Latin America," *World Politics* 51.2 (1999) 236-268

Assignments due: 1) Reflection Paper suggested topic: Write about the reasons for the strength or weakness of the state in terms of the country or issue you are researching. What possibilities are there for reform? 2) Pre-proposal and annotated bibliography including data sources

IV. Inequality (Jan. 28)

Readings:

-Stanley L. Engerman and Kenneth L. Sokoloff, "Factor Endowments, Inequality, and Paths of Development among New World Economies," *Economia*, Fall 2002: 41-109

-Alejandro Portes and Kelly Hoffman, "Latin American Class Structures: Their Composition and Change during the Neoliberal Era," *Latin American Research Review*, 38, 1 (Feb. 2003): 41-82.

Assignments due: Reflection paper- suggested topic- Write about how and why inequality persists in the country or issue and what can be done about it.

V. Macroeconomic and Financial Volatility (Feb. 4)

Readings:

-Hira, "The Distributional Consequences of Dollarization in Latin America" (with James Dean), *Third World Quarterly*, 2004, will be sent

-Hira and Gaillard, Latin American finance, will be sent electronically

-De la Torre, Augusto and Sergio Schmukler. 2006. Whither Latin American Capital Markets, LAC Regional Study, Oct. 21. Washington: The World Bank, will be sent electronically.

Assignments due: 1) Reflection Paper- suggested topic: Write about the sources and types of financial weakness for the country you are researching or how financial weakness impedes the issues you are researching. 2) Short paper critically analyzing one paradigm of your project (using empirical evidence).

VI. Existing Trade Agreements and Foreign direct Investment, Effects on Latin America (Feb. 11)

-Hira, "The FTAA as a Three Level Bargaining Game," *Problemas del Desarrollo*, 2004, will be sent electronically

On NAFTA:

-CEIP report http://www.ceip.org/files/publications/NAFTA_Report_full.asp

-WB report,

<http://wbIn0018.worldbank.org/LAC/LAC.nsf/ECADocbyUnid/32E02C48D1A7695685256CBB0060CA65?Opendocument>

-Roberto Porzecanski and Kevin Gallagher, Economic Reform and Foreign Direct Investment in Latin America: a critical assessment, *Progress in Development Studies* 7(3): 217-33.

Assignments due: Reflection Paper- suggested topic: What are the promise and peril of free trade agreements in the Americas? In what agreements and what strategy has your country followed or how have free trade agreements affected the issue you are studying? Or What is your evaluation of the benefits and costs of investment flows to LA? What is the best set of policies to increase the net benefits?

OLYMPIC BREAK, Feb 15-26

VII. World Trade and the Looming "Threat" of China (Mar. 4)

Readings:

-Sanjaya Lall, and John Weiss, "China's competitive threat to Latin America: an analysis for 1990-2002," *Oxford Development Studies*, 33,2 (June 2005): 163-94.

-Javier Santiso, *The Visible Hand of China in Latin America*, Paris: OECD, 2007, will be sent electronically.

Assignments due: 1) Reflection Paper: suggested topic: What can your country/issue learn from China? Does it pose a threat? Should LA governments be signing free trade agreements with China, as many have recently? 2) Short paper analyzing a different paradigm for your paper.

VIII. Microeconomic and Industrial Policy Perspectives (Mar. 11)

Readings: -Lea Velho, "Science and Technology in Latin America and the Caribbean: An Overview," UNU Feb 2004 (will be sent electronically)

-Hira, "Learning from the Tigers," will be sent electronically

-Hira, "Regulatory Games States Play," will be sent electronically

Assignments due: Reflection paper- suggested topic: Assess the desirability and possibility for industrial and technology policy in your country/issue.

IX. Equity and Human Capital (Mar. 18)

Readings:

- Barrientos, Armando; Gideon, Jasmine; Molyneux, Maxine. New Developments in Latin America's Social Policy. *Development & Change*, Sep2008, Vol. 39 Issue 5, p759-774, 16p,
- Rodrigo Arocena and Judith Sutz, "Latin American Universities: From an original revolution to an uncertain transition," *Higher Education* (2005): 573-92.
- Carlos A. Torres and Daniel Schugurensky, "The political economy of higher education in the era of neoliberal globalization: Latin America in comparative perspective," *Higher Education*, 43:429-55, 2002.
- Pol de Vos, Wim de Ceukelaire, and Patrick Van der Stuyft, "Colombia and Cuba: Contrasting Models in Latin America's Health Sector Reform," *Tropical Medicine and International Health*, 11, 10 (Oct. 2006): 1604-1612

Assignments due: 1) Reflection paper- suggested topic: What are the obstacles to improving human capital in your country or issue? 2) Short paper conducting a preliminary data-based analysis of your paper.

X. Migration and Environmental Sustainability Issues (Mar. 25)

- What are the consequences of the relatively neglected issues of international migration and environmental sustainability? What do we really know about migration, about remittances? Are there limits to growth?
- Discussion of rough drafts

Readings:

- Manuel Orozco, "Globalization and Migration: The Impact of Family Remittances in Latin America," *Latin American Politics and Society*, 44, 2 (2002): 41-66
- Douglas L. Massey, Mary J. Fischer, and Chiara Capoferro, "International Migration and Gender in Latin America: A Comparative Analysis," *International Migration*, 44, 5 (2006): 63-91.
- Jamie Elizabeth Jacobs, Community Participation, the Environment, and Democracy: Brazil in Comparative Perspective *Latin American Politics and Society*, Vol. 44, No. 4 (Winter, 2002), pp. 59-88.

Assignments due: Reflection paper- suggested topic: Is there a balancing point between sustainability and growth in your country/issue or how does migration/brain drain affect your country/issue?

XI. Moving Forward (Apr. 1)

Readings: -Patricio Navia and Andres Velasco, "The Politics of Second Generation Reforms," c. 10 in Pedro Pablo Kuczynski and John Williamson, eds., *After the Washington Consensus*, Washington: IIE, 2003 HC 125 A3187 2003 or found at:

http://www.petersoninstitute.org/publications/chapters_preview/350/10jie3470.pdf

- Sean W. Burges, "Building a Global Southern Coalition: the competing approaches of Brazil's

Lula and Venezuela's Chavez," *Third World Quarterly*, 28,7 (2007): 1343-58.

Assignments due: Reflection paper- suggested topic: Find and write about a success story in your country/issue. It can be a company, an ngo/organization, or an individual who made a long-term difference. What can we learn from this?

XII/XIII. Presentations and Discussions of Papers (Apr. 8/Apr. 15)

Assignment due: Final paper is due. Present your project to the class for their feedback.