

INTRA-REGIONAL TRADE AND GRANDNATIONAL ENTERPRISES IN THE BOLIVARIAN ALLIANCE

CONCEPTUAL FRAMEWORK, METHODOLOGY AND PRELIMINARY ANALYSIS¹

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Abstract

The objective of this article is to present: preliminary findings on intra-regional trade within the Bolivarian Alliance for the Peoples of Our America (ALBA) for the 2000–09 period; a conceptualisation for the classification/codification of grandnational enterprises and projects (GNEPs) to which this trade is related; and a model of grandnational enterprises and projects' production and distribution chain. This work is part of a broader ongoing research, the objective of which is to map intra-ALBA trade and production with grandnational enterprises and projects' production and distribution chains. A descriptive conclusive research design with mixed methods was utilised. Descriptive quantitative methods were used to analyse data from the United Nations' Commodity Trade database (UN Comtrade). Qualitative methods were used to analyse and interpret secondary data on grandnational enterprises and projects that aided in creating the codification/classification.

Keywords: Bolivarian Alliance, grandnational, ALBA, intra-regional trade, strategic regionalism, endogenous development, trade map

Introduction

The Bolivarian Alliance for the Peoples of Our America (ALBA) is an alternative integration project launched in 2005. Initially proposed by Venezuelan president Hugo R. Chávez Frías, it is constituted at present by eight member countries: Venezuela, Cuba, Bolivia, Ecuador, Nicaragua, Antigua and Barbuda, Saint Vincent and the Grenadines, and Dominica. Honduras belonged to ALBA but was withdrawn from the bloc after the coup d'état against President Manuel Zelaya.

The topic addressed in this article is contextualised in two important developments that took place within ALBA between 2008 and 2009: the call

to create the map of goods (*'el mapa de las mercancías'*) and the creation of the concept of grandnational enterprises and projects. On 13 December 2009, President Chávez proposed, during the closing ceremony of the Tenth Cuba-Venezuela Mixed Commission meeting, 'the creation of the map of goods to advance toward new forms of production, complementarities and trade among nations'. In his address he stated that 'we haven't created that map, we don't have it'. And continued... 'I think that it is urgent we approach this.' 'The first step is the definition and elaboration of the world's map of goods'² (author's translation).

Grandnational enterprises and projects (GNEPs) emerged as alternatives to development models centred on open regionalism and transnational corporations. Grandnational enterprises are mixed state enterprises: state enterprises of two or more ALBA member countries that share ownership and that focus on intra-ALBA trade. Conceptually, the category of 'grandnational' was introduced in 2008, although mixed state enterprises were functioning since 2005 when the Cuba-Venezuela Strategic Agreement was signed. Grandnational projects are action programmes directed at attaining ALBA goals and principles, validated by member countries, whose implementation involves two or more countries, for the benefit of the great social majority. GNEPs have been or are projected to be established in areas of ALBA Agreements: culture, telecommunications, tourism, fair trade, food, energy, industry, mining, finance, health and transportation.

The concept of grandnational enterprises as a way of organising production at the regional level within ALBA was stated for the first time in the 2008 text of resolutions of ALBA's Ministerial Meeting celebrated that same year. It was then stated that³ grandnational enterprises would be 'those enterprises from ALBA countries integrated in production, whose production is destined fundamentally to the intra-ALBA market (fair trade zone), and whose operation would be carried out in an efficient manner'. Grandnational enterprises would be distinguished and differentiated from the transnational enterprise: 'The concept of grandnational enterprises emerges in opposition to that of transnational enterprises, therefore, its economic dynamics will be oriented toward privileging the production of goods and services for the satisfaction of human needs guaranteeing its continuity and breaking with the logic of capital accumulation and reproduction.'

ALBA has been criticised as a geopolitical initiative incapable of generating economic development beyond flows associated with Venezuela's petroleum industry. Furthermore, ALBA has been regarded as an initiative dominated by Venezuelan petroleum exports with other ALBA members not having or controlling significant export capacity in any industry. However, that assertion, frequently promulgated in the media and in discourses against ALBA, has not been supported with data. Is this assertion true? What trade in goods has been generated under this initiative? These are some of the questions that this article addresses.

Objective

The objective of this article is to present: preliminary findings on intra-regional trade within the Bolivarian Alliance for the Peoples of Our America (ALBA) for the 2000–09 period; a conceptualisation for the classification/codification of grandnational enterprises and projects (GNEPs) to which this trade is related; and a model of grandnational enterprises and projects' production and distribution chain. This work is part of a broader ongoing research, the objective of which is to map intra-ALBA trade and production with grandnational enterprises and projects' production and distribution chains.

