

BOSTON UNIVERSITY

POLITICAL ECONOMY OF MEXICO AND NAFTA

CAS IR 575/PO 553

SPRING 2008

TR 12:30-2:00

KCB 104

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OBJECTIVES:

This course examines the closely related topics of Mexican political economy and Mexico's participation in the North American Free Trade Agreement (NAFTA). The course addresses both the causes and effects of the profound transformations that Mexico has undergone in recent years. Part I introduces Mexico's historical, cultural, political and economic context. Part II considers the economic crisis of the 1980s, the efforts undertaken to reform the Mexican economy via stabilization, privatization, and market opening, and the effects of these new policies. Part III explores Mexico's participation in NAFTA, including the negotiation of the agreement, the politics of NAFTA, and the possibility of expansion. Part IV addresses the major political, economic and social upheavals Mexico has experienced since 1994. The course concludes with a consideration of the contemporary reality of Mexican political economy and its possible future course in light of the country's transition to democracy.

PREREQUISITES:

EC 101 and EC 102 or their equivalents are prerequisites for this course. Students seeking an exception should speak to the instructor the first week of class.

REQUIREMENTS:

Grades will be based on 1) class participation, 2) a 5 page analysis of one topic's readings and an in-class presentation of the analysis, 3) participation in a simulation, and 4) a research paper on an approved topic of approximately 15 pages for undergraduates and 20 pages for graduate students. Students will hand in a two- to three-page, typed reaction to the week's readings at the beginning of each Thursday's class. These short papers will be checked but not graded, and will count toward class participation. (They must be complete to receive full credit.) Instructions and signups for the reading analysis will be handed out the first day of class and can be found at <http://www.bu.edu/sthacker/575commentary.htm>. Participation in the simulation requires advance preparation and short writing assignments. Before beginning their final research papers, students will submit a written proposal and a preliminary outline and working bibliography by the dates listed below. Email and Internet access is required.

ACADEMIC INTEGRITY:

Apart from the simulation, all work for this class is expected to be individual, i.e., not the result of collaboration or a group project. It is imperative that any and all sources used in papers be cited properly. For guidance, see the guideline for source citation on page three of this syllabus or at <http://www.bu.edu/sthacker/source.htm>, the CAS Academic Conduct Code (available at CAS or at <http://www.bu.edu/cas/academics/programs/conductcode.html>) and the GRS Academic Discipline Procedures (available at GRS or at <http://www.bu.edu/grs/academics/resources/adp.html>). Cases of academic misconduct will be referred to the Dean's office.

KEY DATES:

- *Feb. 14:* Hand in written paper proposal, 1-2 pages
- *Mar. 25:* Hand in preliminary outline and working bibliography
- *April 22:* Hand in final research papers at beginning of class

GRADING:

- 20% Class participation
- 20% Reading analysis & presentation, due at the beginning of class on the assigned date
- 10% Simulation
- 50% Final paper, due at the beginning of class on April 22
- Improvement over the course of the semester and exceptional class participation can raise a borderline grade.

Grades are calculated on a 100-point scale, converted to letter grades as follows:

93-100	A	90-92	A-	87-89	B+	83-86	B	80-82	B-
77-79	C+	73-76	C	70-72	C-	60-69	D	Below 60	F

ABSENCES AND LATE WORK:

Students are expected to attend all class sessions and to make presentations at the scheduled times, unless documentation is given excusing an absence for medical, religious or personal reasons, or for official university business. Every effort should be made to notify the instructor as soon as possible (preferably in advance) of the reason for the absence. Late papers will be penalized five (5) points for the first day late, and three (3) points each day thereafter.

READINGS:

Students are required to complete all reading assignments before class. Frequent seminar-style discussions will require a thorough understanding of the readings.

The following required texts are available for purchase at Barnes and Noble at Boston University and on reserve (call numbers in parentheses) at Pardee Library, SMG, 595 Commonwealth Avenue (3rd floor).

