

A FORTY YEARS ANALYSIS SEBASTIÁN EDWARDS*

1. INTRODUCTION

Forty years ago two prominent Chilean economists, Anibal Pinto and Osvaldo Sunkel, argued that it was a mistake for Latin Americans to study economics abroad. According to them, graduate economics training in the United Kingdom, France and the United States was inadequate, and did not prepare students to deal with the unique problems of Latin America. In an article titled “*Latin American Economists in the United States*” they argued that Latin American universities should develop their own graduate programs, and concentrate on teaching the type of economics that would help the region address its structural deficiencies. The programs the authors had in mind were similar to those that at the time were being taught at CEPAL/ECLAC.¹

During the last forty years, and contrary to what Pinto and Sunkel argued, an ever growing number of Latin American students have been trained in the United States and other industrial countries. There have been, however, a number of important changes in the nature of this training. Most students now stay in graduate school until they finish their doctorate. This contrasts sharply with the situation as recently as 20 years ago, when many Latin American students returned to their countries after two years of course work, and did not finish the research/dissertation phase of the program. Other important differences are that now a growing number of women are getting graduate degrees in foreign universities, and that many Latin American students stay abroad and join the faculties of major research universities in the United States, the U.K. and other European countries.

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¹ The Pinto and Sunkel paper was originally delivered at a conference on US-Latin American cooperation held in Santiago-Chile in 1962. An extended version of the paper was published in 1966 in *Economic Development and Cultural Change*, with the title “Latin American Economists in the United States.” I have deliberately based the title of the current paper on that of the Pinto-Sunkel piece. In the same issue of EDCC Al Harberger, who at the time was a professor at the University of Chicago, provided an extensive comment of the Pinto-Sunkel article. In what follows I will refer to the 1966 versions of both the Pinto-Sunkel and Harberger papers.

Latin American academic economists (many originally trained abroad) are actively participating in international conferences, publishing internationally, and training very good professional economists at local universities. Many universities in the region have extremely good masters programs –indeed, one could argue that some of them are among the very best in the world–, and some of them are now offering serious doctoral programs.² Moreover, most research coming out of these universities is applied, and highly relevant for the region. These important developments contrast sharply with the situation described by Pinto and Sunkel in the early 1960s:

“[T]here is practically no possibility in the Latin American university...to carry the fundamental research that could serve as the base for a...theory of development” (Pinto and Sunkel 1966, p. 86)

It is not an exaggeration to say that the *Universidad Católica de Chile* was a pioneer in the trend towards creating first rate training and research programs, and that *Cuadernos de Economía* has played a key role in helping build a true research culture in Latin America. Indeed, the list of authors that have published in *Cuadernos de Economía* is impressive, and includes many individuals that eventually became ministers or governors of central banks throughout the region, as well as some of the most prominent academic economists in the world, including Harry Johnson, Al Harberger, T.W. Schultz, Stan Fischer, Rudi Dornbusch and many others.

The purpose of this paper is to analyze the relationship between Latin American economists and the academic world in the United States and other industrial countries. I argue that the continuous flow of Latin American students to U.S. universities’ –and those of other advanced nations– has been extremely positive for Latin America and for the economics profession as a whole. Indeed, most Latin American countries now have a large number of professional economists that can handle complex problems that arise in both the public and private sectors. To be sure, not all these fine professionals have been trained in foreign universities, but many of their teachers have. In fact, it is fair to say that today the vast majority of professional economists in Latin America have been deeply influenced, either directly or indirectly, by the way in which economics is taught in the United States.

The rest of the paper is organized as follows: in Section 2 I revisit the Pinto-Sunkel argument, and I discuss some of the ways in which the economic profession has changed in Latin America during the last few decades. In Section 3 I deal with the changing relationship between Latin American economists and the U.S. academic world. Section 4 focuses on the productivity and influence of Latin

² Given the continuing flow of Latin American students to study in U.S. – and in other advanced countries’ – universities, one may ask why should Latin American universities launch doctoral programs of their own. In my view, the existence of transaction costs, and the fact that not all students are able to spend for 5 or 6 years in a foreign country justifies the creation of doctoral programs in Latin America. At the same time I believe that these programs should be pragmatic and cost-effective. In that regard the cooperation between three top Latin American economic departments – Di Tella, U. de Chile, and ITAM – to impart a Ph.D. degree, is commendable and provides a guideline on the direction these programs should take.

