

It is important to remember that formerly strong regional trading blocs, such as the COMECON and the British Commonwealth, have weakened and collapsed over time, resulting in a substantial decrease in economic polarization. It was not long ago when the United States and the USSR were considered to be two superpowers which dominated a *bi-polar* world. The degree of polarization of international economic relationships between these two superpowers was great, as the USSR traded very little with non-Communist nations. The collapse of the COMECON opens trade between formerly communist countries and the West to a degree that was not thought possible even ten years ago. These events illustrate that international integration is a fluid and dynamic process that must be examined in a historical economic context, and that current trends should not be considered immutable over the longer term.

4.3 The importance of the regions⁵⁹

In this section, the importance of the three regions to total world trade is investigated. One indicator that measures the importance of the three regions is their share of world imports. The ratio of total imports of a region to total world imports measures the amount of trade the region accounts for in world trade. It is important to note that the level of the ratios of regional imports to world imports is not technically correct. These ratios have been calculated as a percentage of *available* world total, from which some countries are missing. Comparisons to the other study results, however, indicate that the data are sufficiently complete to be used to formulate clear conclusions.⁶⁰

⁵⁹It is important to distinguish between the concept of "importance" and the concept of "power". In this section, "importance" in trade is simply defined as the amount of total trade the region in question accounts for. For example, if a country, say the U.S., used to account for a high proportion of total world trade, say 40 per cent, in the 1960 but now accounts for only 20 per cent of world trade, it can be said that their importance as a trading nation has decreased. Power, however, has a deeper meaning. Power may not be lost if importance decreases; indeed it can be gained. For example, increased intra-regional trade in Europe might come at the expense of extra-regional trade. If, over time, Europe accounts for a smaller proportion of total trade, because the decrease in extra-regional trade has not been offset by the increase in intra-regional trade, then it has lost "importance" as a trading region. But, its "power" could have actually increased, i.e., it could be in a stronger negotiating position because it can act more like a single entity. As defined here, "power" is a political and policy-oriented concept, whereas "importance" relates a factual economic relationship.

⁶⁰This "available world total" comprised 46 countries. The results, however, compare favourably to a similar study by Lloyd, *op. cit.*, p.33.