Research Design and Methodology

A descriptive conclusive research design was utilised to analyse the phenomenon of GNEPs and of intra-ALBA trade for the 2000–09 period. This allowed analysis of the phenomena before and after the first ALBA agreements were implemented in 2005. In order to meet objectives, research linked the two levels of analysis of international trade and of grandnational enterprises and projects. For the purpose of this research, only exports were considered when addressing intra-ALBA trade. Exports were prioritised because they capture production generated in ALBA member countries. Imports will be incorporated in later phases of research.

Research employed mixed methods. Descriptive quantitative methods were employed to analyse intra-ALBA trade utilising the United Nations Commodity Trade database. Qualitative methods were employed to analyse secondary data and interpret information on grandnational enterprises and projects in order to codify conversion from SITC to GNEP categories. The theoretical framework builds on strategic regionalism and endogenous development.

Conceptual Framework

The theoretical framework draws from four areas of academic inquiry: (1) critique of open regionalism based on foreign enterprises; (2) strategic regionalism based on new trade theory and on Hettne and Söderbaum's work; (3) endogenous inclusive development; and (4) socially sustainable value chains.

Venezuela has played a key role in developing an alternative regional trade policy. ALBA was born as a reaction to the Free Trade for the Americas proposed by the US government and constitutes a response to Open Regionalism and Outward Integration.

Since the 1990s, and until the first strategic ALBA agreement was signed in 2005, the economic development strategy followed by many Latin American and

Caribbean countries has been conceptualised as one of Open Regionalism (OR) or Outward Integration (OI) that seeks insertion into the global economy by attracting foreign enterprises that generate exports. Foreign enterprises (not local firms) are the axis of the integration model within the trade and investment strategy.

The model of Open Regionalism, based on free trade theory, postulates that outward integration will generate an increase in foreign investment, incomes, exports, employment and wages. Among the problematic areas of this model are: capital flight, trade balance deficits, assembly manufacturing, migration, debt, unemployment and unequal distribution of income.

The problems associated with the OR model have become worse with the international financial crisis. The Economic Commission for Latin America (CEPAL for its Spanish acronym) indicated that the region was affected by the crisis via four ways: through the fall in foreign direct investment, estimated at between 35 and 45 per cent; the reduction in remittances by 5–10 per cent; the collapse in raw materials price indices by 29 per cent and in exports by 25 per cent (see <http://www.guia.com.ve/noticias/?id=46967>).

ALBA seeks to overcome some of the limitations of Open Regionalism. As an alternative concept of integration it promotes complementarities in production articulated around regional investment of mixed state enterprises, i.e. the grandnationals. ALBA regards trade agreements and compensatory trade and finance as components and mechanisms of fair trade. In this way, the asymmetries and special needs of each country can be managed through non-reciprocal trade that allows for the establishment of differentiated treatment according to development and size of each country.

This process generated more than ten integration agreements between 2005 and 2008. In April 2005, Cuba and Venezuela signed a Strategic Agreement that promoted cooperation in education, health, trade, mining, and petroleum. Bolivia's president Evo Morales also signed a Strategic Agreement with Cuba and Venezuela in 2006. By 2008, there were 26 mixed state enterprises projected or established within Cuba–Venezuela agreements.⁴

Strategic regionalism is based on new trade theory, targets domestic firms and articulates economic policies to promote their competitiveness in regional trade. New trade theory has demonstrated that the effects of free trade are at most controversial (see Krugman and Obstfeld 2009: chapter 6) and that evidence in favour of the argument linking free trade to economic growth is weak (Rodrik 2004: 16).

New trade theory states that once the firm and imperfect competition are introduced into the analysis/model, the pattern of trade ensuing will be unpredictable (Mikic 1998: 174). Therefore, a new theoretical space opens up that justifies the articulation of strategic trade and industrial policies. The objective

of strategic trade policy is to promote competitiveness of domestic versus foreign firms, to increase economic welfare or military security (Nollen and Quinn 1994: 497). Strategic policy combines elements of industrial, trade, financial and fiscal policies to target potential growth sectors and firms. Other countries can retaliate and this can affect results. Strategic industrial policy articulates a strategy of cooperation around institutions – established at the level of central, local, or municipal government or other agencies (Best 1990, 2001). From the strategic industrial perspective, targeted industries are those with the future growth potential that promote development in the country or region. ALBA is a case of strategic regionalism centred on grandnational enterprises and projects that articulates economic and social policies to promote regional development with inclusion.

