CS-1 Overall performance since 2000 compared Peers and Comparator Countries

Assignment #6: (40 points) Please answer these questions November 14th and Assignment #7 (20 points) meet with me to discuss your answers before class Thursday

Q6-1) Provide a short 1-3 paragraph summary of what you would like to focus on in your case study (let me know if you are looking for ideas).
Q6-2 List a few sources for data and well being, for example CEPAL or World Bank or IMF Article IV studies (of course some references to our text, and/or the Sebastian Edwards book or the Oliver Stone's South of the Border film (or commanding heights)
Q6.3 Use the Figures below and/or peer groups back to1960 or 1970 to find a group of peers. Use the WB Doing Business 2019 to find comparator countries. Where is your country closest to the Frontier, where is it farthest away? Apart from income base year peers and comparator* countries, define some affinity groups for your country, including for example the Pacific Alliance, NAFTA, CAFTA-DR, Merosur and so on. Why are affinity groups important? Consider the case of Costa Rica which wants to be part of the Pacific Alliance but can't quite get in.   Brazil and Argentina have also expressed interest om the Pacific Alliance, why would this be a little strange (even though Venezuela is gone…).
Q6.4 Unless your country is Puerto Rico or Panama or Ecuador, computing the misery index may not make sense? Why are unemployment rates hard to compare across countries (except perhaps Puerto Rico, which is not a country).

* Comparator countries are easy, the IFC and World Bank collect and rank countries by a series of indicators reflecting the business climate. The idea is to identify the binding constraint holding your country back and/or making it vulnerable to political instability all peer countries are below for 2000 and this handout for earlier base years.

Please consider using the Cuba template, replace the sections in dark red with your answers, if your country is Bolivia, let me know… please submit this template on BB by the due date.

Q7.1 Briefly discuss your country's overall performance compared to peers, comparator countries and partners.

CS-1 Overall performance by any yardstick, GEP, human development, Gender equality…
CS-2 Political Economy (Democracy and governance…institutions & corruption, Transparency international…)
CS-3 Entrepreneurship, FDI doing business (Ireland and Chile)
CS-4 Partners: trade and investment groups (CAFTA-DR, Mercosur, Pacific Alliance)
CS-5 Graduation: vulnerability to Commodity and G7 Interest Rates (Fiscal and Monetary Policy Space, FSNs).
CS-6 Middle Class, Education, gender parity and vulnerable vs. resilient HHs
CS-7 Targeted Transfers, CCTs and other safety-nets/MFIs access to credit, financial inclusion

*CS-8 Vulnerability to climate shocks, migration and resilience…
*CS-9 Non-GDP measures of well-being: crime, happiness, gender parity and other indicators of well-being.

