

"Our foreign trade policy is based on two principles: The opening up of our economy and the promotion of exports....It is important to realize that a large part of today's trade deficit is tomorrow's export potential."

*Pedro Noyola, Under Secretary of SECOFI*

**Exports:** While Mexico's imports have surged in the past two or three years, it is important to keep the current trade deficit in perspective. Mexico's exports over the past decade have also grown remarkably. In fact, between 1982 and 1989, the country's exports grew faster than those of the four Asian Tigers (see Figure 1.7).

Figure 1.7  
**Mexico and the Four Asian Tigers: A Comparison of Growth in Manufactured Exports, 1982-89**  
 (in percent)

Mexico	450
Hong Kong	330
South Korea	280
Singapore	290
Taiwan	290

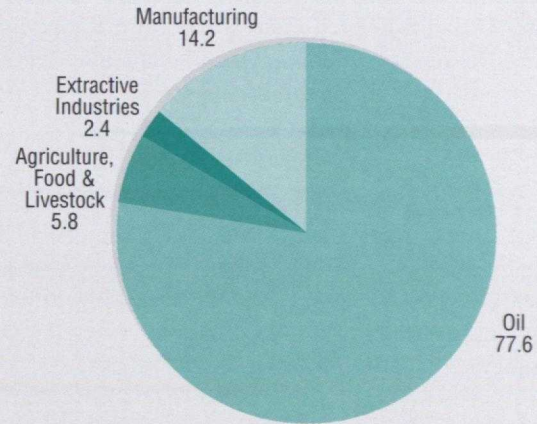
Source: *Mexican Agenda*, 12th edition, July 1991, p. 27.

As a result of restructuring, important changes have occurred on the export side of Mexico's trade relationships. Manufactured goods have replaced oil and oil products as the country's most important exports. And the United States continues to be Mexico's number one trading partner.

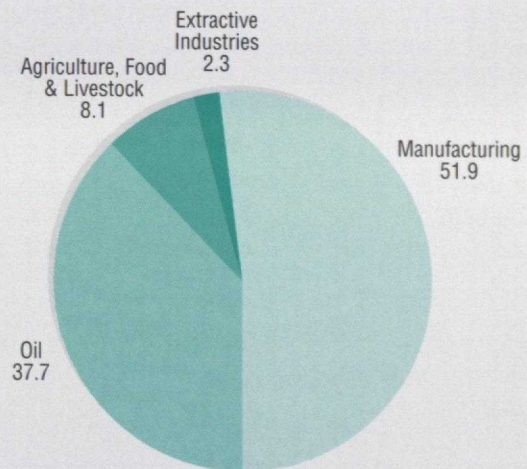
Oil and oil derivatives have traditionally been the most important of Mexico's merchandise exports. In 1982, oil products accounted for 70 percent of total exports. Exports of these products fell by almost 50 percent between 1983 and 1990, largely because of a slump in world prices, but also because of a dramatic increase in the export of non-oil products. Today, 70 percent of exports come from other industries. Manufacturing now heads the list of non-oil exports (see Figure 1.8). Within this sector, the automotive, chemical, steel, food and drink and tobacco industries are the main exporters.

These trends have continued into 1992. While the value of oil exports dropped from \$US1,410.9 million in the first two months of 1991 to \$US1,152.4 million in the comparable period of 1992, manufacturing exports rose from \$US2,251.8 million to \$US2,540.4 million.

Figure 1.8  
**Export Structure, 1982**  
 (in percent)



**Export Structure, 1990**  
 (in percent)



Source: *Bank of Mexico*.