

Grid 3.1 Historical forms of trade globalization

	Pre-Industrial Revolution	Classical Gold Standard	Interwar years	Bretton Woods period	Contemporary period
<b>Extensivity</b>	Medium: long-standing links between Asia, Europe and Africa extended to Americas and then Australasia	High: most territories incorporated into international trade by early twentieth century	High number of countries participating in trade, but breakdown of earlier linkages into closed trading blocs	Communist countries largely excluded from world trade, universal participation among the rest	Almost universal participation and high level of linkages between countries; WTO membership 132 states in 1997
<b>Intensity</b>	Low for economies generally, but important for certain industries	Medium: very high for some countries but low for many	Initially lower than before World War I and falling sharply in the 1930s to low levels	Initially low, rising to levels comparable to the classical Gold Standard	High: levels relative to output unprecedented; more private output tradable than ever before
<b>Velocity</b>	Low	Medium-high	Low	Low	High: rapid technological change and global competition
<b>Impact propensity</b>	Low for most economies; important for a few industries and wider social change	High: central to the development of primary exporters and increasingly important in determining incomes in industrial states	High initial impact of trade downturn, becoming low	Increasing impact as trade grows; important for industrial growth	High: trade key part of economies and increasingly important in determining income and industrial structures
<b>Infrastructure</b>	Crude transport systems improving over the period with better ships and	Industrialized transport with the application of steam power; transport	Continued transport improvements, masked by other developments	Falling air and sea freight costs	Consolidation of earlier falls in costs Dramatic advances in communications
	navigation techniques	costs falling significantly; new communications technology			technology encourages trade in services
<b>Institutionalization</b>	Trading companies and merchant organizations Protection initially low, but rising with formation of nation-states Minimal international regulation	Increasing bilateral agreements on international market standards Variable levels of protection; sometimes high, but gradual acceptance of most-favoured-nation principle	Breakdown of international arrangements Rising protectionism in the 1930s and descent of trade into regionalism	Trade formalized under the GATT Multilateral management of trade Beginnings of liberalization	The World Trade Organization increasingly acting as global institution to ensure common rules worldwide and intensification of trade liberalization
<b>Stratification</b> <b>Hierarchy</b>	Initially low, but trade increasingly organized through empires from seventeenth century	Much trade organized through empire Trade dominated by key exporters	Major states able to organize regional arrangements as world trade collapses	Trade increasingly conducted between industrialized countries; US dominant trading country	Trade still predominately between OECD countries, but declining concentration of trade  Increasing role of other countries, initially oil exporters and subsequently NIEs
<b>Unevenness</b>	Highly uneven: a few nodes of trade, other areas largely untouched by it	Trade important for leading economies and primary exporters, but other areas marginalized	Falling trade hits primary exporters particularly hard; some countries able to generate recovery domestically	Slow growing markets for some countries, but general world expansion partially compensates	Increased differentiation by trade; key element of growth for some economies, marginalization for some others