

**Dr. Sergio Cámara Izquierdo**

**Email: [scamara@azc.uam.mx](mailto:scamara@azc.uam.mx)**

**Web page: [www.scamara.com](http://www.scamara.com)**

**Research Area Sociedad y Acumulación Capitalista  
Universidad Autónoma Metropolitana-Azcapotzalco,  
Mexico City, Mexico**

**CAPITAL ACCUMULATION IN MEXICO AND THE  
UNITED STATES. NEOLIBERAL ASYMMETRIC  
PATTERNS AND POST-NEOLIBERAL SCENARIOS**

**7th Annual Conference in Political Economy**

**International Initiative for Promoting Political Economy (IIPPE)**

**Critical Political Economy Research Network (CPERN)**

**Berlin Institute for International Political Economy (IPE)**

***The Political Economy of Inequalities and Instabilities in the 21st Century***

**September 13-15, 2017, Berlin School of Economics and Law, Berlin, Germany**

# INTRODUCTION

- The **NEOLIBERAL GLOBALIZATION** gave rise to highly integrated value chains (production, trade and financial markets) between **Mexico and the United States**. An acute **HIERARCHICAL INTEGRATION** took place.
  - **Neoliberal asymmetric patterns** of profitability, capital accumulation, technical change, income distribution, and growth
  - Deterioration of workers' life conditions in both countries, but specially in Mexico, creating social unrest
- Two major factors have increased the **UNCERTAINTY** of the patterns of capital accumulation in Mexico and the United States
  - The structural financial crisis of 2007-2009: Yet, not a clear pattern of restructuring, neither yet a post-neoliberal era
  - The election of Donald Trump as POTUS

# NEOLIBERAL CAPITAL ACCUMULATION IN MEXICO AND THE UNITED STATES: GROWTH

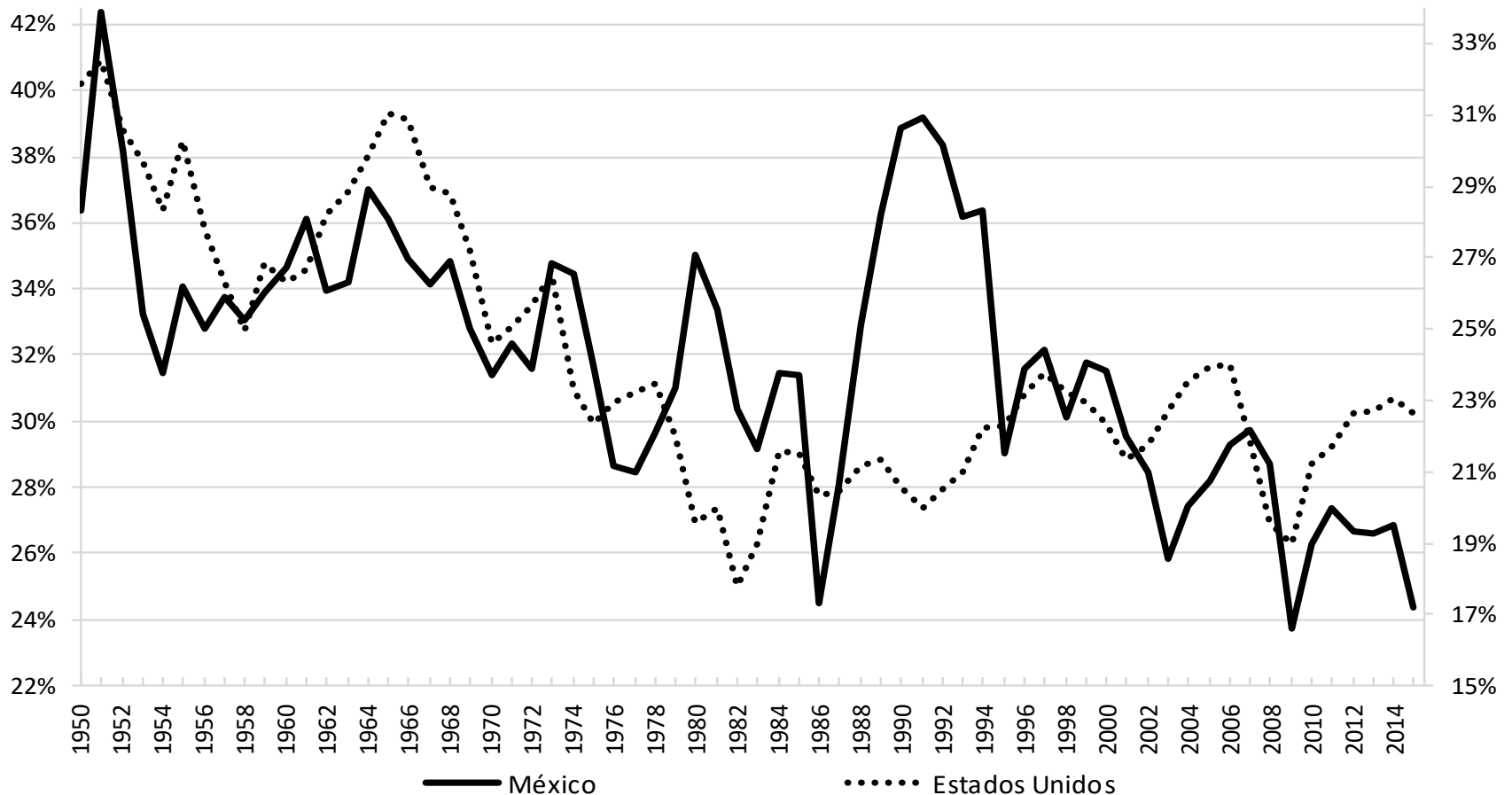
Growth rates of GDP per capita, net investment rate and productivity  
Mexico and the United States, 1950-2015

