

Development differences between latin america and east asia essay

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The primary differences in development between East Asia and Latin America is in the way that the regions took advantage of production and trade. East Asia took immediate advantage of trade by focusing on exporting its products while Latin America suffered from missteps in spending that caused greater debts in the region. Moreover, East Asia was able to capitalize on its manufactured goods by marketing it to the global market. Latin America, on the other hand, focused on marketing its primary goods such as raw materials, minerals and fuels, and agricultural products (Brid & Caldentey, 14). The following discussion focuses on the development differences between East Asia and Latin America based on their practices in export trading - East Asia's marketing of its manufactured goods and Latin America capitalizing on its primary goods.

Latin America, especially after the 1980s, had the potential to grow its economy exponentially after it was able to secure loans that were supposed to be used to fuel investments to facilitate future growth. Nonetheless, government mismanagement reversed potential outcomes because countries in the region focused on financing consumption instead of planned investments particularly in infrastructure development. Data obtained by the Asian Development Bank Institute show that from the late 20th to the early 21st Century, Latin America's spending is higher than spending in East Asia (International Finance Statistics Yearbook, 21).

Latin America sought to improve its trade revenue by exporting primary commodities. Since the 1980s, Latin America has gained significant revenue for its exports of primary commodities. The region's revenue from primary commodities exports are higher than its labor and revenue from

manufacturing (Brid & Caldentey, 27). While Latin America regained its momentum by exporting primary goods, the region failed to develop its manufactured goods sector for export.

East Asia, on the other hand, was able to overhaul Latin America's growth and development because countries focused on the promotion of manufactured goods for export. East Asian countries focused on developing and manufacturing goods that appealed to foreign populations. East Asia then concentrated on marketing their products or goods in the market to appeal to other countries or regions. Consequently, East Asia gained significant revenue from exporting manufactured goods. China's growth is the best example of how manufactured exports contributed to growth in East Asia. Due to China's capabilities in mass producing goods and lower cost of labor, it was able to market its manufactured goods globally (ADBI).

East Asia and Latin America also engage in trade with one another.

Nonetheless, when comparing trade rates from 2002 to 2011, Latin America is more dependent on East Asia because its trade rate are higher than that of the latter. East Asia, on the other hand, is more dependent on its trade relations with other regions than its trade with Latin America. Furthermore, East Asia earns greater revenue from its export trade with other regions.

While East Asia gained around 9 million dollars in export trade with the rest of the world in 2011, Latin America only gained around 1 million dollars (Hamanaka & Tafgar, 2). The stark differences show that East Asia's development is brought about by the region's focus on manufactured goods and exports and its ties with various regions around the world. Latin America may learn from East Asia by also focusing on marketing its goods and

commodities and building markets around the world to maximize export trade revenue.

Works Cited

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