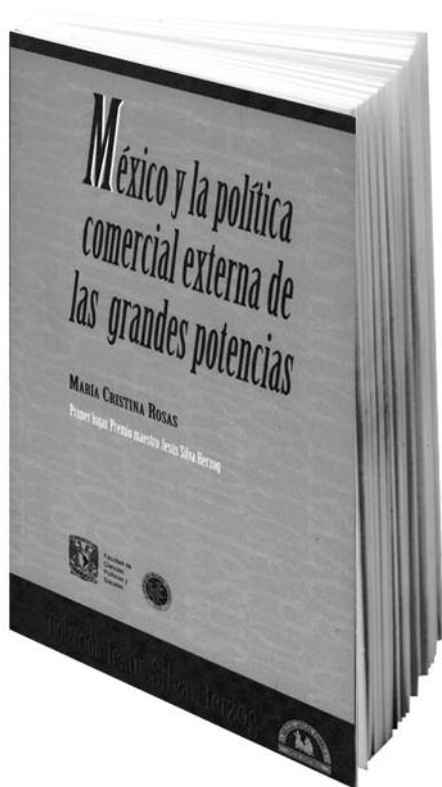


Reviews



México y la política comercial externa de las grandes potencias

(Mexico and the Great Powers' Foreign Trade Policy)

María Cristina Rosas

Miguel Ángel Porrúa/Facultad de Ciencias Políticas y Sociales/Instituto de Investigaciones Económicas-UNAM
Mexico City, 1999, 478 pp.

Together with the United States, Mexico has suffered the effects of an economic recession, sharpened after the September 11 terrorist attacks. This is not fortuitous. In 1999, foreign trade made up 63 percent of Mexico's gross domestic product, a clear contrast with the modest 17 percent it represented in 1970 according to the World Bank's World Development Indicators for 2001. At the same time, according to the Ministry of the Economy, the United States accounted for 82.89 percent of Mexico's foreign trade in 2000.

These two phenomena, Mexico's noticeable integration into the world economy and its particular dependence on the U.S. market, were the incentives for the author to carry out this research. *México y la política comercial externa de las grandes potencias* offers a panorama of Mexican foreign trade options with an eye to diversifying the risk of dependence on a single market. Among the pieces of information that demonstrate the existence of opportunities that have not been taken advantage of, the author mentions India's 100-million-strong middle class.

Rosas selects six great powers according to criteria well established in international relations theories. Three are developed economies (the United States, the European Union and Japan), another is an economy in transition (Russia) and two are developing countries (China and India). Separately and jointly, they possess several of the different characteristics used to define great powers: criteria such as the volume of their gross domestic product (GDP), population, armed forces and nuclear capabilities; the countries that are home to the world's 20 most important arms producers or largest banks and corporations; and which are the world's main exporters. Economic and military capabilities are often defined as "hard power", while scientific-technological development and the ability to have an impact on the world through different channels (like in international institutions) are known as "soft power."

With a leadership role in many of these categories, the great powers are particularly important in the field of trade. The book's second chapter presents elements characterizing the recent evolution of their trade policies (in the 1990s). Among the aspects mentioned are the end of the Uruguay Round negotiations under the aegis of the General Agreement on Tariffs and Trade (GATT), the creation of the World Trade Organization, the trend toward regionalism, the unilateral liberalization of trade by developed countries and economies in transition, increased trade tensions and the emergence of new issues that force a review of the links between domestic and foreign policies, for example, labor standards and the environment.

The next six chapters look individually at each of the great powers selected. What is interesting is that the author

does not limit her analysis to commenting on chronologically presented statistics linked to trade policy issues, but begins with a general sketch of the history, culture and economic development of each power, according to the influence that its particularities have on the capacities and performance of these economies with regard to trade.

These chapters can be read several ways. Each has a very precise structure and objective: coming to an understanding of the elements behind trade policy in the case of each economy, then defining it and examining it vis-à-vis its most important trade partners. The footnotes are often short articles about very specific issues that allow the reader to look more deeply into recent controversies and debates. The tables she has included offer extra information, making the book not only an analysis of its topic, but also a reference book, for which the index of tables listed at the end and the index of Internet addresses of international institutions and national governments are very useful.

The author includes aspects that usually go beyond the scope of this kind of analysis. For example, the chapter on China has segments dedicated to the recent situation of Hong Kong, Taiwan and Macao, important Asian economies. The chapter on Russia briefly examines the possible unification of Russia and Belarus, today independent countries but that have been and continue to be complementary economies. When dealing with the European Union, the author does not skip over the issue of its broadening out to the East; the chapter on India includes a section on the South Asian Association for Regional Cooperation; and the section about Japan describes and analyzes the Asian Pacific Economic Cooperation Forum (APEC). In a particularly long chapter, she uses the same approach to analyze Mexico's trade policy.

The final chapter, describing Mexico's trade relations with the six powers, is shorter. This is because of the scant importance that all these countries—with the exception of the United States—have in trade with Mexico. However, the author does not describe how Mexico's trade balance with them is structured, what kinds of goods and services we sell and import, which would have been much more useful than stating only the amounts, the growth rate and whether there has been a trade deficit or surplus for each one over the last 10 years.

In summary, this book is timely, and the actors in the Mexican economy, both government and business, should take advantage of it to reestablish a balance in what drives

its expansion given Mexico's sustained tendency to increase trade.

César Guerrero
Writer