	GDP per capita		Net investment rate		Productivity	
	MEX	USA	MEX	USA	MEX	USA
<b>1950-1973</b>	3.17%	2.71%	6.99%	3.60%	-	2.55%
<b>1950-1981</b>	3.29%	2.41%	7.56%	3.66%	4.14%*	1.95%
<b>1982-1993</b>	-0.41%	2.01%	4.81%	2.85%	0.46%	1.68%
<b>1994-2015</b>	1.14%	1.55%	4.44%	2.38%	0.90%	1.78%

\* 1970-1981

# NEOLIBERAL ASYMMETRIC PATTERNS IN MEXICO AND THE UNITED STATES: PROFITABILITY

## General rate of profit, Mexico and the United States, 1950-2015



# NEOLIBERAL ASYMMETRIC PATTERNS IN MEXICO AND THE UNITED STATES: ACCUMULATION

$$\text{Net accumulation rate} \left( \frac{NFI}{K} \right) = \text{General rate of profits} \left( \frac{p}{K} \right) \cdot \text{Net investment effort} \left( \frac{NFI}{p} \right)$$

## Net accumulation rate, general rate of profit and net investment effort Mexico and the United States, 1950-2015

	Mexico			United States		
	NAR	GRP	NIE	NAR	GRP	NIE
1950-1973	7.0%	34.5%	20.3%	3.6%	28.2%	18.5%
1983-2015	4.5%	30.2%	14.8%	2.5%	21.8%	15.1%
Absolute change	-2.5%	-4.3%	-5.5%	-1.1%	-6.5%	-3.4%
Relative change	-36.3%	-12.4%	-26.9%	-29.9%	-22.8%	-18.5%
Contribution		31.4%	68.6%		55.3%	44.7%

NAR: Net accumulation rate, GRP: General rate of profit; NIR: Net investment effort

