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An Integrating World

SINCE OUR LAST newsletter, the Asian economic crisis has deepened, raising a number of critical issues about the political economy of the region and the management of economic interdependence more generally. Even as we go to press, the leadership of the world's fourth most populous nation struggles to craft a peaceful power transition from the rubble of Jakarta's shopping malls. How did a balance of payments problem in a relatively small country—Thailand—spread to the rest of Southeast Asia, Hong Kong and Korea and metastasize into a more general financial—and political—crisis? What role do the major powers in the region—Japan, China and the United States—have in its management? Has the IMF's involvement been constructive or has it contributed to the region's troubles, and if the latter, what does it say about U.S. policy?

IGCC has long had an interest in political economy and the role of international institutions; in this issue of the newsletter we highlight some of that work. IGCC Director Stephan Haggard addresses the conflict surrounding U.S. support for the IMF, and makes the case for supporting the Fund against critics on both the left and right (*Feature, pp. 6–7*).

China's integration into the world economy has arguably played a role in Asia's troubles, placing strong competitive pressure on other Asian economies. Nonetheless, China's coop-



December 19, 1997. Tokyo stock prices plunged more than 5 percent as investors grew nervous about Japan's economy following another corporate failure.
Photo: AP Photo/KOJI Sasahara

eration will also be important in limiting the damage to the region. Richard Steinberg reports below on a UC Los Angeles conference examining China's long-standing effort to enter
Continued p. 2

WTO Membership for China: On What Terms?

ON 14 NOVEMBER 1997, the UC Los Angeles School of Law hosted an IGCC-supported conference that brought together leading figures in the academic, business, and policy communities from China and the United States to examine the appropriate terms of World Trade Organization (WTO) membership for China.

Participants first evaluated developments in China's trade and finance regimes. Most Chinese participants emphasized

China's liberalizing reforms over the past twenty years, which all agreed were of enormous political-historical importance. Nonetheless, participants disagreed about whether China is ready for WTO membership. Graham & James' David HAYDEN, who has been lawyering trade and investment deals in China for twenty years, echoed the U.S. gov-

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An Integrating World *(continued from page 1)*

the World Trade Organization. Steinberg emphasizes the difficulties China poses to the new international organization. Yet despite the uncertainties and conflicts on the economic front, the broader security environment in Asia appears much improved following the Jiang-Clinton summit, as reports on the NEACD (*p. 4*) and policy dialogues on nuclear issues (*p. 10*) attest.

Economic integration and the functional approach to cooperation have proven important in other regions as well. IGCC has sponsored a promising new military-to-military dialogue in the Middle East, and is also exploring the potential for conflict and cooperation surrounding food and water security in the region (*Viewpoints, pp. 8-9*). Richard Feinberg has examined the prospects for deepening economic integration in the Western Hemisphere, as

the countries of the Americas seek to make good on the promises of regional cooperation made at the Miami summit of 1994 (*UC DC Update, p. 14*).

Within the field of political economy, finance and trade issues have long held pride of place. However, movements of labor are finally receiving the attention they deserve. In the last year, IGCC has supported three conferences on the politics of migration and immigration (*pp. 12-13*). All emphasize the politically explosive nature of migration and immigration, and the relatively thin nature of international institutions in this area.

IGCC continues to support research on both the domestic sources of international conflict and traditional security concerns. IGCC research director for international security Barbara Walter leads research on the construction of

durable settlements in the aftermath of violent civil conflicts (*p. 13*); IGCC post-doctoral fellow Kori Schake considers the ultimate course the United States should take to construct a durable European resolution in the aftermath of the Cold War (*NATO Expansion, p. 14*).

Debate over NATO expansion might seem far removed from Indonesia's financial collapse and political crisis. But we arrived at the Europe of 1998 via the economic collapse of the Soviet Union, and the need for radical reform backed by appropriate international support. Absent these, Suharto's ascension, 32 years ago amid a struggle to decide the nature of Indonesia's economic system, was marred by the deaths of a half-million of its citizens. We hold our collective breaths in the hope that this generation does not have to pay so high a price in the aftermath of the baht's collapse. ■

Developments in China's Trade and Finance Regimes: Appropriate Terms of World Trade Organization Membership for China

University of California, Los Angeles School of Law 14 November 1997

Sponsored by the United States-Japan Foundation, the UC Los Angeles School of Law, and the University of California Institute on Global Conflict and Cooperation

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Susan PRAGER

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Former PRC Ambassador to the U.N.; Member, APEC Eminent Persons Group; Executive Vice Chairman, China Nat'l Committee for Pacific Economic Cooperation, Beijing

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Dr. Dunson CHENG
President and Chairman of the Board, Cathay Bank, Hong Kong



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World Trade Organization Membership for China: On What Terms?

Min. LI Zhonghou
Chief Negotiator (Geneva) for PRC Accession to the WTO; Min. Counselor (Economics and Trade), Permanent Mission of the PRC to the U.N., Geneva

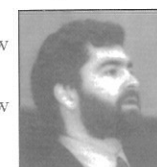
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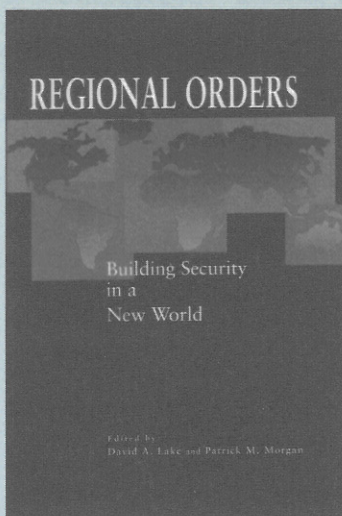


Richard STEINBERG

- NOTEWORTHY -

UC Irvine professor of political science Etel **SOLINGEN**'s "Growth and Decline of the Military-Industrial Complex: The Cases of Argentina and Brazil," appeared in *International Politics* 35, 1 (1998). IGCC Steering Committee Member David **PION-BERLIN**'s *Through Corridors of Power*, partially funded by IGCC, was published by Penn State Press in 1997. Pion-Berlin is a professor of political science at UC Riverside.

The Institute for International Economics has published *Summitry in the Americas: A Progress Report* by Richard **FEINBERG**, professor of political science at the UC San Diego Graduate School of International Relations and Pacific Studies (see *IGCC DC Update*, p. 7). A result of IGCC-funded research, *The Origins of Liberty: Political and Economic Liberalization in the Modern World*, by UCSD's social science dean Paul W. **DRAKE** and professor of political science Matthew D. **MCCUBBINS**, was published this year by Princeton University Press. Also at San Diego, *Civic-Military Relations: Building Democracy and Regional Security in Latin America, Southern Asia, and Central Europe*, Westview Press, 1998, was funded by IGCC and



edited by professor of political science, David **MARES**. Mares co-authored with Steven **BERNSTEIN**, "The Use of Force in Latin American Relations" in *Inter-American Peace, Security, and Democracy: Challenges for the Post-Cold War Era*, edited by Jorge I. **DOMINGUEZ** and published by the University of Pittsburgh Press, 1998. He also contributed to David A. **LAKE**'s and Patrick M. **MORGAN**'s edited volume, *Regional Orders: Building Security in a New World*, published last year by Penn State Press. Finally, UCSD professor of

political science Paul **PAPAYOANOU**'s "Intra-Alliance Bargaining and U.S. Bosnia Policy," funded by an IGCC research conference grant, appeared in the February 1997 issue of *The Journal of Conflict Resolution*. The issue also contained Papayoanou's work, co-authored with 1992 IGCC dissertation fellow Robert **PAHRE**, "Using Game Theory to Link Domestic and International Politics."