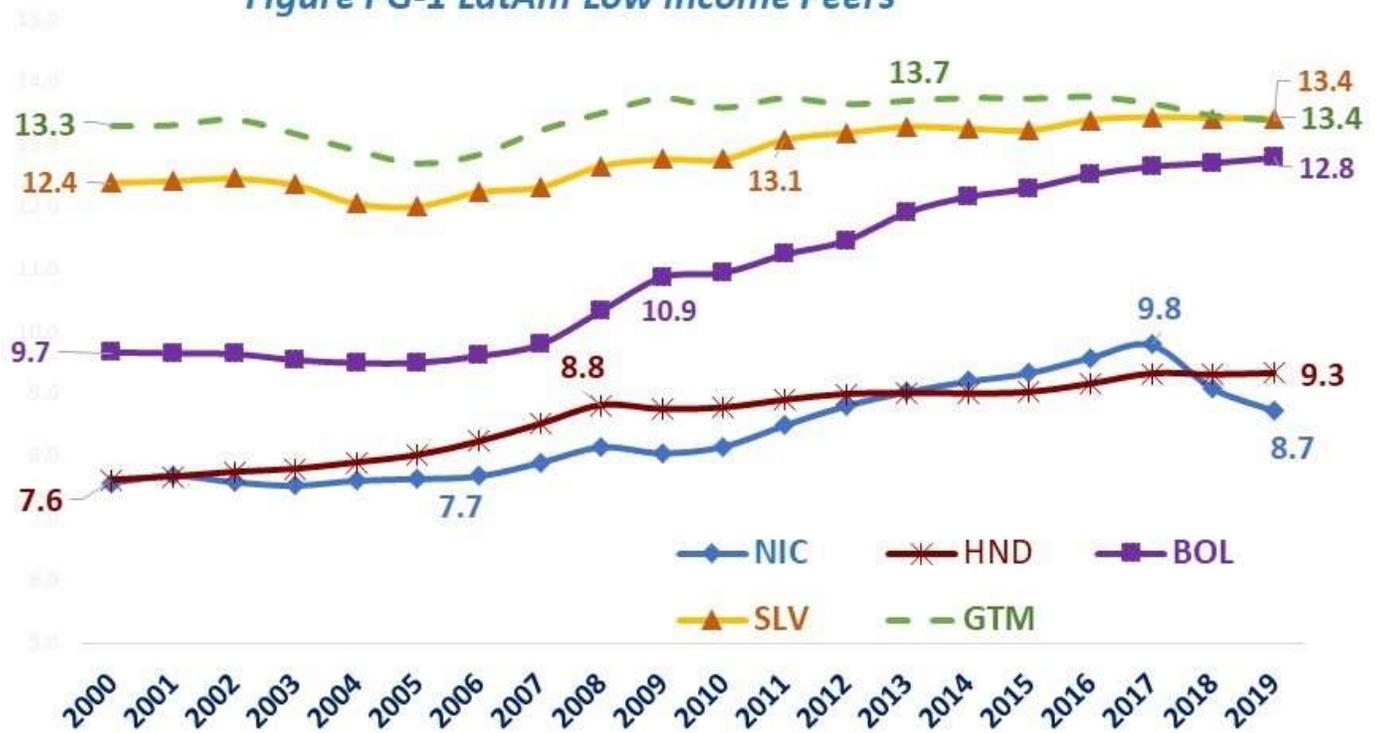**CS-1 Peers and Comparator countries**

The idea of peers is to avoid using the us (the USA) as the norm and to look at how other LatAm countries with similar opportunities and problems fared during a given period. That said we know the United States so we use U.S. average GDP per capita as our benchmark, this is convenience really. In 2018 the average per capita GDP in Latin America was about 26% of that United States ($14,500 in LatAm compared to $55,540 in the U.S.).

This spreadsheet has the newest data, and 1980, 1990 and 2000 peer group starting points, I suggest 2000.
http://www.gdsnet.org/LatAmDataOct2018PeerYears2A.xlsx
    http://www.gdsnet.org/Econ3235_PWT71_LatAmPeersFall2018.xlsx

Figure PG-1 LatAm Low income Peers

Source IMF WEO Oct 2018 data base, $2011 PPP GDP per capita,
https://www.imf.org/external/pubs/ft/weo/2018/02/weodata/index.aspx

