

Latin America's Low Participation in Global Trade Is Challenge



Montevideo, December 5 (MERCOPRESS-RHC)-- Latin America 'unfortunately' has a very low participation in world trade which is a major challenge for the region, according to Gonzalo Rodriguez, member of MERCOSUR's technical staff, who was one of several speakers at the opening of UNASUR summit.

World trade in 1950 was equivalent to eight percent of global GDP and that figure climbed to 15 percent last year "which means that local production is increasing and traded internationally. This is real globalization and world output integration," stated Gonzalez.

However, "Latin American is quite distant from those figures and convergence becomes crucial for further development" indicated the MERCOSUR trade expert at the Guayaquil meeting, during a forum on trade, investment and production.

Gonzalez said that "south-south" trade had actually increased from less than 5 percent in 1990 to almost 18 percent last year and "this is trade created by the integration process and which Unasur must insist in

promoting.”

Likewise in Latin America, foreign trade emphasis must move away from the “primary production” process to industrialization that incorporates added value, in direct reference to the region's boom in recent years on the back of soaring prices for commodities.

The business expert said that intra-MERCOSUR trade (Argentina, Brazil, Paraguay, Uruguay and Venezuela) is made up of manufactured goods, which jumped from 52 percent in 2002 to 77 percent in 2012.

The two-day UNASUR summit in Ecuador is convening leaders from twelve countries: Argentina, Bolivia, Brazil, Colombia, Chile, Peru, Paraguay, Uruguay, Venezuela, Surinam and Guyana. A special guest of this summit is Mexico's foreign minister, Jose Antonio Meade.

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