

Centre for the Study of Globalisation and Regionalisation

Newsletter Issue 2

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Introduction

It's probably fair to say that the study of globalisation and regionalisation did not need to be reinvigorated. But in many ways, the ongoing financial crises in East Asia have reinvigorated the debates and thrust the importance of globalisation into even sharper focus. Not surprisingly, the crises and the issues that they have raised have dominated the research being undertaken in the centre this year, and this is reflected in the contributions to this newsletter.

But while our academic agenda is the main focus of this newsletter, we cannot let the opportunity pass to mourn the loss of Professor Susan Strange. While Susan latterly complained that the term “globalisation” had come to mean nothing and everything, she did more than virtually anybody in the discipline to promote the study of international political economy. Susan’s work laid the foundations for numerous researchers, and she raised issues and questions that will be debated for years to come. We will all miss her contribution to the centre – both on a personal and academic level – and she leaves a gap that will never be filled.

Susan Strange was a founding member of CSGR. She will be sadly missed by all who knew her at Warwick. The obituary below was written by Richard Higgott and Roger Tooze, University of Aberystwyth at the request of her family.

INSERT PHOTO 1

Professor Susan Strange (Selly)

For over thirty years, Susan Strange was one of the dominant scholars in Britain's international relations community and one of the world's leading specialists in the modern study of international political economy. She was renowned as an author and speaker not only in the UK but also in the USA, Japan and many other countries where she was regarded as an academic pioneer. Although no respecter of orthodoxies, her irreverence, vibrancy and frequently mischievous observations could not obscure the fact that hers was a serious mind at work. Her work and personality provoked a range of responses in both the scholarly and the policy community. But even those who did not, and would not, accept her reading of the way the modern global economic order might work, would concede the originality of her thinking.

Born in Dorset 9 June 1923, she was the daughter of Col. Louis Strange DSO, DFC, a legendary First War flying ace. Educated at the Royal School, Bath and the London School of Economics whilst still in its Cambridge wartime home, she took a first class honours degree in economics in 1943 and then embarked on a career in journalism; firstly as an editorial assistant at the Economist followed by a period in Washington with the Observer where she was the youngest White House correspondent of her time by about ten years and then in New York as UN correspondent until 1949.

Returning to the UK she continued as economic correspondent and editorial writer at The Observer. She also took up an academic appointment teaching international relations at University College, London, a position she held between 1949 and 1964. She was already a young mother of two children and in 1955 she remarried and produced another four children in rapid succession. This was an exciting but demanding period of her life. As she would tell anyone who cared to listen, her then Head of Department would continually complain about her always being pregnant.

In 1965 she moved to the Royal Institute of International Affairs as research fellow and then later as Director of the highly successful and important Transnational Relations project. It was at Chatham House that Susan worked closely, if not always harmoniously, with the then Director Andrew Shonfield. It was here that she also wrote the first of her major single authored works, *Sterling and British Policy* (1997). It was also during her time at Chatham House that Susan's intellectual and physical energy began to stamp its presence on the study of international relations in the UK. In 1970 she had produced a seminal paper in International Affairs entitled 'International Politics and International Economics: A Case of Mutual Neglect'. This paper was to influence a whole generation of scholars and effectively established the groundwork for the development of international political economy in the UK. She was also concerned about the absence of an institutional framework within which to consolidate the burgeoning interest in the study of international relations. In 1974, along with Alistair Buchan, she founded the British International Studies Association. BISA, as it became known is today a thriving vital professional organisation with over 700 members. This organisational off-spring has at times proved somewhat less than responsive to her intellectual maternal instincts and it was a disappointment that BISA would not act in what she saw as its

best interests.

In 1978, she accepted the Montague Burton Chair of International Relations at the London School of Economics. Now in her mid fifties she was thrilled at the eventual scholarly recognition. But at the same time, for all her deceptively self-confident appearance, she was also apprehensive about the magnitude of the task. In the 10 years she held the position, international relations came of age in the UK.

Susan would have been the first to admit that she was not the best, or even most organised lecturer to undergraduate audiences. Graduate teaching was her forte and there are now, scattered to the corners of the globe, several generations of her former PhD students who count themselves fortunate to have been supervised by her. Even with those she did not formally supervise, her role as mentor to many of today's scholars of international political economy the world over is without equal.

At LSE, she considered her major pedagogical achievement was to establish the teaching of international political economy at the graduate level. But as with BISA, Susan, rightly or wrongly after her retirement from it, was of the view that LSE too did not always know what was good for it and that it had squandered her legacy to them in international political economy.

During her time at LSE Susan Strange became a household name in the international scholarly community, especially in the United States where she became known as a scourge of some of the more pretentious exercises in the theorising of international relations that prevailed throughout the latter quarter of the century. She was neither atheoretical or anti theoretical—indeed, her last paper was an analysis of the theoretical underpinnings of her own work—but she was adamant that scholars of international relations should get their hands dirty. She had little time for what she saw as ‘theorising for its own sake’ and this was to become a source of contest between her and some of that generation of international relations scholars in the UK that grew up in her shadow. That she was less than subtle in telling them so did not always endear her to the more sensitive members of the scholarly community.

Whilst at LSE she held Visiting Professorships at the Brookings Institution, the Universities of Minnesota and California, Columbia University, and the Bologna Center of Johns Hopkins University's School of Advanced International Studies.

The statutory retirement age was reached in 1988 with frustration. But it was merely an irritant to be overcome. At 65 she was in full intellectual bloom. Her study of money, *Casino Capitalism*, had been published in 1986, and her statement on international political economy, *States and Markets*, was published in 1988 and became one of the world's best selling textbooks in international relations, being translated into several languages. In 1989 she went to Florence to the Foundation Chair of International Political Economy at the European University Institute. Whilst in Florence she published, with John Stopford, *Rival States, Rival Firms: Competition for World Market Shares*. This book won the prestigious George Terry Book Award for the Advancement of Knowledge in Management Studies.

After five years in Florence Susan was still not ready to retire. She accepted with alacrity the invitation to a post-retirement Professorship in International Political Economy at Warwick University. During this time she also held Visiting Professorships in Milan and Tokyo. At the

age of 70 she threw herself into graduate teaching as Warwick developed one of the largest graduate programmes in International Political Economy in the UK.

In 1995 Susan Strange was recognised by her friends and critics alike in the USA when they made her President of the American International Studies Association, becoming only the second non-American to have been bestowed such an honour in the near half century history of the organisation. Characteristically, her Presidential Address left an indelible mark on all present. An anticipated rebuke of American ethnocentrism was followed by a genuinely well meant exhortation to the female members of the Association to ‘...stop whining, have their babies sooner rather than later and get on with their careers’. That it was misunderstood by the more politically correct in the audience worried her not one jot. It was illustrative of the irrepressible way she lived her life. Her nose for stuffiness and orthodoxy and the desire to test it was ever present.

Susan contracted her first cancer in 1997 and while she did not teach much after that, her last two years at Warwick were still of considerable significance for her and the University. Her insight, intellectual presence and prestige, were crucial factors in the establishment of this Centre, which was to be Susan’s last intellectual home. As ever and even though she was now experiencing no little physical discomfort, the product was still significant. Two weeks prior to her death, *Mad Money*, the sequel to *Casino Capitalism* was published. Coming as it does at a time of unprecedented post world war two financial crisis in the global economy, Susan at the very last was reminding all her colleagues that they ignore her insights on the relationship between politics and economics at their peril.

