

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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Class webpage <http://relooney.com>

## **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 Larraín 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, 2021), 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 Larraín 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 Larraín 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 Larraín B, Chapter 7

Main Issue: Fiscal Policy

Mexico

Cuba

Dominican Republic

Haiti

**Central America (May 6, 11).**

Beatriz Armendariz and Felipe Larraín 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 Larraín B, Chapter 9

Main Issue: Exchange Rates

Guyana

Argentina

Uruguay

Brazil

**South America Interior (May 25, 27)**

Beatriz Armendariz and Felipe Larraín B, Chapter 8

Main Issue: Inflation

Paraguay

Bolivia

**South America Pacific (June 3, 8)**

Beatriz Armendariz and Felipe Larraín 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 Larraín 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%).**