# NEOLIBERAL ASYMMETRIC PATTERNS IN MEXICO AND THE UNITED STATES: TECHNICAL CHANGE

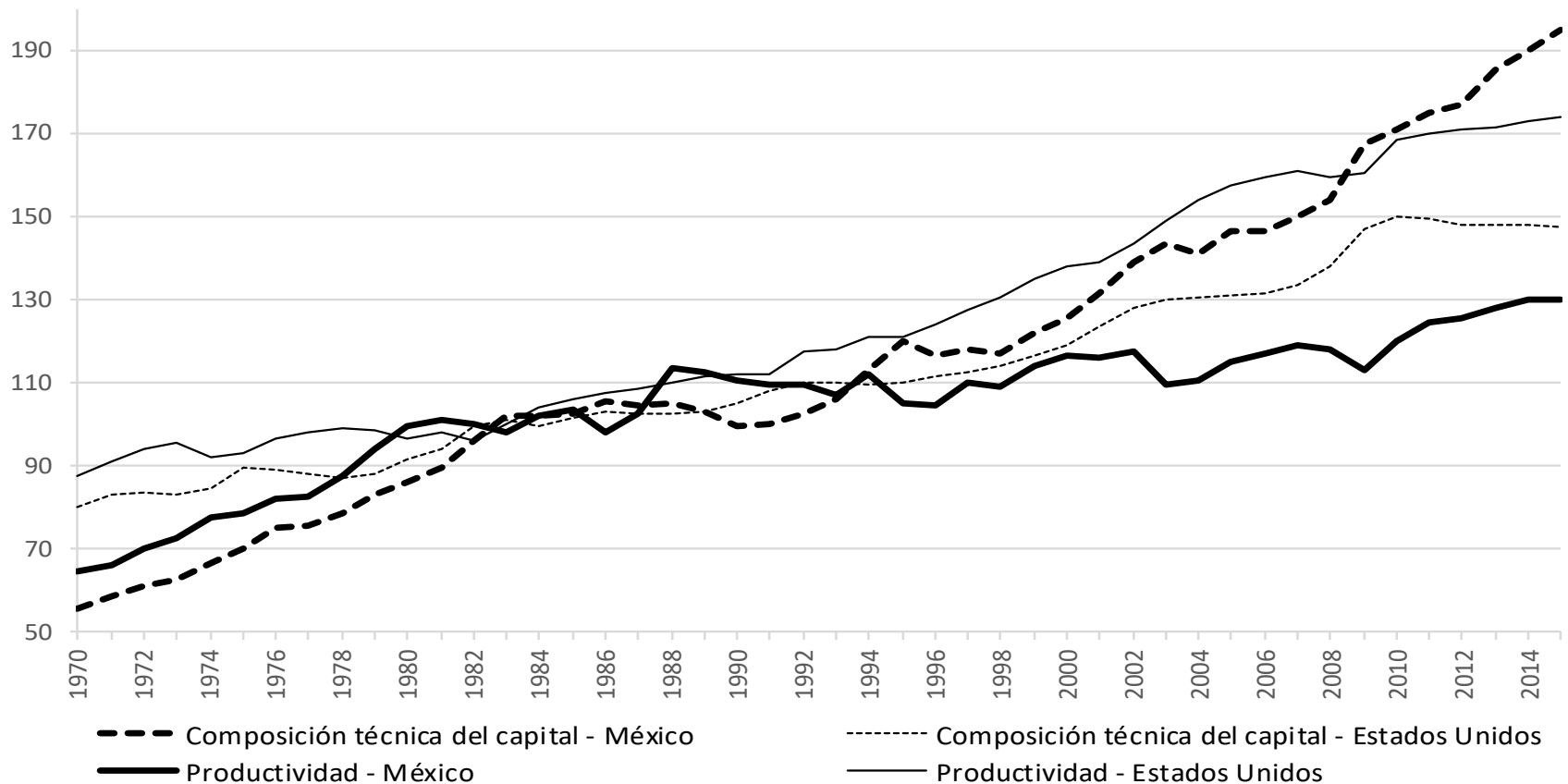
**Accumulation and productivity dynamics,  
average annual exponential growth rates,  
Mexico and the United States, 1950-2015**