Susan Strange was a pioneering and successful academic, but that never detracted from the full family life she led. Married twice, she is survived by her husband Clifford Selly and five of her six children whom she described in her ISA Presidential address ‘as wonderfully tolerant and affectionate to her...a liberation.’ Moreover, her family was an integral part of her academic life. Cliff was an accomplished journalist, broadcaster, author and farmer to whom Susan often turned for advice and encouragement. After a characteristically courageous fight against liver cancer, she died on 25 October 1998,

Richard Higgott, University of Warwick
Roger Tooze, University of Wales, Aberystwyth

Tell me the truth about Thailand

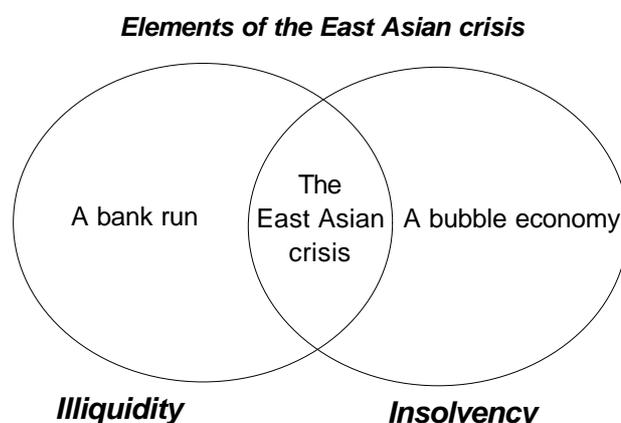
Was the East Asian crisis just a creditor panic with a mad scramble for liquidity that brought the banking system to its knees and the region's much-vaunted 'economic miracle' to a standstill? Or were fundamental problems hiding beneath the surface?

Each of these views has its supporters. Some claim the miracle was a myth, that the magical mix of business, bankers and bureaucrats had created a *bubble economy* with overvalued assets and over-extended investments. In the opposite camp are the stalwart defenders of the miracle, led quixotically by Jeffrey Sachs of Harvard University. For them the crisis is due to a classic *bank-run* - like those in nineteenth century England (and Russia today) where fearful depositors pull their money out of the banks leading to financial collapse; and the IMF is to blame for mishandling it - lending too little, too late and at extortionate rates of interest. Where does the truth lie?

Beyond question, there was a creditor panic. But it arose because creditors suspected that all was not well. They saw that much of the capital that had poured into Thailand was ending up in empty office blocks; and likewise that the funds funnelled through Korean banks were feeding the many-headed hydra of the Chaebol conglomerates. How could this happen? And how long could it go on?

It was possible because a combination of weak regulation and implicit deposit guarantees meant local bankers were free to gamble with the money that global capital markets poured into their parlours. They reckoned that they could gain on the upside and leave the government to cover the downside, and that international depositors wouldn't mind so long as the guarantee lasted. As Paul Krugman of MIT has persuasively argued, this set the scene for a bubble economy, with assets priced on the Panglossian assumption that all would be for the best in the best of all possible worlds!

The party ended when foreign depositors feared there were not enough dollar reserves left for the guarantee to be credible, pulled their money out and triggered the collapse of the exchange rate and the asset bubble. (Panglossian asset values do not, of course, factor in a financial crisis!) So the truth involves both factors, as shown in the figure.



The bursting bubble - leading to widespread insolvency - is on the right; and the bank-run version of events - creditor panic leads to financial collapse - is on the left. The truth lies

where the two circles overlap: there certainly had been panic but it has been triggered by genuine problems of over-investment and overvaluation in emerging East Asian economies. This combination helps to explain why the IMF was unwilling simply to throw money at the problem: theirs was the unwillingness of would-be rescuers to get themselves drowned!

Granted, there were flaws in the East Asian fundamentals. But no country is perfect and the punishment meted out to these emerging markets by global capital markets is out of all proportion - whether measured by the collapse in their currencies and stock markets or by the fierce contraction in output. They have been taught a bitter lesson. But what of global capital markets that helped to create the bubble and triggered the collapse? Are there steps to be taken right away to help sort things out? Are there reforms to the international monetary system that might help prevent a repeat performance?

Here are some practical suggestions, beginning with the immediate steps:

- For the key members of the IMF to provide the *extra funding* already requested for it to act as 'lender of last resort'. (This means the US Congress must stop dragging its feet!)
- For the Asian central banks to quantify the losses resulting from deposit insurance and to devise appropriate packages for *financial reconstruction* (as Thailand has recently done). This will involve bank mergers, closures and bail-outs and will not be cheap (as Japan is discovering).
- For international creditors and debtors to get together to negotiate the *roll-over* of some short-term debts (in Korea, for example) and the *write-down* of other debt that is simply beyond the capacity to pay (in Indonesia, for example). To bring creditors to negotiating table, debtors might consider a unilateral stay of payments - backed by continued lending by international financial institutions, subject to appropriate conditionality.
- To create a *surveillance mechanism* to oversee domestic financial regulations and supervision and the international involvement of highly-levered investment funds; this will involve the IMF, the World Bank and the countries of the region.
- To request the surveillance unit (or other appropriate body) to devise *capital inflow controls* (and higher margin requirements on levered lenders) so as to reduce financial vulnerability of emerging market economies.
- To create a regional Bank of International Settlements - an *Asian BIS* - to help reduce 'contagion' by providing short-term credits.
- To convene a new Working Party of the G10 to recommend changes in the Articles of the IMF enabling it to help resolve liquidity crises by debt roll-overs and workouts, i.e., to act as a kind of *bankruptcy court*.
- To delay writing the requirement of capital account liberalisation into the Articles of the IMF until it is safe to do so; i.e., sufficient progress has been made on the foregoing action points.

Lastly, be warned: if nothing is done, another crisis will soon be showing in a country near you!

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* This is a revised version of the piece appearing in Insights no.26, IDS, Sussex. It draws on “*Financial crisis in East Asia: bank runs, asset bubbles and antidotes*”, a paper jointly written with Pongsak Luangaram for the Clare group, published in the July 1998 issue of the National Institute Economic Review.

Capital Flight From Russia

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John Whalley of CSGR (who also holds a position at Western Ontario, Canada) recently visited Moscow for the release of a report on Capital Flight From Russia. The Report was the result of a joint project between the Centre for the Study of International Economics Relations and the Institute of Economics, Moscow. Whalley co-coordinated the project with Academician Leonid Albakin, who has since joined the new Russian government under Yvegeny Primahov as a top-level economic advisor. The project was funded through the Gorbachev Foundation, and Mikael Gorbachev attended the press conference. The Report has received wide circulation with press coverage in Russian, German, US, and Canadian media.

Recent CSGR Sponsored and Related Conferences

GATT/WTO 50TH ANNIVERSARY CONFERENCE

A CSGR Conference

University of Warwick, 17/18 July 1998

Happy 50th Birthday GATT/WTO

On 17th and 18th July CSGR hosted a conference organised around the theme of the 50th Anniversary of the signing of the General Agreement on Tariffs and Trade (GATT). The conference brought together leading researchers world-wide on GATT issues with the aim of providing both a retrospective on how the GATT has done over its half century and a prospective of where it may be headed. The idea for the conference came from Jesús Seade, formerly a deputy Director General at GATT (now the World Trade Organisation - WTO) and now with the IMF. Jesús held a chair in Economics at Warwick before his entry into international organisations, and is an active member of CSGR's Advisory Board. His idea was to hold a conference to which other members of the WTO Secretariat would contribute, and which would help shape future direction in the field. Patrick Low, the current Director of Research at WTO, helped with the organisation of the conference, and Marc Bachetta presented a briefing from a recent WTO Study on Electronic Commerce and the Trading System.

The Conference had first to deal with two sources of confusion concerning GATT and WTO. The first was why the double-barrelled name - GATT-WTO. The second was whether the real birthday was 1948 or 1947. In some detail, conference participants were taken through the saga of how the GATT had been negotiated in 1947, but only signed at Ministerial level in 1948. Moreover, once signed, it was only meant to be a temporary arrangement pending the setting up of a wider International Trade Organisation (ITO) negotiated in Havana in 1947. This never came into being, and its charter was not ratified by the US Congress in 1951. As the ITO disappeared, it left the GATT as the main trade body, but only existing on a temporary basis. Not until 1994 at the end of the Uruguay Round did it become permanent, and have its name change to the WTO.