The emergence of new trade theory during the 1980s coincides with the emergence of new growth theory. These works depart from a neoclassical interpretation because they emphasise that economic growth is the endogenous result of an economic system and not of forces that intervene from outside the system. These models try to discover what the public and private choices are that affect growth rates and attribute an important role to firms and human capital (Romer 1994: 3).

One of the most significant contributions of endogenous growth theories is that they open up a space in which to locate endogenous development theory in relation to business alternatives to poverty and the formulation of economic and social policies based on these; and, in addition, that they place an emphasis on public and private options to promote development. Endogenous development is distinguished from endogenous growth because it includes a social, historical and cultural vision of the development process. Endogenous development theory incorporates theoretical contributions that analyse alternative forms of production and industrial development in different territories, regions and historical moments (Vázquez-Barquero 2007). The perspective of sustainable livelihoods and environment, as well as that of social inclusion, is sometimes incorporated in endogenous development thinking. The perspective of social inclusion partly emerges from the frustration with development policies promulgated during the 1980s and from free trade agreements' results of the 1990s because both processes worsened poverty and social exclusion.

Conceptualisation of sustainable value chains is based on Gereffi (2009) where sustainability is approached from an economic, social and environmental perspective. The unit of analysis of sustainable value chains is the entire supply chain, not just lead firms (Gereffi 2009: 3). The determinants of value chain sustainability are, according to Gereffi: (1) the lead firms of global value chains (in this case grandnational enterprises), (2) regulatory structures (international organisations, national policies, standards and certifications); (3) non-governmental

organisations' pressure of partnerships; (4) local institutional factors (political, legal, educational and technological) and (5) societal values (Gereffi 2009: 30, 32) that link economic upgrading with social and environmental upgrading (decent work, competitiveness and environmental sustainability). A relational value chain is a network-style governance pattern characterised by mutual dependence regulated through reputation, social and spatial proximity, family and ethnic ties and the like. In ALBA this takes the form of a common socio-political project with a common vision of development with social inclusion. This research will focus on economic and social sustainability only.

The Bolivarian Alliance is a process that incorporates elements of new trade theory and of endogenous development theories in strategic regionalism. To specify how, the definitions espoused by Björn Hettne and Fredrik Söderbaum will be utilised. For Hettne and Söderbaum (2006: 198), development-oriented regionalism is the one that transcends the analysis and benefits of international trade. For them, 'development is multidimensional, depending on positive secondary impacts and linkages among different sectors, that also require more integral regional approaches, through which trade integration is tied to other forms of economic integration and factors (investment, payments, monetary integration, harmonisation) as well as several types of economic cooperation in specific sectors (transportation, communications)... Multi-dimensionality results in a variety of regional agreements directed by the State and non-state or hybrid entities, networks and governance mechanisms' (Hettne and Söderbaum 2006: 184); and it involves a rich variety of state and non-state actors, that are many times brought together in informal networks and multi-actor coalitions that operate at different levels within the world system' (Hettne and Söderbaum 2006: 183).

The definition outlined by Hettne and Söderbaum allows incorporating, to the concept of strategic regionalism, the perspective of endogenous development and of the multidimensional aspects of ALBA. First, because in their definition, regionalism transcends the analysis and benefits of international trade. ALBA is different from other agreements because it approaches issues of education, health, and culture among others. Second, because development is multi-dimensional. Trade integration is tied to other forms of integration in ALBA. Among these regional investment stands out, and the new financial architecture articulated around a new currency (SUCRE) and alternative financial institutions (Bank of the South and ALBA Bank). Cooperation in communications, such as that of Telesur and transportation and infrastructure initiatives also stand out. Third, multidimensionality results in a variety of agreements directed by the State and by non-state actors, networks and governance mechanisms. Among non-state actors the role of missions and of grandnational projects is significant, and these are constituted as multi-actor networks.

Hettne and Söderbaum (2006: 185) also recognise the role of networks within development-oriented regionalism. They state that ‘Networks can emerge within organisations, thus creating hybrid network organisations. Networks and organisations can overlap; a network can be an organisation, and an organisation is sometimes a network’ (Hettne and Söderbaum 2006: 185–7). Public-private alliances are a particular type of network. In ALBA, multiple networks materialise: networks between categories of enterprises, between missions and enterprises, public-private networks or alliances, and networks among organisations at the level of grandnational projects, among others.