American economists in global academic circles. Finally, in Section 5 I provide some concluding remarks.³

2. PINTO AND SUNKEL 40 YEARS LATER

The Pinto-Sunkel view on the inadequacy of U.S. economics training for Latin Americans was based on several premises:

- Latin American economic problems were quite unique to the region, and could not be understood using models that assumed that economic agents –and in particular peasants and *latifundistas*– were “rational.”
- The economic challenges of Latin America were very different from those of the advanced nations. In particular, the traditional definition of economics as the discipline aimed at “allocating scarce resources among multiple uses” did not describe adequately the nature of the region’s problems. Pinto and Sunkel argued that Latin America’s challenges consisted of increasing productivity, and making sure that underutilized natural resources were used fully (1966, p. 82).
- Issues related to income distribution were key for understanding –and tackling– Latin America’s structural problems. According to the authors, the type of economics taught in the industrial nations was unable to address these distributive issues.
- A solution of Latin America’s economics problems required very deep institutional changes. Designing these changes, in turn, required a political-economy based framework that was not taught in U.S. (or other advanced countries’) universities.

After making their diagnosis, Pinto and Sunkel went on to argue that “there exists dissatisfaction with the quality of this [U.S. universities’] education,” and that the overall effect of the programs that funded graduate studies abroad was negative, “in the sense that the investment has not been very economical viewed from the United States, not very advantageous as seen from Latin America” (1966, p. 79).

Some of the Pinto-Sunkel criticisms were more general, and even resonate with current controversies on modern economic training. They deplored the excessive reliance on mathematical models –this continues to be a contentious issue among academic economists in the U.S. and elsewhere–, and they argued that by focusing on closed economy models, training in the U.S. failed to deal with a key aspect of the Latin economies, whose reliance on exports was fundamental.

³ Before proceeding, I must confess that I was initially hesitant about writing on this topic. After all, some of the issues discussed in this paper are somewhat self-referential. However, after thinking about it, and talking it over with Professor Sebastián Claro, I decided that this is an important enough topic as to merit a paper. Throughout the discussion, thus, I have made an effort to maintain self-references to a minimum and to rely as much as possible on statistical analyses.

Although during the last forty years economics teaching and research has increasingly taken an open economy view, it is still the case that some academics based in the United States tend to ignore the role of international linkages. A good example is the recent and influential article on neo-keynesian macroeconomics by Clarida *et al.* (1999), which in its 40 pages makes no reference to exchange rates, foreign interest rates or other open economy variables.⁴ In spite of this, however, an increasing number of texts –both at the undergraduate as well as at the advanced level– have either adopted an open economy framework, or have incorporated several chapters on the open economy implications of different models.⁵

For Pinto and Sunkel, economists trained in the U.S. would return to the region and copy “painfully and without critical adaptation whatever emanates from Harvard, Cambridge or other prestigious universities.” This was not only bad; it was actually very costly. Indeed, in their lapidary view:

“Foreign trained students not only contributed very little to the economic development of their countries, but *frequently they retarded it ...*(1966, p. 79, emphasis added).”

Pinto and Sunkel argued that, in principle, there were two possible ways of dealing with this problem. On the one hand, graduate training in the United States could become more relevant for Latin America. Alternatively, Latin American universities could greatly increase their research and teaching capabilities and, thus, improve their capacity to train adequately future academics and policy makers.⁶

In their view, the first option was not feasible; they saw no reason why the best universities in the world would alter their programs to satisfy the needs of a group of third world countries. The second option –which was the one they favored– would require considerable resources and aid –both intellectual and financial– from other countries, including from the United States, Europe, the Soviet Union, China and Africa. The indigenous teaching programs that they envisaged would emphasize the role of structural deficiencies, the absence of “rational” decision making in the rural area, the importance of distributive issues, planning techniques, and political economy. These ideas had become popular at CEPAL/ECLAC, and in 1962 –the same year Pinto and Sunkel delivered the original version of their paper– CEPAL’s teaching arm ILPES was founded.

⁴ To be fair to the authors, in a subsequent short paper, they do extend their results to the case of an open economy.; Clarida *et al.* (2001).

⁵ Indeed, the macroeconomics text by Sachs and Larraín, one of the most popular macroeconomics texts in the world, focuses from the outset on the open economy. Notably, this text is co-authored by a prominent Latin American economist.

⁶ They also considered a third alternative: that Latin American economists joined foreign graduate programs at an older age, and only after they had some significant work experience in their own countries. Harberger (1966) argued that this was not a very practical solution, as graduate training in economics –or in any subject, for that matter– required the type of flexibility that is usually found among younger students.

Interestingly enough, in the last forty years we have seen significant progress on both areas discussed by Pinto and Sunkel. Top U.S. universities now offer highly applied fields of specialization, and in virtually every major graduate program some of the best minds are researching issues related to development economics, political economy, economic growth and international economics. In particular, economic development is not any longer a poor cousin of more glamorous fields, such as industrial organization, economic theory, or public finance. The *National Bureau of Economic Research* – the most prestigious inter-university research organization in the world – has programs on Latin America, India, China, and East Asia. And prestigious economic journals routinely publish articles on issues that are highly relevant to the Latin American nations. Moreover, most recent Nobel Laureates have become increasingly interested in understanding issues related to the less advanced countries – consider the cases of Jim Heckman, Bob Lucas and Bob Mundel, just to name three.

