The Economic History of Latin America
(HP032—Spring Semester—6 ECTS)
Tuesdays and Fridays 12:15-14:00 (CV204)
February 21 – May 4, 2012

Course Description:
The course examines chief problems of long-term development in Latin American history. Selected readings on colonialism, labor regimes, the impact of independence, export-led growth, human capital formation, import-substituting industrialization, and the erratic policies that led to the debt crisis and to neo-liberalism will be examined and discussed. The course requires some familiarity with basic concepts of economic growth and social/human development. Some prior knowledge of Latin American geography and history is advised. Though the course privileges quantitative studies in economic history as well as neo-institutional approaches, each topic will require the discussion of certain theories, concepts, and ideologies to better understand the materials.

Evaluation will be based on:
1. A seminar paper of 4-6,000 words (60%).
2. Presentation and defence of the paper (10%).
3. Comment on a fellow participant’s paper (10%).
4. Class preparation and participation (20%).

Structure:
The introductory meeting will be followed by 13 seminars (2 per week) led by the teacher. Starting with week 3, on the last 15-20 minutes of each seminar students will present summaries of chosen articles and chapters and discuss them in class.

Readings:
It is imperative that everyone reads before each seminar. If you take the course, you need to commit yourself to reading the main bibliography. If you are discussant in a particular week, or have time to explore the topic further, please also use the ‘Additional’ readings. For your own paper, use both the main and the additional bibliography. Complement this with other articles you find in the library databases. Please come and discuss the question to be addressed by your paper, and the readings, in my reception (‘office’) hours.
**Week 1. The Colonial Legacy.**
Are there signs of a long-term impact of Spanish and Portuguese colonialism on current conditions for economic development in Latin America? How did colonial institutions affect the pattern of human and physical capital accumulation? Why was it different in the Thirteen American colonies?


**Additional:**


**Week 2. The Economic Consequences of Independence.**
Did the independence wars destroy much human and physical capital in the new Latin American republics? How did the de-linking from the colonial economy affect domestic economic growth? Did free trade deliver them into the hands of British merchants? How does economic growth occur under conditions of unclear property rights?


**Additional:**

Newland, Carlos and Ortiz, Javier. “The Economic Consequences of Argentine Independence (Translated by Emily Ellen Stern).” *Cuadernos de Economía (Chile)*, 38:115 (Dec 2001), 275-290.

**Week 3. The Questions of Unfree Labor and Human Capital Formation**
The Latin American economies presented, at the outset of independence, a variety of systems of coerced labor. Were these forms of unfree labor eliminated during the course of the nineteenth century? What was the dynamic between free labor and coerced labor during the period of nation-state formation? What effect, if any, had persistence forms of coercion in the process of human capital formation?


Additional:


**Week 4: Export-Led Growth, Advantages and Dissadvantages.**

Most of the economies of Latin America during the period 1870-1930 integrated into the world economy via exports of raw materials and food-stuffs. What were the advantages and disadvantages of this path of development? Were these economies subject to declining terms of trade? Did these economies favor low tariffs? What were the welfare implications of choosing the export-led path?


Additional:


**Week 5. Import Substituting Industrialization.**

Inward-looking strategies of development dominated Latin America during the period 1950-1980. Basic underlying ideas of “import substitution industrialization”. Why did this strategy last so long? How does the performance of ISI countries compare with that of Asian industrializers? Why were some Latin American countries more successful than others? Which were the main costs associated with “inward-looking” development?

Gustav Ranis and Louise Orrock, “Latin America and East Asia NICs: Development Strategies


Additional:


**Week 6. Measuring Human Welfare and Inequality.**

New measurements for human welfare: the Human Development Index and anthropometric history. Human stature reveals the status of net-nutrition of the nation. What do statures of recruits, prisoners and migrants tell about human welfare in Latin America? Are regional inequalities as profound as social inequalities?


Additional:


Patricia K. Smith et al, “Does Immigration Help or Harm Children’s Health? The Mayan Case”, *Social Science Quarterly* 83: 4 (December 2002).


Week 7. The Debt Crisis and the Washington Consensus.
The neo-conservative revolution is associated to two developments: the debt crisis of the early 1980s and the emergence of the Washington Consensus. What were the underlying processes that led to the debt crisis? What are the foundational ideas behind the new neo-conservative policy consensus? How did these policies affect growth and distribution in Latin America?


Additional:

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Additional Topic For Independent Study or Research Paper

**The Political Economy of Revolutions.**

James Petras, “Nicaragua: The Transition to a New Society.” *Latin American Perspectives*, 8: 2, Revolutionary Nicaragua (Spring, 1981),

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Other TOPICS for final research papers:
--Women and Development in Latin America;
--Social and Human Capital in Contemporary Latin American Societies;
--The Economic Impact of British “Free-trade imperialism”
--The Economic Impact of United States Hegemony in Latin America.
--Latin American migrants in the United States; Gains and Losses.
--Race, Ethnicity, and Development: ¿Does cultural pluralism promote development?
--Technical Education and Technological Change in Latin America.
--Corruption and Economic Growth: the Case of “Crony Capitalism”.
--Drug Traffic and the Economy: The cases of Colombia and Mexico.
--Ideologies of Development in Latin America: Dependency, Structuralism, and Populism compared.
--Colonial and Post-independent Forced Labor in Latin America: the state of the debate.