Strategic regionalism with endogenous development and business and production alternatives within ALBA is inserted between capitalism and twenty-first century socialism. Although different countries formulate diverse proposals, integration and endogenous development among Venezuela, Cuba, Bolivia, Ecuador and Nicaragua shapes some common elements. The other three ALBA members – Dominica, Saint Vincent and the Grenadines, and Antigua and Barbuda – constitute a sub-bloc within ALBA and share characteristics and problems, but have not openly stated an adherence to twenty-first century socialism. Addressing this issue, Emir Sader (2009: 176) stated that Bolivian, Ecuadorian and Venezuelan processes converged into a similar strategy, whose objective is overcoming neoliberalism and constructing regional integration processes that strengthen resistance against imperial hegemony; and that these processes initiated the construction of post-neoliberal models and of a third strategy in the history of Latin America’s left.

There are common elements in ALBA’s vision (see Sader 2009) that will nurture analysis. Next, five common elements that informed the conceptualisation of the grandnational enterprises and projects illustrated in Figure 1, are presented.

First, endogenous development and integration are tied to a nationalisation or re-nationalisation of natural resources, at a historical conjuncture where primary products and natural resources have passed from being undervalued to being strategic. In this way, control over and governance of non-renewable resources, such as petroleum and gas; endangered renewable resources endangered by climatic changes and attempts of appropriation/privatisation, such as water; and resources linked to food sovereignty acquire strategic importance. These processes partly explain why we witness nationalisations and re-nationalisations of hydrocarbons in Venezuela (2003), Ecuador (2010) and Bolivia (2006). Furthermore, integration agreements around energy and food are structured within ALBA.

Second, states are conferred important roles as economic actors. These dynamic and central roles break with state absolutisms of the past linked to real socialism prescriptions and open up a space for social and private economics. The role of the state as an important actor is what points toward and makes feasible strategic regionalism whereby public investments and state enterprises accomplish

an important role. Furthermore, it ascribes an important role to the state in the management of foreign investment where benefits are guaranteed for the country and for technology transfer. Lastly, it ascribes an important role for the state in the control of linkages upstream and downstream in international chains of production and distribution. This regionalism differs from the old regionalism centred in the integration of markets and products.

Third, the production model is structured, not around the old model of twentieth century socialism with an emphasis on state enterprises under the governance of a planned centralised system and the elimination of the market, but around a diversity and plurality in property forms. In the case of Bolivia, Vice-president Álvaro García-Linera summarised his perspective of the state's role in the following words: 'The State is the only "thing" that can unite society, it is the one that involves the synthesis of the general will and the one that plans the strategic framework and the first cart of the economic locomotive. The second one is private Bolivian investment, the third is foreign investment; the fourth is microenterprise; the fifth, the peasant economy and the sixth, the indigenous economy. This is the strategic order in which the economy of the country must be structured' (Stefanoni 2006: 72; author's translation). In the socialist productive model of Venezuela three components are identified: public enterprises, social economy enterprises, and private enterprises. 'Public enterprises are the dynamic institutions of the model, and through these enterprises the state reserves strategic productive activities for the development of the country directly responding to central planning' (Giordani 2009: 124; author's translation).

Fourth, the transformation of the economy is approached through new transdisciplinary viewpoints that transcend the conceptual limitations of capitalist neodevelopmentalism and twenty-first century socialism, and that incorporate other reflections and debates concerning these conceptualisations. These perspectives propose rescuing other knowledge for economics (*otros saberes para la economía*). Some examples are: endogenous development linked to *Vivir Bien* (in Bolivia) and to *El Buen Vivir* (in Ecuador) tied to the cosmovision and indigenous knowledge, to solidarity economics and to the pluri-ethnic; other economics for life; and solidarity economics.

Fifth, among ALBA members, there is a subgroup of countries – Cuba, Venezuela, Bolivia, Ecuador and Nicaragua – where ALBA alternatives pose challenges to twenty-first socialism and vice versa. Some of the challenges are, according to Claudio Katz (2006a, b, c): the politics to define actors and alliances that will orient the initiative; the possibility of implementing measures in agreement with a popular integration, such as agrarian reforms, the redistribution of income and the nationalisation of basic resources; what type of political and economic alliances should be promoted to advance the ALBA project; energy dilemmas to

substitute the fuel exporting model; redefining the destiny of energy rent and the beneficiaries of these processes of recovering property of hydrocarbons, building financial autonomy and conciliating Venezuela's entry into MERCOSUR (South American Common Market) with ALBA.

