

Hello everyone,

I hope you are having a great weekend.

This week we will move on to study some of the economic history of Latin America during the 20th century.

We will start on Tuesday by looking at the economic model implemented throughout the region by many of the nationalist-populist regimes that we studied last week. This model, Import Substitution Industrialization or ISI attempted to reverse some structural conditions that were at the bottom of underdevelopment. However, as they addressed these issues, ISI reformers created new ones.

The two readings assigned for Tuesday do a very good job at presenting all these aspects of ISI. I recommend that you read at least one of them very carefully and then read quickly over the other one. You will see some overlap between the two, but the fact that they were written almost three decades apart also offers different perspectives.

Baer's article is really a very detailed overview of ISI as its consequences were beginning to unravel in the early 1970s. Its focus is on Latin America and presents a very nuanced discussion of the different concerns involved in those policy choices.

Bruton's piece is a more general overview that spans other regions as well. It is a reconsideration of ISI's successes and failures at the height of the neoliberal period that followed ISI.

Whichever reading you choose to do carefully (still take a look at the other one as well), try to identify the following points:

- 1) What were the problems that ISI was designed to solve?
- 2) Which policies were implemented to address those problems?
- 3) In what ways did those policies succeed? In what ways did they fail?
- 4) Which new problems did they generate and why?

On Thursday, we will move on to the Washington Consensus and the neoliberal reforms that were created in the 1980s and 1990s to attack the problems created by several decades of ISI.

There are several articles assigned for Thursday, but they are all very small so read them. You can maybe skim over Walton's piece, but pay close attention to the others.

The first piece is written by John Williamson, a top economist that created the original set of policy recommendations associated with the Washington Consensus. This is something that you might want to commit to memory since only by understanding the restructuring of Latin American economies during this period,

can we observe some of the ways in which the old, long-term, structural continuities continue to play out, as well as to make sense of the new political and economic experiments that began in the 2000s.

The other three articles are a debate by very influential political scientists on the merits of the neoliberal reforms in Latin America. Weyland offers a very good introduction to the topic, while Huber & Solt and Walton present two different sides in this debate.

Again, as in the readings for Tuesday, you should try to identify:

- 1) What were the problems that neoliberalism tried to address? What were the origins of those problems?
- 2) What were the policies used to address those issues?
- 3) Which were the successes of these policies? Which were the failures?
- 4) Which new problems did they create?

Finally, as you finish the readings and the lectures for this week, try to step back and reflect a bit on what we have covered so far. What are the continuities that you observe in Latin American economic and political development since the colonial period to the turn of the 21st century? Which are the moments of rupture, where new paths were taken? How have old structural factors influenced the success or failure of new attempts to change the course?

I will be holding office hours as usual on Monday and Wednesday if you want to come by to talk about your reviews.

Cheers,
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