



FACULTAD DE CIENCIAS
SOCIALES Y JURÍDICAS

Master in Economic Development and Growth

LONG RUN ECONOMIC DEVELOPMENT IN LATIN AMERICA

***Prof. Leandro Prados de la Escosura
(Departamento de Ciencias Sociales)***

Long Run Economic Development in Latin America

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Course Description

The long-run economic development in Latin America is examined with from an international and comparative perspective, including the role of geography and institutions, the colonial legacy, and the long-term impact of independence. The debates on when did Latin America fall behind and how what was the impact of globalization on Latin America will be also considered. The course ends with an assessment of connections between growth, inequality, and well-being.

Organization

The course has a seminar format in which a topic will be discussed. Each session will begin with an introduction by the teacher in which he will survey the main issues of the weekly topic, followed by students' presentations on the basis of the assigned readings and general discussion.

Readings

Students are expected to read the papers assigned to each topic that are accessible in ***Aula Global***. A list of textbooks and complementary readings is provided.

Grading

The grade will be based on a take-home exam (70%) and participation in class discussions and presentations (30%).

Course Schedule.

Topics:

1. *Long-term Performance: Did Geography and institutions Really Matter?*
2. *The Long-term Consequences of Independence: Lost Decades?*
3. *Long-run Growth and Divergence: When Did Latin America Fall Behind?*
4. *Growth and Distribution: Was Inequality Always so High?*
6. *Latin America in the World Economy: What Was the Reaction to Globalization?*
7. *Beyond GDP: Did Living Standards Improve?*

Textbooks and Monographs

Bértola, L. and J.A. Ocampo (2012), *The Economic Development of Latin America since Independence*, Oxford: Oxford University Press.

Bértola, L. and J.G. Williamson (eds.) (2017), *Has Latin American Inequality Changed Direction? Looking over the Long Run*, Springer. Open Access at <https://www.springer.com/la/book/9783319446202#aboutBook>

Bulmer-Thomas, V. (2014), *The Economic History of Latin America since Independence*, Cambridge University Press, 3rd.edition.

Bulmer-Thomas, V., J.H. Coatsworth and R. Cortés Conde (eds.) (2006), *Cambridge Economic History of Latin America*, Nueva York: Cambridge University Press, 2 vols.

Edwards, S., G. Esquivel, and G. Márquez (eds.) (2007), *The Decline of Latin American Economies. Growth, Institutions, and Crisis*, Chicago: NBER/University of Chicago Press.

Engerman, S.L. and K.L. Sokoloff (2012), *Economic Development in the Americas since 1500*, Cambridge: Cambridge University Press.

F. Fukuyama (ed.) (2008), *Falling Behind. Explaining the Development Gap Between Latin America and the United States*, New York: Oxford University Press

Haber, S., ed. (1997), *How Latin America Fell Behind? Essays on the Economic Histories of Brazil and Mexico, 1800-1914*, Stanford University Press

Stein, Stanley J. Stein and Barbara H. Stein (1970), *The Colonial Heritage of Latin America. Essays on Economic Dependence in Perspective*, New York: O.U.P.

Databases

Montevideo-Oxford Latin American Economic History Data Base (MOXLAD), <http://moxlad-staging.herokuapp.com/home/en>

Lee J.-W. H. Lee (2016), "Human Capital in the Long Run", *Journal of Development Economics* 122: 147–169. http://www.barrolee.com/Lee_Lee_LRdata.htm

Conference Board (2016), Total Economy Database, November 2016, <https://www.conference-board.org/data/economydatabase/index.cfm?id=27762>

Maddison Project, <http://www.ggdc.net/maddison/maddison-project/home.htm>

Prados de la Escosura, L. (2016), Historical Database on Human Development, <http://espacioinvestiga.org/home-hihd/?lang=en>

[SESSION: S]

S1-S2 Long-term Performance: Did Geography and institutions Really Matter?

Acemoglu, D., S. Johnson, and J.A. Robinson (2002), "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution", *Quarterly Journal of Economics* 117 (4): 1231-1294.

Coatsworth, J.H. (2008), "Inequality, Institutions and Economic Growth in Latin America", *Journal of Latin American Studies* 40: 545-569.

Coatsworth, J.H. (2005), "Structures, Endowments, and Institutions in the Economic History of Latin America", *Latin American Research Review* 40 (3): 126-144.

Engerman, S.L. and K.L. Sokoloff (2002), Factor Endowments, Inequality, and Paths of Development among New World Economies, NBER Working Paper No. 9259

Grafe, R. and A. Irigoin (2012), "A Stakeholder Empire: the Political Economy of Spanish Imperial Rule in America", *Economic History Review* 65 (2): 609-651.

S3-S4 The Long-term Consequences of Independence: Loss Decades?

Allen, R., T.E. Murphy and B.E. Schneider (2012), "The Colonial Origins of the Divergence in the Americas: A Labor Market Approach", *Journal of Economic History* 72 (4): 863-894.

