

Review of “A CASE STUDY ON TRADE LIBERALIZATION: ARGENTINA IN THE 1990s”

1. The paper provides an interesting discussion of the lessons from trade liberalization in Argentina. However, the paper does not focus exclusively on trade liberalization, discussing the effects of capital account liberalization. Further, the paper does not provide direct evidence of the effects of liberalization on income distribution, employment and growth, but relies on secondary literature to make its case.
2. The paper seems to suggest that the negative effects of trade liberalization on income distribution and employment were worsened by capital account liberalization, which is an interesting proposition, but it does not provide much in terms of evidence for Argentina on the relative impact of those two process on the real wages of skilled versus unskilled workers or on the levels of employment for those two categories.
3. The paper also seems to argue that if price and wage rigidity could have been eliminated a tendency to full employment, even in the face of the external liberalization process, would have been reestablished. That is a very strong proposition that would also require some amount of evidence to support it.
4. The paper also suggests in the conclusions that the sequence and speed of the reforms, not the liberalizing reforms themselves, determine their failure. The notion, presumably, is that a more gradual reform, in which capital account is delayed, would have led to a smooth integration to the world economy. Again, this is a very strong proposition that requires empirical evidence to support it.
5. Overall the paper seems to be more a generic description of the process of liberalization, which suggests several possible paths of investigation, but that falls short of providing new empirical evidence to support its insights. For that reason I suggest that paper is not accepted for publication.