

POLI 134D Topics/Latin American Politics  
Spring 2009

Tuesday-Thursday 09:30AM-10:50AM  
Pepper Canyon Hall, Room 122

## **Politics, Policies, and Economic Prosperity in Latin America**

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Office Hours: Wednesday 10:00AM-12:00PM, office SSB #365.

### **Course Description**

In order to raise the rate of growth in Latin America, and to achieve fairer societies, policies matter, but so do the political institutions through which they are approved and implemented. In particular, effective policies are more likely to take place in countries where there is cooperation of legislators with sound policymaking capabilities, firmly institutionalized political parties that compete on the basis of policy proposals and policy results, independent judiciaries and strong, qualified bureaucracies. This course focuses on these political institutions and their effects on the policy making process and on the characteristics of the public policies that result from different policymaking environments. Special attention is paid to the role of legislatures, the bureaucracy, and intergovernmental relations.

### **Format**

The class will meet twice a week for the duration of the quarter. Class sessions will be conducted as lectures. Each meeting will be devoted to a new theme/idea related to the link between politics and economic prosperity. Each of the topics presented in class is paired with one set of **required** readings. The lectures will review the concepts discussed in these readings, but should be taken neither as a *duplication* nor as a substitute for them. In other words, you should not assume that because you came to class, you can skip the readings, and/or that because you made the readings you may not attend the lectures. You will notice that I have limited the number of readings each week. I want us to focus on the key concepts of the arguments made, the logic used, and how the arguments are tested. You should read the materials keeping this aim in mind. Also, you may find it helpful to reread the material after it was discussed in class.

The pace of this course will be fast and some of the readings will be quite complex. You should **not** be discouraged by this. In most cases, understanding these readings will take patience more than anything else. Nonetheless, some basic knowledge of economics and statistics would be useful.

## Assignments

Each week students are expected to read the materials. Students are expected to write two short essays (1-2 pages each), take a midterm exam, and final exam. The short essays should focus on the main ideas discussed in a particular week's readings. The emphasis should be on how the arguments are presented, and how the problem at hand can be better examined. These papers should not be summaries of the readings or other forms of surveys of the literature. I want you to think about how you would address the issues discussed in the readings. You should do one of the papers on weeks 2-4, and the other one on weeks 6-9. The midterm exam is worth 25% of the final grade. The sum of the assignments (the short essays) account for 20% of the final grade and the final exam accounts for 45% of the final grade. Discussion and general class participation accounts for the remaining 10%. Extensions, incompletes, etc. will be given in accordance with UCSD policy. Except under **very pressing circumstances**, they will be discouraged.

## Course Policies

*Academic Integrity.* Students in this course are expected to comply with UCSD's Policy on Integrity of Scholarship. In particular, plagiarism is considered a dishonest practice and a serious academic offense. Hence, there will be a zero tolerance policy with respect to these practices: any student violating the obligation of academic integrity during the term will automatically fail the class. Copies of the current version of the UCSD Policy on Integrity of Scholarship, also commonly referred to as the Academic Dishonesty Policy, may be found on the Academic Senate webpage: <http://www-senate.ucsd.edu/AcademicIntegrity/AcademicIntegrity.htm>

*Disabilities.* If you have a disability that requires special testing accommodations or other classroom modifications, you need to notify both me and the Office for Students with Disabilities (OSD). You may be asked to provide documentation of your disability to determine the appropriateness of accommodations. To notify the OSD, call (858) 534-4382 to schedule an appointment.

## Course Materials

Readings are drawn from two books available for purchase, and from articles available off the Web through the UCSD Library System (marked in this syllabus by \*). In addition there are some readings drawn from book chapters, and non-electronic journals. These articles (marked by \*\*) can be downloaded from E-Reserves or will be made available by the instructor through WebCt.

## Required Books

Easterly, William. 2002. *The Elusive Quest for Growth*. Cambridge: MIT Press (hereafter: Easterly).

Stein, Ernesto and Mariano Tommasi (Eds.). *Policymaking in Latin America. How Politics Shapes Policies*. Washington, D.C.: IDB (hereafter: Stein).

## Course Outline and Readings

March 31 - April 23: THE QUEST FOR PROSPERITY

*Week 1 (March 31 - April 2)*

March 31: Introduction

April 2: No Class

*Week 2 (April 7 - April 9)*

April 7: Mechanics of Growth I (Easterly, ch. 2)

April 9: Mechanics of Growth II (Easterly, ch. 3)

*Week 3 (April 14 - April 16)*

April 14: Incentives and Growth

\* Olson, Mancur. 1996. "Big Bills Left on the Sidewalk: Why Some Nations are Rich, and Others Poor," *Journal of Economic Perspectives*, Vol. 10: 3-24

April 16: Increasing Returns (Easterly, chs. 8-9)

*Week 4 (April 21 - April 23)*

April 21: Politics, Policies and the Economy

\* Krueger, Ann O. 1990. "Government Failures in Development," *Journal of Economic Perspectives*, Vol 4, 3: 9-23.

April 23: Bad Governments (Easterly, ch. 11)

*Week 5 (April 28 - April 30)*

April 28: Review Session

April 30: **Midterm Exam**

May 5 - May 14: INSTITUTIONS AND POLICIES

*Week 6 (May 5 - May 7)*

April 28: Institutions Matter

\*\* World Bank. 1998. *Beyond the Washington Consensus*. Washington, D.C.: The World Bank, Chapter 1, pp. 11-24.

April 30: Institutional Reform

\*\* World Bank. 1998. *Beyond the Washington Consensus*. Washington, D.C.: The World Bank, Chapter 2, pp. 25-37.

*Week 7 (May 12 - May 14)*

May 12: The Policy Making Process (Stein, ch. 1)

May 14: Actors and Arenas (Stein, ch. 2)

May 19 - May 28: EXPERIENCES IN POLICY MAKING

*Week 8 (May 19 - May 21)*

May 19: Argentina (Stein, ch. 3)

May 21: Chile (Stein, ch. 5)

*Week 9 (May 26 - May 28)*

May 26: Paraguay (Stein, ch. 9)

May 28: Colombia (Stein, ch. 6)

June 2 - June 4: LESSONS LEARNED

*Week 10 (June 2 - June 4)*

June 2: Policy Making in the Real World

\* Stiglitz, Joseph. 1998. "The Private Uses of Public Interests: Incentives and Institutions," in *Journal of Economic Perspectives*, Vol. 12, No. 2: 3-22.

June 4: Final Overview

***Final Exam: Tuesday June 9 - 08:00AM - 10:59AM***