- Cameron, Maxwell A. and Brian Tomlin. 2000. *The Making of NAFTA: How the Deal Was Done*. Ithaca, NY: Cornell University Press. (HF1746 .C36 2000). ISBN 0801487811.
- Camp, Roderic Ai. 2007. *Politics in Mexico: The Democratic Consolidation*, 5th edition. New York: Oxford University Press. (JL1281 .C35 2007). ISBN 0195313321.
- Crandall, Russell, Guadalupe Paz and Riordan Roett (CPR), eds. 2005. *Mexico's Democracy at Work: Political and Economic Dynamics*. Boulder, CO: Lynne Rienner (F1236 .M4865 2005). ISBN 1588263258.
- Lustig, Nora. 1998. *Mexico: The Remaking of an Economy*, 2nd edition. Washington, D.C.: The Brookings Institution. (HC135 .L87 1998). ISBN 0815753195.
- Oppenheimer, Andres. 1998 (1996). *Bordering on Chaos: Mexico's Roller-Coaster Journey Toward Prosperity*. Boston: Little Brown. (F1236 .O68 1996, but note that the reserve version lacks the afterword). ISBN 0316650250.

An electronic subscription to the monthly *Mexico-NAFTA Report* is also required. The cost is \$10 for the semester. Details on obtaining it will be discussed in class.

Other readings are available on-line via http://courseinfo.bu.edu/courses/08sprgcasir575_a1/ (click Course Documents, then Course Packet) and/or on reserve at Pardee Library (SMG) and marked by an asterisk ().

USE OF SOURCE MATERIALS*

Correct use and acknowledgment of source materials is vital to any research project. Only through accurate documentation can the reader distinguish the writer's original contribution from those of others. This allows the reader (1) to consult the source of a fact or opinion if he or she so desires and (2) to assign credit or blame judiciously — to the writer or to the writer's sources. Moreover, failure to acknowledge source material properly constitutes plagiarism and is subject to the appropriate penalties.

The basic rule is this: If you use material drawn from something beside your own first-hand experience, and the material is not “common knowledge,” that is, something that “everybody knows,” give credit to your source.

If you quote directly, even a word or phrase, use quotation marks and footnote.**

If you paraphrase (i.e., take the ideas and put them into your own words), footnote.

If you organize material in the unique manner of someone else, give that person credit in the text and, usually, in a footnote as well.

A good rule of thumb is to ask yourself: “Could a reader who consulted the works listed in my bibliography recognize in my paper sentences, phrases, and even striking words; patterns of organization; interpretations or attitudes or points of view or whole ideas or facts, as deriving from any one of these sources?” If the reader could, you must footnote those passages. Any clear parallels between your paper and any of its sources that a reader would discover from consulting these sources, you should already have told him or her through footnotes or informal acknowledgments.

If you borrow everything in your paper, footnote everything in your paper!

Once your paper is turned in, the reader has the right to assume that whatever appears in the paper, unless otherwise indicated, is your own work or is “common knowledge.”

It should be noted that a paper that is merely a patchwork of other people’s words and ideas is a poor paper. Because of the particular slant on the topic you have been asked to consider; because of the particular combination of sources you have consulted; because of the independence of your own creative mind, your paper should be organically different from any of the various sources that have contributed to it.

* This statement is adapted from a document entitled “Use of Source Materials,” Pomona College Department of Government, Claremont, CA.

** Parenthetical references [e.g., (Smith 1991, 234)] may be substituted for footnotes.

COURSE OUTLINE

PART I: THE MEXICAN CONTEXT

Jan. 17: *Introduction*

Jan. 22: *History and culture*

- Camp, Chapters 1-3
- Crandall, Paz and Roett (CPR), Chapter 1 (Crandall)

Jan. 24: *The political system*

- Camp, Chapters 4, 5

Jan. 29: *Political actors and institutions*

- Camp, Chapters 6, 7

Jan. 31: *Development strategies*

- CPR, Chapter 3 (Reyes Heróles)
- Lustig, Introduction, Chapter 1

PART II: ECONOMIC CRISIS AND REFORM

Feb. 5: *The debt crisis*

- Lustig, Chapter 2

Feb. 7: Film: *Frontline: Murder, Money and Mexico*

- Cameron and Tomlin, Chapter 10

Feb. 12: *Economic stabilization*

- *Robert R. Kaufman, Carlos Bazdresch and Blanca Heredia, "Mexico: Radical Reform in a Dominant Party System," in Stephan Haggard and Steven B. Webb (eds.) (1994), *Voting for Reform: Democracy, Political Liberalization, and Economic Adjustment*, New York: Oxford University Press, pp. 360-410. (HD82 .V63 1994)

Feb. 14: *Economic reform*

Paper proposals due

- Lustig, Chapters 3, 4

Feb. 21: *Migration*

Film: *Mojados: Through the Night*

- *Unger, Kurt (2005), "Regional Economic Development and Mexican Out-Migration," NBER Working Paper 11432, Cambridge, MA: National Bureau of Economic Research, June.
- *López-Córdova, Ernesto (2006), "Globalization, Migration and Development: The Role of Migrant Remittances," INTAL-ITD Working Paper 20, Washington, DC: Inter-American Development Bank.

