

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: The Macroeconomics of Populism in Latin America

Volume Author/Editor: Rudiger Dornbusch and Sebastian Edwards, editors

Volume Publisher: University of Chicago Press

Volume ISBN: 0-226-15843-8

Volume URL: <http://www.nber.org/books/dorn91-1>

Conference Date: May 18-19, 1990

Publication Date: January 1991

Chapter Title: Indexes

Chapter Author: Rudiger Dornbusch, Sebastian Edwards

Chapter URL: <http://www.nber.org/chapters/c8306>

Chapter pages in book: (p. 393 - 404)

Contributors

Alberto Alesina
Department of Economics
Littauer Center
Harvard University
Cambridge, MA 02138-5398

Carlos Bazdresch
Centro de Investigación y Docencia
Económica
Carretera México—Toluca Km 16.5
Apartado Postal 10-883
Col. Lomas de Santa Fe
Del. Alvaro Obregón
01210 Mexico D.F., Mexico

Guillermo A. Calvo
Research Department
International Monetary Fund
700 19th Street, NW, Suite C-200
Washington, DC 20431

Enrique Cárdenas
Universidad de las Américas-Puebla
Sta. Catarina Mártir
Apartado Postal 100
72820 Cholula, Puebla, Mexico

Eliana Cardoso
The Fletcher School of Law and
Diplomacy
The Cabot Intercultural Center,
Room C505A
Tufts University
Medford, MA 02155

Juan L. Cariaga
Inter-American Development Bank
1300 New York Avenue, NW
Washington, DC 20577

William R. Cline
Institute for International Economics
11 DuPont Circle, NW
Washington, DC 20036

José De Gregorio
International Monetary Fund
Research Department, Room 10-320
700 19th Street, NW
Washington, DC 20431

Guido Di Tella
Esmeralda
1376 1° Piso
1007 Buenos Aires, Argentina

Rudiger Dornbusch
Department of Economics
Room E52-357
Massachusetts Institute of Technology
Cambridge, MA 02139

Paul W. Drake
Department of Political Science
University of California at San Diego
9500 Gilman Drive
La Jolla, CA 92093-0521

Sebastian Edwards
Department of Economics
8283 Bunche Hall
University of California
405 Hilgard Avenue
Los Angeles, CA 90024-1477

Roque B. Fernandez
President
Banco Central de la República Argentina
Reconquista 266, 2^o p. of. 208
1003 Buenos Aires, Argentina

Arnold C. Harberger
Department of Economics
University of California
2263 Bunche Hall
Los Angeles, CA 90024

Ann Helwege
Department of Urban and
Environmental Policy
Tufts University
97 Talbot Avenue
Medford, MA 02155

Javier Iguñiz-Echeverría
DESCO
Calle Huascar 1435, Jesus Maria
Lima 11, Peru

Robert Kaufman
Department of Political Science
Hickman Hall, Douglass College
Rutgers University
P.O. Box 270
New Brunswick, NJ 08903-0270

Ricardo Lago
The World Bank
1818 H Street, NW
Washington, DC 20433

Felipe Larrain
Departamento de Economía
Universidad Católica de Chile
Av. Vicuña Mackenna 4860
Santiago, Chile

Santiago Levy
Department of Economics
Boston University
270 Bay State Road
Boston, MA 02215

Patricio Meller
Corporacion de Investigaciones Econ-
omicas Para Latinoamerica
Av. C. Colón 3494
Casilla 16496
Santiago 9, Chile

José Antonio Ocampo
Fundacion Para La Educacion Superior
y El Desarrollo
Calle 78, #9-91
Bogotá, Colombia

Paulo Rabello de Castro
RC Consultores
Rua de Quitanda, 68-4^o
Rio de Janeiro—RJ 20011, Brazil

Marcio Ronci
RC Consultores
Rua de Quitanada, 68-4^o
Rio de Janeiro—RJ 20011, Brazil

Miguel A. Savastano
International Monetary Fund
700 19th Street, NW
Washington, DC 20431

Barbara Stallings
Department of Political Science
110 North Hall
University of Wisconsin
Madison, WI 53706

