Index

Allende, Salvador 32, 34, 36, 93, 99–100, 106, 113, 139
background of 88
electoral victory of (1970) 30, 88
opposition to 30–31
Amsden, Alice 70
Araya, Captain Arturo 89
Aylwin, Patricio 106
administration of 111

Bachelet, Michelle 106
Banco Hipotecario de Chile (BHC) 34
economic policy conference 33
Blake, William 17
business cycle 7, 17, 65

Campaign Assistance Corps 68
capital 8, 15, 18
foreign 24, 30, 56–7, 66–7, 101, 110, 126, 137
human 18, 52, 126, 136
markets 31
transportation of 24
capitalism 2, 15, 25, 40
free market 14, 27
Hispanic 82, 127–8, 132, 134
raw 18
de Castro, Sergio, Chilean Minister of
Economy 33
Catholic University, Santiago, faculty of 31
Cauas, Jorge, Chilean Minister of
Finance 33
Chan, Steve
_Flexibility, Foresight, and Fortuna_ (1992) 3
Chang Kai-shek 37, 53
Chen Shui-bian 77–8
Ch’en Yi 46
Ch’eng Ch’en 37, 48
Governor of Taiwan 48

Chiang Kai-shek 45–6, 64, 129
death of (1976) 68
Chiang Ching-kuo 68
Chicago Boys 31–3, 93, 98, 103, 131–2
influence in Chilean junta 33–4, 90, 101, 104, 106, 115, 117, 130, 136
education policies 100
Chile 2–3, 5–6, 9, 28, 61, 115, 120, 126–7, 130, 137
Central Bank 34, 114–15
Congress 88–9
Constitution of 91
coup d’état (1973) 1, 30, 89–90
democratization in 106–7, 112–13
economy of 29–30, 32, 87, 89, 96–8, 101, 106–8, 123
FDI in 96, 108, 113–14, 123, 125–6
flight of foreign capital from 30
_haciendas_ 29
import substitution 29–30, 82–3, 95, 104, 106, 129
inflation rates 34, 36, 112, 117–18
financial collapse (1982–3) 134, 136
GDP per capita 36, 88, 93–5, 99, 103, 108, 113, 123
GFCF of 96
government of 29, 90
income inequality in 108–10
industrialization of 83, 85
ISI 83, 85–8, 138–9
international market-opening of (1975–80) 3–4, 29, 31, 36, 137
privatization efforts 31–2
shock treatment 32–4, 117–18
tariff reductions 33–4
manufacturing sector of 94–5, 136
Navy of 31
_Plan Laboral_ 98–9
political economy of 2–3, 5, 83
poverty rates in 88
Santiago 31, 83, 86, 100, 113
Valparaiso 83
Chilean Communist Party 87
China, People’s Republic of (PRC) 68, 73, 76, 81, 112
Beijing 73, 76
economy of 73–4
Fujian Province 74
Shanghai 74
China, Republic of (ROC)(1912–49) 42, 56
Civil War (1927–36/1946–50) 45–6, 53
China Petroleum Corporation (CPC) 63
Chinese Communist Party (CCP) 45, 48
Christian Democrats 33, 89
members of 106
supporters of 31
Chu, Wan-wen 70
Chun Shui-bian 78
Clark, Cal 75
Fflexibility, Foresight, and Fortuna
(1992) 3
Communism 134
collapse of 1, 8
Soviet 1
Concertación 106, 111–12
economic policies of 113–14, 137–8
Confucianism 59, 127–9, 134
conservatism 9, 18
fiscal 43
Corporacion de Fomento de la Produccion de Chile (CORFO)
Concepcion 86, 112
enterprises controlled by 33
establishment of (1939) 85
founding of Pacific Steel Company (1946) 86
Huachipato 86
Coporacion National del Cobre de Chile (CODELCO) 99
Cruzat-Larrain 34
Davis, Ricardo-French 110
Democratic Progressive Party (DPP)
formation of (1986) 68, 77
members of 77–9
developmental state theory 14, 18
Dicken, Peter, and observations of economic globalization 22
Dickens, Charles
Hard Times (1854) 17
Economic Cooperation Framework Agreement (ECFA) 75
signing of 75–6
Edwards conglomerate 31
Evans, Peter 18, 139
concept of ‘predatory state’ 18–19
Ffrench-Davis, Ricardo 132