The *Japanese Studies Bulletin* 15, 3 (1995) published "Consensualism in the Japanese Legislative Process: Rationality or a Non-Rational Norm?" by Takayuki **SAKAMOTO**, 1993-95 IGCC dissertation fellow and member of the law faculty at Nanzan University. Achin **CHAKRABORTY**, 1994-95 IGCC dissertation fellow, authored "On the Possibility of a Weighting System for Functionings" published in *The Indian Economic Review* 31, 2 (1996). Max **FRIEDMAN**, 1997-1998 IGCC dissertation fellow, a doctoral candidate in history at UC Berkeley, was cited extensively by AP reporter James Clifford in wire service coverage of UC Berkeley's 19 November panel on Latin American WW II-era internees in the United States.

WTO Membership for China (continued from page 1)

ernment's position that China's trade laws need to be further liberalized before WTO membership would be appropriate.

UC Los Angeles Law School Professor Richard **STEINBERG** went further, suggesting that the continuing large role of state-invested enterprises in China (which still account for about half of China's GDP) means that proposed "commercial" decisions are often made on the basis of considerations that are not strictly commercial, a phenomenon that will reduce the effectiveness of WTO rules, even if China's trade laws were fully liberalized.

China's former ambassador to the United Nations, Luzhi **CHEN**, pleaded

for a more "Asian approach" to WTO membership negotiations for China, suggesting that the United States should welcome China into the WTO quickly, thereby supporting and enhancing the status of Chinese reformers, and binding China and the United States to a continuous process of developing trade rules appropriate for a "Pacific century."

Experts on China's banking and finance systems were uniformly alarmed about the precarious state of China's banking system, which is characterized by a high and growing proportion of bad loans. Professor Minxin **PEI** from Princeton University, Dr. Zhiyuan **LIN** from The People's Bank

of China, and Dr. Dunson **CHENG**, President and Chairman of Cathay Bank, attributed this problem to continuing state intervention in loan decisions and an outdated bank regulatory system. All three agreed that China's banking system is in need of immediate and rapid reform, and that the consequence of failure to reform could be a Chinese financial crisis.

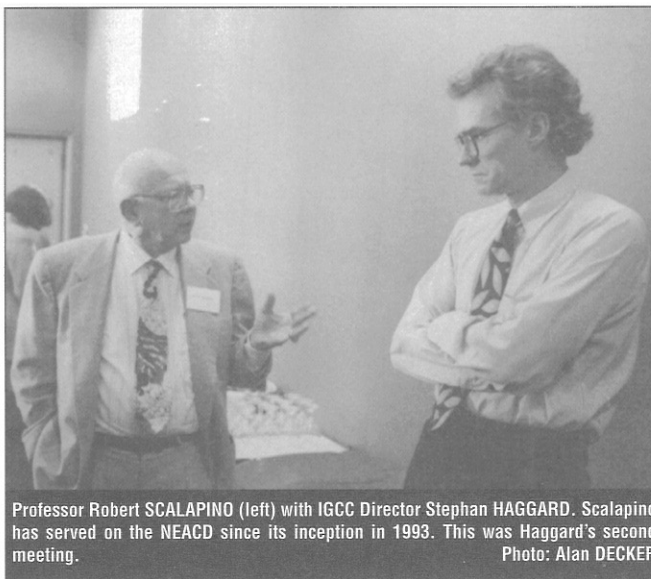
IGCC Policy Paper 40, due in July, 1998, will detail conference conclusions. Conference papers will also be available via *IGCC Online* at that time. For more information, contact: Professor Richard H. Steinberg, UCLA School of Law, 405 Hilgard Avenue, Los Angeles, CA 90095. ■

Northeast Asia Cooperation Dialogue VII Endorses Principles of Cooperation

THE SEVENTH NORTHEAST Asia Cooperation Dialogue (NEACD) plenary session, held 3-4 December 1997 in Tokyo, Japan, was a watershed meeting for the five-year old IGCC-sponsored track-two forum. NEACD participants approved the reports of two groundbreaking study projects that had met in September (*Fall 97 Newsletter*).

The first of these, on Principles of Cooperation in Northeast Asia (sidebar), concluded two years of arduous work by delivering to the plenary a normative outline for state-to-state relations in Northeast Asia, addressing territorial sovereignty, human rights, transparency, and freedom of navigation. The Principles mark a significant step forward in developing a multilateral framework for cooperation in the region.

The December plenary also agreed to continue the NEACD Defense Information Sharing study project, begun 29 September 1997 in Honolulu, Hawaii (*see Fall 97 Newsletter*). That meeting, the first-ever multilateral military-to-military forum involving active military and defense establishment



Professor Robert SCALAPINO (left) with IGCC Director Stephan HAGGARD. Scalapino has served on the NEACD since its inception in 1993. This was Haggard's second meeting. Photo: Alan DECKER

members from NEACD states, agreed to set up a mechanism for information sharing, and held an initial discussion of defense policies among the participants. The project will now move on to formal discussion of a compendium of documents and white papers issued by the Chinese, Japanese, South Korean, Russian, and American governments, distributed to Tokyo participants through the efforts of the United States Arms Control and Disarmament Agency (ACDA). Currently scheduled for July, 1998, this will be the first such multilat-

eral discussion in the region.

Following the format of previous meetings, each country gave presentations about the security and military situation in Northeast Asia. Academic participants led discussions on the U.S.-Japan Defense Guidelines Review, tension on the Korean peninsula, and Four Party Talks (United States, China, North Korea, South Korea) that aim to achieve a permanent peace treaty on the Korean Peninsula—topics that have played a key role in Northeast Asian security during the eight months since NEACD VI met in Harriman, New York (*Spring 1997 Newsletter*).

These presentations provided an opportunity for countries not involved in those negotiations to be apprised of their regional impact, and to raise their concerns with people intimately knowledgeable about ongoing developments.

At each NEACD meeting, a non-security issue is the basis of discussion for at least one session. The Tokyo plenary examined the cross-boundary implications of environmental problems in Northeast Asia, mostly arising from

Continued p. 5

Principles of Cooperation in Northeast Asia

The states of Northeast Asia share the common objectives of peace, prosperity, and security in the region. To achieve these ends, they advance the following principles for cooperation in Northeast Asia:

1. The states of Northeast Asia respect each other's sovereignty, territorial integrity, and equality; accept that other countries have different political, economic, social and cultural systems and the right to determine their own laws and regulations as well as other domestic affairs. They also recognize that they are obliged to abide by and implement international
2. The states of Northeast Asia will refrain from the threat or use of force against each other; will settle disputes through peaceful means; and pledge to use consultation, negotiation, and other peaceful means to prevent conflict between and among each other.
3. The states of Northeast Asia express their commitment to the protection and promotion of human rights in accordance with the purposes and principles of the UN Charter.
4. To prevent misunderstanding and develop trust, the states of Northeast
5. The states of Northeast Asia will promote dialogue, information exchange, and transparency on security issues of common concern.
6. The states of Northeast Asia will respect the principle of freedom of navigation based on international law.
7. The states of Northeast Asia will cooperate on transnational issues of common concern, such as organized crime, drug trafficking, terrorism, and illegal immigration.
8. The states of Northeast Asia will cooperate in the provision of humanitarian assistance, such as food aid and disaster relief.

