



## EC 322A THE TRANSFORMATION OF THE CHILEAN AND OTHER LATIN AMERICAN ECONOMIES FROM THE LATE 20<sup>TH</sup> INTO THE 21<sup>ST</sup> CENTURY

IES Abroad Multi-location Emerging Economies  
Course taught in Santiago

### DESCRIPTION:

This course explores the relationship between economics, politics and institutions in Chile. To achieve this goal, we will examine the different stages of Chilean political development and its respective economic model across the 20th century and the first decades of 21st. There is an emphasis on studying the effects that the economic model signifies for stability in the country. At the same time, we compare what happened in Chile with the parallel events in the rest of the countries of the South Cone.

**CREDITS:** 3 credits

**CONTACT HOURS:** 45 hours

**LANGUAGE OF INSTRUCTION:** English

**PREREQUISITES:** None

**ADDITIONAL COST:** None

### METHOD OF PRESENTATION:

- Lectures
- Class discussions
- Research project
- Field trip
- Guest speaker

### REQUIRED WORK AND FORM OF ASSESSMENT:

- Introduction Presentations - 10%
- Class Exercises and Debates - 15%
- Essays - 20%
- Presentations - 30%
- Final Essay - 25%

#### Introduction Presentations

Every student will be required to summarize and make at least one 10-minute presentation on one of the class readings or topics. The presentation will be an introduction to the topic and will be conducted at the beginning of class.

#### Class Exercises and Debates

Students are expected to actively participate and to prepare readings and assignments thoroughly before class.

#### Essays

During trip and speaker visits, the professor will hand out work guides for students. These guides will provide reflection topics or questions for the students. For the next session, students will have to deliver a brief essay about these activities.

#### Presentations

During the first session, the professor will provide a list of topics for student (or group of students).

#### Final Essay

A final test, consisting in essay questions related to the course.

Global brilliance begins here.®

Institute for the International Education of Students  
Africa | Asia Pacific | Europe | Latin America

**LEARNING OUTCOMES:**

By the end of the course students will be able to:

- Analyze and discuss the underlying problems of new political and economic models implementing in the South Cone.
- Describe the stages of Chilean political and economic development.
- Demonstrate the importance of institutions for national development.
- Understand and scrutinize the current Chilean political landscape and the new issues being debate by Chilean society.

**ATTENDANCE POLICY:**

Attendance and punctuality are mandatory for all IES Abroad classes, including course-related excursions. Any exams, tests, presentations, or other work missed due to student absences can only be rescheduled in cases of documented medical or family emergencies. If a student misses more than 1.5 classes (for courses taught once a week) or 2.5 classes (for courses taught twice a week) in any course, the final grade will be reduced by one-third of a letter grade (for example, A- to B+) for every additional unexcused absence. Six absences in any course will result in a failing grade. Mobile phones are not permitted in class.

**CONTENT:**

Session	Content	Assignments
Session 1	<p><b>Course Overview</b></p> <ul style="list-style-type: none"> <li>• Class introductions</li> <li>• Course expectations, survey, and methodology</li> <li>• Presentation topics</li> <li>• Introduction to Latin American political, economic and social context in the 20<sup>th</sup> century</li> </ul>	<ul style="list-style-type: none"> <li>• “The history and challenges of Latin American Development.” José Antonio Ocampo</li> <li>• Review and selection of presentation topics</li> </ul>
Session 2	<p><b>Development, the Economy, and Institutions: What is the Difference Between “Similar Countries”</b></p> <ul style="list-style-type: none"> <li>• Discuss Latin American Institutions</li> </ul>	<ul style="list-style-type: none"> <li>• “Why Nations fail: The origins of the power, prosperity and poverty.” Chapters 1 and 2. Acemolu &amp; Robinson</li> <li>• Complementary Material:</li> <li>• “Why Nations Fail” James Robinson <a href="https://youtu.be/jsZDIBU36n0">https://youtu.be/jsZDIBU36n0</a></li> <li>• “Economic Development and institutions” <a href="https://youtu.be/i6fu5A9vVvQ">https://youtu.be/i6fu5A9vVvQ</a></li> <li>• “Importance of institutions” <a href="https://youtu.be/wdKBfXRpNsk">https://youtu.be/wdKBfXRpNsk</a></li> <li>• Activity: “Political institutions in Latin America” Alexandru Lupan</li> </ul>
Session 3	<p><b>From Structuralism to Neoliberalism and Beyond: The Continuous Trail and Error of Latin American Models</b></p> <ul style="list-style-type: none"> <li>• Discussion and presentations about populism in Latin American Countries: The case of Brazil, Chile, and Uruguay</li> </ul>	<ul style="list-style-type: none"> <li>• “Populism and Democracy: Lessons from Latin America.” Carlos de la Torre</li> <li>• Complementary Material:</li> <li>• “Latin America’s Economic Divide” <a href="https://youtu.be/pAz-gQd4QkM">https://youtu.be/pAz-gQd4QkM</a></li> <li>• Dr. Alfred Sfeir: Sustainable Development in Latin America <a href="https://youtu.be/qQBHG89FYyw">https://youtu.be/qQBHG89FYyw</a></li> <li>• Davos 2017 Shaping the future: <a href="https://youtu.be/qQBHG89FYyw">https://youtu.be/qQBHG89FYyw</a></li> </ul>

