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Diplomacy Syllabi

School of Diplomacy and International Relations

Spring 2014

Political Economy of Latin America and the Caribbean

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Spring 2014
DIPL 6806: Political Economy of Latin America and the Caribbean
Tuesdays 5:00 – 7:10
Alfieri Hall 122

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Course Summary:

This seminar provides an overview of major approaches to the study of political economy in Latin America, past and present development trends, and recent debates over economic policy. The course begins with classic questions of the mutual reciprocal relations between politics and economics before covering the major debates between structural and institutional approaches. It proceeds by examining the switch from import-substituting industrialization to export-led growth models in the 1980s and 1990s as well as the effects of and reactions to the rise of neoliberal economic policies. The last several weeks examine new reform efforts in industry, agriculture, finance, and administration as well as the recent economic crisis. Course readings balance theory and empirics, range across methodologies and academic disciplines, and provide contrasting normative perspectives.

Requirements and Grading:

1. Class Participation (20 percent of course grade): Students are expected to attend all class sessions, to read all of the assigned materials prior to class, and to take part actively in class discussions. The quality of the discussion will largely depend on your preparation.
2. Literature Reviews (15 percent): Students should turn in a one-page review of the readings each week, except the week the mid-term is due (Oct. 16). In summary fashion, these reviews should compare and contrast the authors' main arguments and could also include discussion of the evidence presented, limitations, and potential policy relevance. The literature reviews may also be used to raise questions for class discussion. Although the reviews will not be individually graded, students should keep in mind that their reviews should serve them well for the class discussions and exam essays.
3. Mid-term Exam Essay (25 percent): Take-home exam for which questions will be provided in advance for an essay of 7-8 pages. The mid-term is due Tuesday, October 16.
4. Final Exam Essay or Research Paper (40 percent): Take-home exam for which questions will be provided in advance for an essay of 13-15 pages or research paper on the topic of your choice, 15-20 pages. If you choose the research paper, a proposal and bibliography are due October 2. The final, or research paper, is due Friday, December 14.

Important Notes:

Plagiarism and other forms of academic dishonesty will be reported to the administration, and may result in a lowered or failing grade for the course and up to possible dismissal from the School of Diplomacy. See university and school standards for academic conduct here:

<http://www.shu.edu/offices/community-development/community-standards/>

<http://www.shu.edu/academics/diplomacy/academic-conduct.cfm>.

Use of electronic devices for any purpose other than taking notes is not appropriate during class time. It distracts other students and the professor and will result in a lowered grade.

Required Readings:

All required course readings are on Blackboard except the book, *The Globalizers: Development Workers in Action*, by Jeffery Jackson, which is available at the bookstore.

Required readings denoted with ●; recommended readings denoted with *

Week 1 – Tue, Jan 14: Introduction

No reading.

Week 2 – Tue, Jan 21: The Political Economic Nexus

- Ronaldo Munck, “Political Economy,” in Munck, *Contemporary Latin America* (Palgrave Macmillan, 2003: 43-61).
- Gert Rosenthal, “The Financial and Economic Crisis of 2008 and Its Repercussions on Economic Thought,” *CEPAL Review* (Apr 2010: 29-39).
- Jose Antonio Cheibub, et al., “What Makes Democracies Endure?” *Journal of Democracy* (Jan 1996: 39-55).
- Peter Evans and James Rauch, “Bureaucracy and Growth: A Cross-National Analysis of the Effects of ‘Weberian’ State Structures on Economic Growth,” *American Sociological Review* (Oct 1999: 748-765).
- * Scott Mainwaring and Aníbal Pérez-Liñán, “Level of Development and Democracy: Latin American Exceptionalism, 1945-1996” *Comparative Political Studies* (Nov 2003: 1031-1067).
- * Dennis Pantin and Marlene Attzs, “The Economies of the Caribbean,” in Hillman & D’Agostino, eds., *Understanding the Contemporary Caribbean* (2009: 133-160).