Northeast Asia Cooperation Dialogue VII

3-4 December 1997 Tokyo, Japan

Sponsored by: The University of California Institute on Global Conflict and Cooperation (IGCC); Japan National Institute for Research Advancement (NIRA), Tokyo

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NE Asia Cooperation Dialogue VII (continued from page 4)

increasing coal, oil, and other fossil fuel usage to satisfy the region's growing energy requirements. Professor Imura Hidefumi, Kyushu University, a former Japanese Environment Agency staff member with expertise on environmental engineering and the environment in China, led this discussion. The NEACD also received briefings about a related project, in which participants in NEACD's workshop on Asian regional

energy issues (*Fall 1996 Newsletter*) organized a delegation of Asian nuclear policy experts to visit Chinese colleagues for preliminary discussions on regional nuclear energy cooperation (*Nuclear Cooperation*, p. 10).

NEACD VIII is planned for Moscow, Russia in November 1998. The proposed agenda includes a briefing by participants involved in the now-stalled Four Party Talks. ■

Why We Need the IMF

by Stephan Haggard

IN RECENT WEEKS, the International Monetary Fund has come under attack from a curious coalition of social democrats and free marketeers. Democrats are arguing for laissez-faire, claiming that markets should be allowed to punish risky investments. George Shultz, William Simon, and Walter Wriston, three prominent Republicans, have contended that the IMF imposes needless austerity on Third World workers and should be abolished.

This latest assault on U.S. commitment to multilateralism, following defeat of the president's fast track legislation and continued unwillingness to pay our U.N. dues, is muddled and gratuitous.

The core argument of free-marketeters is that the commitment of public funds during financial crises is not only inappropriate but counterproductive. If investors are not held responsible for their decisions, they will engage in risky behavior in the future; this is the so-called problem of "moral hazard." This criticism bears surprising similarity to the view that IMF programs are a form of corporate welfare; these are deemed "bailouts" for profligate governments and international banks.

Any commitment of public funds during crises will necessarily assist some investors, even if only indirectly. However, the concern with moral hazard is overblown. Foreign equity investors have already incurred substantial losses in connection with the crisis. Japanese banks are most exposed to events in Asia, but American banks have announced reduced profitability and Deutsche Bank recently increased its loan loss reserves. Korea's lenders managed to pressure the government to effectively guarantee private obligations, an unfortunate precedent unrelated to the IMF. But in coming months, we will see banks write down non-performing loans, as occurred in the later stages of the Latin American debt crisis.

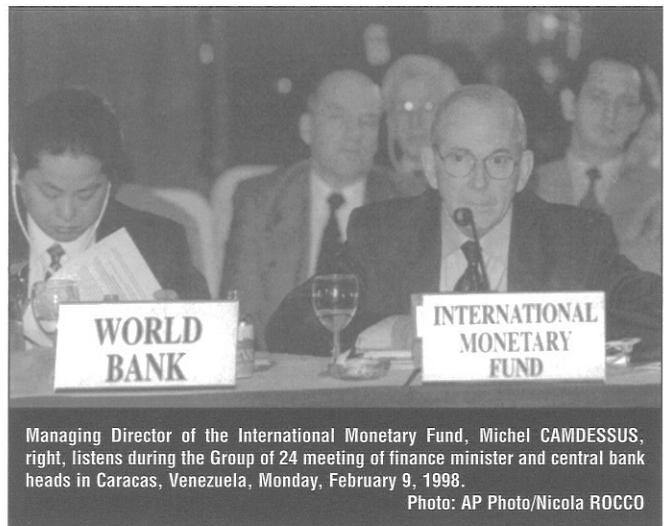
Asian investors have, of course, fared substantially worse: the Korean, Indonesian and Thai stock markets have all fallen over 50 percent in the last six months. Governments have been forced to extend support to solvent but undercapitalized financial institutions through mechanisms like our own Resolution Trust Company and deposit insurance. However, a number of insolvent banks have been closed in all three countries, with complete loss of shareholder capital. The IMF does not support public sector guarantees or subsidies for non-financial institutions, and bankruptcies in the region have soared.

Given the losses associated with the crisis, it seems difficult to conclude that investors will celebrate the crisis of 1997 as proof that they can make risky investments and expect to be made whole. Looking forward, governments will be tightening prudential regulation and both domestic and foreign investors will assess risk more rather than less carefully than they did in the past.

The deeper problem with the free-market solution is that all financial systems require a lender of last resort to protect

against market failures; we learned this lesson the hard way with the bank failures of the early 1930s. In the international arena, such risk takes the form of herd behavior on the part of investors seeking to squeeze through the same exit, contagion, or the spread of financial crises from one bank or country to another, and unnecessary recessions that have adverse affects for the virtuous as well as the guilty. The Asian financial crisis provides ample evidence of such effects, as well-managed economies like Singapore—and the U.S.—have suffered from Asia's problems.

The IMF plays the role of the lender of last resort in the international arena. Even with the proposed quota increase,



Managing Director of the International Monetary Fund, Michel CAMDESSUS, right, listens during the Group of 24 meeting of finance minister and central bank heads in Caracas, Venezuela, Monday, February 9, 1998.

Photo: AP Photo/Nicola ROCCO

the IMF's resources have *declined* when measured against total international financial flows. Indeed, it is the *insufficiency* of Fund resources and the difficulty of disbursing funds quickly that has required the U.S. and other governments to assist in recent packages.

Who would perform this function if the IMF's capabilities are not strengthened or if it were abolished altogether? Given the high costs of standing aside, the United States, Japan and leading European countries would be forced to play this role directly. Each crisis would require even more complicated government involvement, including the complex task of monitoring and enforcing policy conditionality directly.

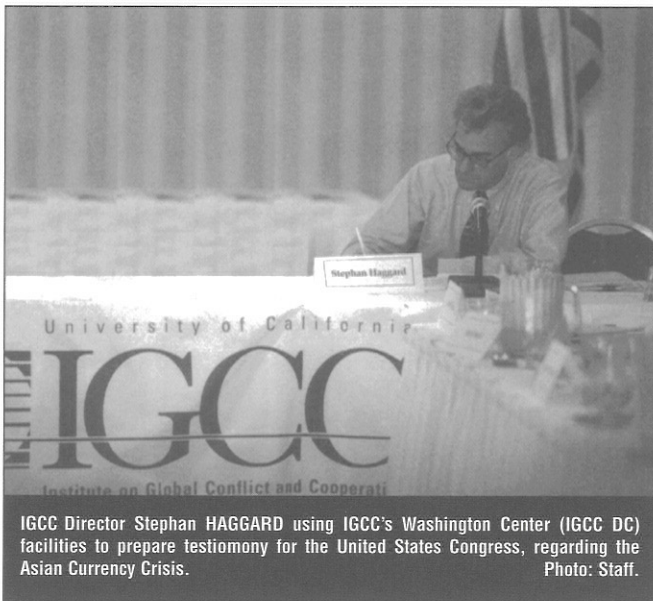
Claims that the IMF costs taxpayers substantial sums are particularly misleading. Since 1980, Congressional practice has been to authorize and appropriate any funding for the IMF. However, when other countries draw on dollars, the U.S. receives an interest-bearing international monetary asset in return. Such transactions do not involve a net budgetary outlay and thus have no effect on overall spending or the deficit. Indeed, it is misleading to call them "contributions" at all. Rather, they more closely resemble an investment, and a particularly safe one, too. Given the centrality of the IMF to a

Why We Need the IMF *(continued from page 6)*

country's overall credit rating, there has not been a single major default to the Fund in its history.