Session	Content	Assignments
<b>Session 4</b>	<b>From Structuralism to Neoliberalism and Beyond: The Continuous Trail and Error of Latin American Models</b> <ul style="list-style-type: none"> <li>Discussion about the implementation of the ISI model in Chile, Argentina, and Peru</li> </ul>	<ul style="list-style-type: none"> <li>“A comparison of four development models in Latin American.” Vand der Borgh</li> <li>Complementary Material:</li> <li>“Latin America’s Economic Divide” <a href="https://youtu.be/pAz-gQd4QkM">https://youtu.be/pAz-gQd4QkM</a></li> <li>Dr. Alfred Sfeir: Sustainable Development in Latin America <a href="https://youtu.be/qQBHG89FYyw">https://youtu.be/qQBHG89FYyw</a></li> <li>Davos 2017 Shaping the future: <a href="https://youtu.be/qQBHG89FYyw">https://youtu.be/qQBHG89FYyw</a></li> </ul>
<b>Session 5</b>	<b>Chile and Its Model of Development: From Colonial Times to Import Substitution</b> <ul style="list-style-type: none"> <li>Creating a Chilean timeline, highlighting the most relevant hits</li> </ul>	<ul style="list-style-type: none"> <li>“Economic Development in Chile since 1950s” Chapter 1. French Davis</li> <li>Complementary Material:</li> <li>“Santiago: Housing in Chile” <a href="https://youtu.be/n-3z7TQKNJo">https://youtu.be/n-3z7TQKNJo</a></li> </ul>
<b>Session 6</b>	<b>The Chilean Socialist Way</b> <ul style="list-style-type: none"> <li>Discussion: What are the differences between Chile and other socialist countries?</li> </ul>	<ul style="list-style-type: none"> <li>“The socialist – populist Chilean experience, 1970 -1973.” Larraín F. &amp; Meller P.</li> <li>Complementary Material:</li> <li>“Cold War – Chile 1973” <a href="https://youtu.be/Q-xyo15bU-g2">https://youtu.be/Q-xyo15bU-g2</a></li> <li>“Dateline: Chile- 1973 – ABC news” <a href="https://youtu.be/V_UAHZsrX_A">https://youtu.be/V_UAHZsrX_A</a></li> </ul>
<b>Session 7</b>	<b>The Breakdown of Chilean Democracy</b> <ul style="list-style-type: none"> <li>Discussion about Chicago Boys and their economic reforms</li> </ul>	<ul style="list-style-type: none"> <li>“Technocrats and Politics in Chile: From the Chicago Boys to CIEPLAN Monks.” Silva P.</li> <li>Complementary Material:</li> <li>“Patricio Aylwin justifies 1973 coup military” <a href="https://youtu.be/3n9M7EEDLIA2">https://youtu.be/3n9M7EEDLIA2</a></li> <li>“Johan Norberg - Economic Freedom” <a href="https://youtu.be/DzWfs07EIUE">https://youtu.be/DzWfs07EIUE</a></li> <li>“Milton Friedman and Chile” <a href="https://youtu.be/SCKTFPLL-Lk4">https://youtu.be/SCKTFPLL-Lk4</a></li> <li>“The death of Pinochet” <a href="https://youtu.be/ZbVwt2V4Ii0">https://youtu.be/ZbVwt2V4Ii0</a></li> </ul>
<b>Session 8</b>	<b>The Return of the Democracy</b> <ul style="list-style-type: none"> <li>Discussion about the new Chilean context</li> </ul>	<ul style="list-style-type: none"> <li>“From the military to Democracy: Two decades of Chilean economic policies.” Labán R. &amp; Larraín F.</li> <li>Complementary Material:</li> <li>“Chile’s problematic success” <a href="https://youtu.be/qfsqERNOnDA">https://youtu.be/qfsqERNOnDA</a></li> </ul>