Federico A. Sturzenegger
Department of Economics
Massachusetts Institute of Technology
Cambridge, MA 02139

Simón Teitel
Inter-American Development Bank
1300 New York Avenue, NW,
Room NW642
Washington, DC 20577

Miguel Urrutia
Executive Director
Fundacion Para La Educacion Superior
y El Desarrollo
Calle 78, #9-91
Apartado Aereo 75074
Bogotá, Colombia

Name Index

- Abusada, R., 269
Alaluf, D., 179–80
Alemann, Roberto, 80
Alesina, Alberto, 42n1, 2, 116, 146n2
Alessandri, Jorge, 176, 179n2
Alfonsín, Raúl, 124–25
Allende, Salvador, 15–18, 38, 179
Almeida dos Reis, J. G., 62
Altimir, O., 62
Alvarado, Juan Velasco, 317
Apoyo, S. A., 302n17
Arana, M., 342, 348n14
Aranda, S., 179n3
Archetti, E., 46
Arnaudo, A., 103
Arriazu, Ricardo, 141
Aspe, P., 235n21, 242
Auernheimer, Leonardo, 122
Aylwin, Patricio, 30, 120
- Bacha, Edmar L., 166n19
Baer, Werner, 157n4, 162n13, 163–64
Baily, S., 46
Bardhan, P., 227n12
Barros de Castro, Antônio, 163n16
Basadre, Jorge, 263
Baumeister, E., 336
Bazdresch, C., 25n20, 248n43, 252n50, 255n54
Belaúnde, Fernando, 266
Benevides, Maria Victoria, 159n8, 160n9
Ber Gelbard, José, 78, 80, 91, 99–101, 113
- Beristain, J., 235n21, 242
Berry, R. Albert, 220n5, 380
Betancourt, Rómulo, 36
Betancur, Belisario, 24
Bianchi, A., 182, 183, 197
Bitar, S., 11, 177, 179, 180n4, 181, 185, 193–94, 212
Blanchard, O., 103n12
Bonilla, Heraclio, 23n14
Bonnani, José, 107–8
Borja, Rodrigo, 31, 36
Brandao, Carlos, 167n20
Brodersohn, M., 80
Brundenius, C., 333, 336
Bruno, M., 79n2
Bulhões, Octavio G., 159n6, 162
Bulmer-Thomas, V., 331n1, 333
- Cafiero, Antonio, 81, 108–9
Cagan, Philip, 290n15
Calvo, Guillermo, 142
Cammack, P., 46
Cámpora, Héctor, 78, 82, 91
Campos, Francisco, 154
Campos, Roberto, 160, 161n11, 162
Canovan, Margaret, 370
Caputo, O., 179n3
Carbonetto, D., 10, 270–72, 286
Cardénas, Cuauhtémoc, 33, 36
Cardoso, Eliana, 16, 47–48, 166n19
Castro, Antônio Barros de, 166n19
Cavarozzi, Marcelo, 23nn15, 17, 29n23