	Mexico		United States	
	Technical composition of capital	Productivity	Technical composition of capital	Productivity
1950-1973*	4.6%	3.6%	2.2%	2.5%
1983-2015	2.0%	0.9%	1.2%	1.7%

\* 1970-1982

# NEOLIBERAL ASYMMETRIC PATTERNS IN MEXICO AND THE UNITED STATES: TECHNICAL CHANGE

Technical composition of capital and productivity  
Mexico and the United States, 1982-84 = 100, 1970-2015



# NEOLIBERAL ASYMMETRIC PATTERNS IN MEXICO AND THE UNITED STATES: GROWTH

## Growth, productivity and employment Mexico and the United States, 1950-2015

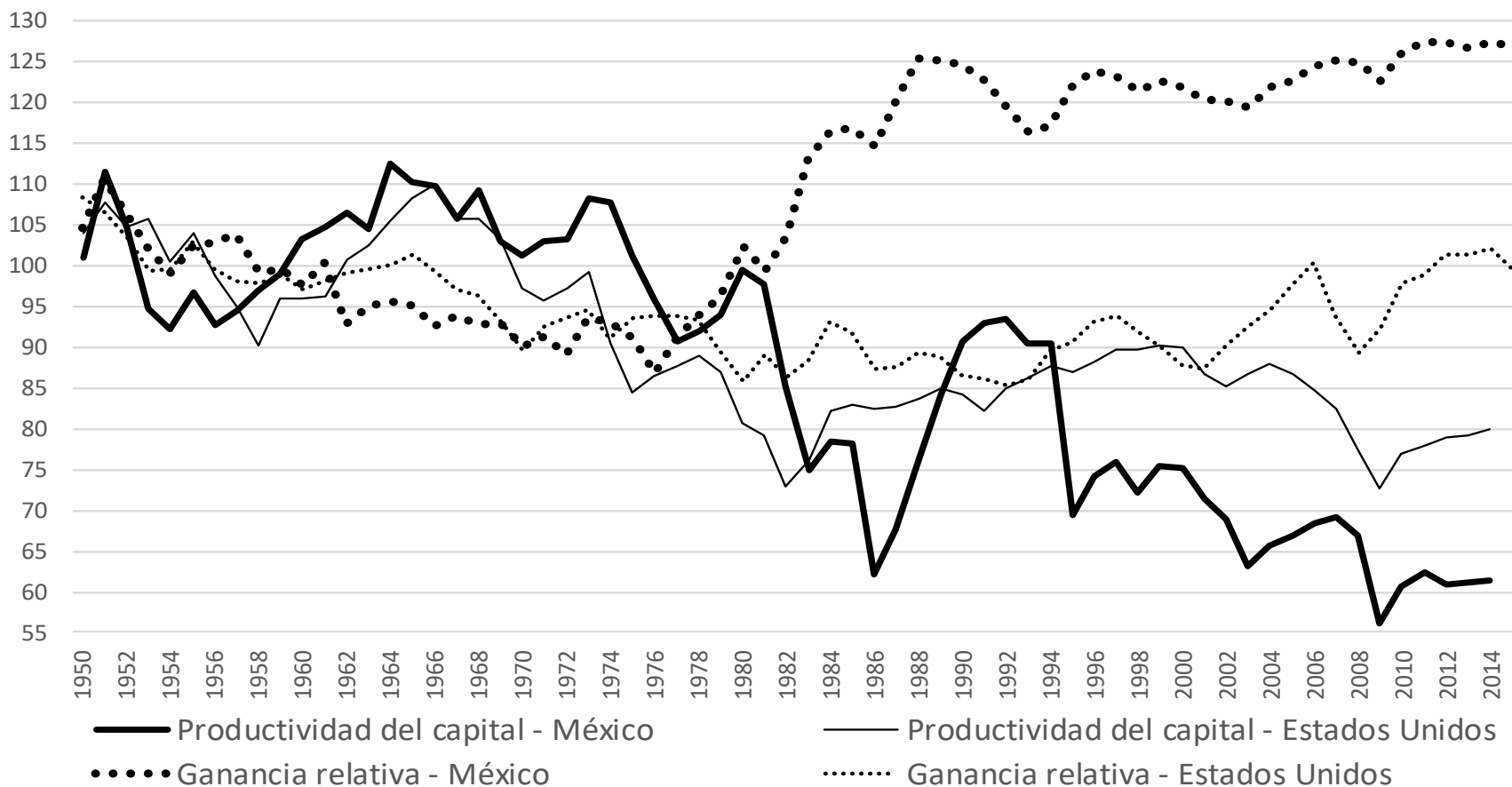
	Mexico			United States		
	Y	Y/L	L	Y	Y/L	L
<b>1950-1973*</b>	6.7%	3.6%	3.1%	3.9%	2.5%	1.4%
<b>1983-2015</b>	2.5%	0.9%	1.6%	2.9%	1.7%	1.2%
<b>Keynesian growth</b>		54.3%	45.7%		64.7%	35.3%
<b>Neoliberal growth</b>		35.5%	64.5%		58.9%	41.1%