Arroyo-Abad, L. and J.L. van Zanden (2014), "Growth Under Extractive Institutions? Latin American Per Capita GDP in Colonial Times", *Journal of Economic History* 76 (4): 1182-1215.

Bates, R., J.H. Coatsworth, and J.G. Williamson (2007), 'Lost Decades: Post-independence in Latin America and Africa', *Journal of Economic History* 67 (4): 917-943.

North, D.C., W. Summerhill, and B.R. Weingast (2000), "Order, Disorder, and Economic Change Latin America versus North America", in B. Bueno de Mesquita and H.L. Root (eds.), *Governing for Prosperity*, New Haven: Yale University Press, pp. 17-58.

Prados de la Escosura, L. (2009), "Lost Decades? Economic Performance in Post-Independence Latin America", *Journal of Latin American Studies* 41 (2): 279-307.

S5-S6 Long-run Growth and Divergence: When Did Latin America Fall Behind?

Astorga, P., A. R. Bergés, and E.V.K. FitzGerald (2011), "Productivity Growth in Latin America over the Long Run", *Review of Income and Wealth* 57 (2): 203-223.

Cole, H.L., L.E. Ohanian, A. Riascos, and J.A. Schmitz Jr. (2005), "Latin America in the Rearview Mirror", *Journal of Monetary Economics* 52: 69-107.

Hofman, A., C. Aravena, and J. Friedman (2017), "Sources of Productivity and Economic Growth in Latin America and the Caribbean, 1990-2013", *International Productivity Monitor* 33: 51-76.

Prados de la Escosura, L. (2007), "When Did Latin America Fall Behind?", in Edwards, S., G. Esquivel y A. Marquez (eds.), *The Decline of Latin American Economies. Growth, Institutions, and Crisis*, pp. 15-57.

Przeworski, A. and C. Curvale (2008), "Does Politics Explain the Economic Gap between the United States and Latin America?", in F. Fukuyama (ed.), *Falling Behind. Explaining the Development Gap Between Latin America and the United States*, New York: Oxford University Press, pp. 99-133

S7-S8 Growth and Distribution: Was Inequality Always so High?

Astorga, P. (2017), "Real Wages and Skill Premiums in Latin America, 1900-2011", *Revista de Historia Económica / Journal of Iberian and Latin American Economic History* 35 (3) 319-353

Lustig, N., L.F. López-Calva, and E. Ortiz-Juárez (2013), "Declining Inequality in Latin America in the 2000s: the cases of Argentina, Brazil, and Mexico", *World Development* 44: 129-141.

Prados de la Escosura, L. (2007), "Inequality and Poverty in Latin America: A Long-Run Exploration", in T.J. Hatton, K.H. O'Rourke y A. M. Taylor (eds.), *New Comparative Economic History* Cambridge, MA: MIT Press, pp. 291-315.

Székely, M. and P. Mendoza (2015), "Is the Decline in Inequality in Latin America Here to Stay?", *Journal of Human Development and Capabilities* 16 (3): 397-419.

Williamson, J.G. (2010), "Five Centuries of Latin American Inequality", *Revista de Historia Económica / Journal of Iberian and Latin American Economic History* 28 (2): 227-252

S8-S9 April Latin America in the World Economy: What Was the Reaction to Globalization?

Clemens, M. and J.G. Williamson (2012), "Why were Latin America's Tariffs so Much Higher than Asia's before 1950?", *Revista de Historia Económica / Journal of Iberian and Latin American Economic History* 30 (1): 11-44.

Coatsworth, J. H. and J.G. Williamson (2004), "Always Protectionist? Latin American Tariffs from Independence to the Great Depression", *Journal of Latin American Studies* 36, 2: 205-232.

Ohanian, L.E., P. Restrepo-Echevarría, and M.L.J. Wright (2018), "Bad Investments and Missed Opportunities? Postwar Capital Flows to Asia and Latin America", *American Economic Review* 108 (12): 3541-3582.

Sánchez-Alonso, B. (2013), "Making Sense of Immigration Policy: Argentina, 1870-1930", *Economic History Review* 66 (2): 601-627.

Sánchez-Alonso, B. (2019), "The Age of Mass Migration in Latin America", *Economic History Review* 72 (1): 1-31.

Taylor, A.M. (1998), "On the Costs of Inward-Looking Development: Price Distortions, Growth, and Divergence in Latin America", *Journal of Economic History* 58 (1): 1-28.

S10-S11 Beyond GDP. Did Living Standards Improve?

Astorga, P., A. R. Bergés, and E.V.K. FitzGerald (2005), "The Standard of Living in Latin America during the Twentieth Century" *Economic History Review* 58 (4): 765-796.

Prados de la Escosura, L. (2015), "Human Development as Positive Freedom: Latin America in Historical Perspective", *Journal of Human Development and Capabilities* 16 (3): 342-373

Ranis, G. y F. Stewart (2001), *Growth and Human Development: Comparative Latin American Experience*, Yale Growth and Development Center 826.