

rapid internal growth, it seems natural that trade flows would have grown rapidly during the 1980s. A more appropriate question is whether intra-North Asian trade has grown more rapidly than it "should" have, given the rates of economic growth in each of the member economies, distances between trading partners, activities in which each economy possesses a comparative advantage and each economy's pattern of trade with the rest of the world. The Petri measure of intraregional trade bias for North Asia (which I shall explore somewhat further below) increased by 20 per cent between 1980 and 1992. I would suggest, however, that this measure has not only not increased by more than it should have, but that it may have risen by less than it should have given the criteria just listed above.

- **Trade with Russia/FSU**

Exports to the republics of the FSU have accounted for 3-4 per cent of China's exports since 1985; such shipments steadily declined from two per cent of Japan's total exports in 1980 to 0.5 per cent in 1993; and they were barely noticeable blips in the case of the NIEs. Merchandise imports from the FSU typically accounted for 1.5 per cent of Japanese foreign purchases between 1980 and 1992, 5 per cent of China's and, again, negligible shares for the NIEs.

In 1990, only 30 per cent of Russia's exports were purchased by economies outside the FSU, while roughly 50 per cent of its imports came from outside the FSU. Subsequently, both export and import levels fell substantially. With regard to Russia's trade with Asia, China is Russia's largest trading partner, taking only 6.4 per cent of its exports in 1992 and providing 4.5 per cent of its imports. Japan ranks second, taking 3.6 per cent of Russia's exports and supplying 4.5 per cent of its imports in 1992.³⁵

4.2 Intraregional Trade Intensity

There are a number of ways to measure intraregional trade intensity or bias.³⁶ A measure of trade bias, which Petri refers to as the "double-relative" coefficient of trade intensity, that takes the pattern of world trade into account is shown in table

³⁵ Source: World Bank, Statistical Handbook 1993: States of the Former USSR, Washington, 1994.

³⁶ See Peter Petri, "The East Asian Trading Bloc: An Analytical History", presented at the National Bureau for Economic Research Conference, April 1992; and Jeffrey A. Frankel, "Is a Yen Bloc Forming in Pacific Asia", in The AMEX Bank Review, New York, 1991, pp. 4-20.