The Model of Grandnational Enterprises and Projects

Based on the conceptual framework and these reflections on the commonalities, a model of grandnational enterprises and projects is proposed. Figure 1 illustrates the basic components of the model. GNEPs serve as lead firms that control and coordinate the production-distribution chain. Upstream, government involvement

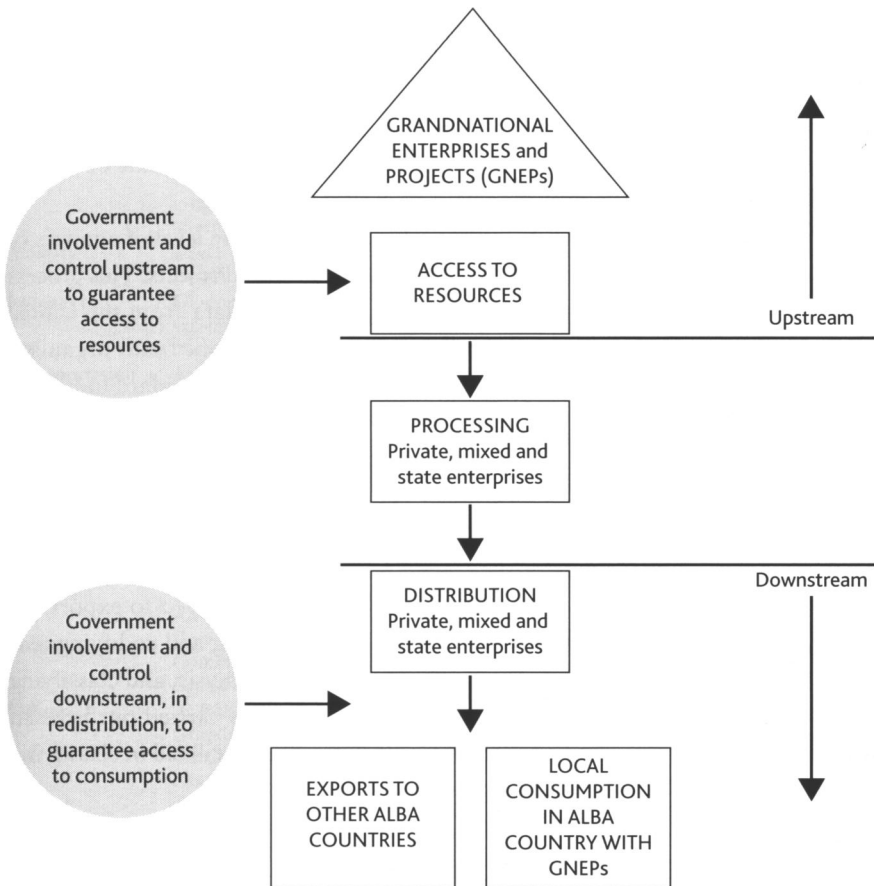


Figure 1 Model of grandnational enterprises and projects

and control guarantees access to resources. Downstream, government involvement and control in redistribution guarantees access to consumption. In processing and distribution, private, mixed and state enterprises participate and are integrated into chains and production networks. Distribution into international markets is captured by exports. Although the ongoing research focuses on the larger Project dealing with the whole chain represented in the model, this article will only deal with the square of Exports to other ALBA countries and with the triangle of Grandnational Enterprises and Projects.

Conceptualisation: Linking the Levels of Analyses of International Trade and Production

How can an analysis of international trade be linked to production? This is difficult since there is no integrated database combining both sets of data (exports-imports and production) (see Sturgeon and Gereffi 2009 for an excellent discussion of these limitations). UN Comtrade compiles data on international trade. But this does not allow us to see who is exporting. This exporter can be a state or private enterprise, a local or foreign firm.

This research has generated a conceptualisation to link the level of analysis of international trade to that of Grandnational Enterprises and Projects. This process required two steps. In the first step, the author, utilising data from the United Nations Commodity Trade database (UN Comtrade), classified and organised data on exports for ALBA member countries according to the Standard Industrial Trade Code (SITC).

In the second step, the author utilised the SITC to Broad Economic Categories (BEC) conversion table and then created categories to convert SITC data to a classification of Grandnational Enterprises and Projects (GNEPs). Table 1 presents, for each area of ALBA Agreements, the grandnational enterprises and projects implemented or projected. These GNEP categories were matched to exports by industry and subsector classification. This required analysing and codifying tens of thousands of records on exports at a five-digit level of analysis, and classifying these according to those categories related to the activities carried out by each grandnational enterprise and project. Later, BEC categories will aid in classifying exports through the chain of production and distribution.