What is particularly interesting is that to an important extent these changes in teaching orientation have been the result of an increasing presence of Latin American nationals among the ranks of senior professors in some of the top research universities.⁷ While in the early 1960s no Latin American had a senior position at the best U.S. universities – at the time Carlos Díaz-Alejandro was beginning what eventually became a glorious career –, there currently are a large number of full professors (and many assistant professors) in the best economics departments and business schools. As I will discuss in Section 3 these individuals have had an important degree of (direct and indirect) influence in helping reshape the nature of graduate training and research.

There has also been significant progress in the quality of the Latin American universities. And this has largely happened thanks to the work of individuals trained in the U.S. and the U.K. – and, I must say, without any assistance from the (former) Soviet Union, Africa or China! These days there are excellent Masters programs in economics in a number of places, including at the Universidad Católica, and the Universidad de Chile (both Economía and Ingeniería Industrial) in Chile; at the Universidad del CEMA, Universidad de San Andrés and Universidad Di Tella in Argentina; at PUC-RJ and Getulio Vargas in Brazil; at the Universidad de los Andes in Colombia; and at ITAM, and El Colegio de México in Mexico. But this is not all. In addition to these structured degree programs, there are now a number of specialized programs aimed at professional economists that focus on specific applied issues and techniques. Of these, perhaps the best known – and the one with the highest (social) rate of return – is the CIAPEP program at the Universidad Católica de Chile, whose aim is to train economists in the social evaluation of investment projects.

Moreover, much of the policy progress made in the Latin American nations during the last 20 years is associated with the names of economists trained in top U.S. universities. This is true of the remarkable opening up of the Latin economies

⁷ The presence of many distinguished professors from other developing countries – including India, Pakistan and China – has also helped.

–including the NAFTA, and the Chile-U.S. Free Trade Agreement–, the defeat of inflation, the reduction in waste in public investment projects, the effort to target social programs to the poor, the rapid growth in exports, and the creation of modern capital markets, among other. To be sure, there is still much to be done –including creating modern regulatory systems, and improving the conduct of fiscal policy–, but professional economists in most countries are working hard to make good progress in these areas. Some skeptics could argue that many of the problems that have affected Latin America during the last few years are the result of misguided policies pushed by U.S. trained economists. A (partial) list of misfortunes is likely to include the Mexican peso crisis of 1994, the Argentina “Convertibility Law” and the crisis of 2001, and the corruption that has surrounded privatization in many countries in the region. Of course, mistakes were made, and while this is not the place to deal with these issues in detail, it should be pointed out that in everyone of these instances a number of professional economists were critical of the policy course undertaken by that particular country at that time, and voiced their concerns before the crises.⁸

3. THE CHANGING RELATIONSHIP BETWEEN LATIN AMERICAN ECONOMISTS AND THE UNITED STATES ACADEMIC COMMUNITY⁹

Forty years ago Latin American economists were “consumers” of economics research produced in the advanced nations. This is not any longer the case; in the last three decades there has been a rapidly growing presence of Latin Americans in the faculties of top U.S. universities, and many Latin American economists have become important “producers” of world-class economic research.

In the early 1960s, Carlos Díaz-Alejandro was a lonely figure at Yale and Minnesota; by the late 1960s Miguel Sidrauski had joined MIT, and Marcelo Selowsky and Daniel Shydlosky had become assistant professors at Harvard. And by the mid 1970s José Scheinkman had joined Chicago, and Guillermo Calvo and Carlos Rodriguez were at Columbia. Today, in contrast, there are more than a dozen full professors –and a number of them holders of endowed chairs– at many top universities, including Chicago, MIT, Harvard, Yale, NYU, Duke, Columbia, Berkeley, UCLA, Maryland, Princeton, and Dartmouth. In addition, there is a very large number of Latin American associate and assistant professors at the very best universities.

⁸ As Sebastián Claro pointed out to me, critics of the training of Latin American economists in the U.S. may argue that the problem is not only that there have been crises. More importantly, perhaps, the Latin American economies have not performed at all well during the last few years. And this, in spite of – or because of, someone may argue – the hordes of U.S. trained economists that have been running economic policy. I believe that the recent slowdown of many of the Latin American economies has been to a large extent the result of severe terms of trade shocks and of the global recession that began in early 2001.

⁹ The discussion in this section does not deal with the very important role played by the multilateral institutions, such as the World Bank, the IMF and the IDB. However, I have included individual authors in the Tables presented below.