Much of the criticism of the IMF centers on the conditions which it "imposes" on its clients, and some of these criticisms are fully warranted. Asia's current woes are not simply a balance of payments crisis, but symptomatic of more profound weaknesses in the region's financial sectors. In such settings, there is truth to Harvard Professor Jeffrey Sachs' claims that overly austere programs are akin to shouting "Fire!" in a crowded theatre; they induce further panic.

But at a deeper level, these criticisms are also misguided. The decision to go to the IMF is a sovereign political one, and some countries such as Malaysia have chosen not to avail themselves of Fund resources and advice. However, they have done so by instituting programs which resemble those advanced by the Fund in most important respects. Those concerned with the welfare of workers in the countries in the region should ask what would have happened in the absence of any outside support; with foreign funds drying up, conditions would have been substantially worse.



IGCC Director Stephan Haggard using IGCC's Washington Center (IGCC DC) facilities to prepare testimony for the United States Congress, regarding the Asian Currency Crisis. Photo: Staff.

The focus on the short-term macroeconomic programs in the region also overlooks the fact that the core of the IMF's policy advice is aimed at much needed institutional reforms: strengthening central banks and financial regulators; improving corporate governance and transparency; encouraging the development of soundly-regulated equity and debt markets; cleaning up weak banks; and rooting out corruption. These are all actions which are not only in the interest of the countries concerned, but in the interest of American companies which operate in the region.

Are there things the IMF should do differently? One priority is to guarantee that fiscal adjustments are undertaken with an adequate social safety net for those most severely at risk from the crisis. The IMF might also assist in developing an

orderly procedure for working out sovereign debt, so that some of the costs of financial crises such as this one are born by foreign bondholders and banks. Finally, the IMF needs to move toward a policy of greater openness and accountability. In democratic countries, IMF programs can only garner support and succeed if they are transparent and subject to public scrutiny, criticism and debate.

U.S. policy interests toward Asia are simple and straightforward: to return Asian countries to robust growth and financial stability. The IMF can assist in that objective, and deserves American support. ■

Stephan Haggard is Director of the University of California Institute on Global Conflict and Cooperation, and professor of political science at the UC San Diego Graduate School of International Relations and Pacific Studies. For a full bio, see the Faculty and Staff section of IGCC Online.

For complete text of "The Asian Currency Crisis: the Stakes for U.S. Policy," Prof. Haggard's 4 February 1998 testimony before the Subcommittee on Asia and the Pacific, and Subcommittee on International Economic Policy and Trade, Committee on International Relations, United States House of Representatives, see: <http://www-igcc.ucsd.edu/igcc2/ucdc/ucdctestimony.html>

IGCC Washington DC Update

IGCC's WASHINGTON OFFICE has launched a variety of initiatives that provide new opportunities in international affairs for faculty and students throughout the UC system. These include policy seminars (*Durable Settlements*, p. 13 and *NATO*, p. 14), faculty testimony to Congress (*Feature*, pp. 6-7), and graduate internships and fellowships (*UCDC Internships*, p. 14).

On 20 April, IGCC's Washington office co-hosted "The Santiago Summit of the Americas: A First-hand Report" with the Institute for International Economics (IIE) and the North-South Center of the University of Miami. Professor Richard E. Feinberg, UCSD Graduate School of International Relations and Pacific Studies, attended the second Summit of the Americas in Santiago on 18-19 April, and then flew directly to Washington to offer his first-hand impressions and analysis. The Leadership Council for Inter-American Summitry, which Feinberg co-directs, recently issued a report containing specific recommendations for the summit leaders. Professor Feinberg assesses to what extent the Santiago summit responded to these major recommendations in IGCC Policy Brief 10: *Integrating the Americas*.

IGCC seeks to collaborate with other UC faculty and fellows on projects and programs that benefit UC through closer links to the policy world. IGCC-UCDC can provide use of the Washington office and IGCC staff for specific activities and events, such as policy colloquia and conferences, as well as space for research support. For more information, contact Monique Kovacs, International Affairs Program Coordinator in Washington, at (202) 296-8183 or mkovacs@ucsd.edu; or Ron Bee, Development and External Affairs Officer in La Jolla, at (619) 534-6429 or rbee@ucsd.edu. ■

WHAT TO DO A view

Wastewater Reuse Options in Palestine

by Nader Al Khateeb

IN THE WEST Bank and Gaza Strip, competing demands on a limited fresh water supply pose a continuous threat of depleting, especially coastal, aquifers. Especially in Gaza, where water abstraction already exceeds replenishment rates, water tables are falling and salinity is rising, forcing the closure of wells and adversely affecting agricultural practices.

The shortage of high quality fresh water in the West Bank and Gaza Strip will grow even more acute, given the ever-expanding water demands of the non-agricultural population, tourism, and industry. Decisions regarding water distribution and re-distribution inevitably affect the agricultural sector, forcing costly adjustments to agricultural inputs and crops under cultivation. Thus, existing water use patterns must change. It is inevitable that agricultural use of groundwater will undergo modification, especially in the Gaza Strip.

Related to water supply problems is the wastewater problem. Wastewater collection in Palestine is the formal responsibility of municipal and village councils or other local representative institutions. Most collection systems are combined sewers handling both urban storm drainage and domestic waste, thus aggregating both toxic waste and hazardous microorganisms. If wastewater is allowed to accumulate without treatment, it can both harm the environment and infiltrate and pollute groundwater resources. For all these reasons, wastewater treatment and disposal are not only desirable but necessary.

Based on the assumption that some 65% of the domestic water supply could be recycled if properly collected by sewage systems and processed by high level wastewater treatment plants, full-scale implementation of wastewater systems could provide a substantial amount of purified water suitable for agricultural use. While at present, wastewater is often discharged with little or no treatment, sewage collection systems could within a few years increase available irrigation-quality wastewater to meet (minimally) 42% of agricultural demand by the year 2000, and (optimistically) up to 92% by 2020. Thus, reclaiming wastewater for such purposes is increasingly recognized in Palestine as an essential part of an integrated management strategy for water resources.

There are, however, several problems that must be solved to achieve this reality. In 1994, the Palestinian Economic Council for Development and Reconstruction surveyed treatment facilities and determined that only the Gaza Strip Jabalia Treatment Plant operates with satisfactory efficiency. Others have efficiencies less than 30%, because of:

Poor design, without pilot testing. Prior to 1993, technologies were imported from Israel without any modifications reflecting the environment of the Palestinian

community. Low domestic water consumption rates and high wastewater grit (sand) content produce higher sediment ratios than planned for.