\* 1970-1982. Y: Product in constant prices, Y/L: Productivity; L: Employment



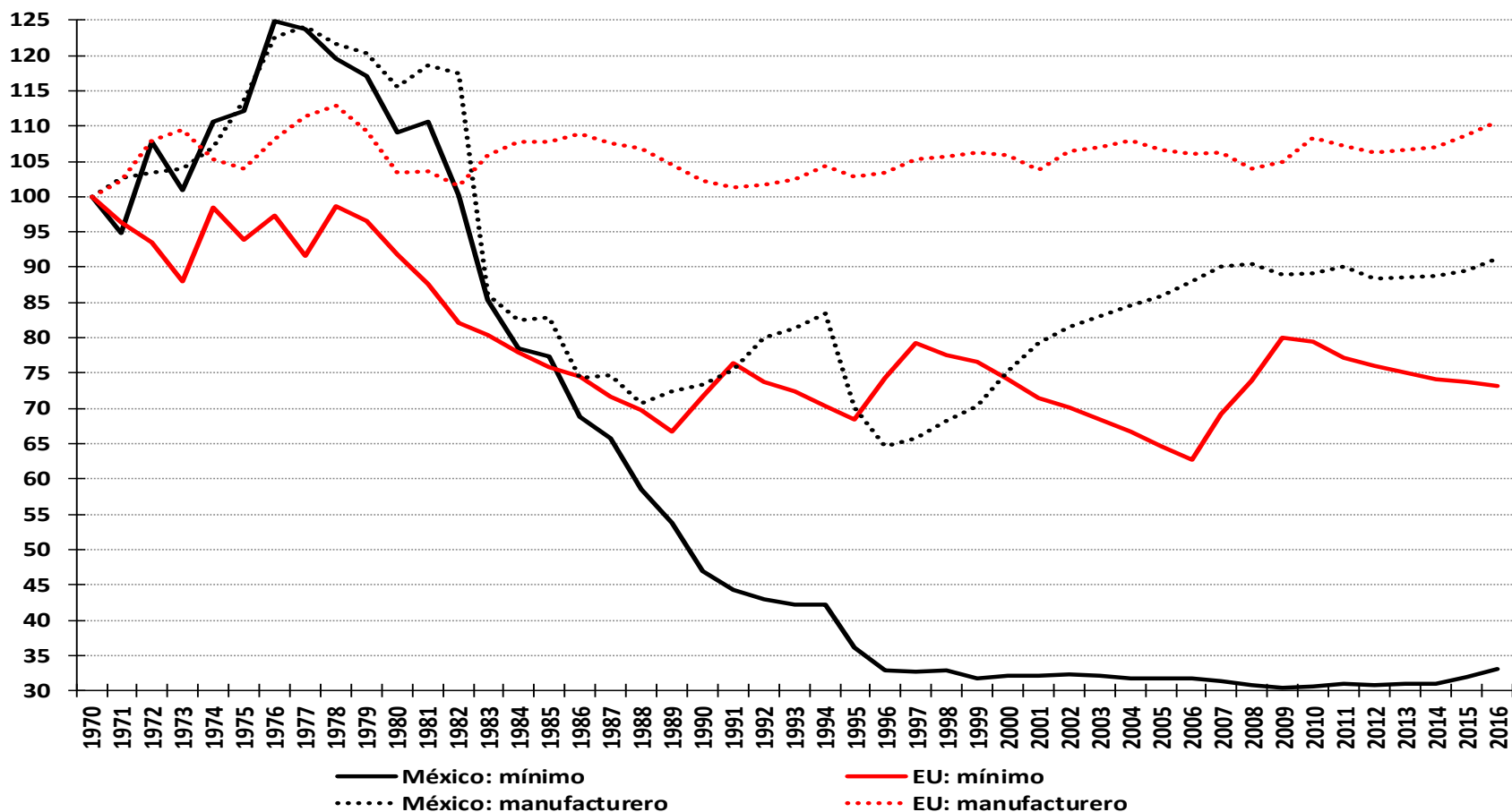
# NEOLIBERAL ASYMMETRIC PATTERNS IN MEXICO AND THE UNITED STATES: TECHNICAL CHANGE AND DISTRIBUTION