- CEPAL (Comision Economica para America Latina y el Caribe), 65, 333–34, 337n4, 352
- Chamorro, Violetta, 30, 359
- Chenery, H., 374
- Cheyre, H., 210
- Colborn, Forrest D., 336
- Collier, David, 22n10
- Collier, Ruth B., 22n10
- Collor de Melo, Fernando, 30, 58–59, 120
- Conniff, M., 9, 46
- Corbo, Vittorio, 220n4
- Cordera, R., 227n11, 253n51
- Cordoba, A., 225n4, 230
- Coronado, Pedro, 324, 327, 330
- Cosio Villegas, D., 237n23
- Curtis, G. L., 377n2
- Dahl, Robert A., 19n6, 29n6
- da Silva, Luís Inácio (Lula), 36
- De Gregorio, José, 149n6
- Delfim Netto, Antônio, 57, 162, 164
- de Melo, Jaime, 220n4
- De Pablo, J. C., 93–94, 100, 101n11, 103, 108n15, 112
- De Vylder, S., 184n5, 187n10, 194n12
- Diamand, M., 93, 100
- Diamond, P., 79
- Díaz Alejandro, C., 98n9, 214n1, 369
- Di Tella, G., 80, 81, 83, 88
- Dore, R. P., 377n2
- Dornbusch, Rudiger, 8n1, 46, 50–51, 77–79, 81, 104, 110, 114, 117, 146n1, 148n5, 153, 166n19, 175, 199, 211–12, 228, 264, 270, 317–18, 328, 332, 370–71, 373
- Drake, Paul, 9, 23n14, 29n14, 175, 189, 270, 319
- Drazen, Allan, 42n1, 116, 146n2, 149n7
- Dulles, W. F., 154, 156, 158
- Eatwell, J., 250n46
- Echeverría, Luis, 16–18, 27, 237–38
- Edwards, Sebastian, 8n1, 46, 50, 77–79, 81, 117, 143, 175, 199, 211–12, 220n4, 228, 264, 270, 317–18, 328, 332, 370–71, 373
- Enriquez, L. J., 336
- Falcoff, M., 54
- Fernández, Roque B., 130, 138–39, 141, 146
- Ferns, H. S., 82
- Ferrari, C., 273
- Ffrench-Davis, R., 176n1, 210
- Fischer, Stanley, 103n12, 147
- Fishlow, Albert, 47–48, 67, 359
- Fitzgerald, E. V. P., 337, 342n6, 343
- Flood, R., 104
- Flores de la Pena, H., 242n34
- Floria, C., 77n1
- Fodor, J., 49–50
- Forrester, Jay, 322
- Frei, Eduardo, 176–78
- Frieden, Jeffrey, 31n25
- Fronzizi, Arturo, 82
- Fujimori, Alberto, 31, 311
- Fukutake, Tadashi, 377n2
- Funaro, Dilson, 166
- Furtado, Celso, 154
- Gaitán, Jorge Eliécer, 23, 36
- Garber, P., 104
- García, Alán, 10–11, 15–18, 27, 263, 268–70, 324–27
- García, N., 182–83, 197–98
- García Belsunce, C., 74, 77n1
- García Marquez, Gabriel, 321
- Garretón, Manuel A., 23n15, 17, 29n23, 199
- Geisel, Ernesto, 162–63
- Gereffi, Gary, 19n5, 31n26
- Gibson, B., 333–34, 342n6, 343
- Gil Diaz, F., 247
- Goldsmith, Raymond, 154, 155n2
- Gómez Morales, Alfredo, 101–4
- Goulart, João, 67, 160–61
- Graham, Carol, 267
- Green, R., 237
- Gregory, P., 230n15, 239n26
- Griffith-Jones, S., 183, 198
- Gronдона, Mariano, 102
- Gudin, Eugénio, 159, 162n14
- Haggard, Stephan, 19n5, 22n11, 31n26
- Hamilton, N., 46
- Hansen, R., 231n16
- Harberger, Arnold C., 45
- Hartlyn, Jonathan, 23n12
- Haya de la Torre, Victor Raúl, 36, 268
- Helpman, Elhanan, 148n5, 149n6
- Helwege, Ann, 16, 29n3, 38, 55, 363n1
- Hennessy, A., 46
- Herman, D. L., 220n5
- Heymann, Daniel, 147
- Hirschman, A., 227n12
- Hunt, J., 272n7