First World War (1914–18) 25
foreign direct investment (FDI) 22, 32, 34, 44, 54, 56, 96, 108, 113–14, 122, 125–6
outward 73, 75
Formosa Plastics 70, 129
personnel of 75
Friedman, Milton 1
Capitalism and Freedom (2001) 8
participation in BHC conference and support for shock treatment 33
students of 31
functionalism 27
Gereffi, Gary 74
Germany 28
GDP per capita 120
manufacturing sector of 27
Third Reich (1933–45) 76
Gerschenkron, Alexander, and theories of industrial development 23–4
globalization 1–3, 5–7, 11, 18, 29, 134, 137, 139
concept of 10–11
constraint 24
criticisms of 11, 13, 22–3
impact on neoliberalism 24–5
integration 22
role in international product cycle 22
Graham, Otis 27
Great Depression 29, 83, 130
Great Recession (2008–9) 13, 108
Greenhalgh, Susan 59
Greider, William 22
Hacker, Jacob 13
Harvey, David, and observations of neoliberalism 8, 13
von Hayek, Friedrich 15
President of MPS 9
Road to Serfdom, The (1944)  8
students of 31
Heilbroner, Robert 14
Industrial Revolution 15, 18, 136
industrialization 17–18, 20, 59–60, 132, 136
efforts to stimulate 37, 41
financing of 50
import-substitution (ISI) 83, 85–8, 134, 137–9
institutional economics 25
cost of 25–7
criticisms of 27
instrumentalism 27
International Monetary Fund (IMF) 8, 32, 104
international product cycle theory 23–4
cost of 20, 22
role of globalization in 22
International Telephone and Telegraph
funding of anti-Allende movement 30
Japan 22, 41, 49, 68, 76–7
Imperial (1868–1947) 37
manufacturing sector of 51
Jiang Zemin 75
Keynes, John Maynard 136
General Theory of Employment, Interest, and Money, The (1936)
Keynesianism 7–8
Klein, Naomi, and concept of ‘disaster capitalism’ 9
Kuomintang (KMT) 45–6, 52, 68, 74, 79, 130, 134
use of limited participation 53
White Terror 46, 48, 52–3, 68
labor 20, 22, 28–9, 37–8, 40, 42, 48, 54, 56, 58, 65–6, 73, 82–3, 85, 87–8, 98, 136
costs 22, 58, 72, 76, 134
division of 14–16, 40
legislation 85, 98–9, 113
management 24
market 60, 72
relations 22, 34
rights 24
unions 11, 32, 34, 68, 87
Lagos, Richardo 106
laissez-faire 2, 19, 25, 138–9
Lam, Danny
concept of ‘guerrilla capitalism’ 57–8
Lee Tung-hui 50
Loveman, Brian, and model of ‘Hispanic capitalism’ 82–3
Ma Ying-jeou 74–5
Mao Zedong 48
March, James, and definition of institution 25
market economy 26
Marx, Karl 15
Communist Manifesto, The (1848) 17
McLuhan, Marshall 10
Mercantilism, colonial 83
Mirowski, Philip 8
von Mises, Ludwig
Nation, State, and Economy (1983) 8
Mittelman, James 10
Monday Club
Brick Committee 31
formation of (1971) 30–31
monetarism 34, 93, 117
monopoly rents 15
Mont Pelerin Society (MPS) 9, 15–16
members of 9
Statement of Aims (1947) 10
multinational corporations (MNCs) 10, 56
nationalism 83
Taiwanese 74
nationalization 89
debt 104, 110
neoclassical economics 25
concept of 7–9
criticisms of 11, 13–14, 19, 24, 56
focus on free market 14, 27
impact of globalization on 24–5
role of savings and investment in 42–3
Nixon, Richard, and foreign policy of the Chilean copper embargo 30

Ohmae, Kenichi 10
oil crisis (1973) 7, 60–61
Olsen, Johan, and definition of institution 25
Olson, Mancur 19
Organisation for Economic Co-operation and Development (OECD), members of 108
Organization of Petroleum Exporting Countries (OPEC) 64

