Note that this story about *chinchillas* is in here for a reason
- Not there by accident.
- Seems to be explicitly intended as a metaphor for underdevelopment in Chile
- Chinchilla history: http://members.aol.com/sirchin/chinhist.htm#history

Class presentations
- What are the main tenets of dependency theory?
- Why did Mexico develop slowly in the 19th and early 20th century, according to Haber?
- How would Haber explain the failure of the *chinchilla* industry in *House of the Spirits*?
- Explain the failure of the *chinchilla* industry in *House of the Spirits* from a cultural perspective.
- Explain the failure of the *chinchilla* industry in *House of the Spirits* from a dependency perspective.

Wrap up on theories of development
- To some extent, these different theories can be viewed as complementary.
- Some may work better in some cases than others
- For instance, the Mexican steroid hormone industry looks
- The Brazilian petrochemical industry looks exactly the opposite, and more like Modernization Theory
- The failure of Mexican small and medium-sized businesses to take advantage of NAFTA and compete effectively in industries like furniture, footwear, and silver jewelry – where they should have had a comparative advantage – may have something to do with culture.
    o Example: Michael Piore on quality control & training in those industries
    o Example: Low trust between Taxco silver jewelers that I met
- You may also agree with the diagnosis that some theories offer, but not their cure
    o Brazilian President Fernando Henrique Cardoso was one of the founders of Dependency theory, but he advocates economic reform and integration with the rest of the world
    o He may attempt to use the state to get the best deal he can for Brazil on certain issues (e.g., technology transfer), but has totally rejected autarkic development

If you had to pick one paradigm or theory as your main lens for understanding Latin American development, which would you choose?