Figure PG-2 LatAm Peers Brazil Chile Costa Rica DR, Peru

Source IMF WEO Oct 2018 data base, $2011 PPP GDP per capita,
https://www.imf.org/external/pubs/ft/weo/2018/02/weodata/index.aspx
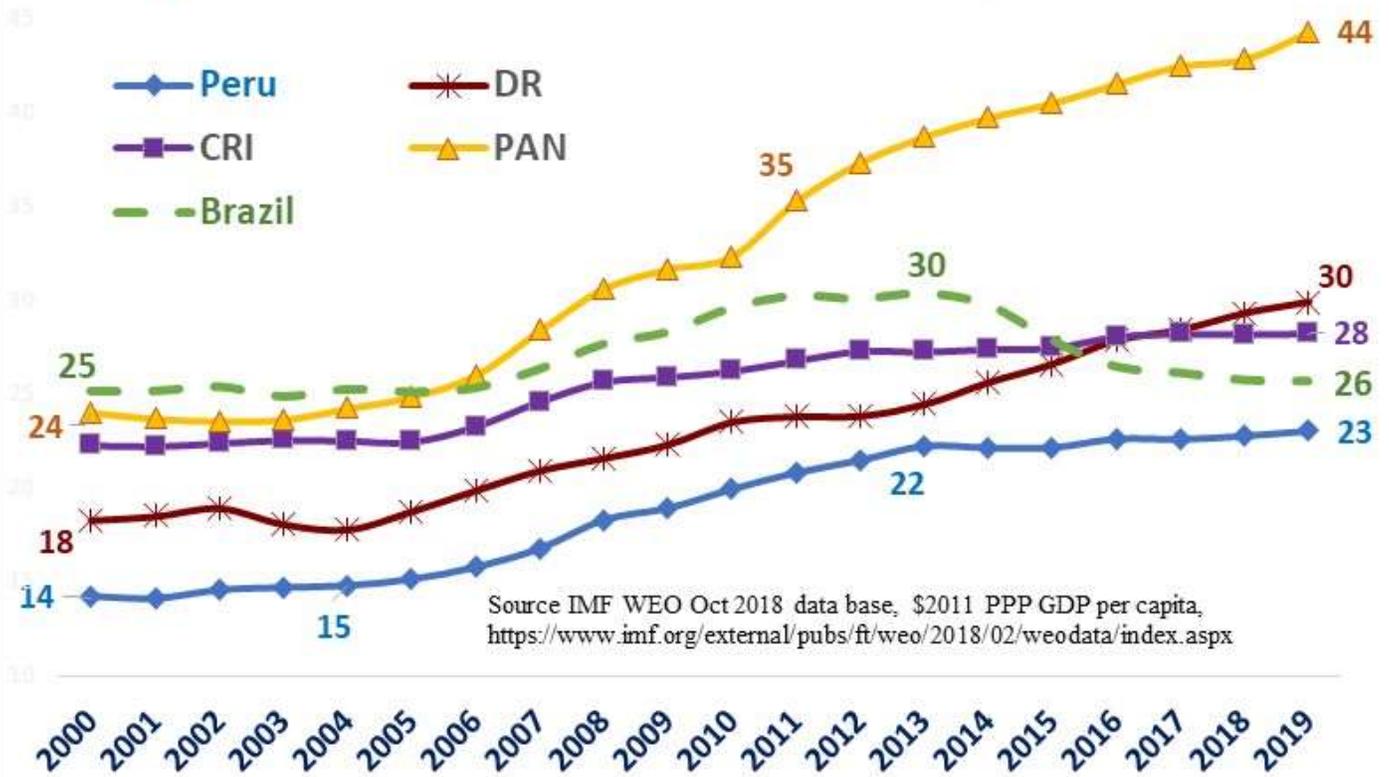
Figure PG-3 Peer group 3 LatAm ctys with higher than average income
Southern Cone + Ven & Mex