Much discussion took place in the conference of the original objectives of the GATT-WTO; to prevent a return to the situation in the 1930's when trade retaliation fuelled the great depression, and to allow for post-war reconstruction and lowering of trade barriers. The accomplishments of the GATT in lowering barriers in the post war years and fuelling an unprecedented growth in world trade were also emphasised. The cumulative co-operation built up through eight rounds of trade negotiations was lauded, but current problems were also emphasised. These included the rise of regionalism, and the growth of an eroded system of trade rules, where voluntary export restraints, anti dumping and other instruments are the new trade restricting devices. How to address these and other problems in a future round was discussed in the final sessions.

In the conference - 9 papers were presented, all of which are available on the CSGR website (<http://www.warwick.ac.uk/fac/soc/CSGR/>). Their titles are:

The Regionalism Debate: An Overview

A Panagariya, University of Maryland, USA

Achieving New Liberalisation in Services Trade

André Sapir, Université Libre de Bruxelles, Belgium

The WTO and Civil Society

Jan Aart Scholte, Institute of Social Studies, The Hague

Textiles Beyond the MFA Phase-Out

Dean Spinanger, Kiel Institute of World Economics, Germany

GATT-Think

Kyle Bagwell, University of Columbia, and Robert W Staiger, University of Wisconsin at Madison, USA

A Developed Country Perspective of the Agenda for the next WTO Round of Agricultural Negotiations

Stefan Tangermann, University of Goettingen, Germany

The Environment and International Trade Negotiations

Diana Tussie, Programme on International Economic Institutions, FLACSO, Argentina

The Value of MFN Treatment

John Whalley, Madanmohan Ghosh and Carlo Perroni, University of Warwick, UK

Completing the WTO Accession Negotiations: Issues and Challenges

Yongzheng Yang, National Centre for Development Studies, Australian National University

CSGR will also be happy to provide hard copy of any of these papers to anyone writing in. It is hoped that a mini symposium of some of the papers will appear in the trade policy journal World Economy co-edited by John Whalley (CSGR and Warwick) and David Greenaway (Nottingham).

When the Uruguay Round concluded in March 1994 and the World Trade Organisation (WTO) was established, when and with what content a future negotiating Round would take place was left unresolved. The multilateral trading system embodied in the pre 1994 GATT had long been identified in terms of three constituent parts: a set of global trade rules, which set out the terms of the general agreement; an ongoing negotiating process aiming to achieving ever more trade liberalisation; and an institutional structure for enforcing disciplines through dispute settlement and mediation. The Uruguay Round provided a distinct break in the evolution of this system, especially as far as process is concerned.

The first four GATT rounds were concerned largely with tariff bindings and only achieved tentative initial liberalisation; the next three rounds were to varying degrees preoccupied with tariff cuts, as the United States sought to come to terms with market-access issues in Europe following the Treaty of Rome. The eighth round, the Uruguay Round, encompassed a bewildering array of topics. It was relatively little concerned with tariffs but much concerned with system strengthening. At an institutional level, the creation of the World Trade

Organisation (WTO) represents the most major change in the trading system in the post war years.

The future for the wider trading system is different from that which faced the world before the Uruguay Round. There is now the potential for reverse liberalisation; instead of a steady reduction of trade barriers, with debate centring on how much and how fast they should fall in given sectors, barriers could actually rise to accommodate non-trade objectives such as environment. Continuing regional pressures raise the prospect of a widening two-tier system, with trade conflicts and accommodations of various kinds between the large blocs and overlapping and different arrangements between larger and small countries within blocs. Also, important drivers of trade growth lie beyond formal system arrangements - cross-border investment flows and unilateral trade liberalisation.

Another WTO Round, would likely be dominated by reciprocity-based initiatives for which the Uruguay Round blazed the trail by creating new negotiation possibilities - in such areas as tariffs, agriculture, and services. These will much likely figure more prominently than the current leading WTO issues of trade and environment and competition policy. In addition to differences in substance, the momentum and process of future liberalisation negotiations will also likely differ from that of earlier Rounds. Furthermore, changes in institutional arrangements from the Round, reflected in the World Trade Organisation (WTO), will affect the management of global trade arrangement chiefly through biennial ministerial conferences, at which progress in the implementation of the agreements can be assessed and issues of interpretation resolved. The papers presented at and the deliberations in the conference all stand as contributions to the debate on the future of the WTO.

WORLD CAPITAL MARKETS AND FINANCIAL CRISES

A CEPR/ESRC/GEI Conference

University of Warwick, 24/25 July 1998

A two day conference on 'World Capital Markets and Financial crises', organised by the Centre for Economic Policy Research (CEPR) in conjunction with the Economic and Social Research Council's Global Economic Institutions (GEI), was held at the University of Warwick, Coventry, on 24/25 July 1998. The organisers were Marcus Miller (University of Warwick and CEPR), William Perraudin (Birkbeck College and CEPR), and Jonathan Thomas (University of Warwick and CEPR). Ten papers were given, followed by a round table on crisis prevention and management in global capital markets.

The aim of the conference was to discuss the origins of the recent East Asian financial crisis and its implications. The crisis involves neither the fiscal profligacy nor the political temptations to devalue (to reduce unemployment), which lie at the root of 'first and second' generation models of speculative attack. Excessive short-term dollar liabilities and over-optimistic bank lending, in an under-regulated environment, seem to lie at the source of the current financial turmoil. Evidently 'third generation' models of speculative attack are needed.

Roundtable Summary

A round-table on the policy implications of financial crises then followed. The chair was **Jim Rollo** (Foreign and Commonwealth Office). **Richard Portes** (London Business School) opened the round-table with a talk on early warning indicators and lender-of-last-resort. Portes argued that the IMF, via its rescue packages, is creating a considerable moral hazard problem. Portes further argued that the IMF has played the role of an international lender-of-last-resort without the key supporting structures that are necessary to do so. As a result, Richard Portes favours a market-based solution. Portes ended his talk by expressing strong doubts about the validity and usefulness of the empirical literature on early warning indicators. **Philip Turner** (Bank for International Settlements) spoke about risk in financial markets and the role of the public sector in that context. Turner noted that although the recent crises have led to more quantitative analysis of risk, these studies still need improving. Pricing risk correctly is necessary if countries want to benefit from capital flows. **Charles Goodhart** (London School of Economics) then talked about the impact of external events on the exchange rate and also about the treatment of foreign currency debt (which has implications for IMF programs). Comparing the Asian crises with the Nineteenth century financial crises, Goodhart argues these crises had numerous factors in common. A key difference was on the external side. In the nineteenth century, the exchange rate peg, when abandoned, was believed to be only short-term, and was expected to quickly revert to its underlying anchor. This led to a virtuous circle. Credibility issues meant that this phenomenon did not occur during the Asian crisis. **David Vines** (Oxford University) followed with a discussion on minimising vulnerability. To do so, Vines argued that two preconditions are necessary. Firstly, to have better kinds of financial structures in place prior to liberalisation. Secondly, to have a macroeconomic strategy that is appropriate to open international capital markets. This is not fixed exchange rates, Vines argued. He favours some form of inflation target. Finally, **Vinod Aggerwal** (BASC, University of Berkeley) ended the roundtable with a talk about the US as a political actor in the Asia crisis and the implications of that. Aggerwal, reflecting on past debt crises resolution, argued that the IMF itself has never been able to resolve these crises; it has

always been with the backing of a strong government. A country's government however reflect the economic, financial and political interests of this domestic country. As a result, a necessary precondition for improved institutional design of international institutions, is to start at home and to fully understand the respective roles that creditor governments and institutions will play.