- Ianni, O., 225n4
Ibarra, D., 237n24
Ike, Nobutaka, 377n2
IMF (International Monetary Fund), 337n5, 342n6, 350
Instituto Nacional de Planificación, 272
- Karl, Terry, 24n18, 29n18
Katzenstein, Peter, 20
Kaufman, Robert, 22n10, 26, 29n11
Keynes, John Maynard, 158
Kiguel, M., 148n5
Krugman, Paul, 98n9
Kubitschek, Juscelino, 159–60
Kydland, Finn E., 122
- Lago, Ricardo, 290n15
Lange, Oscar, 363
Larraín, F., 186, 187n9
Lastiri, Raúl, 78, 82
Leiderman, L., 148n5
Leone, Alfredo, 141
Lessa, Carlos, 159n8
Levine, Daniel, 23n12
Levy, Daniel C., 23n12
Levy, S., 234n19, 239n26, 250n46
Lipton, M., 231
Little, I., 237n24
Liviatan, N., 148n5
Lizondo, S., 242n35
Londono, J. L., 67, 374
Lopes, Francisco, 166n18
Lucas, Robert E., 122
- Mallon, R., 82
Malloy, J., 46
Mamalakis, Marcos, 20n7
Manley, Michael, 31, 36
Mantel, Rolf, 130
Martínez, A., 179n3
Martner, G., 181
Martone, Celso Luis, 162n14, 167
Medal, J. L., 342n6, 345
Meném, Carlos, 31, 36, 120, 135
Mesa-Lago, C., 49
Meyer, L., 225n4
Mezzerá, S., 272n7
Michelsen, Alfonso Lopez, 379
Middlebrook, K., 237
Ministerio de Finanzas, Nicaragua, 355
Moore, R., 241
Morowitz, D., 363n2
Moss, R., 182
- Mouzelis, Nicos, 375–77
Murphy, K., 79
Murphy, Ricardo Lopez, 141
- Neira, Oscar, 336
Neuhaus, Paulo, 155n1
Noya, Nelson, 25n21
- Obstfeld, Maurice, 142
Ocampo, J. A., 55, 329n2, 348n14
O'Donnell, Guillermo, 21n8
Ortega, Daniel, 355
Ortiz de Zevallos, F., 273
Ortiz Mena, A., 235n22
- Paes de Barros, Ricardo, 62n3
Pastor, Manuel, 30n24
Paz Zamora, Jaime, 36, 120
Pérez, Carlos Andrés, 16–18, 31, 36
Perón, Isabel, 78, 81, 83, 101, 107
Perón, Juan Domingo, 15–18, 27, 49–50, 78, 81–83, 100–101
Persson, Mats, 142
Persson, Torsten, 142, 390n1
Piniella, Gustavo Rojas, 24, 379
Pizarro, R., 179n3, 342n6
Poder Ejecutivo, Argentina, 83–84
Postigo de la Motta, W., 286–87
Prebisch, Raul, 47
Prescott, Edward C., 122
Presidencia de la Republica, Peru, 10–11
- Quadros, Jânio, 160
- Rama, Martin, 25n21
Ramos, J., 52
Ramos, S., 179n3, 180
Ranis, Gustav, 219
Remmer, K., 364
República de Nicaragua, 331
Reynosos, A., 117
Roberts, B., 46
Rock, David, 23n14, 49–50, 77n1
Rodrigo, Celestine, 81, 105–6, 116
Rodrik, D., 146n2
Ronci, Marcio, 166nn18, 19
Rosenstein-Rodan, P., 12, 227n12
Ruccio, D., 336
- Sachs, Jeffrey, 9n2, 19n4, 21n9, 46, 50, 52, 146n1, 153, 166n19, 199n14, 212, 228, 270, 318, 321, 373
Sargent, Thomas, 138

- Sarney, José, 16, 18, 38, 58, 165
Schydlofsky, M., 272n7
Scitovsky, Tibor, 227n12, 237n24
Scott, M., 237n24
Secretaría de Agricultura y Recursos Hidráulicos, 231n18
Secretaría de Planificación y Presupuesto, 346, 350, 356
Selowsky, Marcelo, 47n3, 62n3, 380
Sheahan, John, 30n24, 220n6, 224n3, 227n10
Shleifer, A., 79
Sideri, S., 54
Sigmund, P., 242n32
Simonsen, M., 57, 79n2, 148n5, 161n12, 162, 166n18
Singer, H. W., 33, 47
Singh, A., 250n46
Skidmore, T., 49, 154–55, 157n4, 160, 161n12, 162n13
Smith, M. L., 293
Smith, P., 49
Solis, L., 237n24, 240n30, 244, 247n39
Sourrouille, J. V., 82
Spalding, R. J., 336
Stahler-Sholk, R., 336, 342n6, 343
Stallings, Barbara, 18, 26
Stein, S., 46
Stiglitz, Joseph, 227n12, 256n56
Stokey, Nancy, 122
Sturzenegger, F., 11n3, 117
Suzigan, Wilson, 162n14, 167
Svensson, Lars E. O., 142
Syrquin, M., 374
Szekely, Gabriel, 23n12