An important consequence of this development is that –because of their seniority– many of these individuals have influenced the way in which economics is taught and the way in which research is done in the United States. Of course, this process has neither been deliberate, nor has it been the result of an activism devoted to changing the way things are done. It has simply happened through many different channels, and in a gradual, natural and subtle way. There is little doubt that through their research these individuals brought into their departments and schools a perspective that emphasized economic problems that were important in their countries of origin. The examples abound: In his research Guillermo Calvo has emphasized the time inconsistency of macroeconomic policies, the effects of alternative stabilization programs in open economies, and formal models of inflationary inertia. Ricardo Caballero has made enormous progress in understanding the sources of macroeconomic instability in emerging countries, and has proposed innovative insurance-based schemes to deal with it. Eduardo Engel has introduced novel ideas in the economic analysis of highway concessions; Pablo Spiller has set the bases for the analysis of regulation in newly privatized industries; Carlos Vegh has analyzed the dynamics of anti-inflation and stabilization programs; and Eduardo Schwartz has introduced new techniques for evaluating investments in natural resources. All of these topics are now routinely taught in graduate courses at the best U.S. universities, and many of the readings assigned in them are by economists originally from Latin America.

These individuals have also played an important role as editors or co-editors of influential journals –see Table 1 for a list of editorial assignments. By emphasizing certain topics and by favoring one type of work over other, editors are able to imprint a “personality” to the journals they edit. What the journal editors listed in Table 1 have in common is an interest in rigorous work with (some) policy implications. For them it doesn’t really matter if the work is empirical or theoretical; what matters is that at the end there is an applied angle, and that there are insights that may be of interest to policy makers or to economic agents in the private sector.

The launching, in 2000, of *Economia*, the first academic journal published by a major publishing house (*Brookings*) devoted solely to Latin American economics, was a particularly important event in academic publishing. Under the leadership of Andrés Velasco, *Economia* has become a focal point for top-notch research on development and Latin American economics. Velasco has not only been able to assemble a very impressive list of contributors, but has also designed an exciting conference-like system where papers are discussed by groups of Latin American and U.S. based economists. The fact that these meetings take place in different Latin American and U.S. cities adds to the excitement of this project.

TABLE 1
MAJOR EDITORIAL ASSIGNMENTS OF LATIN AMERICAN ECONOMISTS

Editor or Co-editor	Journal	Years
José Scheinkman	<i>Journal of Political Economy</i>	1983-1994
Alejandra Cox Edwards	<i>Contemporary Policy Issues</i>	1990-1997
Sebastián Edwards	<i>Journal of Development Economics</i>	1991-2000
Carlos Vegh	<i>Journal of International Economics</i>	1999-2001
Andrés Velasco	<i>Journal of International Economics</i>	1996-2000
Carlos Vegh	<i>Journal of Development Economics</i>	2000-2003
Andrés Velasco	<i>Economía</i>	2000-
Andrés Velasco	<i>Journal of Development Economics</i>	2003-
Fernando Alvarez	<i>Journal of Political Economy</i>	2000-
Pablo Spiller	<i>Journal of Law, Economics and Organization</i>	1994-
Pablo Spiller	<i>Journal of Economics and Management Strategy</i>	1994-
Enrique Mendoza	<i>Journal of International Economics</i>	2002-

Many U.S. based academics are now publishing in some of the new academic journals that have been launched in the region. This has been particularly the case of the *Journal of Applied Economics*, edited by Carlos Rodríguez at the Universidad del CEMA in Buenos Aires, where almost one half of the articles published since 1999 are by non-Latin American authors. The fact that the *JAE* is published in English—a trend also observed in other journals, including *Cuadernos de Economía*—has played an important role in persuading U.S. based economists that these are interesting outlets for their work.

The annual meetings of *LACEA* and of the *Econometric Society* have become important points of encounter between Latin American and industrial countries' economists. Year after year, a large number of U.S. academics travel to a Latin American city to present and discuss research papers of an increasingly higher quality. In addition to these two large annual meetings, there are now smaller ones where groups of U.S. and Latin American economists gather to discuss ongoing research in a more intimate way. The NBER's *Interamerican Seminar on Economics (IASE)* has met annually since 1987, in different Latin American cities—in 2002 the meeting was in Monterrey, Mexico, and in 2003 it will take place in Santiago, Chile—; and the *Di Tella Summer Camp* has met in Buenos Aires since 1998. A number of U.S. academics have visited Latin America for the first time to participate in one of these meetings, and many of them have been “captured” by the region's problems, and have subsequently devoted some of their research efforts to understanding them.

4. RESEARCH AND INFLUENCE

In the previous section I argued that one of the most important changes in the last few decades is that Latin American economists are not any longer pure “consumers” of international research in economics. Many of them have, I went on to argue, become “producers” of world-class research, and have become highly influential in the global academic world. It is possible, of course, for skeptical readers to question this assertion, and to ask the extent to which these individuals have indeed made their mark in the world academic scene.

Students of the academic world have used citations in scientific journals as a measure of prominence, influence and academic productivity. According to this view, innovative scientific works, and works that make a difference, are cited by other scholars in their own publications. Thus, it is possible to gauge the degree of influence of a particular work –or a body of work by an author– simply by measuring the number of times other scientists refer to the work in question. For many years now the *Social Sciences Citation Index (SSCI)* has kept track of scientific citations in the social sciences.¹⁰ Every time a particular work by a specific author is cited in a prestigious journal, that citation is recorded in the *SSCI* database. These citations –or “hits” in the jargon of the academic publishing world– are then added up, and each article, paper, working paper or book gets a total number of “hits” or citations.