Week 3 – Tue, Jan 28: Structuralism, Dependency, and World-Systems Analysis

- Luiz Carlos Bresser-Pereira, “From the National-Bourgeoisie to the Dependency Interpretation of Latin America,” *Latin American Perspectives* (May 2011: 40-58).
- Atul Kohli, “Coping with Globalization: Asian versus Latin American strategies of Development, 1980-2010,” *Brazilian Journal of Political Economy* (Oct-Dec 2012: 531-556).
- Erik Wibbels, “Dependency Revisited: International Markets, Business Cycles, and Social Spending in the Developing World,” *International Organization* (Spring 2006: 433-468).
- Alicia Bárcena, “Structural Constraints on Development in Latin America and the Caribbean: A Post-Crisis Reflection,” *CEPAL Review* (Apr 2010: 7-27).
- * Andy Higginbottom, “The Political Economy of Foreign Investment in Latin America: Dependency Revisited,” *Latin American Perspectives* (May 2013: 184-206).
- * Matias Vernengo, “Technology, Finance, and Dependency: Latin American Radical Political Economy in Retrospect,” *Review of Radical Political Economics* (Fall 2006: 551-568).

- * Immanuel Wallerstein, "Dependence in an Interdependent World," *African Studies Review* (April 1974: 1-26). (recommended)

Week 4 – Tue, Feb 4: Rent-Seeking, New Institutional Economics, and Policy Choices

- Anne Krueger, "Government Failures in Development," *The Journal of Economic Perspectives* (Summer 1990: 9-23).
- Rodríguez, Francisco. 2000. "The Political Economy of Latin American Economic Growth," manuscript, Global Development Network (1-41; but focus on sections 1 through 5.4 and Concluding Remarks).
- Daron Acemoglu and James Robinson, "The Persistence and Change of Institutions in the Americas," *Southern Economic Journal* (Oct 2008: 282-299).
- John Coatsworth, "Inequality, Institutions and Economic Growth in Latin America," *Journal of Latin American Studies* (August 2008: 545-569).
- Peter Blair Henry and Conrad Miller, "Institutions Versus Policies: A Tale of Two Islands," *American Economic Review* (May 2009: 261-267).
- * Erich Weede, "Why People Stay Poor Elsewhere," in Seligson and Passé-Smith, eds., *Development and Underdevelopment: The Political Economy of Global Inequality* (Lynne Rienner, 1996/1998: 367-388). (recommended)
- * Ha-Joon Chang, "Institutions and economic development: theory, policy and history," *Journal of Institutional Economics* (Dec 2011: 473-498). (recommended)

Week 5 – Tue, Feb 11: Competing Perspectives on Economic Policy Change

- Hector Schamis, "Reconceptualizing Latin American Authoritarianism in the 1970s: From Bureaucratic-Authoritarianism to Neoconservatism," *Comparative Politics* (Jan 1991: 201-220).
- James Mahon, "Was Latin America too rich to prosper? Structural and political obstacles to export-led industrial growth," *Journal of Development Studies* (Jan 1992: 241-263).
- William Robinson, "Global Crisis and Latin America," *Bulletin of Latin American Research* (April 2004: 135-153).
- Gavin Fridell, "Debt Politics and the Free Trade 'Package': the Case of the Caribbean," *Third World Quarterly* (May 2013: 613-629).
- * Barbara Stallings, "International Influence on Economic Policy: Debt, Stabilization, and Structural Reform," in Haggard and Kaufman, eds., *The Politics of Economic Adjustment* (Princeton University Press, 1992: 42-88).
- * Hector Schamis, "Distributional Coalitions and the Politics of Economic Reform in Latin America" *World Politics* (Jan 1999: 236-268). (recommended)

Week 6 – Tue, Feb 18: Reforming States and Markets in the 1990s (Mid-term exam questions handed out; If research paper chosen, proposal and bibliography due)

- Jorge Domínguez, "Chapter 1" in Domínguez, ed., *Technopols: Freeing Politics and Markets in Latin America in the 1990s* (Penn State University Press, 1997: 1-48).
- Kurt Weyland, "Swallowing the Bitter Pill: Sources of Popular Support for Neoliberal Reform in Latin America," *Comparative Political Studies* (Oct 1998: 539-568).
- Barbara Geddes, "A Game Theoretic Model of Reform in Latin American Democracies," *American Political Science Review* (June 1991: 371-392).
- Blanca Heredia and Ben Ross Schneider, "The Political Economy of Administrative Reform in Developing Countries" in Schneider and Heredia, eds., *Reinventing Leviathan: The Politics of Administrative Reform in Developing Countries* (Lynne Rienner, 2003: 1-29).