Papers:

'Paper Tigers?' Preliminary assessment of the Asian crisis

Giancarlo Corsetti (Università di Roma Tre and Yale University)

Paolo Pesenti (Princeton University),

Nouriel Roubini (New York University and CEPR)

'Asian Currency and Financial Crises: Lessons from Vulnerability, Crisis, and Collapse'

Jenny Corbett (St Antony's College, Oxford, and CEPR)

David Vines (Balliol College, Oxford, and CEPR)

'Capital Markets and the Instability of Open Economies'

Philippe Aghion (University College London, EBRD, and CEPR)

Philippe Bacchetta (Studienzentrum Gerzensee, Université de Lausanne and CEPR) Abhijit

Banerjee (MIT)

'Asset Bubbles, Domino Effects and Lifeboats: Element of the East Asian crisis'

Hali Edison (Federal Reserve Board, Washington)

Pongsak Luangaram (University of Bristol)

Marcus Miller (University of Warwick)

'Financial Crises and Financial Intermediation—with Reference to the Asian Crisis'

Jorge A Chan-Lau (International Monetary Fund)

Zhaohui Chen (International Monetary Fund)

'A Theory of the Onset of Currency Attacks'

Stephen Morris (University of Pennsylvania)

Hyun Song Shin (Nuffield College, Oxford)

CSGR recently co-hosted a conference at the EUI in Florence.

"Beyond Liberalisation: Making Economic Policy in Europe and the Asia Pacific - Comparisons, Regions, Linkages and Lessons"

European University Institute, Florence October 15-16, 1998

Agenda

Numerous recent studies have argued that a convergence in capitalist economic Organisation is following the trend towards globalization in the international political economy. More recently, other scholars and practitioners have argued that this trend is being further reinforced by the currency crises in Asia through 1997-98. Thus, accordingly, the neo-liberal agenda is becoming a global orthodoxy that is increasingly difficult for state policy makers to resist. Such certainties, we argue, are premature. The aim of this conference was to test these assertions in a systematic and comparative fashion in the light of recent Asian and European experience.

This exercise will be both theoretical and empirical in its agenda. General issues to be addressed will cover the limits of liberalisation and any counter-tendencies towards re-regulation. If the currency crises in East Asia have led to a crisis in the 'developmental statist model' of economic organisation, then an aim of the conference is to compare it with European models of Organisation and ask relevant questions about the anticipated nature of change in both regions. Relevant comparisons and linkages will be central to our investigations.

Beyond Liberalism and Developmentalism - The Future of the State in Asia and Europe

'Developmental States in Transition: A Sceptical View of the Convergence Thesis'

Linda Weiss (Department of Government, University of Sydney)

'The Regulatory State, 'New Governance' and the Proceduralization of Politics'

Kanishka Jajasuriya (Asia Research Centre, Murdoch University)

'Asian Capitalism: Explanation of Failure as Well as Success?'

Michèle Schmiegelow (University of Louvain)

Globalization and the Convergence Debate

'Responses to Global Liberalisation in the Asia Pacific: Comparative Lessons from Latin America'

Richard Higgott and Nicola Phillips (CSGR, University of Warwick)

'Globalization and the Convergence Thesis in Europe'

Martin Rhodes (Robert Schuman Centre, European University Institute)

'Systemic Incompatibility and Conceptual Obstacles'

Karel Van Wolferen (University of Amsterdam)

The Role of International Actors: MNCs and TNCs

'Globalization and Japanese Multinational Companies'

Tetsuya Fujino (Nagasaki University)

'Market Democratization, Liberalisation and State-Chaebol Relations in South Korea: Before and After the Crisis'

Yeon Ho Lee (Institute for East/West Studies, Yonsei University)

'Accommodating Global Markets: Malaysia's Response to Economic Crisis'

Helen Nesadurai (Institute of Strategic and International Studies, ISIS, Malaysia)

Trade and Investment: Trends and Perspectives

'European and Asian policies on trade and investment: past perspectives - future prospects?'

Jean-Pierre Lehman (IMD, Lausanne)

'Asia and Europe: Trade and Investment Trends'

Dennis Tachiki (Sakura Institute of Research, Tokyo)

Must/Will Asia Adopt the Anglo-American Model?

'The Meaning and the Impact of the 'American Standard for Japan and the Japanese'

Mamoru Takahashi, (Senior Executive Fellow, Fuji Research Institute Corporation)

'Miraculous or Mired? Contrasting Japanese and American Perspectives on Japan's Current Economic Problems'

Simon Reich (University of Pittsburgh)

'Globalization and Evolving State Intervention Strategies in Japan'

Professor Hidetaka Yoshimatsu (International Centre for the Study of East Asian Development, Kitakyushu)

Markets, Firm Networks and Intermediate Organizations

'Supplier Development in the Japanese Automotive Industry: An Organisational Capabilities Perspective'

Mari Sako (Said Business School, University of Oxford)

'The Promise that Failed? Changing Labour Politics in Japan'

Ikuo Kume (Kobe University) -

'Global Competition, Japanese Manufacturing Investment and the Restructuring of European Work and Industrial Relations'

Tony Elger (University of Warwick) -

The Deregulation of Financial Markets: Comparative European-Asian Experience and Policy

'Asian Regional Integration and International Finance'

T. J. Pempel (University of Washington)

'Transformation of Asian Financial Systems in the Age of Globalization'

Masayuki Todokoro, (National Defence Academy, Japan)

'World Time and the EU's Big Bang'

Professor Jonathan Story (INSEAD, Fontainebleau)

Regionalism as a Response to Global Economic Change

'Progress and Disillusion: The Historical and Institutional Foundations of Regionalism in East Asia'

Professor Don Hellman (University of Washington)

'Regionalism: Are Obituaries for APEC and ASEM Premature?'

Davis Bobrow (Pittsburgh University)

'Regionalism in Europe and the Asia-Pacific Compared: Epistemic Communities and Advocacy Coalitions in the Making of Economic Policy'

Manuela Spindler (Leipzig University)

Future CSGR Conferences

CALL FOR PAPERS

After the Global Crisis: What Next for Regionalism?

The ESRC Centre for the Study of Globalisation and Regionalisation at the University of Warwick will hold its third annual conference on 16 and 17 September 1999. Having previously focussed on the role of non-state actors in the global political economy (1997) and the role of the WTO at 50 (1998) we move our attention to the importance of regionalism in 1999. The aim of the conference is to deploy comparative perspectives to assess the role of regions as a mediating level of governance in a (post) globalised world.

In addition to invited key-note speakers, we are interested in receiving proposals for papers in three areas: comparative theoretical frameworks for analysing regionalism; the development of inter-regional dialogue and collaboration; and analyses of regional processes in Europe, North America, Latin America, Africa and Asia.

In order to facilitate a refereeing process, abstracts of not more than 150 words should be submitted by March 1999. Some funding may be available for successful applicants, and all decisions will be made by April 1999. Applications should be sent by post, email or fax to:-

Dr Shaun Breslin
Centre for the Study of Globalisation and Regionalisation
University of Warwick
CV4 7AL
United Kingdom
Email: Shaun.Breslin@warwick.ac.uk
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MacArthur Grant

Under a grant from the John D. and Catherine T MacArthur Foundation of Chicago, Peter Newell from Politics and International Studies and CSGR and John Whalley from Economics and CSGR are evaluating the pros and cons of a possible World Environmental Organisation. This work is being carried out over three years jointly with partner institutions, FLACSO in Argentina (Diana Tussie as the lead) and the Indra Ghandi Research Institute in Bombay (Raghav Jha as the lead).

The starting points for their discussion of a possible WEO are the twin senses that present global economic institutions were cast in the 1940s when global environmental issues were of limited profile compared to today, and that the trade and environment debate which has largely centred on the treatment of environmental issues under the World Trade Organisation (WTO) is fuelling pressures for change.

The Bretton Woods post war system based on the tripartite structure of the International Monetary Fund (IMF), the World Bank (or International Bank for Reconstruction and Development or IBRD), and the WTO (previously the General Agreement on Tariffs and Trade (GATT)) reflected the post war thinking that issues of economic interdependence between countries largely came down to issues surrounding trade and international finance. The IMF was to provide starting financial support to countries under pressure to underpin fixed exchange rates (at “realistic” parities), the World Bank was to provide infrastructure and longer term development capital to help developing countries grow and develop, and the GATT was to provide a system of trade rules and facilitate negotiations to liberalise world trade further.

As is well known, the functions of these agencies have themselves changed over the years, but the underlying presumption that economic interdependence only (or largely) relates to trade and finance has remained unchallenged. The notion that physical interactions between nation states, such as cross border external effects, or even global externalities should enter global system design has not been previously raised.