Tabellini, Guido, 42n2, 248n1, 390n1
Tamayo, Herrera, J., 268

Tantaleau, J., 277n10
Taylor, F., 363n2
Taylor, L., 55, 98n9, 252n50, 342n6, 348n14
Teitel, Simón, 219nn2,3, 220nn4,6
Tello, C., 227n11, 242n32, 248, 253n51, 255n54
Thayer, N. B., 377n2
Thorne, A., 281
Thorp, Rosemary, 286
Thoumi, Francisco, 220n5
Troccoli, Antonio, 102
Tybout, James, 220n4

Urrutia, M., 66–67, 380

Vargas, E., 185n6
Vargas, Getúlio Dornelles, 56, 153–57
Vasquez Bazan, C., 268nn2,3
Velasco Ibarra, José María, 36
Viana Filho, Luiz, 161n12
Vilas, C. M., 336, 337
Vishny, R., 79
Vuskovic, P., 10, 180–82, 211–12

Wallace, Neil, 138
Webb, R., 324, 329
Weeks, John, 30n24
Wheelock, J., 336
Williamson, John, 16n2
World Bank, 53, 62, 197, 336, 342n6
Wyman, Donald, 19n5, 31n26

Yates, P., 231

Zammit, J. A., 186, 189, 192
Zorilla, Americo, 187

Subject Index

- AAA (Alianza Anticomunista Argentina), 78
AD (Acción Democrática), Venezuela, 22
Agrarian reform: Chile, 181, 217; limited policies for, 62–63. *See also* Land reform
Agrarian Reform Decree, Nicaragua, 336
Agricultural sector: Chile, 192–93; Colombia, 380; Peru, 275. *See also* Land reform
APRA (American Popular Revolutionary Alliance), Peru, 18, 263, 267–68
Assistance, economic, Nicaragua, 343, 347
Austral Plan, Argentina, 121–27, 146
Authoritarian regimes: Brazil, 153–58, 164; characteristics of, 26

Balance of payments: Chile, 176; factors contributing to crisis in, 116–17
Banking system: Chile, 181, 187–88, 191; Nicaragua, 366–68; Peru, 317–18
BB (Bunge Born Corporation) Plan, Argentina, 135–38
Black market: Argentina, 99–100, 103; Chile, 204; Nicaragua, 343, 345, 347–48
BONEX (treasury bond in U.S. dollars), Argentina, 133–35
Brazilian Coffee Institute (IBC), 155
Brazil-USA Commission (1951–53), 155, 159
Bresser Plan, Brazil, 166

CACM. *See* Central American Common Market

Capital flows: Mexico, 239, 246, 249, 251; Nicaragua, 334, 348
Central American Common Market (CACM), 333–34, 348
Central Bank: Argentina, 98, 101–4, 125, 132–36; Brazil, 155, 158, 162; Chile, 198, 200, 203–4; Peru, 269, 294–95, 297, 302, 318, 327–30
Centralization, government, 157. *See also* Power concentration, Chile
CGE (Confederación General Económica), 91, 108
CGT (Confederación General del Trabajo), Argentina, 100, 108
Chamorro administration, Nicaragua, 359
Clientelism, Colombia, 376–77, 380–81
Contra war, Nicaragua, 55, 331–32, 343–44, 347
Controls, economic, 10–11. *See also* Price mechanism; Protectionism; Trade policy
COPEI, Venezuela, 22
Copper industry, Chile, 180–85
CORFO, Chile, 187–89
Corporation of National Enterprises, Argentina, 86, 93
Coups d'état: Argentina (1943, 1955, 1962, 1966, 1976), 81–82, 113; Brazil (1937, 1964), 154, 161, 165; Chile (1973), 206; Uruguay (1973), 25
Credibility of economic policy, Argentina, 123–24, 132, 143
Crowding-out effect, 140