- * Karen Remmer, "Elections and Economics in Contemporary Latin America" in Carol Wise and Riordan Roett, *Post-Stabilization Politics in Latin America* (Brookings Institution Press, 2003: 31-55). (recommended)

Week 7 – Tue, Feb 25: Labor’s Role in and Reaction to Reforms (Mid-term is due)

- Alejandro Portes and Kelly Hoffman, "Latin American Class Structures: Their Composition and Change during the Neoliberal Era," *Latin American Research Review* (Feb 2003: 41-82).
- Katrina Burgess, "Global Pressures, National Policies, and Labor Rights in Latin America," *Studies in Comparative International Development* (June 2010: 198-224).
- Paul D. Almeida, "Defensive Mobilization: Popular Movements against Economic Adjustment Policies in Latin America," *Latin American Perspectives*, 34:3 (2007: 123-139).
- Kenneth Roberts, "Market Reform, Programmatic (De)alignment, and Party System Stability in Latin America," *Comparative Political Studies* (Nov 2013: 1339-1365).
- * Eduardo Silva, "Exchange Rising? Karl Polanyi and Contentious Politics in Contemporary Latin America," *Latin American Politics & Society* (Fall 2012: 1-32).

Week 8 – Tue, Mar 4: Evaluating Neoliberalism (and Argentina Case Study)

- Evelyne Huber and Fred Solt, "Successes and Failures of Neoliberalism" and
- Michael Walton, "Neoliberalism in Latin America: Good, Bad, or Incomplete?" *Latin American Research Review*, 39:3 (2004: 150-83).
- * John Williamson, "The Strange History of the Washington Consensus," *Journal of Post Keynesian Economics* (Winter 2004–5: 195-206). (recommended)
- Dani Rodrik, "Goodbye Washington Consensus, Hello Washington Confusion? A Review of the World Bank’s Economic Growth in the 1990s: Learning from a Decade of Reform," *Journal of Economic Literature* (December 2006: 973–987).
- Christopher Wylde, "State, Society and Markets in Argentina: The Political Economy of Neodesarrollismo under Néstor Kirchner, 2003–2007" *Bulletin of Latin American Research* (Oct 2011: 436-452).
- Barbara Stallings and Wilson Peres, "Is Economic Reform Dead in Latin America? Rhetoric and Reality since 2000," *Journal of Latin American Studies* (Nov 2011: 755-786).

Spring Break – no class on March 11

Week 9 – Tue, Mar 18: Evaluating Globalization (Honduras Case Study)

- Jeffrey Jackson, *The Globalizers: Development Workers in Action* (Johns Hopkins, 2005).

Week 10 – Tue, Mar 25: New Developmentalism, Industrial Policy, and Social Policy

- Luiz Carlos Bresser-Pereira, "Macroeconomics of Stagnation and New Developmentalism in Latin America," in Forstater and Wray, eds., *Keynes for the Twenty-First Century* (Palgrave Macmillan, forthcoming 2008: 1-21).
- Andrew Schrank and Marcus J. Kurtz, "Credit Where Credit Is Due: Open Economy Industrial Policy and Export Diversification in Latin America and the Caribbean," *Politics & Society* (Dec 2005: 671-702).
- Kenneth Shadlen, "The Politics of Patents and Drugs in Brazil and Mexico: The Industrial Bases of Health Policies," *Comparative Politics* (October 2009: 41-58).
- Jennifer Pribble, Evelyne Huber, and John Stephens, "Politics, Policies, and Poverty in Latin America," *Comparative Politics* (July 2009: 387-407).

