Mexico and Chinaâ€™s international trade structural decomposition analysis. 1995-2020

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Given the similarities between Mexico and Chinaâ€™s access to world markets at the end of the 20th and the beginning and 21st centuries, in this paper, we explore some reasons for the differences in their economic performance over more than two decades. Using OECD inter-country input-output tables and structural decomposition analysis, we provide evidence highlighting how the Mexican economy was left behind in its Global Manufacturing Activities and the rest of the economy by 1) higher imported intermediate inputs coefficients and 2) lower diversification processes in the production of final and intermediate goods and services.