Few qualified operators. Systems lack sufficient trained manpower to operate and maintain them.

Inadequate maintenance capital. Absence of national planning means that appropriate institutions and tariff structures for wastewater services are lacking.

No community input or support. Community participation was not sought from the early stages of project design and construction. Without involvement or education about the process, there is understandably no public support for effluent reuse; nor have farmers' fears of losing fresh water irrigation quotas if they reuse effluent been allayed.

Further, re-use of treated wastewater depends not only on development of appropriate wastewater collection and treatment facilities. Since most urban areas in Palestine lie above the highly permeable recharge areas of the groundwater aquifers, wastewater irrigation in those areas is not generally feasible. Further, wastewater reuse in agriculture requires consideration not only of the health impact and socio-cultural acceptability, but of economic feasibility, agricultural productivity, and sustainability. The mediation of these issues can only be site-specific.

Hence, a master plan for wastewater recycling must be established to determine the areas where, from a demand, soils and hydro-geological point of view, wastewater irrigation is feasible; to assess and foster support for such a plan; to involve local communities in devising and administering local implementations, and finally to direct the treated wastewater from major urban areas and mountains to those areas.

Wastewater treatment in Palestine would serve to protect not just local, but regional groundwater resources. Thus, developing and financing such a master plan would serve both Palestinian and Israeli interests. Were Israel to consider giving financial support to the Palestinians for investment in proper wastewater treatment plant construction, such support would strengthen peace relations and open new doors for cooperation, especially in the water resources protection and development sector. ■

Nadir Saleem AL-KHATEEB is currently director of the Water and Environmental Development Organization, Bethlehem.

OUT WATER?

A Market Solution For the Israeli-Palestinian Water Dispute

by Nir Becker and Naomi Zeitouni

ACCORDING TO THE World and European Investment Banks, fresh water scarcity is the number one environmental problem facing the Middle East. If current patterns of consumption are not altered, by 2005 Israel, Jordan, and the West Bank will have depleted virtually all of their renewable sources of fresh water.

Ground water, located in two major aquifers (one coastal, the other mountain), supplies about 50% of Israel's annual water potential. While the coastal aquifer lies entirely within the Israeli border, the majority of the mountain aquifer—and 80% of its recharge area—is located in the West Bank. In the Gaza strip, where water demand has grown to exceed replenishment rates by nearly 50%, the *only* fresh water source is local ground water. Thirty years of extensive over-pumping of water has led to a massive intrusion of sea water into the aquifer.

As the peace talks proceed and the unilateral negotiations over water advance, requests will go out to the world to help finance the construction of large regional water projects. Gaza especially has been held up as a prime candidate for international investment in desalination plants, both to increase the water supply, and to provide local employment. However, potential benefits are illusory.

Our research shows that the water problem is more a demand management issue than a supply management issue. Even were such plants to be built, the water produced would still be too expensive, in terms of real economic return, to fuel long-term economic growth, because the water crisis between Israel and the Palestinians is really a “water for agricultural use” crisis.

About 70–80% of the region's water is devoted to irrigation of agricultural crops in both Israel and the Palestinian Authority. But water allocation in Israel is supported by a price-quota system that favors Israeli agriculture—users are charged only a fraction of the true cost of the water that is allocated to them. Farmers are in effect subsidized by household consumers and taxpayers, but the water farmers use returns little, if any, net profit over cost. Yet, even allowing for a resulting increase in overall regional water supply, water produced by desalination plants in Gaza would be *more* expensive to deliver than water pumped from the Israeli and West Bank aquifers. By any justification, water in the region is simply too expen-

sive to use as an input for many current commercial crops.

We therefore propose a three-part, market-based solution to regional water shortages that would shift consumption away from wasteful types of agriculture, and into activities that fuel economic growth.

First, water should be priced to cover pumping and conveyance costs, and then made freely available for purchase throughout the regional market. This would give all farmers economic incentives to grow crops with a high financial return over input costs—such as flowers, seasonal vegetables, and some fruits—and to abandon producing heavily irrigated field crops that do not return net profit—such as cotton, corn, wheat, and barley.

Second, money invested by international lending institutions should be used regionally to construct roads, communications, and other infrastructure and services for industry, especially in the Palestinian Authority areas, rather than to fund grandiose water projects that would provide expensive water of no economic use. This will provide for long-term regional job-creation and economic growth.

Finally, the hidden and visible subsidies that currently support low water prices in Israel should instead be used to shift more Israeli farmers away from unproductive agricultural occupations into new local industry, by providing compensation and job training. This will free up water for purchase by cost-efficient Palestinian—and especially Gaza—farmers at rates *below* what they would otherwise be forced to pay for desalinated water.

We realize that limiting agriculture and replacing it with food imports from outside the Middle East will be difficult—not the least because of a large, powerful Israeli agricultural lobby. However, in the long run, the choice is to import either expensive water or cheap food. And while major water project construction might provide a one time boost to local employment, it will not result in long-term hope for the region. Such investment capital is better placed in sustainable new local industry. ■

Nir BECKER and Naomi ZEITOUNI are lecturers and research associates in the Economics Department, Haifa University, Israel.

Nuclear Cooperation in Asia

WITH SOME PRESCIENCE, considering the now-expected implementation of the 1985 Sino-U.S. nuclear agreement, following the Northeast

seven scholars from Fudan University's Center for American Studies.

The meetings explored possible areas for multilateral nuclear coopera-

there, despite the fact that one-third of all energy demand is currently supplied by nuclear reactors. However, skepticism toward ANSCO viability for meet-

ing stated goals remained over financial worries and questions about premature institutionalization.

All countries share the problem of nuclear waste storage, with storage capacity in South Korea and Japan expected to run out by early next century. However, every year of interim, intermediate storage buys an additional year of research and development toward a permanent solution to the problem. A cooperative

storage program has been advanced by Professor SUZIKI Atsuyuki, currently head of the Japanese nuclear utility company reform committee, who advocates regional cooperation on an intermediate spent fuel disposal site until technological or political breakthroughs yield a more permanent solution.

Storage problems are related to shared concerns about weapons proliferation and the production of



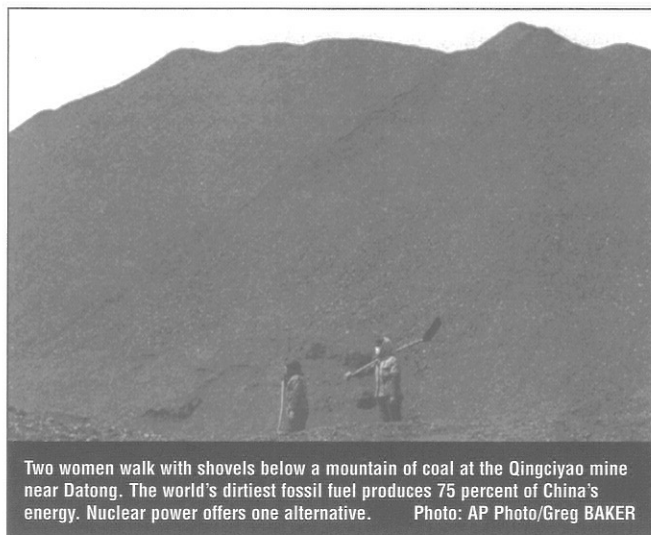
Officials from China and Russia sign a multibillion-dollar deal to build a nuclear power plant in eastern China, during a ceremony in the Great Hall of the People in Beijing, China Monday, Dec. 29, 1997. Photo: AP Photo/XINHUA Liu-Jiansheng

Asia Cooperation Dialogue's 1996 Energy Workshop in Seoul (*Fall 1996 Newsletter*), a group of participants considered the possibilities for collaborative research and dialogue on questions surrounding nuclear energy in the region, determining that it was essential to include the views of Chinese nuclear experts, planners, and industry officials in their cooperative effort. Led by Jor-Shan Choi of the University of California, Berkeley and Lawrence Livermore National Laboratory, in December 1997 the group organized informal discussions in Beijing and Shanghai under the sponsorship of IGCC, hosted by Tsinghua and Fudan Universities.

