

A Critique of et al. Juan Carlos Moreno-Brid's the Washington Consensus: A Latin American Perspective Fifteen Years Later

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Abstract

In this article the author has emphasized on both success and failure of macroeconomic reform of Latin America on the bases of Washington consensus and the causes, courses and consequences of the failure of the reform. The article shows the alternative policies in addition to the Washington consensus have been proposed and the personal opinion of the authors what the policy makers are going to be done in macroeconomic stabilization too.

Keywords: Macroeconomic; Reform; Latin America; Washington consensus; Stabilization; Perspective

Strength and Weakness of the Article

As can be seen from the departure to the end of the given article, the author has his own strength and weakness on Washington consensus: A glance at Latin American about which is stated hereinbefore.

The strong side of this article basically includes, but not limited to, being able to compare and contrast the economic growth level of the pre reform policy with that of the post and institutional reforms on the bases of a significant evidence; things that were to be done in Latin America after poor performance of the past 15 years under the Washington Consensus economic policy guideline; show Latin Americans structural heterogeneity reform policy; mention the causes, courses and consequences of the failure of the macroeconomic reformed policy on the bases of the Washington consensus; put alternative policies (beyond first generation reform) of macroeconomic reform of Latin America in line with the Washington consensus and forward the ways how the Washington consensus-plus can be implemented accordingly. So far, even though the authors have mentioned their own remedy on the ways the Washington consensus-plus will be implemented, the article has weakness on somehow.

Unlike to its strength, being able to narrate personal opinions

that developing countries must stop focusing on domestic reforms and adjustments; being unable to put a clear painless disinflation mechanisms on macroeconomic stability; being unable to state better practices of Washington consensus out of the region and looking for economic crisis out of the Latin America region by itself makes the given article weaker and weaker.

Lessons Learned from the Given Article Journal

In author's view, those who can read this article attentively and critically can learn many things here of the historical origin, legitimacy and basic pillars of the Washington consensus: privatization, liberalization and macroeconomic stability; how a Latin American regions' economic instability has seemed: things that were to be done in Latin America after poor performance of the past 15 years under the Washington Consensus economic policy guideline: are still valid with structural reforms and stabilization policies; alternative policies on macroeconomic instability mitigation.

Personally what author have learned from this article is that the type of economic system the Latin America region has; followed the role of foreign direct investment on balance of payment on economic growth of a particular country; the negative impact of inappropriate policy on economic, social and political affairs; meaningless of income growth without fair distribution and the direct relationship of economic growth and inflation, but trade off with unemployment.

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