As an outcome, data classification of intra-ALBA trade in exports allowed us to analyse, for each record on exports, the following information: period, reporter country, partner, SITC code, BEC code, commodity description, industry, link to grandnational enterprise and project, and trade value. This type of data

Table 1 Areas of ALBA agreements with grandnational enterprises and/or projects

AREAS OF ALBA AGREEMENTS WITH BOTH GRANDNATIONAL ENTERPRISES AND PROJECTS (existing and projected)		
<i>Area</i>	<i>Grandnational Enterprises</i>	<i>Grandnational Projects</i>
Fair Trade Treaty of the Peoples	GE-industrial supplies for the commercialisation and trade of inputs, equipment and machinery for industry. GE-Exports and Imports.	Creation of ALBA Stores (warehousing and commercialisation network of finished goods for ALBA countries). International ALBA Fair. Grandnational Centre for the design and execution of research, technological innovation, technical assistance and productive capacity and quality.
Tourism	Grandnational Chain of ALBA Hotels.	Elaboration of Macro Plan for Social Tourism. Tourism University of ALBA.
Food	GE-agriculture and livestock production.	Creation of 'Food Bank' to guarantee food supplies.
AREAS WITH GRANDNATIONAL ENTERPRISES BUT NO GRANDNATIONAL PROJECTS (existing and projected)		
<i>Area</i>	<i>Grandnational Enterprises by Area of ALBA Agreement (existing and projected)</i>	
Tele-communications	GE-Telecommunications. GP ALBA-Satellite.	
Energy	GE-Energy-petroleum, gas, refining, petrochemical, transportation infrastructure development, warehousing, distribution, electricity, and alternative energies.	
Industry	Development of industrial products for ALBA member countries and Latin America, with the cooperation of allied countries: Belarus, Iran, and China.	
Mining	GE-cooperation, research and development in the areas of geology and mining: GE-production of aluminium; GE-development of cement industries; GE-management of forests; production and trade of wood industry products.	
Transportation	AIR Transportation: Promote the creation of GE of state airlines and GEs for maintenance and construction of aircraft. NAVAL: Grandnational Naval Enterprise of the South, for cargo and passenger transportation. LAND: GE-development of the region's infrastructure.	
AREAS WITH GRANDNATIONAL PROJECTS BUT WITH NO GRANDNATIONAL ENTERPRISES (existing and projected)		
<i>Area</i>	<i>Grandnational Projects by Area of ALBA Agreement (existing and projected)</i>	
Education	Grandnational Literacy Mission in ALBA countries, and another Latin American and Caribbean countries. University Education Plan. Priorities are social medicine and social work. Common programme of social formation for production workers. Grandnational Project Literacy and Post-Literacy.	
Culture	ALBA's Cultural Fund for: joint production and distribution of film. Grandnational production of radio and TV, Latin American production and distribution of books, and shared bookstore networks. Opening of ALBA Houses in Caracas, Havana, La Paz, Managua, Port-au-Prince and Quito.	
Finance	ALBA's Economic Fund for Cooperation and Production Investment.	
Health	Development of Health Mission in ALBA countries. ALBA-Medicines Grandnational Project.	

Source: Author's analysis based on <http://alianzabolivariana.org> and Regueiro-Bello (2007: 25–30).

classification allows to analyse what each ALBA member is producing and exporting to the bloc; and also, how trade maps are being formed by industry.

Some of the data limitations of UN Comtrade are: that data on Venezuelan exports for 2007 are excluded, as well as data on Cuban exports after 2006. For these cases, a proxy was created based on imports reported by partner countries of Venezuela and Cuba, to estimate exports.

Preliminary Findings

This section presents preliminary research findings. It includes results on some of the characteristics, patterns and tendencies observed in intra-ALBA trade and a partial analysis of intra-ALBA trade in exports. It is organised around the three research questions: Did intra-ALBA trade grow during the post-ALBA period of 2005–09 compared to the pre-ALBA period? In intra-ALBA trade, what export category grew the most during the 2005–09 period? In intra-ALBA trade, which Grandnational enterprise category grew the most during the 2005–09 period?

Did intra-ALBA trade grow during the post-ALBA period of 2005–09 compared to the pre-ALBA period?

Data analysis showed that intra-ALBA trade in exports grew considerably from the pre-ALBA to the post-ALBA period as shown in Figure 2, increasing from approximately 5 billion to almost 9 billion US dollars.

