Global Telecom Reciprocity and Balance of Trade between Central America and the United States (1983 to 2012)

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EXECUTIVE SUMMARY

From 1983 to 1996, the balance of trade deficit for U.S. telecommunications grew by 2000%. In the subsequent 16 years, the deficit declined due to global deregulation, privatization, and multi-lateral agreements. Emerging countries and regions significantly contributed to both the initial increase and the balance of trade reversal. The seven Central American countries have not followed a pattern similar to South America and Asia and specific countries have deviated significantly regarding telecom activity. This analysis identifies reciprocity as a core issue of international telecom and examines 30 years of trends in global telecom flows for Central America.

Keywords: Reciprocity, Central America, Emerging countries, Telecommunications