Session	Content	Assignments
Session 9	<b>Concertation's Government and Chilean Economic Reinsertion</b> <ul style="list-style-type: none"> <li>• Comparison between governments of:</li> <li>• Patricio Aylwin</li> <li>• Eduardo Frei Ruiz Tagle</li> <li>• Ricardo Lagos</li> <li>• Michelle Bachelet</li> </ul>	<ul style="list-style-type: none"> <li>• "Enclaves of the transition Chilean and democracy" Peter Slavells.</li> </ul>
Session 10	<b>Chilean Economic Challenges</b> <ul style="list-style-type: none"> <li>• Invited speaker</li> </ul>	<ul style="list-style-type: none"> <li>• "The Chilean economy: Recent development and coming challenges" Mario Marcel</li> <li>• Complementary Material:</li> <li>• "Chile's migration boom has led to a major housing crisis" <a href="https://youtu.be/ga_LpN8bh-g2">https://youtu.be/ga_LpN8bh-g2</a></li> <li>• "Privatised education in Chile: Legacy and Protest" <a href="https://youtu.be/jJAZho1p61Y">https://youtu.be/jJAZho1p61Y</a></li> <li>• Essay</li> </ul>
Session 11	<b>Course-Related Trip</b> <ul style="list-style-type: none"> <li>• Viña Veramonte in Casablanca</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="https://www.veramonte.cl/es/">https://www.veramonte.cl/es/</a></li> <li>• "The Chilean wine industry: New international strategies for 2020"</li> </ul>
Session 12	<b>Reforms in Chile in the 21<sup>st</sup> Century (Second Generation of Reforms)</b> <ul style="list-style-type: none"> <li>• Debate about the current priorities for Chilean governments</li> </ul>	<ul style="list-style-type: none"> <li>• "Second generation of reforms in Chile" Andrés Bernasconi</li> </ul>
Session 13	<b>Chile from 2010 to Date</b> <ul style="list-style-type: none"> <li>• Comparison between Michelle Bachelet and Sebastian Piñera governments</li> </ul>	<ul style="list-style-type: none"> <li>• "Balance - the first six months of Sebastian Piñera government" Libertad y Desarrollo</li> </ul>
Session 14	<b>Final Presentations</b> <ul style="list-style-type: none"> <li>• Students will present their chosen topics</li> </ul>	
Session 15	<b>Final Session Grading &amp; Course Evaluation</b> <ul style="list-style-type: none"> <li>• General evaluation and feedback</li> </ul>	

#### COURSE-RELATED TRIPS:

- Viña Veramonte in Casablanca

#### REQUIRED READINGS:

- Acemolu & Robinson. "Why Nations fail: The origins of the power, prosperity and poverty." Chapters 1 and 2.
- Bernasconi, A. "Second generation of reforms in Chile."
- de la Torre, C. "Populism and Democracy: Lessons from Latin America."

- French-Davis, R. “Economic Development in Chile since 1950s” Chapter 1.
- Labán, R. & Larraín, F. “From the military to Democracy: Two decades of Chilean economic policies.”
- Larraín F. & Meller P. “The socialist – populist Chilean experience, 1970 -1973.”
- Libertad & Desarrollo. “Balance - the first six months of Sebastian Piñera government”
- Marcel, M. “The Chilean economy: Recent development and coming challenges.”
- Silva, P. “Technocrats and Politics in Chile: From the Chicago Boys to CIEPLAN Monks.”
- Slavells, P. “Enclaves of the transition Chilean and democracy”
- Ocampo, J. A. “The history and challenges of Latin American Development.”
- Vand der Borgh. “A comparison of four development models in Latin American.”

### Videos

- “Chile’s migration boom has led to a major housing crisis” [https://youtu.be/ga\\_LpN8bh-g2](https://youtu.be/ga_LpN8bh-g2)
- “Chile’s problematic success” <https://youtu.be/qfsqERNOndA>
- “Cold War – Chile 1973” <https://youtu.be/Q-xyol5bU-g2>
- “Dateline: Chile- 1973 – ABC news” [https://youtu.be/V\\_UAHZsrX\\_A](https://youtu.be/V_UAHZsrX_A)
- Davos 2017 Shaping the future: <https://youtu.be/qQBHG89FYyw>
- Dr. Alfred Sfeir: Sustainable Development in Latin America <https://youtu.be/qQBHG89FYyw>
- “Economic Development and institutions” <https://youtu.be/i6fu5A9vVvQ>
- “Importance of institutions” <https://youtu.be/wdKBfXRpNsk>
- “Johan Norberg - Economic Freedom” <https://youtu.be/DzWfs07EIUE>
- “Latin America’s Economic Divide” <https://youtu.be/pAz-gQd4QkM>
- “Milton Friedman and Chile” <https://youtu.be/SCKTFPLL-Lk4>
- “Patricio Aylwin justifies 1973 coup military” <https://youtu.be/3n9M7EEDLIA2>
- “Privatised education in Chile: Legacy and Protest” <https://youtu.be/jJAZho1p61Y>
- “Santiago: Housing in Chile” <https://youtu.be/n-3z7TQKNJo>
- “The death of Pinochet” <https://youtu.be/ZbVwt2V4li0>
- “Why Nations Fail” James Robinson <https://youtu.be/jsZDIBU36n0>

### Websites

- <https://www.veramonte.cl/es/>
- “The Chilean wine industry: New international strategies for 2020”