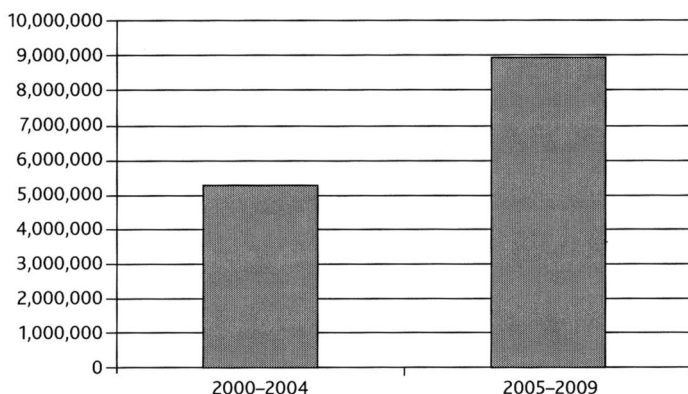


Figure 2 Intra-ALBA trade in exports
(in thousands of US dollars)

Source: Author's calculations based on UN Comtrade database.

In intra-ALBA trade, what export category grew the most during the 2005–09 period?

It is important to emphasise that the petroleum industry category did not reflect the greatest growth for the 2005–09 period. This is contrary to what media discourse against ALBA proclaims. Figures 3 and 4 illustrate how, after 2005, the category that becomes increasingly important in intra-ALBA trade composition is Food and Beverages, growing from approximately 12 to 32 per cent. Other important categories are industrial supplies and consumption goods. Petroleum dominates intra-ALBA trade exports only in 2003 and 2007. Petroleum exports seem to be related more closely to the institutionalisation of Petrocaribe.

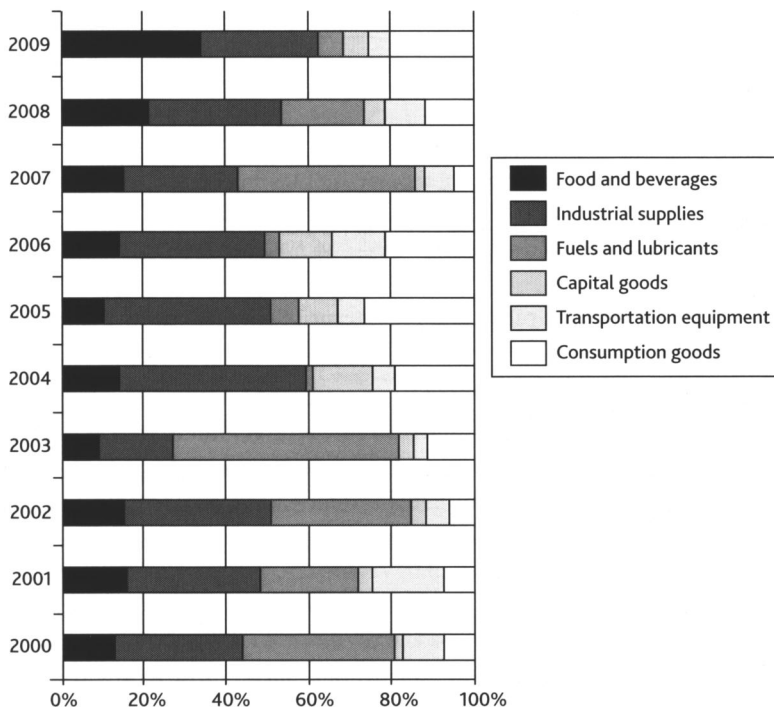


Figure 3 Intra-ALBA trade (exports) According to broad economic categories (in percentages)

Note: BEC category 7 data were excluded because quantities were too small and were not reflected in the graph. Source: Author’s calculations based on UN Comtrade database.

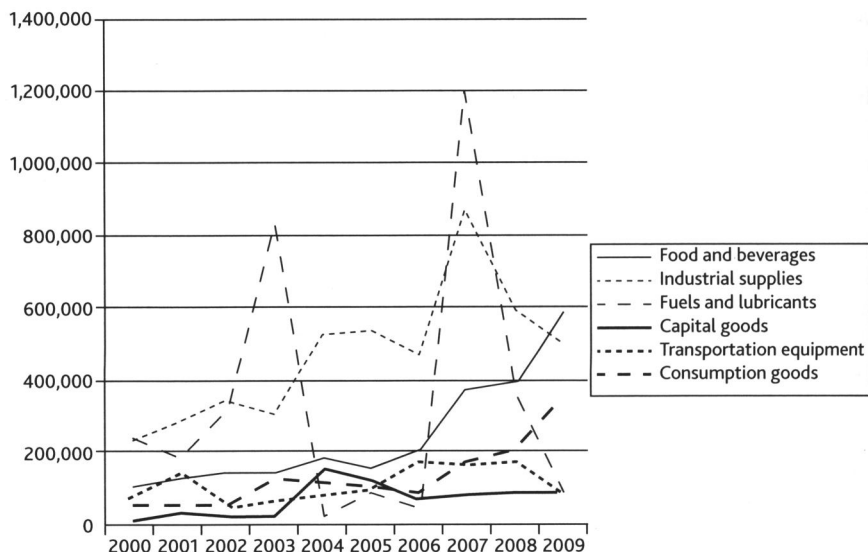


Figure 4 Intra-ALBA trade (exports) According to broad economic categories (in thousands of US dollars)