At the Beijing meeting (hosted by Tsinghua University's Institute of Nuclear Energy Technology—INET), Chinese participants included representatives from China National Nuclear Corporation (CNNC), the Offices of Nuclear Power and the Energy Research Institute of the State Planning Commission, the Chinese Nuclear Society, China Atomic Energy Authority (CAEA), and Beijing Institute of Nuclear Engineering (BINE). The Shanghai discussion was hosted by and included

tion in Northeast Asia, the most promising of which were safety, nuclear waste storage, and nuclear weapons non-proliferation. A major goal was to raise awareness of critical nuclear issues for China's security in the region, and the importance of further study of these issues by Chinese scholars and officials.

A potential area for cooperation is the proposed Asia Nuclear Safety Consultation Organization (ANSOCO), which would provide a forum for participants to consult on nuclear safety, initiate regional cooperation programs, and support a regional response to a nuclear emergency. Japanese representatives addressed increasing public safety concerns following nuclear incidents at Tokai and Monju that raised questions about the very viability of nuclear energy



Two women walk with shovels below a mountain of coal at the Qingciyao mine near Datong. The world's dirtiest fossil fuel produces 75 percent of China's energy. Nuclear power offers one alternative. Photo: AP Photo/Greg BAKER

Nuclear Cooperation in Asia

Tsinghua University, Beijing, 6 December, 1997; Fudan University, Shanghai, 8 December, 1997

Sponsored by: University of California Institute on Global Conflict and Cooperation.

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Nuclear Cooperation in Asia *(continued from page 10)*

weapons-grade nuclear material. A U.S. participant noted that the U.S.-China dialogue in this area has been distorted by its emphasis on technology transfer to non-regional states (such as Pakistan, Iran, and Iraq), ignoring continuing non-proliferation issues in Northeast Asia itself. At several points during the last 25 years there have been threats that new nuclear states would emerge in the region, and all participants think this possibility undesirable. Several expressed concern about Japan's reprocessing program

and plutonium surplus, but Japanese noted that only 10 percent of their surplus plutonium is held in Japan; the rest is stored and reprocessed in Europe. Further, the conclusions of Japan's Fast Breeder Reactor (FBR) discussion group are likely to be implemented, de-emphasizing the importance of the FBR program (critical to local reprocessing) and delaying the research and development schedule and commercialization of FBR in Japan.

The dialogue identified two fruitful avenues for further Chinese scholarly

interest. A discussion of the history of Japan's nuclear development provided lessons on siting, remaining competitive under deregulation, and safety accidents undermining growth plans for countries currently developing their nuclear programs, such as China. The International Atomic Energy Agency (IAEA)'s program on the "new realities" of nuclear energy, which include its expense relative to cheaper fuel sources, rising public resentment against nuclear energy, and spent fuel storage problems may also prove informative. ■

Immigration in an Integrating World

ON APRIL 4, 1998, noted political science, law, economics, and sociology scholars grappled with three dimensions of globalization—trade, migration, and international relations—at *Reconsidering Immigration in an Integrating World*, a symposium organized by professor of political science Christopher Rudolph at UC Los Angeles.

Globalization has increased the salience of migration in world politics, presenting a significant challenge to states. While regional integration and globalization of free trade spur migration flows, globalization of liberal notions of human rights place boundaries on the ways in which states may deal domestically with such pressures without damaging the environment of openness and interdependence necessary for creating inter-state cooperation. As noted by keynote speaker Luis Herrera-Lasso, Mexican Consul General at San Diego, the trend toward increased border closure and militarization create ambiguity and tension in the economic relationship between the United States and Mexico.

Panelists included Howard F. Chang (U. of Southern California), Demetrios Papademetriou (Carnegie Endowment for Int'l Peace), Ronald Rogowski (UC Los Angeles), Marc Rosenblum (UC San Diego), David Jacobson (Arizona State U.), Satvinder Juss (Indiana U.), Jeannette Money (UC Davis), Martin O. Heisler (U. of Maryland), James F. Hollifield (Southern Methodist U.), Philip L. Martin (UC Davis), and Thomas Heller (Stanford U.). The *UCLA Journal of International Law & Foreign Affairs* will publish conference papers, edited by Rudolph, in its Fall, 1998 issue. For more information, contact: Christopher Rudolph, Dept. of Political Science, 4289 Bunche Hall, Box 951472, Los Angeles, CA 90095-1472. ■

Managing Migration in the 21st Century

THE ELEVENTH WORKSHOP of the UC Comparative Immigration and Integration Program, held at UC San Diego on 19–20 February 1998, covered three major issues: 1997 migration policy developments in the United States, France, and Germany; integration of immigrants in these countries; and migration and identity in Eastern Europe.

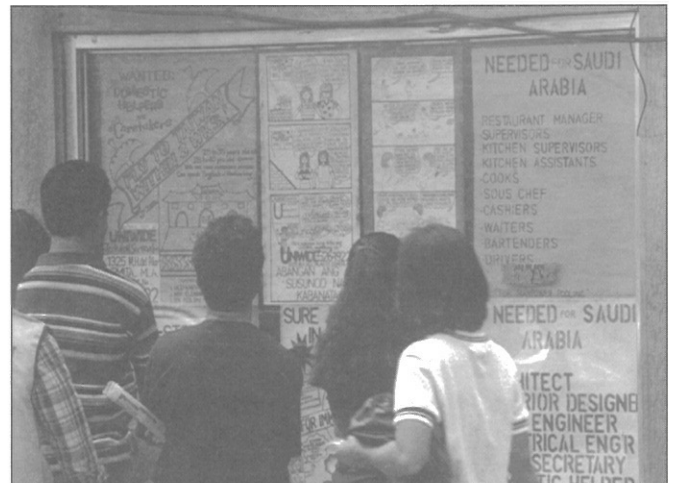
From 1987–1996, including three million persons legalized in 1987–88, legal immigration to the United States was 10 million, and is expected to be about one million annually for the next several years. Over 80 percent of U.S. immigrants are selected for family and humanitarian reasons. 1997 saw the implementation of 1996 laws that restrict immigrant access to federal welfare benefits, while granting new authority to expedite deportation of criminal immigrants from the United States.