Legend:
- URY
- CHL
- VEN
- ARG
- Mexico
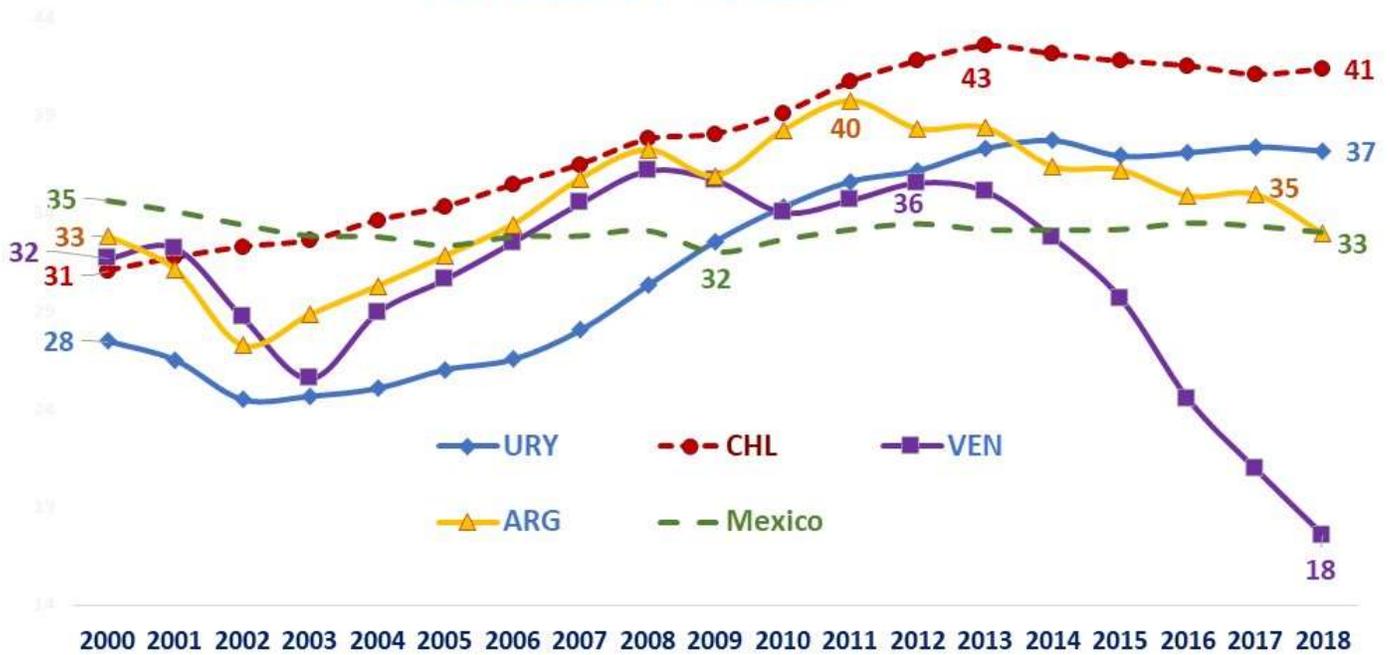
Figure B-2 BRICS GDP Per Capita as a % of U.S. $2011 PPP Post 2018 projected

Legend: Brazil, Russia, India, China, South Africa

57
50
47
29
28
34
27
30
26
21
15
4.1