In this section I report the results from an analysis of frequently cited works authored (or co-authored) by Latin American economists. More specifically, I report a list of the most frequently cited works by Latin American economies during the last 28 years. Performing this type of analysis requires making some decisions, including on the period to be covered, the type of works to be included, and whether to make adjustments for multiple authored papers. With respect to these issues, a number of rules were followed: (a) I include every citation since 1975. That is, independently on when the work was published, if it was cited after 1974, the “hit” is recorded. The initial year was chosen because the *SSCI* database on line begins in 1975. (b) All cited works are included with the same weight. This means that the list includes books, journal articles, working papers, and chapters in books. (c) I made no adjustments for multiple authors. If a work has three co-authors, each of them gets credit for all the “hits.” Also, self-citations were not excluded. And (d) I included works cited under alternative variants of each authors’ name.¹¹

Surprisingly, perhaps, it was not trivial to determine which authors to consider as being “Latin Americans.” Should a Spanish or Portuguese surname be enough? Or, should the place of birth be the criteria? At the end I decided to define as “Latin American” authors those that had received an undergraduate degree from a Latin American university. The reason for using this criterion is that it fits with the discussion initiated by Pinto and Sunkel in the 1960s, on the benefits of Latin American economists traveling abroad to get a *graduate degree*. Using this criteria meant excluding from the analysis Cuban American scholars such as Carmen Reinhart, Peter Montiel, Jorge Salazar Carrillo, José de la Torre, and Roger

¹⁰ There are equivalent indexes for the “hard” sciences and for the humanities.

¹¹ The *SSCI* attributes a work to every one of its co-authors if the work in question was published in a journal. This is not the case, however, of working papers, chapters or books. They are only attributed to the first author. For this reason, I made a deliberate effort to track down co-authored works, and to credit every co-author for the respective hits. It is important to make this adjustment, since not doing it would result in an undercount of hits for authors whose last names start with letters that are towards the end of the alphabet. Once these adjustments are made, authors such as Eduardo Schwartz, Andrés Velasco and Carlos Vegh obtain a significantly larger number of hits.

Betancourt. It also meant leaving out some academics that were born in Latin America, but did not attend a regional university as undergraduates, such as Ernie Berndt, Julio Rotemberg, Graciela Chilchinivsky and Rosa Matzkin. Finally, I decided to exclude from the analysis Latin American economists that have passed away –this list includes some very prominent economists, such as Miguel Sidrauski and Rolf Mantel.¹²

A consequence of using the criteria described above is that Carlos Díaz Alejandro, one of the most prominent development economists of his generation, is not included in the analysis. Yet, in order to give a sense of the orders of magnitude we are talking about, it is useful to discuss his citations' record. According to the *SSCI* files, Díaz Alejandro's work has been cited 1,006 times since 1975. His two most cited works are his 1985 *Journal of Development Economics* article, "Good Bye Financial Repression, Hello Financial Crash," with 98 hits, and his 1977 *Journal of International Economics* article (joint with R. Brecher) on the welfare effects of foreign direct investment in the presence of minimum wages, with 109 citations.¹³ Generally speaking, a total of 1,000 citations or more is considered to be a very solid record for an individual author. More than 75 total citations for a specific work is considered to be very good, and more than 200 for a single work is considered to be a "grand slam." Of course, citations' counts are subject to some limitations and should be interpreted with care. For instance, they don't take into account the year when the work in question was published; it is very different for a work published four years ago to have 100 citations, than for one published 40 years ago to have the same number of hits. Also, the aggregate number of citations does not take into account the span of the individual's academic career. In that regard, looking at the average number of citations *per year of professional work* maybe more meaningful; in that regard, more than 100 citations, on average, per year is considered to be an extremely good record.

Table 2 contains a list of the 35 most frequently cited works authored, or coauthored, by Latin American economists in the period 1975-2003.¹⁴ Several interesting fact emerge from this table: (a) The most obvious one is that there is a large number of works by Latin authors that are highly cited in international journals. (b) It is interesting to notice that many of the names repeat themselves. For instance, Jose Scheinkman is the co-author of two of the five most frequently cited papers; Rafael La Porta and Florencio López de Silanes are co-authors of another two of the top-cited five works. (c) Twenty-four of the 35 works are co-authored, and in the vast majority of the cases at least one of the other co-authors is a non Latin American scholar. Indeed, only two of the 23 co-authored works are the

¹² Both of them were extremely prominent in the profession, and their work has been very frequently cited. Sidrauski's 1967 *American Economic Review* article has 223 citations since 1975; and his *Journal of Political Economy* piece from 1967 has 109 citations. Mantel's 1974 paper in the *Journal of Economic Theory* has 82 hits.

¹³ All citations counts referred to in this paper are as of the week of September 5, 2003.