- * Fábio Veras Soares, Rafael Perez Ribas, and Rafael Guerreiro Osório, “Evaluating the Impact of Brazil's Bolsa Família: Cash Transfer Programs in Comparative Perspective,” *Latin American Research Review* 45:2 (2010: 173-190). (*recommended*)
- * Kenneth Shadlen, “Exchanging development for market access? Deep integration and industrial policy under multilateral and regional-bilateral trade agreements,” *Review of International Political Economy* (Dec 2005: 750-775). (*recommended*)

Week 11 – Tue, Apr 1: Land: Reform, Non-Traditional Exports, and Tourism

- Miguel Teubal, “Agrarian Reform and Social Movements in the Age of Globalization: Latin America at the Dawn of the Twenty-first Century,” *Latin American Perspectives* (July 2009: 9-20).
- Susana Gauster and S. Ryan Isakson, “Eliminating market distortions, perpetuating rural inequality: an evaluation of market-assisted land reform in Guatemala,” *Third World Quarterly* (Dec 2007: 1519-1536).
- Tanya Korovkin and Olga Sanmiguel-Valderrama, “Labour Standards, Global Markets and Non-State Initiatives: Colombia’s and Ecuador’s Flower Industries in Comparative Perspective,” *Third World Quarterly*, (Jan 2007: 117-135).
- Miguel Altieri and Victor Manuel Toledo, “The Agroecological Revolution in Latin America: Rescuing Nature, Ensuring Food Sovereignty and Empowering Peasants,” *Journal of Peasant Studies* (July 2011: 587-612).
- Matthew Louis Bishop, “Tourism as a Small-State Development Strategy: Pier Pressure in the Eastern Caribbean?” *Progress in Development Studies* (April 2010: 99-114).
- * Gavin Fridell, “Fair Trade and Neoliberalism: Assessing Emerging Perspectives,” *Latin American Perspectives* (Nov 2006: 8-28). (*recommended*)
- * Deborah Sick, “Coffee, Farming Families, and Fair Trade in Costa Rica: New Markets, Same Old Problems?” *Latin American Research Review*, 43:3 (2008: 193-208). (*recommended*)

Week 12 – Tue, Apr 8: Global Commodity Chains, Sweatshops, and Natural Resources

- Jennifer Bair and Enrique Dussel Peters, “Global Commodity Chains and Endogenous Growth: Export Dynamism and Development in Mexico and Honduras,” *World Development* (Feb 2006: 203-21).
- Diego Sanchez-Ancochea, “Development Trajectories and New Comparative Advantages: Costa Rica and the Dominican Republic under Globalization,” *World Development* (June 2006: 996-1015).
- Alex Latta and Beatriz Cid Aguayo, “Testing the Limits: Neoliberal Ecologies from Pinochet to Bachelet,” *Latin American Perspectives* (July 2012: 163-180).
- William Dougherty, “The Global Gold Mining Industry, Junior Firms, and Civil Society Resistance in Guatemala,” *Bulletin of Latin American Research* (Oct 2011: 403-418).
- Antulio Rosales, “Going Underground: The Political Economy of the ‘Left Turn’ in South America,” *Third World Quarterly* (Sept 2013: 1443-1457).
- * César A. Rodríguez-Garavito, “Global Governance and Labor Rights: Codes of Conduct and Anti-Sweatshop Struggles in Global Apparel Factories in Mexico and Guatemala,” *Politics & Society* (June 2005: 203-33).

Week 13 – Tue, Apr 15: **Foreign Funds: Aid, FDI, and Remittances**

- Jeffrey Sachs, “The Development Challenge,” *Foreign Affairs* (Mar/Apr 2005: 78-90). (see www.earth.columbia.edu/ for more)
- William Easterly, “The Big Push Déjà Vu: A Review of Jeffrey Sachs’s *The End of Poverty*,” *Journal of Economic Literature* (March 2006: 96-105). (see <http://nyudri.org/> for more)
- Roy Nelson, “Competing for Foreign Direct Investment: Efforts to Promote Nontraditional FDI in Costa Rica, Brazil, and Chile,” *Studies in Comparative International Development* (Fall 2005: 3-28).
- Stephen Kosack and Jennifer Tobin, “Funding Self-Sustaining Development: The Role of Aid, FDI and Government in Economic Success,” *International Organization* (Jan 2006: 205-43). **(skim/skip 216-227)**
- Pablo Fajnzylber and J. Humberto López, *Close to Home: The Development Impact of Remittances in Latin America*, World Bank (2007: 1-18, 57-59).
- * Nilima Gulrajani, “Transcending the Great Foreign Aid Debate: Managerialism, Radicalism and the Search for Aid Effectiveness,” *Third World Quarterly* 32:2 (2011: 199-216). *(recommended)*
- * Alisa Garni and L. Frank Weyher, “Dollars, ‘Free Trade,’ and Migration: The Combined Forces of Alienation in Postwar El Salvador” *Latin American Perspectives* (Sept 2013: 62-77). *(recommended)*