- Cruzado Plan, Brazil, 58, 166
- Currency: Argentina, 103; Nicaragua, 337, 345
- Debt, external: Argentina, 123; Brazil, 166; Colombia, 370; Mexico, 246, 251; Nicaragua, 331, 334, 342, 348, 350; Peru, 273, 282–84, 318
- Deficit, fiscal: Argentina, 88, 102, 104–5, 107, 110, 125; Brazil, 166–67; Chile, 206–7, 211, 216; Colombia, 372; decreasing financing of, 138–40; Mexico, 251; Nicaragua, 337, 344
- Democratic process, Colombia, 369
- Democratic regimes, 26–27
- Drug production, Peru, 269
- Dutch disease: Argentina (1973–76), 119–20; Mexico, 261–62
- Echeverría regime, Mexico, 237–46
- Economic growth: Argentina (1969–73), 80; Chile, 176; Nicaragua (1920s to 1940s), 333; and sectoral wages, 66–67; strategy for, 74
- Economic performance: Argentina, 93–95; Chile, 194–95, 214; Nicaragua, 333–34, 348, 350; Peru, 263
- Economic policy: Argentina, 113–17, 119; Brazil, 158–64; Chile, 179–83; Colombia, 384–85; Mexico, 226–27; Peru, 269–75; in populist policymaking, 15–16
- Economic structure, 10; Chile, 175–79, 181–94, 216–17; effect of inequalities in sectoral, 19–20
- Emigration, Nicaragua, 364
- Equilibrium, real, 79
- ERP (Ejército Revolucionario del Pueblo), Argentina, 77
- Esquipulas I Accord (1987), 350
- Exchange rate system: Argentina, 89, 92, 103, 105, 110, 126–27, 132–35; Brazil, 155; Colombia, 372; Mexico, 249, 251; Nicaragua, 334, 337, 345, 347–51; Peru, 277, 279, 281–82, 284–87, 302, 311
- Expropriation: of land and businesses in Chile (1972–73), 186, 217–18; of private Chilean companies, 188
- Finance, inflationary, 46
- Financial assistance, international, 31
- Financial markets, Nicaragua, 347
- Fiscal policy, Chile (Allende regime), 205–6, 208, 210–11. *See also* Revenues; Spending, government; Subsidies; Tax system
- Freedom of the press, Colombia, 385–86
- Frei government, Chile, 176–78, 184
- García regime, Peru, 51–52, 269–311
- GATT (General Agreement on Tariffs and Trade), 262
- Government intervention: Argentina, 83–86, 132–35; Brazil, 154–55, 157–67; Chile, 181–94; Mexico, 227, 253; Nicaragua, 336–37, 342; universal trend toward, 83
- Guerrilla groups, Argentina, 77–78
- Hyperinflation: alternative economic policies for, 138–42; Argentina, 121, 127–32, 134–38; Brazil, 162; Chile (1970–73), 52; Nicaragua, 52, 331, 346–47, 355; Peru, 290–91, 302, 311, 319
- Illiteracy, Nicaragua, 333
- Import-substitution industrialization (ISI): argument in classical populism for, 47–49; Brazil, 56–57; effect on economic development, 19; external finance cutoff to countries with, 31; link to populism of, 20–21; Peru, 266
- Income distribution: Chile, 180–81; Colombia, 373–74; effect of inequality of, 152; failure at redistribution, 19, 59–67; Nicaragua, 333–34; Peru, 311–13; redistribution, in populist programs, 10
- Industrial sector, Chile: foreign firms in, 180; nationalization of, 188–89, 191–92, 218; subsidies for, 206; uncertainty about property rights of, 192–93. *See also* Mining sector, Chile
- Inflation: Argentina, 81, 93, 99–100, 103–5, 107, 113–14, 123, 132; Brazil, 154–55, 163–64, 166–67; Chile, 176, 208, 210, 216; Colombia, 373; effect of expected price controls on, 116; Mexico, 231, 243, 248; Nicaragua, 56, 337, 343, 345–47, 351–52; Peru, 271, 275; with populism, 50, 79. *See also* Hyperinflation
- Informal sector, Peru, 275
- Institutional underdevelopment, 157–58, 167
- Inter-American Development Bank, 283
- Interest rates, Argentina, 132
- International Monetary Fund (IMF): effect of programs of, 7; Argentina, 109, 122,