Note: BEC category 7 data were excluded because quantities were too small and were not reflected in the graph. Source: Author’s analysis based on UN Comtrade data.

In intra-ALBA trade, which Grandnational enterprise category grew the most during the 2005–09 period?

Intra-ALBA trade in exports as related to areas comprised by grandnational enterprises and projects, as illustrated in Figure 5, is dominated by Food, Agriculture and Livestock in first place, and by Industry in second place. In third place, the category of Health and Medicine displaces that of Energy-petroleum for the year 2009.

Conclusions

Preliminary findings highlight several conclusions. First, intra-ALBA trade in exports grew during 2005–09 as compared to the pre-ALBA period of 2000–04. Second, contrary to what media discourses against ALBA promulgate, the most significant category is not petroleum, except for years 2003 and 2007. Third, the largest category in percentages and the one that registers the greatest growth for the 2005–09 period, is that of Food, Agriculture and Livestock. Fourth, when data is classified and codified to create conversion of SITC codes to Grandnational enterprises and projects categories, a significant increase is

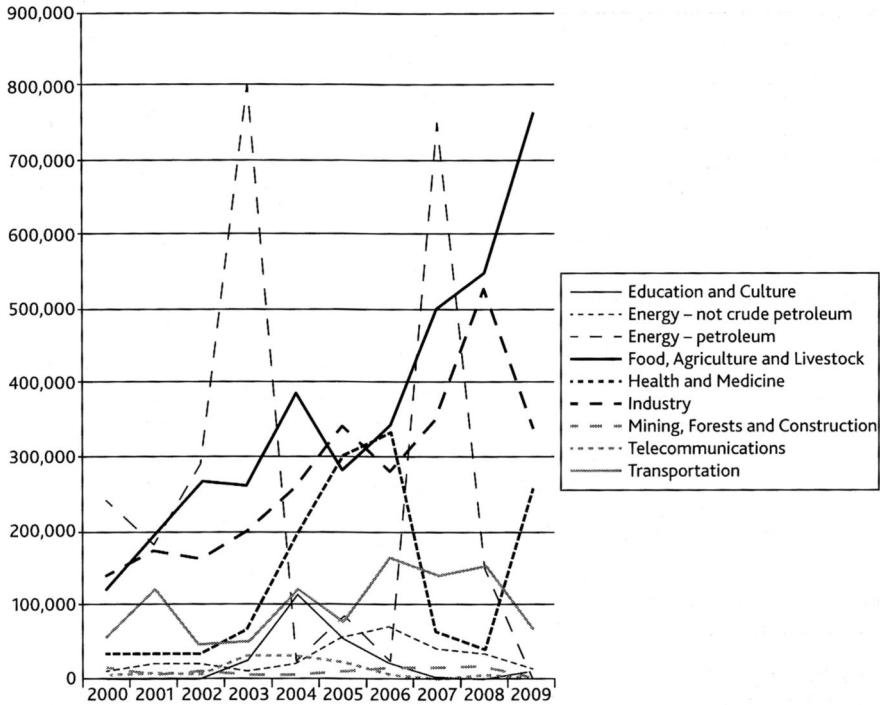


Figure 5 Intra-ALBA trade (exports) (excluding Honduras) According to category of grandnational enterprises and projects (in thousands of US dollars)

Source: Author's analysis based on UN Comtrade data.

registered associated with the Grandnational Enterprise ALBA-Food and not to Grandnational-Energy-petroleum.

Export activity related to areas linked to GNEPs has grown under ALBA. This suggests that the specification of trade maps linked to these enterprises might prove to be an important way to consider coordinating complementarities in production and trade. One first step towards creating the map of goods and identifying production alternatives has been taken.

Notes

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2. Importante la interrelación comercial y económica de países del ALBA. Hay que vencer deformaciones estructurales impuestas por potencias extranjeras <http://www.ijcs.org>

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