Global institutional change, however, does typically not occur because of arguments based on consistency or symmetry. It is rather the presence (or perception) of problems which the institutions are thought to help alleviate. With the Bretton Woods institutions, it was clearly the memories of the 1930s and the linkage to the military conflict which followed which, drove the debate. The 1930s were characterised by high retaliatory tariff barriers and competitive devaluations, a clear and cataclysmic lack of international co-operation; which helped drive the global economy into a destructive depression. The IMF and GATT were, in large part, a response to these problems; but were also seen as helping rebuild a war ravaged global economy.

What is the problem in the international order that a new WEO might address, and could motivate serious consideration of the possibility? While different from the problem of the 1930s, and seemingly less economically destructive (at least in the short run), it is again a failure of international co-operation. In this case, it is poor performance of the international environmental regime relative to that needed to internalise the cross-country external effects associated with global economic activity. We now have approximately 150 global

environmental arrangements and agreements; but this structure can at best only be described as a patchwork quilt. There are differences in coverage and approach; many are consensual and reflect a lowest common denominator outcome in terms of standards. Enforcement relies on political process rather than enforcement mechanisms. Major global environmental issues (forests, species, biodiversity, oceans) are only lightly treated in terms of international disciplines.

This set of arrangements also poses all manner of problems. How might developing countries, for instance, make a concession on environment in return for concessions on trade (say in textiles) if 150 separate arrangements are involved? How can concessions in one environmental area be traded for concessions elsewhere if separate topic by topic negotiations occur? How can commitments to an international environmental policy regime be used to underpin domestic environmental policy, particularly in the area of compliance?

The main rationale the project sees for a WEO is to redress a failure of negotiations on international environmental policy making that will move the global economy closer to achieving fuller internalisation of global environmental externalities.

The project envisages a series of functions and objectives for a WEO, all building on the theme that a failure of international co-operation exists in the environmental area that can best be remedied by providing a new focal point for co-operation.

One is extending and deepening treaty commitments. The idea here would be that by bringing all existing treaties under a single umbrella, it should hopefully be possible to broaden and deepen these commitments. Exchanges of concessions across environmental areas should also be possible. Commitments in the form of bound standards would allow for exchanges of concessions, much as in the WTO. More innovative treaty arrangements might allow for fresh innovation on the issue of side payments, which has long bedevilled international environmental agreements.

A second is facilitating environmental/non-environmental policy changes by bringing environmental arrangements under a single umbrella. It should be easier for concessions to be exchanged between environmental and non-environmental policies, leading to both a stronger environmental regime and gains elsewhere. Thus, developing countries might make concessions on their environmental policies in return for improved trade access (say, in textiles and apparel).

A third is using an international structure to underpin domestic environmental policy. One of the central issues with environmental policy in developing countries is enforcement and compliance. An international entity in the environmental area could lend support to those domestic groups (including NGOs) trying to raise levels of compliance with domestic policy regimes.

They see various possible forms for a WEO gradated from weaker to stronger disciplines. WEO1 (Weak) would be an umbrella for all existing international environmental arrangements, and a framework for hopefully enhanced negotiations. WEO2 (Stronger) would be WEO1 plus explicit binding of minimum standards in existing agreements and a framework for exchanges of concessions on standards. WEO3 (Yet Stronger) would be WEO2 plus an arbitration/mediation facility for possible conflicts with non-environmental

arrangements (trade/WTO, for instance). It would involve a packaging of existing agreement for cross issue negotiations (environmental strengthening for trade concessions). WEO4 (Yet Stronger) would be WEO3 plus agreement on basic principles such as, possibly, sustainability and polluter pays. It would enshrine global principles as domestic law to underpin and support domestic enforcement.

All manner of implementation issues would arise. Country coverage is one; who is in/out and dealing with non signatories. Tiered commitments is another; special treatment for developing/least developed, and what form of special treatment? The time frame for any such proposals is also an issue; when to enter into force, and whether there is a single entry or whether it is staggered. Topic/area treatment is another; symmetric treatment of all issues, or differentiated treatment.

The resource requirements of a WEO; a secretariat (how large) and its powers are also an issue. Finally its constitutional structure will need to be sorted out. Issues here include whether it is governed by a council, the membership of council; its voting structure; when and how meetings of council occur; its committee structure; and its relationship to existing bodies (UNEP).

All these (and more) issues are to be sorted out in the next three years, and everyone at CSGR looks forward to the fruits of a creative and forward looking project, and wish Peter, John, Diana, and Raghav well with their efforts.

A COMPARISON OF CORPORATE BEHAVIOUR IN THE EU AND US IN RESPONSE TO THE WTO TRIPS AGREEMENT

For the past twelve months Duncan Matthews has been working on a project, comparing US and EU corporate strategies in response to the WTO Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS). The research has particularly compared the way that business in the US and EU has interfaced with government over TRIPS.

The project has looked at how, during a period from 1985 to 1992, industry in the US and Europe conveyed its views on intellectual property rights to government negotiators during the Uruguay Round of GATT. It has examined how trade associations and other business groupings, particularly groups in the US such as the Intellectual Property Committee (IPC) and the International Intellectual Property Alliance (IIPA), successfully linked trade to intellectual property and secured the issue on the GATT agenda. The research has also looked at current problems encountered by international companies during the transitional periods for implementation of TRIPS in developing . These problems include, for example, the speed and enthusiasm with which member countries are willing to adapt national legislation to comply with TRIPS.

What is perhaps most striking is that relatively little has been written about TRIPS, particularly from a European perspective. The existing literature tends to emphasise the viewpoints of the United States (the US being a net exporter of intellectual property) and Australia (a net importer of intellectual property). The research project at Warwick has revealed a rather different European view of how the TRIPS Agreement came about and how European companies are responding to a new international regulatory environment on intellectual property rights.

The interview programme for the research has focused on:

- senior managers in multinational companies based in the EU and the US, particularly in the pharmaceutical, publishing and music industries;
- policy makers in the UK Patent Office, the United States Trade Representative's Office, and DG I of the European Commission;

trade associations in the UK (including the Trade Marks, Patents & Designs Federation, the Intellectual Property Institute, the International Federation of Phonographic Industries, and the Publishers' Association), in the US (the International Intellectual Property Alliance, the Intellectual Property Committee, and the Intellectual Property Owners), and at EU level (particularly the Intellectual Property Working Group of UNICE).

Interim findings:

- Although the existing literature stresses the leading role of US industry in producing a draft of the TRIPS Agreement and lobbying for its adoption in the US Administration, Europe and Japan, it now appears from the research undertaken at Warwick that at least half of the text was actually of European origin. The research has found that both UNICE and the

European Commission played a much more active role the formulation of a TRIPS Agreement than commentators in the United States and Australia have given them credit for.

- In some industries, e.g. computer software, US companies are aggressively seeking competitive advantage over their European counterparts by claiming that national implementation of the TRIPS in EU countries is not in conformity with the WTO Agreement. US complaints against Sweden, Denmark and Ireland are currently being considered by the WTO TRIPS Council on this basis.
- Following a complaint from the European pharmaceutical industry, the EU has also commenced a WTO dispute settlement action (against Canada) on the grounds that has not fully conformed with the TRIPS Agreement. This EU complaint is welcomed by US companies, since their own Administration has felt unable to act against Canada due to domestic legal and political factors.
- Although developing countries do not have to fully comply with the TRIPS Agreement until 2001, there are already widespread industry concerns that attempts will be made to further delay introducing adequate intellectual property protection. India is a case in point, where mailbox protection in conformity with the TRIPS transitional arrangements is not available for patent applications, despite a WTO dispute settlement procedure which ruled against India following a US complaint.
- Industry has played a key role both in the formulation of the TRIPS Agreement and in its subsequent enforcement. The United States Trade Representative's Office and the European Commission are both very reliant on industry advice because they lack the resources to monitor TRIPS implementation in over 180 WTO member countries.