¹⁴ The criterion used for inclusion was that the work had to have at least 75 citations. In compiling the citations, I made sure to add all reference to that particular work; in the case of books, citations to any of the editions were added up to compute the total number of hits

product of all-Latin American teams. (d) The works in Table 2 cover a very wide set of topics and fields –from econometrics, to historical analyses of country experiences, to formal empirical work, and theory–, indicating that Latin American scholars have a variety of interests and abilities. (e) The list includes five books and thirty articles. These have been published in a variety of journals, including technical ones such as the *JET* and *Econometrica*, general journals (*AER* and *JPE*), and area journals, such as the *JDE*, the *Journal of Finance* and the *JME*. (f) In terms of nationalities, the list includes one Brazilian, three Mexicans, five Argentineans, and six Chileans. And (g), all but two of the Latin American authors listed in the table continue to work in the academic world – the exception being Alejandro Foxley, a member of Chile’s Senate, and Carlos Jarque a senior manager at the InterAmerican Development Bank.

The vast majority of the authors in Table 2 are currently residents of the United States. Only three of them –Alejandro Foxley, Nora Lustig and Carlos Rodriguez– live and work in Latin America, and one of them –Hugo Hopenhayn, divides his time between the United States and Argentina. This, however, does not mean that these individuals are not intimately connected with the regional academic and policy worlds. In fact, the vast majority of them are very actively involved in regional projects. Some examples to boot: José Scheinkman has been intimately involved in policy circles in Brazil, and has been an advisor to prominent politicians. Eduardo Schwartz frequently lectures at the Universidad Católica de Chile, and has a number of projects with Chilean co-authors. Guillermo Calvo is the founder of the DiTella Summer Camp, and has an endowed chair at the Universidad del CEMA. Ricardo Caballero teaches an annual macroeconomics course at the Universidad Católica in Chile. And Rodi Manuelli teaches frequently at the Universidad Di Tella.

This active engagement with academia in Latin America is not restricted to the authors in Table 2. Other frequently cited Latin Americans currently teaching in the U.S. also work with co-authors in the region, teach in Latin American universities and have Ph.D. students from the region – see the Appendix for a list of frequently cited authors. This is the case, for example, of Fernando Alvarez, Eduardo Engel, Pablo Spiller, Carlos Vegh, and Andrés Velasco, among others.

The table on “*Frequently Cited Latin American Economists*” in the Appendix captures another important trend. Latin American producers’ of world-class research are not restricted to individuals that teach in U.S. universities.¹⁵

¹⁵ Notice that other studies on citations have used a somewhat different methodology. Coupe (2002), for example, concentrates on citations of journal articles that are indexed by *EconLit*, and thus excludes chapters, books, and working papers. He also corrects by number of authors, and years since the article was published. The results in his study are very similar to those presented in the Appendix, however. For instance, the top 5 authors in the Appendix are also the top five (and in exactly the same order) – Calvo, Edwards, Schwartz, Scheinkman and Caballero – than in Coupe’s ranking for 1975-2000. Coupe also presents a ranking for 1990-2000, where there are some slight changes from his 1975-2000 count. According to his methodology the most frequently cited Latin American economists during that period are Caballero, Edwards, Spiller, Calvo and Schwartz.

Indeed, as the Appendix shows, there are many frequently cited scholars that are residents of the Latin American countries and that teach at regional universities, or that have prominent positions in the public sector. Particularly prominent among them are Carlos Rodríguez, Vittorio Corbo, José De Gregorio, and the incoming president of LACEA, Mariano Tommasi. Interestingly –and not at all surprisingly– one of Latin America's frequently cited authors is Osvaldo Sunkel, who in 1966 urged Latin American universities to improve their teaching and research capabilities.