U.S. Attorney Alan Bersin, emphasizing the 1995 success of joint Mexico–United States efforts to halt cross-border “bonzai runs” by organized illegal immigrant smugglers, argued that the time is ripe for a grand bargain with Mexico on immigration in which the United States would agree to increase the legal immigration quota for Mexico, while Mexico agreed to help prevent unauthorized migration into the United States.

The EU in general and Germany in particular face immigration pressures from movement through Eastern Europe from the ex-USSR (including ethnic German *Aussiedler*) and Yugoslavia, and from Turkey and Asia (including family unification among set-

led guest workers). Many migration policy initiatives in Germany are occurring on a European Union level, with the EU establishing minimum standards, and national governments implementing them uniformly.

To dispense with the immigration issue as quickly as possible, newly elected French Prime Minister Jospin called for a report on immigration problems and options in the summer of 1997, and saw that most of the pro-



A group of Filipino read announcements for work in foreign countries Saturday, 19 January 1998 in Manila, Philippines. Industrialist Raul Concepcion estimates that between 10,000 and 20,000 workers in Metro Manila and nearby economic zones will be laid off in the first quarter of the year due to the economic slowdown resulting from the weaker peso. Photo: AP Photo/Pat ROQUE

posals were enacted into law early in 1998. The French grand bargain increased the rights of resident foreigners, made it easier for students and professionals to enter and work in France, and got tougher on illegal immigration.

A full report and the papers presented are at: <http://migration.ucdavis.edu/mm21/mm21.html>. The next CIIP workshop, featuring presentations on the Asian migration crisis and comparative analysis of the integration of foreigners, will be held at UC Davis 9–10 October 1998. For more information, contact marthin@primal.ucdavis.edu. ■

Crisis of Citizenship

PEOPLE AND THEIR ideas are more than ever before moving freely across borders around the globe. This ebb and flow, through easy travel and growing communications technology, may be reshaping the traditional concept of a nation. Some people with homes in two countries are showing an amazing capacity to maintain dual identities—with strong cultural ties and contributions to both places. “The nation appears to becoming something less territorial and more of a cultural collective,” says UC Davis human and community development professor Michael P. Smith, co-organizer of a 24–25 April program, “Nationalism, Transnationalism and the Crisis of Citizenship,” featuring more than 30 social scientists, community development researchers and activists, and ethnic studies scholars. Topics included transnational indigenous movements, borders and diasporas, and transnationalism in the Americas and in the Pacific Rim. Paradoxically, says Smith, “transnationalism encourages nationalism both in the United States and in other countries” as both “sending” and “receiving” countries react to globalization by promoting preservation of their own national cultures.

Global economic and cultural restructuring have provoked a spate of discourses on globalization and the crisis of the nation-state. Most of these are organized around a core theme—the penetration of national cultures and political systems by outside forces such as transnational corporations, global media, and immigrant labor. In this view, national and local processes are viewed as reactive to those forces. Global labor migration is seen as produced by the requirements of global capital for a tractable, flexible, and dependent labor force. Likewise, the media is viewed as a one way, homogenizing source of global culture which engulfs and ultimately eradicates local cultures, supplanting them with modernizing and consumerist images and desires.

The conference examined these assumptions by focusing on transnational migration and social movements

“from below” that generate new social practices (transnational communities; grassroots political coalitions) that transcend national borders and challenge territorially-based institutions—citizenship, state sponsored entitlements and obligations, and national identity—that normally regulate social life. By transferring substantial economic, political, and cultural resources across boundaries, international migrants have become a global social force generating new forms of conflict and cooperation within and between nation-states. Grassroots transnational political coalitions have gained global visibility by capturing access to the Internet, CNN, and other global media. Indigenous peoples’ movements, human rights organizations, women’s rights groups, and environmental justice campaigns have sought to shape the rights policies of nation states and the investment

practices of multinational corporations. All have called into question assumptions about the sovereignty of national governments to set the parameters of citizenship and democratic political participation within their borders.

Two of the conference co-organizers, Michael Peter Smith and Luis Eduardo Guarnizo, have recently published an edited volume, *Transnationalism from Below* (Transaction Publishers, 1998). Plans are currently under discussion for a second book drawn from conference contributions. For more information, contact Michael Smith, Human and Community Development, (530) 752-2243, mpsmith@ucdavis.edu; Luis Eduardo Guarnizo, Sociology, (530) 752-9805, leguarnizo@ucdavis.edu; or Margaret Swain, Gender and Global Issues Program, (530) 752-8205, mbswain@ucdavis.edu. ■

Durable Settlements

WHEN ARE NEGOTIATED settlements of civil wars likely to last? When do they break down? Why? While analysts have long discussed causes and endings of civil wars, they have done little research on how best to rebuild a state after internecine killing stops. IGCC’s Durable Settlements project seeks to identify factors that determine whether or not peace treaties last over time.

On 12 December 1997, following a presentation at IGCC’s Washington, D.C. offices, IGCC Research Director for International Security Barbara Walter briefed top U.S. State Department officials on trends in civil war resolution and peace treaty design. Then, on 6–7 February 1998, IGCC brought leading scholars in comparative politics, international relations, political theory and sociology to La Jolla to discuss the durability and breakdown of civil war settlements, frame most promising lines of inquiry, and assess the implications of this

research for policymakers. Most agreed that three factors weigh heavily in the success or failure of settlements and should be the basis of ongoing research: the domestic context in which a settlement is signed, institutional design of new governments, and the extent and type of third party involvement.

In a follow up-conference in January 1999, investigators will present research that will address at least some of the following questions: Does settlement durability hinge on a relative balance of power among competing factions? Are groups more likely to honor a settlement the costlier a war is to fight? Are ethnic, religious or ideological wars more difficult to settle? Under what conditions does outsider involvement hinder or help durability?

For more information contact Dr. Walter at (619) 822-0775 or bfwalter@ucsd.edu. See also IGCC Policy Paper 31: *Designing Transitions From Violent Civil War*. ■

NATO Expansion

AS THE SENATE debated whether to expand NATO to include Poland, Hungary, and the Czech Republic, IGCC post-doctoral fellow Kori Schake contributed to the discourse by presenting her assessment of the effects inclusion of these states will have on the NATO alliance and on European security more broadly. At a policy conference at IGCC's Washington D.C. offices, she concluded that accession of those states will not appreciably affect NATO's central purposes or, on balance, NATO's ability to carry out its responsibilities.

However, incorporating former Soviet states into NATO could damage relations with Russia—most important to Europe's future security. Thus, NATO can best increase security in Europe by building a stronger continuum of capabilities, from the Organization for Security and Cooperation in Europe's soft security, through military operations organized by NATO in partnership with non-NATO countries, to the functions of NATO's integrated military command.

Schake argues that instead of focusing on NATO membership as the primary vehicle for providing security in Europe, the U.S. government should strengthen the OSCE to carry out some security functions. The OSCE is better suited than NATO for tasks most in demand in today's European security environment: early intervention, mediation, monitoring, confidence building, and political reconstruction.