CSGR STAFF - Updates

RICHARD HIGGOTT (DIRECTOR)

The Director was Elected to the Council of the Royal Institute of International Affairs at Chatham House for three years from October 1998. He was also elected to the Steering Committee of Standing Group on International Relations of the European Consortium for Political Research and appointed as a Foundation Member of the Conseil Scientifique, of the new journal *Critique Internationale, Revue de la Fondation Nationale des Sciences Politiques*

Recent Conference Papers:

'The International Relations of the Asian Economic Crisis: A Study in the Politics of Resentment.' Paper presented to the Asia Research Centre, Murdoch University/ Yonsei University International Conference From Miracle to Meltdown: The End of 'Asian' Capitalism? Fremantle, Western Australia 20-22 August 1998.

A revised version of this paper was also presented to a panel on Models of Asian Capitalism' at the Third Pan European International Relations Conference, Joint Meeting with the USA International Studies Association, Vienna, 16-19 September 1998.

Professor Higgott also visited Thailand, where he had discussions with members of the Faculty of Political Science a Chulalongkorn University about a joint CSGR-Chula Research Seminar and Singapore where he held discussions with senior staff of the Institute for Policy Studies and the Institute for Strategic and Defence Studies and with the Director of Intellectual Exchange at the Asia Europe Foundation about the prospects of a joint conference on the changing nature of International Relations in an Era of Globalisation.

Publications 1997-8

(i) Monographs

Globalisation and Regionalisation: New Trends in World Politics, The Emirates Lecture No. 13, Abu Dhabi: The Emirates Centre for Strategic Studies, 1998: 1-67.

(ii) Refereed Articles

'The International Politics of the Economic Crisis in East Asia: Some Longer Term Implications', *New Political Economy*, 3 (3) 1998: 333-56.

'The Asian Economic Crisis: Shared Responses to Market Shocks', *The World Today*, 54 (1): 1998, 4-6.

'The International Politics of Liminality' (with Kim Richard Nossal)
Australian Journal of Political Science, 32 (3) 1997, 169-85

'Globalisation et Mondialisation: l'Evolution du Niveau Regional', *Politique Etrangere*, 62 (2) 1997: 277-92

'Institutions, Identity and Social Learning in the International Political Economy of Regionalism: Asia and Europe Compared' Kokusai Seiji: Journal of the Japanese International Studies Association, 114 March, 1997, 14-48.

- A revised and edited version published as 'The International Political Economy of Regionalism: Asia and Europe Compared', in W. D. Coleman and G. R. D. Underhill (eds) *Regionalism and Global Economic Integration: Europe, Asia and the Americas*, London: Routledge, 1998, 47-67.

'De facto or De Jure Regionalism: The Double Discourse of Regionalisation in the Asia Pacific', *Global Society: Journal of Interdisciplinary International Relations*, 11(2) 1997: 165-83.

(iii) Chapters in Edited Anthologies

'The Pacific and Beyond: APEC, ASEM and Regional Economic Management', in Grahame Thompson (ed) *Economic Dynamism in the Pacific Region: The Growth of Integration and Competitiveness*, Milton Keynes, Open University Press, 1998: 335-55

'Keeping Regionalism Open', in Hanns Maull, Gerry Segal and Jusuf Wanandi (eds) *Europe and the Asia Pacific*, London: Routledge, 1998: 96-106

'Leadership in regional Integration Schemes' in Heribert Dieter (ed) *The Regionalisation of the World Economy: Implications for Southern Africa*, Berlin: Deutsche Stiftung für Internationale Entwicklung, Marburg: Metropolis Press, 1997: 59-90.

'The Regional Integration Experience in Southeast Asia: Lessons for southern Africa' in Heribert Dieter (ed) *The Regionalisation of the World Economy: Implications for Southern Africa*, Berlin: Deutsche Stiftung für Internationale Entwicklung, Marburg: Metropolis Press, 1997: 37-76

'Libre Echange et Regionalism Asiatique' in Jean Luc Domenach and David Camroux (eds) *l'Asie Retrouvee*, Paris: Le Seuil and London: Routledge, 1997: 76-97.

'Issues, Institutions and Middle Power Diplomacy: Action and Agendas in the Post Cold War Era', in Andrew F. Cooper (ed) *Middle Power Diplomacy After the Cold War*. London: MacMillans, 1997: 25-45

SHAUN BRESLIN (Senior Research Fellow)

Conference papers/seminars whilst at CSGR

"Decentralisation, Globalisation and Sub-National Cross-National Regions in the PRChina", Japan, Asia Pacific, and Regionalism: Global and Regional Dynamics into the 21st Century University of Sheffield, September 1988.

"Chinese Perceptions of Japan's Role in Asia Pacific Regionalism" ECPR/ISA, Vienna, September 1998.

"Competing Theories of Regionalism in Pacific Asia" EU-China Conference, Shenzhen, China, July 1998.

"China's WTO Entry Bid" EU-China Academic Programme Shenzhen City Government/Shenzhen Statistical Bureau, Shenzhen, China, July 1998

"The Growth of Chinese Trade and China-EU Relations" China-EU Relations in the Global Political Economy EU-China Higher Education Cooperation Programme/Shenzhen City Government, Shenzhen, China, July 1998.

"Feeling the Ripples: The Financial Crises in East Asia and Economic Reform in the PRChina" Assessing the Asian Financial Crisis, University of Manchester, April 1998.

"Asian Investment in China: Understanding 'Region' From a Political Economy Perspective" Asian Investment in Asia, INSEAD Euro-Asia Centre, Fontainebleau, Feb 1998.

Publications while at CSGR

Mao (Harlow: Longman, 1998).

Comparative Government and Politics: An Introduction (4th Edition) (Basingstoke: Macmillan, 1998) with Rod Hague and Martin Harrop.

"Between the Devil and the Deep Blue Sea: Marketisation, Globalisation and the State Owned Sector in the PRChina" in Japan in Extenso (France) No 47&48, March-June 1998, pp.2-12.

in press

"China and East Asian Regionalism" in Wil Hout and Jean Grugel (eds) The New Regionalism and the Developing World (London: Routledge) 1998.

ROBIN COHEN (Associate Fellow)

Recent Publications

'Politics and migration' (ed. With Zig Layton-Henry) Cheltenham: Edward Elgar, 1998 pp 341

'Cultural diasporas: the Caribbean case' in Mary Chamberlain (ed.) *Global identities*, London: Routledge, 1998, 14-35

'Shaping the nation, excluding the other: the deportation of migrants from Britain' in Leo Lucassen and Jan Lucassen (eds.) *Migration, migration history, history, old paradigms and new perspectives* Bern: Peter Lang AG Europäischer Verlag der Wissenschaften, 1997, 351-73

'Diasporas, the nation-state and globalisation' in Wang Gungwu (ed.) *Global history and migrations* Boulder, CO: Westview, 1997, 117-43

CHRISTOPHER HUGHES (Research Fellow)

Conferences attended:

The Global Meaning of Japan, 19-21 March 1998, Macclesfield, UK

Sponsored by University of Sheffield, Japan Culture Research Institute, and Chubu Electric Power Company

Paper: 'Japan and the European Union: from peril, to partner, to participant?'

International Politics Association of Japan, 16-17 May 1998, Tokyo, Japan

Japan Peace Studies Association, 13-14 June 1998, Tokyo, Japan

Publications:

'Japan's Aum Shinrikyô, the changing nature of terrorism, and the post-Cold War security agenda', *Pacifica Review: Peace, Security and Global Change*, vol. 10, no. 1., February 1998, pp. 39-60.

Japanese policy and the North Korean 'soft landing', *The Pacific Review*, vol. 11, no. 3, 1998, pp. 389-415.

'Japan and East Asia', in Patrick Heenan (ed.) *The Japan Handbook*, Fitzroy Dearborn Publishers, 1998.

Japan's Economic Power and Security: Japan and North Korea, Routledge, forthcoming 1999.

