

ABSTRACT

COMPLIMENTARITY AND GLOBAL PRODUCTION. A STUDY OF
INDUSTRIAL CO-OPERATION BETWEEN TRINIDAD AND TOBAGO
AND PUERTO RICO

Trinidad and Tobago is currently attempting to develop a viable non-oil export sector, which could reduce its heavy dependence on the rapidly declining petroleum industry. Using this as its starting point, the thesis explores the possibility of Trinidad and Tobago's potential involvement in the manufacture of high growth products, through global production-sharing.

The rationale for a global production-sharing approach, this thesis argues, is that international competition is becoming more aggressive owing to technological innovations which are leading to the globalization of products, production and demands.

It is thus suggested that if Trinidad and Tobago is to develop a viable export sector and survive the present pattern of international competition, not only must its export production target high growth products rather than 'traditional' ones; but it should utilize the most cost-effective production strategy possible.

The thesis suggests a trans-national production-sharing strategy involving Trinidad and Tobago and

Puerto Rico, as a possible export production option. This approach involves country specialization in particular production stages of an identified product, on the basis of comparative advantage. It is felt that where areas of complementarity in comparative advantage exist between Trinidad and Tobago and Puerto Rico, these could be combined, through some form of industrial cooperation, for export production. In this way, it might be possible for Trinidad and Tobago to engage in process specialization of certain high growth products, and so create a niche for itself in the international market.

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