**Productivity of capital and profit share**  
**Mexico and the United States, 1982-84 = 100, 1970-2015**



# NEOLIBERAL ASYMMETRIC PATTERNS IN MEXICO AND THE UNITED STATES: WAGES

Real wages, Mexico and the United States, 1970 = 100, 1970-2016



# NEOLIBERAL ASYMMETRIC PATTERNS IN MEXICO AND THE UNITED STATES: PROFITABILITY, TECHNICAL CHANGE AND DISTRIBUTION

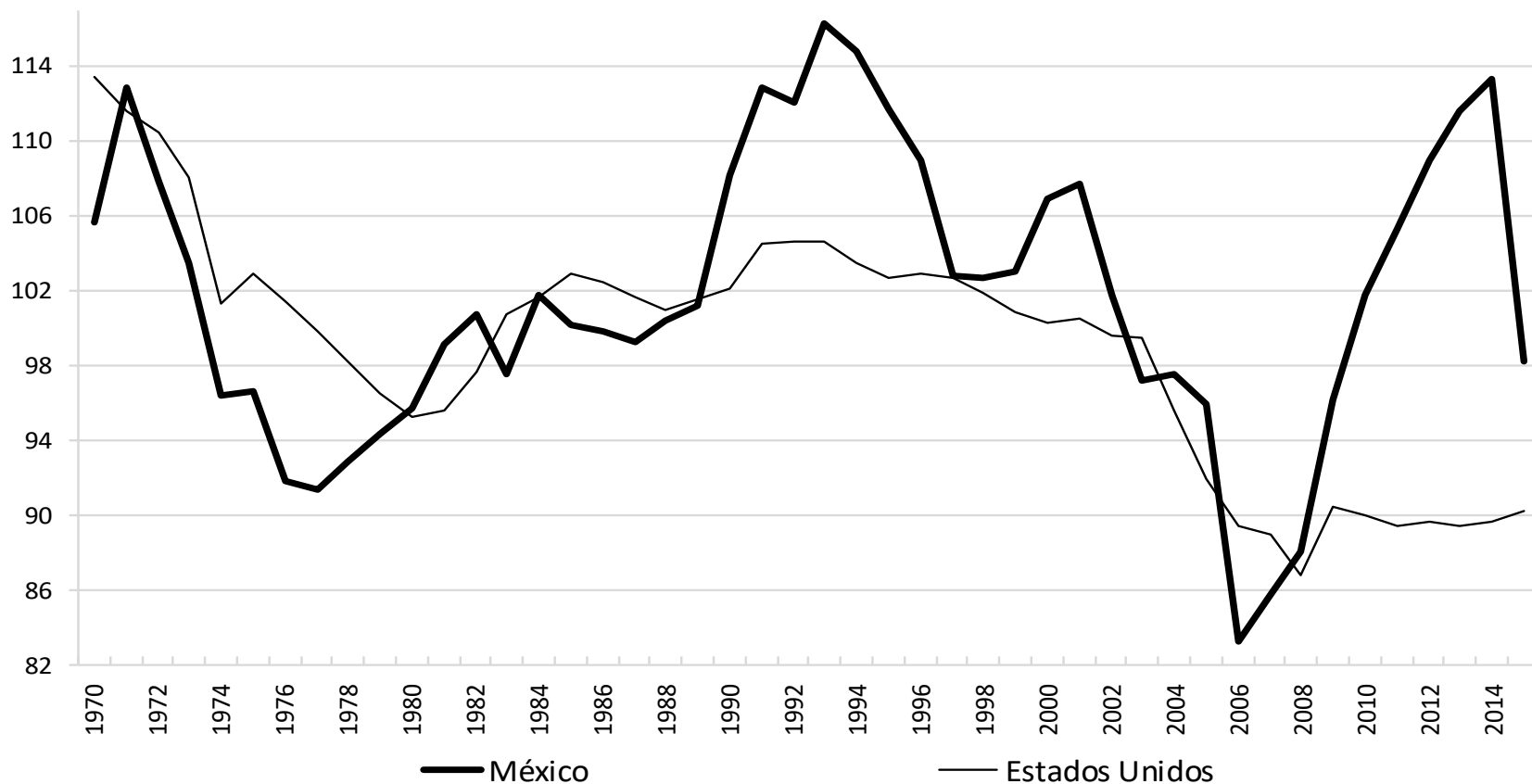
General rate of profit, productivity of capital and profit share  
Mexico and the United States, 1950-2015

	Mexico			United States		
	GRP	PC	PS	GRP	PC	PS
1950-1954	36.3%	0.58	62.2%	30.6%	0.75	41.0%
1980-1984	31.9%	0.50	63.6%	19.6%	0.56	35.1%
1997-2001	31.0%	0.43	72.5%	22.7%	0.64	35.7%
2011-2015	26.4%	0.35	75.7%	22.5%	0.57	39.9%

GRP: General rate of profit; PC: Productivity of capital; PS: Profit share

# NEOLIBERAL ASYMMETRIC PATTERNS IN MEXICO AND THE UNITED STATES: EXTERNAL DEPENDENCY

Relative price of product and capital  
Mexico and the United States, 1982-84 = 100, 1970-2015



# CONCLUSIONS

- The **NEOLIBERAL INTEGRATION** of **Mexico and the United States** had a strong **HIERARCHICAL** nature that shaped into the **neoliberal asymmetric patterns** of profitability, capital accumulation, technical change, income distribution, and growth
  - **NEOLIBERAL GLOBALIZATION** is concomitant to **HETEROGENEITY** in the national process of capital accumulation, in opposition to the **homogeneity of the Keynesian period**
  - The **hegemonic role of the United States** played in the neoliberal restructuring led to their specialization in high value added financial and corporate services, depending on innovation in ICT technologies
  - The **subordinated role of Mexico** implied an specialization in labor intensive production whose competitiveness rests on low wage costs rather than technical innovation
- **POST-NEOLIBERAL SCENARIOS:**
  - NOT: Free trade, international competition
  - BUT: Trade based in international cooperation and solidarity (among workers)