

Table 9
Foreign Direct Investment as Percentage of GDP

	<u>1990</u>	<u>1992</u>
Indonesia	36.63	33.35
Malaysia	33.04	39.20
Philippines	4.75	5.44
Singapore	87.77	86.67
Thailand	9.95	n. a.

6. Policy Implications

The three fundamental conclusions to be drawn from the literature survey and the results of the empirical analysis in this Paper are:

- regional economic blocs, if measured by actual trade and investment patterns, are not as easily defined as is sometimes suggested by more visible concepts based on legal or policy arrangements;
- globalization and regionalization are not mutually exclusive concepts or polar opposites and regionalization does not necessarily imply net world welfare losses; and
- although there is evidence indicating the existence and possible emergence of powerful regional trading centres, rapid tri-polarization of the global economy is not yet evident to the extent that is popularly reported.

The empirical study and literature review reveal that trade integration in North America has not experienced consistent growth as it has in Europe and Asia, although 1987 may, in future, be seen as a turning point towards a steady increase in regional integration. Although this Paper points out that there seems to be little to fear from the threat of an increasingly tri-polarized world, it is nevertheless true that the North American experience with tri-polarization is different from those of the other two poles. There are two distinct Canadian policy options with respect to the North American experience.