Week 14 – Tue, Apr 22: **New Actors and Processes: China and PB**

- Rhys Jenkins, “Latin America and China—a new dependency?” *Third World Quarterly* 33:7 (2012: 1337-1358).
- Adrian Hearn, “China and Latin America: Economy and Society,” *Latin American Policy* (2013: 24-35).
- Enrique Dussel Peters and Kevin Gallagher, “NAFTA’s Uninvited Guest: China and the Disintegration of North American Trade,” *CEPAL Review* (August 2013: 83-108).
- Michael Touchton and Brian Wampler, “Improving Well-Being Through New Democratic Institutions,” *Comparative Political Studies* (Forthcoming 2014: 1-28).
- Benjamin Goldfrank, “Participatory Budgeting and Urban Sustainability: Reviewing Lessons from Latin America,” in Mieg and Töpfer, eds., *Institutional and Social Innovation for Sustainable Urban Development* (2013: 57-71).

Week 15 – Tue, Apr 29: **TINA vs. AWIP**

- Weyland, Kurt. “Threats to Latin America’s Market Model?” *Political Science Quarterly* (June 2004: 291-313).
- Benjamin Goldfrank, “Neoliberalism and the Left: National Challenges, Local Responses, and Global Alternatives,” Burdick, Oxhorn, and Roberts, eds., *Beyond Neoliberalism?* (Palgrave Macmillan, 2009: 43-60).
- Fernando Henrique Cardoso, “New Paths: Globalization in Historical Perspective,” *Studies in Comparative International Development* (forthcoming 2009: 22 pgs.).
- Gerardo Munck, “Democracy and Development in a Globalized World: Thinking About Latin America from Within,” *Studies in Comparative International Development* (forthcoming 2009: 22 pgs.).
- Kenneth Roberts, “The Politics of Inequality and Redistribution in Latin America’s Post-Adjustment Era,” UNU-WIDER Working Paper No. 2012/08 (Jan 2012: 23 pgs.).

- * Benjamin Goldfrank and Andrew Schrank, "Municipal Neoliberalism and Municipal Socialism: Urban Political Economy in Latin America" *International Journal of Urban and Regional Research* (June 2009: 443-462). (recommended)

Tuesday, May 13: Final Exam/Research Paper Due by 10:00 a.m. via email and hard copy

Primary Student Learning Outcomes:

By the end of the semester, students should have acquired knowledge and understanding of: key concepts, models, theories, and debates involved in the study of contemporary international relations and diplomacy; the interaction between politics and economics in the international system; a particular region of the world (Latin America and the Caribbean); and prevailing global issues. Students should also have developed the skills to: analyze complex situations and synthesize information.

*** Under the Americans with Disabilities Act and Section 504 of the Civil Rights Restoration Act, students at Seton Hall University who have a disability may be eligible for accommodations in this course. Should a student require such accommodation, he or she must self-identify at the Office of Disability Support Services (DSS), Room 67, Duffy Hall, provide documentation of said disability, and work with DSS to develop a plan for accommodations. The contact person is Mrs. Linda Walter at (973) 313-6003. ***

Websites that you might like:

Daily News Round-Up in Latin America:

<http://panamericanpost.blogspot.com/>

Lots of Latin America links:

<http://lanic.utexas.edu/>

Economic Data for Latin America:

<http://www.eclac.org/default.asp?idioma=IN>

Interesting Blog on International Development and Foreign Aid:

<http://www.oxfamblogs.org/fp2p/>