TABLE 2
MOST FREQUENTLY CITED WORKS BY LATIN AMERICAN ECONOMISTS:
1975-2003

Author	Title	Journal/Publisher	Number of Citations
Kreps, D.M. and Scheinkman, Jose	"Quantity Precommitment and Bertrand Competition"	<i>Journal of Economic Theory</i> , 1983	265
Jaque, Carlos and A.K. Bera	"Efficient Tests for Normality, Homoscedasticity and Serial Independence of Regression Residuals"	<i>Economics Letters</i> , 1980	264
La Porta, Rafael, López de Silanes, Florencio, and Shleifer, A.	"Law and Finance"	<i>Journal of Political Economy</i> , 1999	220
La Porta, Rafael, López de Silanes, Florencio, Schleifer, A and Vishny, R.	"Legal Determination of External Finance"	<i>Journal of Finance</i> , 1997	200
Glaeser, E.L., Kallal, H.D., Scheinkman, Jose, and Shleifer, A.	"Growth in Cities"	<i>Journal of Political Economy</i> , 1992	194
Edwards, Sebastián	Real Exchange Rates, Devaluation and Adjustment	<i>MIT Press</i> , 1989	192
Brennan, M., and Schwartz, Eduardo	"Evaluating Natural Resource Investments"	<i>Journal of Business</i> , 1985	178
Jones, L.E. and Manuelli, Rodolfo	"A Convex Model of Equilibrium Growth"	<i>Journal of Political Economy</i> , 1990	154
Calvo, Guillermo	"Staggered Prices in a Utility Maximization Framework"	<i>Journal of Monetary Economics</i> , 1983	152
La Porta, Rafael, López de Silanes, Florencio, and Shleifer, A.	"Corporate Ownership Around the World"	<i>Journal of Finance</i> , 1999	145
Calvo, Guillermo	"Time Consistency of Optimal Policy in a Monetary Economy"	<i>Econometrica</i> , 1978	142
Lebaron, B. and Scheinkman, José	"Non Linear Dynamics and Stocks Returns"	<i>Journal of Business</i> , 1989	141
Foxley, Alejandro	"Latin American Experiences with Neconservative Economics"	<i>University of California Press</i> , 1983	135
Calvo, Guillermo and Rodríguez, Carlos A.	"Models of Exchange Rate Determination Under Currency Substitution"	<i>Journal of Political Economy</i> , 1977	134
Edwards, Sebastián	"Openness, trade Orientation and Growth in Developing Countries"	<i>Journal of Economic Literature</i> , 1993	128
Brennan, M., and Schwartz, Eduardo	"A Continuous Time Approach to the Pricing of Bonds"	<i>Journal of Banking and Finance</i> , 1979	124
Abreau, D., Pearce, D. and Stacchetti, Ennio	"Optimal Cartel Equilibria with "Imperfect Monitoring"	<i>Journal of Economic Theory</i> , 1986	115
Lustig, Nora	Mexico: The Remaking of an Economy	<i>Brookings</i>	113
Edwards, Sebastián and Cox Edwards, Alejandra	Monetarism and Liberalization: The Chilean Experiment	<i>Ballinger/University of Chicago Press</i> , 1987/1991	108
Calvo, Guillermo	"Supervision, Loss of Control and Optimal Size of the Firm"	<i>Journal of Political Economy</i> , 1978	100
Longstaff, F. and Schwartz, Eduardo	"Interest Rate Volatility and the Term Structure"	<i>Journal of Finance</i> , 1992	100
Jones, L.E., Manuelli, Rodolfo and Rossi, P.E.	"Optimal Taxation in Models of Endogenous Growth"	<i>Journal of Political Economy</i> , 1993	94
Edwards, Sebastián	"Trade Orientation, Distortions and Growth in Developing Countries"	<i>Journal of Development Economics</i> , 1992	89
Scheinkman, José	"Optimal Steady States of N-Sector Growth Models"	<i>Journal of Economic Theory</i> , 1976	89
Cukierman, A., Edwards, Sebastián and Tabellini, G.	"Seignorage and Political Instability"	<i>American Economic Review</i> , 1992	87
Krueger, A.O. M. Schiff and Valdés, Alberto	"Agricultural Incentives in Developing Countries: Measuring the Effects of Sectoral and Economy Wide Policies"	<i>The World Bank Economic Review</i> , 1988	87
Mendoza, Enrique	"Real Business Cycle in a Small Open Economy"	<i>American Economic Review</i> , 1991	86
Brock, W.A. and Scheinkman, José	"Global Asymptotic Stability of Optimal Control Systems"	<i>Journal of Economic Theory</i> , 1976	86
Caballero, Ricardo and Lyons, R.	"External Effects in United States Procyclical Productivity"	<i>Journal of Monetary Economics</i> , 1992	84
Edwards, Sebastián	Crisis and Reform in Latin America: From Despair to Hope	<i>Oxford University Press</i> , 1995	84
Calvo, Guillermo and Wellisz, S.	"Hierarchy, Ability and Income Distribution"	<i>Journal of Political Economy</i> , 1979	82
Hopenhayn, Hugo	"Entry, Exit and Firm Dynamics in Long Run Equilibrium"	<i>Econometrica</i> , 1992	77
Abreau, D. Pearce, D. and Stacchetti, Ennio	"Toward a Theory of Discounted Repeated Games"	<i>Econometrica</i> , 1990	76
Caballero, Ricardo	"Consumption Puzzles and Precautionary"	<i>Journal of Monetary Economics</i> , 1990	75

Source: *Social Science Citation Index*. See text for details. Works with a total of 75 or more citations were included in this table. All co-authors' names are included. For each Latin American co-author I include first and last name.

5. CONCLUDING REMARKS

Interestingly –or surprisingly, perhaps– four decades after Pinto and Sunkel wrote their important paper, the situation resembles what they considered to be desirable: throughout Latin America universities have improved tremendously, and today they have excellent, vibrant and up to date teaching and research programs. At the same time, and in contrast to what Pinto and Sunkel described in their 1966 paper, teaching and research in the best universities in the U.S. is today highly relevant for Latin America.