Feb. 26: *Trade and investment reforms*

- Lustig, Chapter 5
- CPR, Chapter 4 (Crandall)

Feb. 28: *The impact of reforms*

- Lustig, Chapter 8
- CPR, Chapter 6 (Gereffi and Martínez)

PART III: MEXICO AND THE NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA)

March 4: *US-Mexico relations and NAFTA background*

- Camp, Chapter 9
- Cameron and Tomlin, Chapters 1-3

March 6: *Simulation*

March 18: *Simulation*

March 20: *The NAFTA negotiations*

- Cameron and Tomlin, Chapters 4-7

March 25: *U.S. politics and NAFTA*

Preliminary outline and working bibliography due

- Cameron and Tomlin, Chapters 8, 9

March 27: *Mexican politics and NAFTA*

- *Thacker, Strom C. (1999), "NAFTA Coalitions and the Political Viability of Neoliberalism in Mexico," *Journal of Interamerican Studies and World Affairs* 41(2): 57-89.

April 1: *NAFTA's legacy*

- CPR, Chapter 5 (Pastor and Wise)
- Cameron and Tomlin, Chapter 11
- *Pastor, Robert A. (2004), "North America's Second Decade," *Foreign Affairs* 83(1): 124-35.

April 3: *FTAA and beyond*

- CPR, Chapters 7, 8 (Roett, Santiso)
- *Hakim, Peter (2006), "Is Washington Losing Latin America?" *Foreign Affairs* 85(1).

PART IV: POST-NAFTA POLITICAL ECONOMY

April 8: *The Chiapas uprising*

- Oppenheimer, Chapters 2-4
- *Neil Harvey, "Rural Reforms and the Zapatista Rebellion: Chiapas, 1988-1995," in Gerardo Otero (ed.) (1996), *Neoliberalism Revisited: Economic Restructuring and Mexico's Political Future*, Boulder, CO: Westview Press, pp. 187-208.

April 10: *1994: Political crisis and assassinations*

- Oppenheimer, Chapters 9-15

April 15: *The peso crisis*

- Oppenheimer, Chapter 1
- Lustig, Chapter 6

April 17: *The bailout and tequila effect*

- Lustig, Chapter 7

April 22: *Political reform and democratization*

Papers due at the beginning of class

- CPR, Chapter 2 (Schedler)
- Camp, Chapter 8
- Oppenheimer, Chapters 5-8

April 24: *Economic liberalization and democracy*

- Camp, Chapter 10
- Lustig, Chapter 9
- Oppenheimer, Chapter 16 and Afterword
- *Holzner, Claudio (2007), "The Poverty of Democracy: Neoliberal Reforms and Political Participation of the Poor in Mexico," *Latin American Politics and Society* 49(2):87-122.

April 29: *Democratic consolidation?*

- *Klesner, Joseph L. (2007), "The July 2006 Presidential and Congressional Elections in Mexico," *Electoral Studies* 26(4):803-08.
- *Moreno, Alejandro (2007), "The 2006 Mexican Presidential Election: The Economy, Oil Revenues, and Ideology," *PS: Political Science and Politics* 40(1): 15-19.
- *Estrada, Luis and Alejandro Poiré (2007), "The Mexican Standoff: Taught to Protest, Learning to Lose," *Journal of Democracy* 18(1): 73-87.
- *Schedler, Andreas (2007), "The Mexican Standoff: The Mobilization of Distrust," *Journal of Democracy* 18(1): 88-102.

May 1: *Looking ahead*

- CPR, Chapter 9 (Paz)
- *Lawson, Chappell H. (2007), "Mexico Under Calderón: The First Hundred Days and the Challenges Ahead," Pacific Council on International Policy Special Report, Los Angeles, CA, April.
- *Castañeda, Jorge G. and Marco A. Morales (2007), "The Mexican Standoff: Looking to the Future," *Journal of Democracy* 18(1): 103-112.