1990 1992 1994 1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022

Source IMF WEO Oct 2018 data base, $2011 PPP GDP per capita,
https://www.imf.org/external/pubs/ft/weo/2018/02/weodata/index.aspx
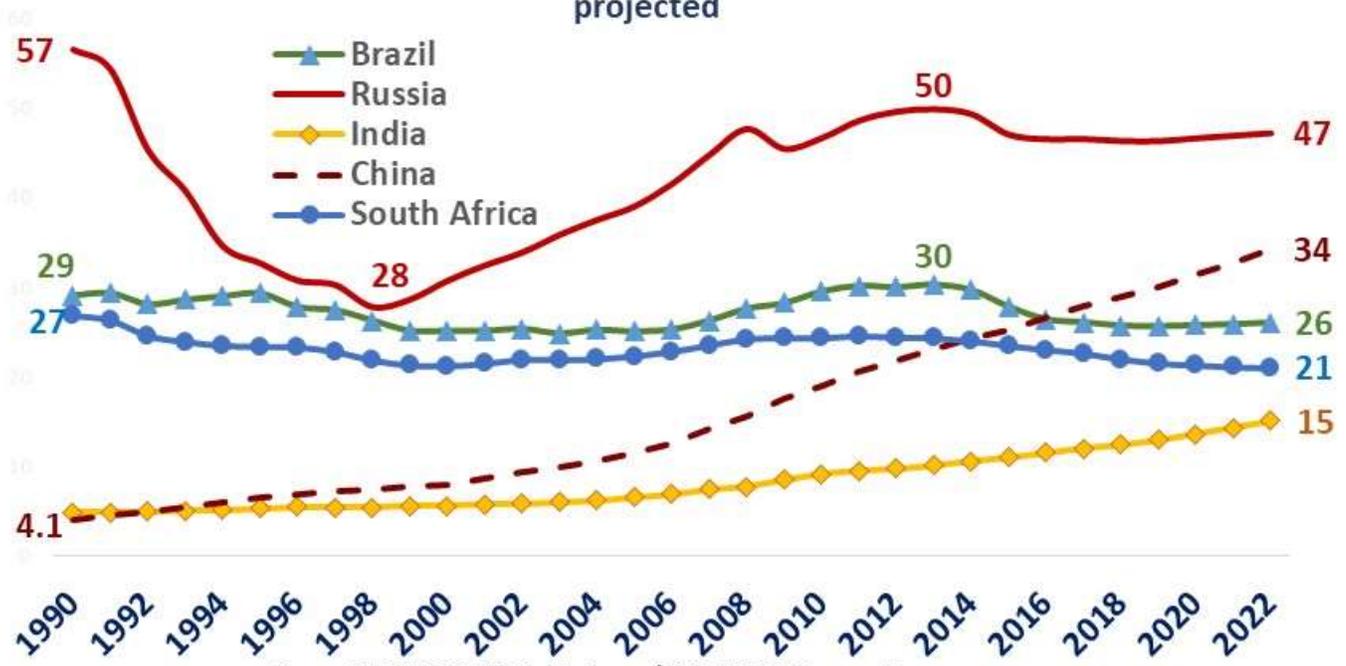
Figure PG-4 Puerto Rico and Venezuela