In this paper I have argued that these developments have (partially) been the result of the increasing (circular) flow of Latin American economists to the United States and back. I have argued that, in particular, the fact that so many Latin American nationals have become senior faculty members in the best universities in the world has made a big difference. What is interesting is that this flow has not constituted an irreversible “brain drain.” As I point out in the paper, the vast majority of these individuals continue to be engaged with Latin America, and spend considerable amounts of time teaching and doing research in the region.¹⁶ Also, there is no indication that this trend is coming to an end. In fact younger scholars –such as Laura Alfaro at Harvard and Roberto Rigobón at MIT– seem to be following a similar pattern than that of other researchers. Latin American economists in the United States are doing very well, and that is good for the economics profession and, especially, for Latin America.

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- Pinto, A. and Sunkel, O. (1966), “Latin American Economists in the United States,” *Economic Development and Cultural Change*, October.

¹⁶ No doubt that the increased ease for travel and international communications has helped.

APPENDIX
FREQUENTLY CITED LATIN AMERICAN ECONOMISTS

Author	Total Citations	Country of Origin	Affiliation	Number of works with 50 or more citations
Alvarez, Fernando	125	Argentina	Chicago	0
Araujo, Aloisio	474	Brazil	IMPA	1
Arellano, José Pablo	133	Chile	Cieplan	0
Aspe, Pedro	136	Mexico	ITAM	0
Auernheimer, Leonardo	155	Argentina	Texas A&M	0
Blejer, Mario	786	Argentina	Bank of England	0
Caballero, Ricardo	1,330	Chile	MIT	5
Calvo, Guillermo	2,933	Argentina	Maryland/IDB	9
Cardoso, Eliana	450	Brazil	RJ	0
Chang, Roberto	145	Peru	Rutgers	0
Corbo, Vittorio	730	Chile	Banco Central, Chile	0
Cortázar, René	192	Chile	Cieplan	0
Cox Edwards, Alejandra	189	Chile	Cal State, Long Beach	1
De Gregorio, José	521	Chile	Banco Central, Chile	2
Di Tella, Rafael	152	Argentina	Harvard	0
Edwards, Sebastián	2,402	Chile	UCLA	8
Engel, Eduardo	389	Chile	Yale	0
Ffrench Davis, Ricardo	464	Chile	CEPAL	0
Foxley, Alejandro	645	Chile	Senado de Chile	1
Guidoti, Pablo	178	Argentina	U. Di Tella	0
Goldfajn, Ilan	170	Brazil	PUC-RJ	0
Hausmann, Ricardo	223	Venezuela	Harvard	0
Hopenhayn, Hugo	387	Argentina	UCLA/Di Tella	1
Jarque, Carlos	585	Mexico	IDB	3
Kaminsky, Graciela	601	Argentina	GWU	1
La Porta, Rafael	1,139	Argentina	Dartmouth	5
Larraín, Felipe	103	Chile	U Católica, Chile	0
Loayza, Norman	236	Peru	World Bank	0
López, Ramón	518	Chile	Maryland	2
López de Silanes, Florencio	1,056	Mexico	Yale	5
Lustig, Nora	405	Mexico	UDLA	1
Manuelli, Rodolfo	498	Argentina	Wisconsin	2
Meller, Patricio	340	Chile	U de Chile	0
Mendoza, Enrique	541	Mexico	Maryland	2
Montero, Juan Pablo	108	Chile	U Católica, Chile	1
Ocampo, José Antonio	256	Colombia	CEPAL	0
Olivera, Julio	214	Argentina	UBA	0
Rodríguez, Carlos	915	Argentina	UCEMA	4
Ros, Jaime	142	Mexico	Notre Dame	0
Scheinkman, José	1,697	Brazil	Princeton	11
Schmidt-Hebbel, Klaus	236	Chile	Banco Central, Chile	0
Schwartz, Eduardo	2,199	Chile	UCLA	12
Selowsky, Marcelo	424	Chile	IMF	0
Spiller, Pablo	1,252	Uruguay	Berkeley	2
Stacchetti, Ennio	463	Chile	NYU	2
Sturzenegger, Federico	104	Argentina	Di Tella	0
Sunkel, Osvaldo	707	Chile	CEPAL	1
Teitel, Simón	243	Argentina	Washington D.C.	0
Tommasi, Mariano	166	Argentina	U San Andres	0
Tornell, Aaron	326	Mexico	UCLA	0
Uribe, Martín	107	Argentina	Duke	0
Valdés, Alberto	412	Chile	Santiago, Chile	1
Vegh, Carlos	701	Uruguay	UCLA	3
Velasco, Andrés	424	Chile	Harvard	0

Source: *Social Science Citations Index*. The data in this table correspond to total citations for the period January 1975 through September 3rd, 2003. See the text for details on the methodology. The authors in this list have at least 100 citations. See the text for details. Notice that there are some authors don't have 100 total cites, but do have one work with 50 or more hits. This is the case, for instance, of Herminio Blanco.