Panama 30
Pinochet, Augusto 103
regime of 9, 31–2, 36–7, 61, 82, 101, 111–14, 123, 137
economic policies of 32–4, 91, 95–6, 103–5, 110–11, 113, 130, 137–8
rise to power (1973) 1, 89–90
Popular Front 85
Prats, General Carlos 89
privatization 31, 100–101
of welfare 32
Radical Party (Chile) 85
economic policies of 30
Ratcliff, Richard Earl

Saan, Orlando, President of SFF 30
Schumpeter, Joseph, and concept of ‘creative destruction’ 20, 139
Scitovsky, Tibor 48
Second World War (1939–45) 11, 16, 22, 42, 45, 50, 123, 130
belligerents of 37
economic impact of 83
Sen, Amartya 13

Development as Freedom 137
Silva, Eduardo 36
Sino-American Joint Commission on Rural Reconstruction (JCRR) 49
small- and medium-sized enterprises (SMEs) 42, 54, 57, 59, 65–6, 72–3, 129
Smith, Adam 16
Wealth of Nations, The (1776) 14–15
paradoxes 15–19
wonderful world model 19–20
socialism 32, 88, 100, 110
radical 87
Socialist Party in Chile, founding of (1932) 88
Sociedad de Fomento Fabril (SFF), members of 30
Solimano, Andres 90
Stallings, Barbara 90
Standard Oil 15
statist theory, concept of 23
Steger, Manfred 9
Stiglitz, Joseph 13
suites of markets 132, 134
Taiwan 2–3, 5–6, 28, 45, 56, 68, 74, 77, 82, 120, 127–8, 130
agricultural sector of 49–50
diversification of production 49
democratization of 53, 77–8
corruption issues 78–9
development model of 79, 81
economy of 29, 36–7, 59, 64–6, 69–70, 75, 120, 122, 137
FDI in 44, 54, 56, 66–7, 73, 122
guerrilla capitalism in 57–8
industrialization of 41, 59–60, 136
inflation rates 46, 48, 63–4, 66, 120
savings/investments rates in 42–3
Encouragement of Investment statute 38
Export Processing Zones (EPZs) 38
FDI in 56
foreign aid provided to 52, 54
GDP per capita 37–8, 40, 42–3, 120, 123
government of 131, 138
household savings rates in 43
Hsinchu Science-Based Park 72
import/export activity of 38, 40–41, 65–6, 75–6, 122–3
income inequality in 60
international market-opening of (1964–72) 3, 29, 36, 137
import substitution 37, 50–54, 129
Land to the Tiller program 48–9, 52, 139
Legislative Yuan 77
manufacturing sector of 41–2, 61, 63
dispersion of 58–9
GDP share 122
labor-intensive 42, 66
Ministry of Economic Affairs (MOEA) 129
MNCs in 57–8
National Assembly 77
Nineteen-Point Program of Economic and Financial Reform 37–8
political economy of 2–3, 5
September 28 Incident (1947) 45–6
SMEs in 54, 57, 59, 65–6, 72–3, 129
dispersion of 59–60
standard of living in 60, 122
diets 60, 67
Taipei 73, 76
Ten Major Development Projects 65
Taiwan Power Company 63
Taiwan Semiconductor Manufacturing Corporation 77
Taiwan Strait 73, 75
Thatcher, Margaret, administration of 8–9
transnational corporations (TNCs) 24
Unidad Popular Party members of 30, 88
opposition to 30–31
United Kingdom 8–9, 16, 25, 27–8, 136
City of London 27
rentier class of 28
United Nations 68
Economic Commission on Latin America (ECLA) 37
United States of America 8–10, 25, 27, 30, 37, 40–41, 65, 76–7, 103
bankruptcy laws in 11, 13
economic policies of 7
foreign aid provided by 52, 54, 126
household savings rates in 43
University of Chicago School of Economics 1, 90
faculty of 31
utilitarianism 27
Wang Yung-ching (Y.C. Wang) 75, 129–30
Washington Consensus, origins of 2
Winckler, Edwin 67–8
World Bank 8, 32, 104
World Health Organization (WHO) 50
World Trade Organization (WTO) 32
Zeitlin, Maurice
Dominant Class of Chile, The (1988) 86