Legend: Brazil, Argentina, Venezuela, Mexico, Puerto Rico

63
75
59
64
50
46
40
39
33
34
26
18

1980 1982 1984 1986 1988 1990 1992 1994 1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018
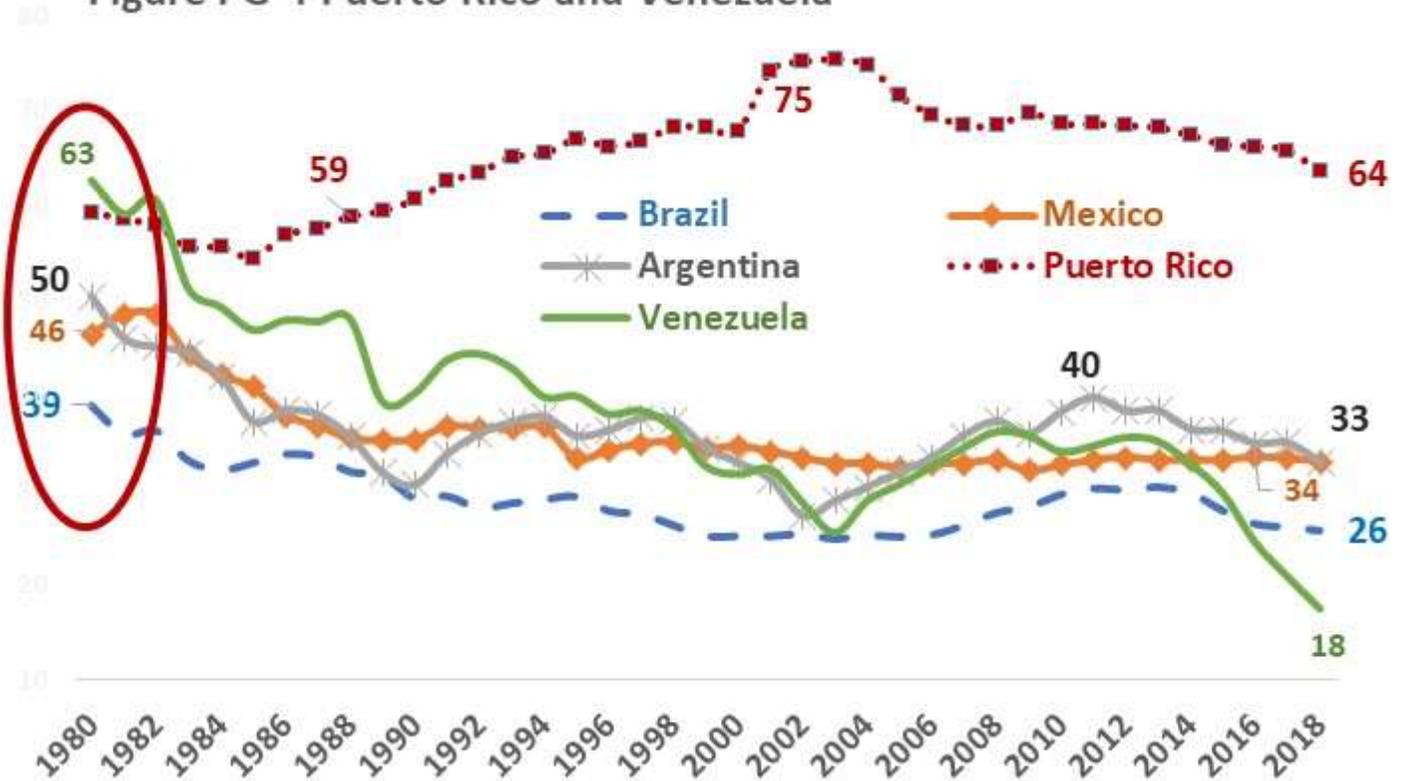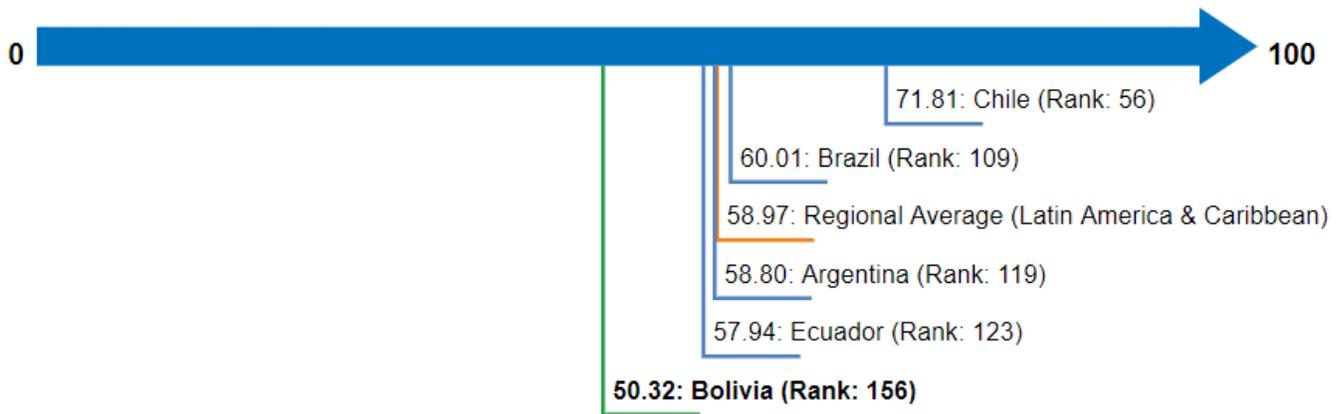
Figure D-1 2019 Doing Business ranking for Bolivia is 156, its "comparators" Argentina (119) Chile (56) Peru, Ecuador)

DB 2019 Ease of Doing Business Score

0 ——————————————————————————→ 100

71.81: Chile (Rank: 56)

60.01: Brazil (Rank: 109)

58.97: Regional Average (Latin America & Caribbean)

58.80: Argentina (Rank: 119)

57.94: Ecuador (Rank: 123)

50.32: Bolivia (Rank: 156)

EASE OF DOING BUSINESS IN

Puerto Rico (U.S.)

Region Latin America & Caribbean	**Income Category** High income		
Population 3,337,177	**GNI Per Capita (US$)** 19,269		
City Covered San Juan			

Download Profile ⬇
(1,425.4 KB, pdf)

DB 2019 Rank
190 ————————→ 1
64

DB 2019 Ease of doing business score
0 ————————→ 100
69.46