

CHANGES IN INDIRECT DOMESTIC VALUE ADDED IN MEXICO'S MANUFACTURING EXPORTS BY SECTORS AND COUNTRIES OF ORIGIN AND DESTINATION, 1995-2011

Topic: Structural change and dynamics

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In previous works (G. Fujii and R. Cervantes, 2013, "Mexico: Value Added in Exports of Manufactures", CEPAL Review, N° 109, April and, 2013, "Indirect Domestic Value Added in Mexico's Manufacturing Exports, by Origin and Destination Sector", Levy Economics Institute of Bard College, Working Paper N° 760) we have found that, in 2003, domestic value added contained in Mexico's manufacturing exports is relatively low, about 42 per cent. Most of this value added is direct, about 53 per cent of domestic value added, and most of the domestic indirect value added generated by manufacturing exports is non-manufacturing, 78.3 per cent of domestic indirect value added. The aim of this presentation, based on the WIOD database, is to trace the changes of total indirect value added content in Mexico's manufacturing exports by sectors and countries of origin and destination in order to show more evidence of how the internal disarticulation of the Mexican economy, specially in the production of intermediate manufacturing inputs, helps to explain the low correlation between Mexico's exports' growth and economic growth. The method of analysis is based on classical techniques of input-output research.