

**College of Social Studies**  
*Junior Economics Tutorial*  
*Elements of Latin American Economic Development*

Spring 2003

Alberto Isgut

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Week VII: Latin America in the 1990s – A comparative study

Readings

Same as last week plus any two of the following:

- Amann, Edmund and Werner Baer (2000), “The illusion of stability: The Brazilian economy under Cardoso,” *World Development* 28, No. 10, pp. 1805-19
- French-Davis, Ricardo and Raul Labán (2000), “Macroeconomic achievements in the democratic transition in Chile,” in R. French-Davis (ed.) *Reforming the reforms in Latin America: Macroeconomics, trade, finance*, New York: St. Martin's Press
- Lustig, Nora Claudia and Jaime Ros (1999), “Economic reforms, stabilization policies, and the ‘Mexican disease’,” in Lance Taylor (ed.), *After Neoliberalism: What Next for Latin America?* Ann Arbor, MI: The University of Michigan Press
- Ocampo, José Antonio (1999), “An ongoing structural transformation: The Colombian economy, 1986-1996,” in Lance Taylor (ed.), *After Neoliberalism: What Next for Latin America?* Ann Arbor, MI: The University of Michigan Press
- Pastor Jr., Manuel and Carol Wise (1999), “Stabilization and its discontents: Argentina’s economic restructuring in the 1990s,” *World Development* 27, No. 3, pp. 477-503

Discussion

Latin America found itself in a brave new world in the 1990s, or perhaps in a brave old world? ISI, the leading development strategy since the Great Depression was gone, following the precepts of the Washington consensus. Foreign capital was plentiful again, after its retreat during the lost decade of the 1980s. Everything seemed to be going wonderfully well, or was it?

Assignment

This week you will evaluate the Latin American experience of the 1990s in two countries of your choice, among the five considered in the readings. You will do so in a 7-8 pages paper, which may use last week’s one as background. Your paper will compare and contrast the experience of the two countries, regarding the Washington Consensus reforms and the capital surge of the 1990s. As it has been the case before, the best strategy is to concentrate in a narrow aspect, so you will be able to articulate a more effective thesis. Your paper will include some quantitative analysis using data you will have collected from IMF International Financial Statistics and/or World Bank Development Indicators. The data has to be integrated to the argument, not just added.