ERIC LE BORGNE (Graduate Research Assistant)

Conferences attended:

"World Capital Markets and Financial Crises", A CEPR/ESRC/GEI conference organised by Marcus Miller, William Perraudin and Jonathan Thomas, 24-25 July 1998, University of Warwick, Department of Economics and CSGR.

"Topics on Globalisation", Warwick Summer Economic Workshop organised by Ben Lockwood, Marcus Miller, Ted To, and John Whalley

13-25 July 1998, University of Warwick, jointly organised by the Department of Economics and the CSGR.

York-Warwick-Southampton Ph.D. "Macroeconomics Workshop"

8-10 May 1998, University of Southampton.

"Growth, Innovations and Cycles", taught by Philippe Aghion (UCL) and Nobuhiro Kiyotaki (LSE), Royal Economic Society Easter School, 3-9 April 1998, University of Birmingham.

BEN LOCKWOOD (Associate Director)

Conferences attended

“Tax Competition and Co-ordination of Tax Policy in the European Union”, July 13-14, Vienna, organised by the Austrian Ministry for Finance. I was a discussant on a paper by M.Aujean, DG XXI, European Commission

"Topics on Globalisation", Warwick Summer Economic Workshop 13-25 July 1998, University of Warwick, jointly organised by the Department of Economics and the CSGR.

New Publications

“Inter-regional Insurance”, forthcoming *Journal of Public Economics*, 1998

“Specific and Ad Valorem Taxes are not Equivalent in Trade Wars”, forthcoming *Journal of International Economics*, 1998.

"For a VAT System Adapted to the Needs of the Single Market in the 21st Century; Discussant's Comments", in Conference Proceedings, *Tax Competition and Co-ordination of Tax Policy in the European Union*, Austria Federal Ministry of Finance.

MARCUS MILLER (Associate Director)

Current Research Interests

Hyperinflation and Stabilization

The Political Economy of Monetary Policy

"Irreversible" Decisions: Oil Investment and Debt Contracts

"Bankruptcy and Debt relief: corporate and sovereign debt compared"

“Moral hazard” issues in international lending

Some recent journal articles:

“Shareholders and Stakeholders: Human Capital and Industry Equilibrium” (with Roberto Ippolito and Lei Zhang), Warwick Economic Presearch Paper No September, 1997. CEPR DP 1719, November 1997. *Economic Journal*, 108 (490-508) March, 1998.

“The laissez faire bias of managed floating” (with Laura Papi, IMF). *Journal of International Money and Finance*, 1998

“Financial Crisis in East Asia: Bank runs, Asset bubbles, and Antidotes” (with Pongsak Luangaram). *National Institute Economic Review*, September, 1998

Recent Discussion Papers and Mimeo

“Sovereign Liquidity Crises: The strategic case for a payments standstill” (with Lei Zhang) CEPR DP No.1820, February 1998. Submitted to the *Economic Journal*

“Asset bubbles, Domino Effects and ‘Lifeboats’: Elements of East Asian Crisis” (with Hali J. Edison and Pongsak Luangaram) International Finance Discussion Papers No.606, Board of Governors of the Federal Reserve System, March, 1998; CEPR DP) No. 1866, April, 1998. Submitted to the *Economic Journal*

“Managing capital flows” (with Lei Zhang) presented to EDI/World Bank seminar in Shanghai, July 1998.

“Creditor panic, asset bubbles and sharks: views of the Asian crisis” (with Lei Zhang) presented at the British Association Meetings, Cardiff, September, 1998.

LILIANA POP (Graduate Research Assistant)

Liliana Pop did field work in Romania in September 1998. She spoke with banking officials and members of NGOs about the funding available for the development of activities designed to increase the profile of the civil society in the political decision-making processes, at the national and local levels. Liliana participated in a seminar organised by the Foundation for the Development of Democracy in Romania, the Romanian Defence Ministry and the political magazine 'Sfera Politicii' (The Sphere of Politics) on the relationship between civil society and the military, with an emphasis on the civilian control over the military in Romania.

TED TO (Senior Research Fellow)

Conference attended

Presented “Minimum Wages for Ronald McDonald Monopsonies: A Theory of Monopsonistic Competition” at the 1998 Western Economic Association Meeting in Lake Tahoe Nevada.

Presented “Too Cool for School: A Theory and Test of Countersignaling” at the 1998 Econometric Society’s European Meeting in Berlin.

Publications

“Risk and Evolution” is forthcoming in *Economic Theory*.

“Minimum Wages for Ronald McDonald Monopsonies: A Theory of Monopsonistic Competition” is forthcoming in *Economic Journal*.

JOHN WHALLEY (CO-DIRECTOR)

John Whalley of CSGR (who also holds a position at Western Ontario, Canada) recently visited Moscow for the release of a report on Capital Flight From Russia. The Report was the result of a joint project between the Centre for the Study of International Economics Relations and the Institute of Economics, Moscow. Whalley co-coordinated the project with Academician Leonid Albakin, who has since joined the new Russian government under Yvegeny Primahov as a top-level economic advisor. The project was funded through the Gorbachev Foundation, and Mikael Gorbachev attended the press conference. The Report has received wide circulation with press coverage in Russian, German, US and Canadian media.

NEW ARRIVALS

Helen W E S Nesadurai is a PhD student in the Department of Politics and International Studies researching regionalism in the Asia-Pacific region. She holds a British Chevening Scholarship and the Chevening Scheme's ASEM (Asia-Europe Meeting) Award for Malaysia. Prior to coming to the CSGR and the University of Warwick, she was with the institute of strategic and International Studies (ISIS) in Malaysia. Helen holds a MSc in Development Economics from the University of Oxford

SECONDMENTS (1998 - 2001)

Ben Rosamond has been seconded to the CSGR as Senior Research Fellow for three years beginning October 1998. He is Lecturer in European Integration in the Department of Politics and International Studies. He studied at the Universities of Manchester and Sheffield and was awarded his PhD on British trade unionism and European integration by the latter in 1993. Before coming to Warwick in 1995, he held an appointment at Oxford Brookes University. He is co-author of *Politics: An Introduction* (Routledge, 1997) and his latest book *Theories of European Integration* will be published by Macmillan in 1999. He has written extensively about the theoretical analysis of European integration and on the interplay between the European Union and the political economy of Britain in various edited collections and in journals such as the *European Journal of International Relations*, *European Legacy*, *New Political Economy*, *Political Studies* and *Politics*. He has just completed his latest book, *Theories of European Integration*, which is due for publication by Macmillan in 1999. His primary research in the CSGR will be concerned with the development of discourses of globalisation and their strategic deployment within EU policy communities and in instances of inter-regional dialogue. He also plans to expand this analysis to the study of narratives of globalisation in the contemporary British political economy and is currently co-ordinating a multi-author project on this theme. In addition Ben is joint editor of the journal *Politics* and sits on the Executive Committee of the Political Studies Association of the United Kingdom.

Ben Rosamond has been awarded £69,913 from the ESRC's One Europe or Several research programme for his project 'Globalisation, EU Economic Policy Communities and the Construction of European Identities'. The project, which will commence in September 1999, seeks to explore the conceptions of 'globalisation' at work within selected EU policy arenas and how these connect to the pursuit of interests and development of particular European identities and conceptions of 'Europe'. The project will generate and enhance dialogue between academics and policy practitioners about the meaning of global change in the European context.

Ben Rosamond has been appointed to the inaugural Marshall-Monnet Visiting Professorship of European Union Studies at the New York EU Center. This is a consortium involving four Universities (Columbia, New York University, New School for Social Research and City University of New York). Ben will be based at NYU where he will teach a graduate class in EU governance and policy-making. He will also convene a graduate colloquium on the EU in the global political economy at Columbia. In addition he will participate in seminars and conferences across the center. The position runs from January to June 1999.

VISITING FELLOWS (1998-99)

Lin JUE, Department of International Economics - Shanghai University of Finance and Economics

The EU-China Higher Education Cooperation Programme has awarded two visiting professorships to the Centre for the 1998-9 academic year. The first visitor, Prof Lin Jue, joined the Centre at the end of September, and will stay with us for six months. Prof Lin comes to us from the Department of International Economics at Shanghai University of Finance and Economics, and is also Senior Research Fellow at the Pudong Institute for the US Economy in Shanghai.