- 135; Brazil, 160, 164; Mexico, 246, 252; Peru, 283, 311
- Investment, direct foreign (Chile), 180–81.
See also Industrial sector; Mining sector, Chile; Nationalization
- Labor market, Nicaragua, 343, 345–46
- Land reform: effect of, 63; Chile, 185–87, 191–93; Nicaragua, 336
- Lending, external: to Brazil, 163; to Latin American countries, 31; to Nicaragua, 331, 337, 342, 343. *See also* Debt, external
- López Portillo regime, Mexico, 246–53, 260–62
- Macroeconomic policy, heterodox programs of populist, 79; in Allende regime (Chile), 194–205, 215–16; of Unidad Popular government (Chile), 182–83; use by populists, 40–41
- Mining sector, Chile, 176–77, 179–81, 184–85, 191–92
- Monetary policy: Brazil, 154–55; in economy with populist policy, 79; Nicaragua, 357–59; Peru, 311
- Money supply: Argentina, 102, 104, 107, 125; Brazil, 162–66; levels in inflation, 94–95, 98, 104–5, 107, 110; Nicaragua, 344–46
- Mortality, infant: Nicaragua, 333; Peru, 317
- National Compromise Acts, Argentina, 91–92, 99
- National Corporation of State Enterprises, 86, 93
- Nationalization: Argentina, 49; Brazil (1937), 154, 157; Chile, 176–77, 181, 184–85, 189–94; Nicaragua, 336; Peru, 317, 329
- National Planning Institute study, Peru, 281
- Oil industry, Mexico, 247–48, 250–52
- Oil price shocks: Brazil, 162–63; Mexico, 238–39, 248–49; Nicaragua, 334
- Olivera-Tanzi effect: Argentina (1973–76), 104, 107; Brazil, 167; Chile, 208; Nicaragua, 344, 351
- Parallel market. *See* Black market
- Party system characteristics, 22–23
- Perón administration, Argentina: classic populism of, 49–50; Three Year Plan of, 83–86
- El Peru Heterodoxo*, 10, 286
- Pinochet regime, Chile, 220
- Policymakers, populist, 9–12
- Political class, Colombia, 379–82
- Political goals: in populist policy, 15–16; role of economic policy to reach, 226–27
- Political ideology: clientelism (Colombia), 376–77; effect of shift in, 31–32
- Political parties: antipopulist tendencies of, 30–31; Chile, 205; Colombia, 376, 383–84
- Political polarization, 41–42
- Political systems, 22–25; Colombia, 377–83; effect of agendas of, 67–69; effect of instability in, 151–52
- Population growth, Nicaragua, 333
- Populism: aging, 164–68; authoritarian nature of, 157–58; Brazil, 157–58; classical, 45–50, 59, 61–62, 154; Colombia, 369–71, 377; defined, 8–10, 15–19, 50, 121, 370; historical phases of, 11–12, 38–40; instability and discontent as conditions for, 151–52; and governments, 37–38; macroeconomics of, 79–81; political logic in, 35–37; redistribution targets of, 71. *See also* Clientelism, Colombia; Import-substitution industrialization
- Populist episodes, 27–30, 35–36, 119–20; Chile, 212; hypotheses to explain, 318–22; macroeconomic adjustment of economy under, 79; Mexico, 229–30; Peru (1988–90), 284–311
- Populist policy, 19–20, 23–30, 228–29
- Populists, bait-and-switch, 36
- Poverty, 40; among rural poor, 62; economic stability and growth to alleviate, 66, 71; effect of land reform on rural, 63–65
- Power concentration, Chile, 181
- Price mechanism: Argentina, 105, 110, 122, 125, 130–32, 142–43; Brazil, 157; changing levels of, 116; Chile, 197; Colombia, 372; for copper, 206, 214, 216; Mexico, 235; Nicaragua, 343, 345–46, 350, 355; Peru, 275–76, 315–17; state-owned enterprise policy for, 231, 235, 239
- Primavera Plan, Argentina, 121, 127–32
- PRI (Partido Revolucionario Instituto), Mexico, 22, 225
- Private sector: Brazil, 167; Chile, 188–89; Nicaragua, 336–37, 342; Peru, 281–82
- Privatization: Argentina, 132, 135; Peru, 328