Stan Sloan, Congressional Research Service, disputed Schake's conclusion that the OSCE could become capable of downloading security responsibilities from NATO. Schake countered that "if the United States had put anything near the political capital we devoted to NATO expansion into making the OSCE more capable, it would already be a going concern, and Europe would be a much more secure place." See IGCC Policy Paper 38: *Europe after NATO Expansion*. ■

Siverson Named First IGCC Senior Faculty Fellow

PROFESSOR RANDOLPH SIVERSON, political science, UC Davis, has been selected from the annual faculty grant competition as the first annual IGCC Senior Faculty Fellow. Fellows are asked to participate in appropriate IGCC research projects and lecture on the various UC campuses.

Siverson formerly served for six years as chair of the IGCC Steering Committee, and is a current member of IGCC's International Advisory Board. His research interests include international relations policy, national security decision-making and comparative political leadership. He recently received a National Science Foundation grant to further his work on modeling the emergence of democracies.

The Senior Faculty Fellow program was developed to further integrate faculty grant recipients into IGCC's activities. ■

IGCC/UCDC International Affairs Summer Interns

IN OCTOBER 1997, IGCC received a generous grant from the UC Office of the President Office of Research to sponsor masters and pre-dissertation level doctoral students from throughout the UC system for 10-week Washington DC-based summer internships. The inaugural 1998-99 recipients are listed below.

These awards will provide opportunities for UC graduate students to gain on-the-ground experience where foreign policy is made. With the assistance of the IGCC Washington D.C. Center, students will obtain internship positions related to their research interests and career goals, thus gaining experience, preparation, and contacts for future career options. Students in the early stages of doctoral programs will also have new opportunities to refine their research interests.

Applications will be available in October 1998 for Summer 1999 internships.

KNICKERBOCKER, Tomothy J., UCSD, Anthropology, *Community Based Conservation in Kenya and Local Responses to International Conservation Efforts in Foreign Countries*, seeking placement with World Research Inst., UN Agency of Int'l Development, or World Wildlife Fund.

MARINOVA, Nadezhda, UCSD Grad. School of Int'l Relations and Pacific Studies, *Effects of Economic Development and Public Policy on the Environment*, seeking placement with the World Bank, UNDP, or Conservation International.

PETERS, Gehard, UCSB, Political Science, *International Security and U.S. Foreign Policy*, seeking placement with the Atlantic Council of the U.S., Inst. for Foreign Policy Analysis, or Carnegie Endowment for Int'l Peace.

SONG, Charles C., UCSD Grad. School of Int'l Relations and Pacific Studies, *Northeast Asia Security and International Affairs*, seeking placement with the National Security Council, U.S. Foreign Relations Comm., Office of Legal Affairs, or U.S. State Dept.

STEVENSON, Judith, UCLA, Anthropology, *Activist Strategies, Women and the Global Economy*, seeking placement with Women, Law and Development Int'l, Sisterhood is Global, or Amnesty International. ■

Correction

THE EDITOR APOLOGIZES for an inadvertant omission from our reportage on *State, Sovereignty, and the World Economy*, p. 3, Fall 1997 *Newsletter*. We failed to mention David Smith and Steven Topik, who with Dorothy Solinger co-organized the 21-23 February 1997 conference and are co-editing the resulting volume. All are UC Irvine faculty. ■

Internationalizing Curriculum

A historical component of IGCC's mission has been to sponsor the development of new course materials and pedagogies in international relations and conflict resolution.

Teaching Seminars

IGCC teaching seminars have sponsored hundreds of faculty from throughout California colleges and universities to attend two-day intensive seminars on breaking research issues, enabling them to inject new materials into undergraduate and graduate classrooms. The next teaching seminar, *Strategic Weapons Proliferation*, co-sponsored by the Nonproliferation Policy Education Center (NPEC), is scheduled for 20–23 August 1998 at UC San Diego. For more information see the Campus Programs section of *IGCC Online*, or contact Bettina Halvorsen at (619) 534-7224 or bhalvorsen@ucsd.edu.

Teaching Case Methods in International Affairs

In 1996, Professor John Foran, Sociology Department, UC Santa Barbara, received an IGCC faculty teaching grant to develop student-centered approaches to learning in international affairs. Combined with a grant from the Instructional Development Department, UC Santa Barbara, following well-developed law and business school models Foran and ten graduate students have developed instructional case studies which they now want to make widely available.

Teaching with case studies normally involves encouraging students to analyze raw information provided about a real-world situation, often in collaboration with fellow students, through discussion, role playing, and debate. In preparation for the project, Foran participated in an intensive workshop on case study methodology at Harvard University's Kennedy School. Foran's year-long workshop developed case studies

relevant specifically to Third World politics, and trained a group of UC Santa Barbara social sciences teaching assistants to write effective cases, develop teaching notes to accompany each case study, and to use the case method in their own teaching.

Abstracts of the cases will be available via *IGCC Online* later this summer. For more information, contact Professor Foran at (805) 893-8199 or foran@sscf.ucsb.edu.

The Case Studies

BANDY, Joe, Sociology, *The Crisis of North American Free Trade: Broken Promises and Transnational Resistance*

BEAMISH, Thomas D., Sociology, *1941–45 Indochina at the Crossroads — Colonialism, Trusteeship, or Independence?*

CARRUYO, Light, Sociology, *Understanding our Community: Students, Immigrants, and the Political Economy of Isla Vista*

HABAN, Paulette, Sociology, *Choices and Chances: Becoming a Mail Order Bride*

JADALLAH, Huda, Sociology, *All is Fair in Love and War ... Or is it? Mohammed and Ibrahim in Palestine*

KLOUZAL, Linda, Sociology, *On the Threshold of Revolution: Political Crisis and Personal Struggle in Cuba in 1957*

LOPEZ, Edwin, Latin American & Iberian Studies, *A Decision for Survival and Resistance: Claudia, the Guatemalan Highlands, 1982*

OVERMYER-VELAZQUEZ, Becky, Sociology, *Clandestine Negotiations: Searching For Peace in Chiapas*

SHAYNE, Julia, Sociology, *Family, Feminism, or Revolution: One Salvadoran Woman's Quest for an Answer*

VANDEGRIFT, Darcie, Sociology, *What is Development? Who is the Community?: Voices from a Town Meeting in Indigenous Costa Rica* ■

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Editor's Note

Thanks to a generous equipment grant from the Intel Corporation in support of IGCC's *Wired for Peace: Virtual Diplomacy in Northeast Asia* (report coming in the Fall, 1998 *Newsletter*), *IGCC Online* is moving from its old home to a new, powerful Intel Pentium II server over the next several weeks.

This move will enable us to make significant upgrades to our web services. First, we'll give the site a long overdue facelift, streamlining and clarifying access. While we're at it, we'll add always-up-to-date, automated lists for what's new on the website, major IGCC events, publications, ongoing research, personnel, campus programs events, and what's up "On the Hill" at our Washington, DC offices. Then, we'll

launch an online IGCC Researcher Database that will allow scholars worldwide to find research partners and topical experts from throughout the IGCC community. In partnership with the Federal Institute of Technology, Zürich, we'll add a powerful search engine that will not only allow you to find exactly what you need on *IGCC Online*, but will allow you to also search partner sites in the international relations/international security community. Finally, we'll have the storage capacity and automated tools to add significantly more "content"—such as conference papers from IGCC-sponsored conferences.

The official launch of these new services will be on 1 September, 1998. However, check *IGCC Online* frequently over the summer: some of these new features will be available as early as 15 June.

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