Although originally from Nanjing, Prof Lin took both her BA and MA degrees at the University of Yunnan in south-west China, before completing her doctoral dissertation on US foreign trade policy at Wuhan University. She has published three single and co-authored books, edited four others, and has over sixty contributions to journals to her name. While the majority of her work has been on the US, and particularly US-China trade relations, Prof Lin has recently turned her attentions to Europe, and comes to Warwick after a period as Visiting Fellow at the Erasmus University in Rotterdam.

Heribert DIETER, Institute for Development and Peace - University of Duisburg

Heribert Dieter from the Institute for Development and Peace, University of Duisburg, holds an MA in Political Science and a Ph.D. in Economics and Social Science from Berlin's Free University. He has recently published a single authored book on the Asian crisis (published in Germany in October 1998).

During his 5 weeks stay at the Centre, Heribert Dieter worked on a paper on the Asian crisis. He addressed the question of whether the Asian crisis has led to a crisis of the concept of globalisation. He also worked on a longer-term project, a comparative analysis of regional integration projects in the Asia-Pacific, Southern Africa and Central Asia. Heribert studied the recent set-back for the SADC integration process as well as the chances for an improvement of the integration process.

SEMINAR SERIES

DATE	SPEAKER	TITLE
8 th October Thursday	Howard Stein (Roosevelt, USA)	"Globalization and Structural Transformation of African Economies? The Role of International Financial Institutions"
13 th October	Heribert Dieter (Duisburg, Germany)	"Crises in Asia or Crisis of Globalisation?"
27 th October	Alex Coram (Sydney, Australia)	"Sharing the Costs of Maintaining Environmental Resources"
28 th October	Daniel Drache (York, Canada)	"Free Trade and Full Employment: Friends or Foes Forever?"
10 th November	Martin Cripps (Warwick)	"Aggregate Risk and the Dynamics of the Income Distribution"
24 th November	Adrian Wood (Sussex)	"Globalisation, Co-operation Costs and Wage Inequalities"
8 th December	Catia Montagnia (Dundee)	"Unionisation and Foreign Direct Investment"

CSGR WORKING PAPER SERIES

- 01/98, March R Higgott & S Reich
Globalisation and Sites of Conflict: Towards Definition and Taxonomy
- 02/98, March R Higgott
The Asian Economic Crisis: A Study in the Politics of Resentment
- 03/98, March K Bhattarai & J Whalley
The Division and Size of Gains from Liberalization in Service Networks
- 04/98, March J Driffill & M Miller
Wages, the Maastricht Treaty and German Unemployment
- 05/98, February H Edison, P Luangaram & M Miller
Asset Bubbles, Domino Effects and Lifeboats: Elements of the East Asian Crisis
- 06/98, May D Leech
Power Relations in the IMF: A Study of the Political Economy of A Priori Voting Power Using the Theory of Simple Games
- 07/98, May T To
Dynamics and Discriminatory Import Policy
- 08/98, June W Grant
Globalization, Comparative Political Economy and the Economic Policies of the Blair Government
- 09/98, July L Abrego & Carlo Perroni
Free-Riding, Carbon Treaties, and Trade Wars: The Role of Domestic Environmental Policies
- 10/98, August B Lockwood
Distributive Politics and the Benefits of Decentralisation
- 11/98, July M Miller & P Luangaram
Financial Crisis in East Asia: Bank Runs, Asset Bubbles and Antidotes
- 12/98 July B Anderton & P Brenton
Outsourcing and Low-Skilled Workers in the UK
- 13/98, July D Spinanger
Textiles Beyond the MFA Phase-Out
- 14/98, July J A Scholte with R O'Brien & M Williams
The WTO and Civil Society

International Studies in Europe

The Centre has agreed to become the home for International Studies in Europe: The Newsletter of the Standing Group on International Relations of the European Consortium of Political Research (ECPR). The Newsletter will be edited by Dr Nicola Phillips of the Department of Politics and International Studies at Warwick and Centre Associate.

Future editions of the Newsletter will include news of job movements, appointments, conferences, calls for papers, new journals, new books, research activities and will be produced three times a year. Please contact Nicola Phillips if you would like to submit material or have any general enquiries regarding the Newsletter.

Email: N.J.Phillips@warwick.ac.uk.

If you would like to receive future editions of the Newsletter, please send details of your correspondence address, telephone/fax numbers and Email address to:

Email: ISINEUROPE@warwick.ac.uk

Fax number: 01203 572548

AccessAsia

The Centre has become the British partner in the AccessAsia project organised by the National Bureau of Asian Research (NBR) in Seattle. The project tracks over 3,000 leading academic, government, and private-sector specialists on Asia across the world, making it the most comprehensive resource of its kind. In addition to Warwick, the consortium members are:-

Australia, *The Research School of Pacific and Asian Studies, The Australia National University*

Canada, *Asia Pacific Foundation of Canada*

China, *Chinese Academy of Social Sciences*

Germany, *Institut für Asienkunde*

Indonesia, *Centre for Strategic and International Studies*

Japan, *The International House of Japan, Inc.*

Korea, *Center for International Studies, Seoul National University*

Malaysia, *Institute for Strategic and International Studies*

The Netherlands, *International Institute for Asian Studies, Leiden University*

The Philippines, *Institute for Strategic and Development Studies*

Singapore, *Institute for Policy Studies*

Taiwan, *Institute for International Relations, National Chengchi University*

Thailand, *Institute of Security and International Studies, Chulalongkorn University*

United States, *The National Bureau of Asian Research*

Since 1991, NBR has published an annual directory, "AccessAsia: A Guide to Specialists and Current Research". The Directory acts as a phone, fax, email, and address directory; a source of biographical information; and, most notably, a listing of the current policy-relevant research projects of the world's premier experts on contemporary Asian affairs. As of January 1998, the entire AccessAsia database is available to a global audience through the AccessAsia website, which also includes specialist discussion forums, extensive links to Asia news sources and research organizations, and the "AccessAsia Review".

The website address is www.accessasia.org. For further information on access to the database or the global activities of NBR, please contact the NBR at:

4518 University Way NE
Suite 300
Seattle
WA98105
aasia@nbr.org

To find out more about AccessAsia in the UK, or to discuss an entry in the database, please contact Shaun Breslin at the CSGR

CSGR WEB SITE: A SUMMARY OF THE AVAILABLE ONLINE INFORMATION

(<http://www.warwick.ac.uk/fac/soc/CSGR/>)

- [CSGR Information](#)

This section includes an "Introduction to the Centre" by CSGR Director Richard Higgott, an "Address and Who to Contact", and a "How to find us" sub-section.

- [CSGR Publications](#)

This section contains the following information:

CSGR Working Paper series

Hot Topics: Research on Current Issues

Recent Publications by CSGR Staff

CSGR Newsletter

Warwick Studies in Globalisation Series to be published by Routledge

The World Economy

The Pacific Review

The Working Paper series, and the Hot Topics section contain documents that are freely available online.

- [Researchers and Staff](#)

Offers a description of CSGR staff's research interests and activities. This section also contains information on researchers that are on secondment to the Centre.

- [Research Agenda](#)

A summary of the CSGR's research agenda by Richard Higgott (Director)

- [Research Projects](#)

A listing of the various research projects undertaken within the Centre.

- [The Global Financial Crises: a CSGR Perspective](#)

A new section in which CSGR researchers present their latest research on the ongoing global financial crises.

- [Seminars, Workshops and Conferences](#)

A timetable of ongoing research activities at the Centre.

- [What's New](#)

A section aimed at keeping visitors to our web site informed with the latest developments occurring in the Centre.

- [Links to other Web sites](#)

Links to web sites of organisations with similar interests and activities as the Centre.

- [International Advisory Board](#)

A listing of the international advisory board of the CSGR.

- Who's visiting CSGR

A list of past, current and future visitors to the Centre.