- Property rights: Chile, 192–93; Nicaragua, 337. *See also* Agrarian reform; Expropriation; Land reform; Nationalization
- Protectionism: Argentina, 126; Latin American populist policy, 19–21, 47, 49, 119–20
- Public enterprises. *See* State-owned enterprises
- Public sector: Chile, 186, 189–91; Peru, 313–15
- Rationing, Chile, 204–5
- Reagan administration, 31
- Recession, Peru (1988–90), 284–311
- Revenues: Argentina, 95, 147; Chile, 207–8, 210; Mexico, 249, 252; Peru, 269, 276–77, 313–14
- Revolutionary government, Nicaragua, 336
- Sandinista regime, Nicaragua: effect of socialist ideology on, 54–56; factors limiting populist goals of, 361–63; macroeconomic policy of, 332, 342
- Self-sufficiency notion, Mexico, 247–48
- Shining Path (*Sendero Luminoso*), Peru, 51, 269, 275, 293
- Shortages, Chile, 204
- Socialism, 363; of Allende regime (Chile), 38, 54, 175, 214; plan for transition in Chile to, 181–83, 212
- Social justice, Argentina, 83
- Social structure, 19–20
- Social unrest, Argentina, 81, 126, 135
- Somoza regime, Nicaragua, 332, 334
- Spending, government: Chile, 205–6; Colombia, 376, 380; Nicaragua, 337, 343–44; Peru (1985–90), 315–17; in populist economic policy, 10
- Stabilization policy: Argentina (1973), 91; Nicaragua, 343, 350–52, 355–59; Peru, 329
- State-owned enterprises: Brazil, 157, 163, 167; Chile, 193–94, 206; Nicaragua, 336–37; Peru, 311
- Subsidies, Peru, 312–13
- Tablita*, Peru, 295
- Tax system: Chile, 210; Nicaragua, 332, 344
- Technocrats, Colombia, 384–85
- Terrorist groups, Peru, 51, 269, 275, 293, 319
- Three Year Plan, Argentina, 83–117
- Time consistency, 138, 140–42, 147
- Trade policy: Argentina, 99, 110, 126–27; of Latin American populist regimes, 19–21, 47, 49; Nicaragua, 337, 342, 348; Peru (1987), 281. *See also* Dutch disease; Exchange rate system; Import-substitution industrialization
- Unidad Popular government, Chile, 175–76, 179–205
- Wages, real: Argentina, 92–93, 103, 105, 109–10; Chile, 197–98; Colombia, 373; Nicaragua, 345
- Wealth: Chile, 187; Nicaragua, 334
- World Bank: Argentina, 109; Peru, 283

This Page Intentionally Left Blank

Again and again, Latin America has seen the populist scenario played to an unfortunate end. Upon gaining power, populist governments attempt to revive the economy through massive spending. After an initial recovery, inflation reemerges and the government responds with wage and price controls. Shortages, overvaluation, burgeoning deficits, and capital flight soon precipitate economic crisis, with a subsequent collapse of the populist regime. The lessons of this experience are especially valuable for countries in Eastern Europe, as they face major political and economic decisions.

Economists and political scientists from the United States and Latin America detail in this volume how and why such programs go wrong and what leads policymakers to repeatedly adopt these policies despite a history of failure. Authors examine this pattern in Argentina, Brazil, Chile, Mexico, Nicaragua, and Peru—and show how Colombia managed to avoid it. Despite differences in how each country implemented its policies, the macroeconomic consequences were remarkably similar.

Scholars of Latin America will find this work a valuable resource, offering a distinctive macroeconomic perspective on the continuing controversy over the dynamics of populism.

RUDIGER DORNBUSCH is the Ford International Professor of Economics at the Massachusetts Institute of Technology.

SEBASTIAN EDWARDS is the Henry Ford II Professor of Business Economics, University of California at Los Angeles. Both are research associates of the National Bureau of Economic Research.



A National Bureau
of Economic Research
Project Report

Cover illustration: Courtesy of Department of Special Collections, University Research Library, University of California, Los Angeles.

THE UNIVERSITY OF CHICAGO PRESS

ISBN 0-226-15844-6



90000>



9 780226 158440