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Journal of International Relations

Universal Impact: Consequences of Globalization

Special contribution by Richard A. Clarke:
Two Sides of Globalization

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Letter from the Editor

Dear Readers,

It is my great pleasure to present the eighth edition of the Journal of International Relations, produced in partnership by the Epsilon Chapter of the Sigma Iota Rho National Honor Society for International Studies (SIR) and the International Relations Undergraduate Student Association.

With the release of each new volume, the *Journal of International Relations* staff have endeavored to improve the quality of the publication's contents, the breadth of its readership, and the attractiveness of its visual appearance. This new installment is no different: articles have been chosen from an extensive submission base, the circulation surpasses that of previous years, and the formatting and stylistic achievements are superior.

Our staff's most significant contribution, however, is the inclusion of an introduction by an expert in the International Relations field. We are extremely proud to be able to include an exceptional and insightful commentary by long-time national security advisor Richard Clarke. Mr. Clarke has both a brilliant mind for security matters and a powerful sense of honesty: his candid behavior following the terrorist attacks of September 11, 2001, should serve as an example for all of us. We applaud you, Mr. Clarke, for your scholarly prowess and moral fortitude and thank you for your contribution.

This edition marks the fourth year that the University of Pennsylvania's International Relations Program has been home to SIR's national headquarters and the third year that the *Journal* has been produced with nationwide collaboration. We continue to integrate and link individual chapters across the country together in a greater SIR community. While the *Journal* is still shy of realizing 25 percent participation, this year the number of different schools involved is the highest it has ever been. From the participants in our Peer Reviewer delegation, to the diversity of the contributing authors, eight different universities are represented in the published journal. We are proud to have Loyola University of Chicago, James Madison University, Baylor University, University of South Carolina, University of Michigan, Brigham Young University, and Kansas State University as part of our select group of staff members and published authors. This is just one step further in developing what we hope will become a journal that represents all the SIR chapters nationwide.

I would like to thank University of Pennsylvania's Student Activities Council for providing funding for the *Journal* and our contact at Boyd Printing Co. for his help and support. The publication of this periodical would not have been possible without the guidance of Dr. Frank Plantan and the assistance of Donna Shuler. Ultimately, however, the success of the eighth annual *Journal of International Relations* is due to the outstanding and dedicated work by my staff members. Thank you all for your tireless devotion.

Sincerely,
Julia Barmeier
Editor-in-chief

Two Sides of Globalization
Special contribution by RICHARD A. CLARKE

We like to think that we are the generations who live at the beginning of the Global Era, but we are hardly the first who have thought that. The explorers and settlers who came from Europe to the Americas in the 17th and 18th centuries had such thoughts, as did the later traders who opened up Asia to commerce with Europe and the Americas. Historians make persuasive claims that Ghengis Khan and Alexander the Great opened new eras of exchange and created systems for extensive and continued relations among cultures in Europe and Asia. What then has made the last few decades different?

Richard A. Clarke

Global communications is now instant and easily affordable to a mass audience. Most barriers to international travel and trade have been eliminated. Global migration of individuals for entertainment, education, or employment is commonplace. When something of significance happens anywhere in the world, we expect to see it instantly.

This greatly enhanced connectivity is creating a constantly accelerating process of technological change and knowledge expansion. The constant acceleration is occurring because the more minds able to be placed on a task, and the more shared information easily available to them means that problems will be solved more quickly. We can think of this process as akin to the Open Source software movement, where any player anywhere has equal access to the code and anyone can make the product better.

There is, however, a dark side to globalization, as Bill Clinton began observing publicly in the mid-1990s. He noted then the rise in international crime cartels, global terrorist groups, and the potential for what he called "emerging infectious diseases."

Globalism means that a problem that was once likely to have a near-term, significant effect only locally, may now be quickly global in nature. Problems in some Islamic societies produces a global threat of jihadism. A local phenomenon of eating a breed of monkey creates the global threat of AIDS. Regional customs of keeping certain birds in proximity to humans may produce a global pandemic of Avian Flu.

The spread of knowledge includes the dissemination of destructive skills, such as how to make bombs. The global communications system permits the easy creation of communities of interest, including those communities who share a motivation to violence. Increased migration, trade, and communication exposes the average citizen in one culture to the differences of other cultures. Often those cultural differences produce misunderstandings, resentments and animosities. Some in isolated cultures feel threatened and believe their unique attributes will be lost to the global homogenization process, or to a culture that may be dominant within the global system.

Reflecting on this phenomenon shortly after 9-11, Clinton mused that we may someday think of the al Qaeda movement as part of the last gasp of the anti-globalists. The jihadists are, however, globalists. They are masterfully utilizing the new global communications and transportation systems to their full advantage. The declared goal of many of the jihadists is a global outcome: one Caliphate or theocracy in which all humans are practicing the form of Islam that the jihadists advocate. In short, they accept the notion of a homogeneous global society; they simply want it to be based on their beliefs and they are willing to achieve it by the use of force.

Those of us who believe in multi-culturalism and diversity, who value civil rights and civil liberties, must become as adept at protecting these values in the Global Era as those who wish to take advantage of new technologies and connectivity to destroy those values. To do so, we must first understand better the changed nature of this Global Era. This volume helps us to do so.

Richard A. Clarke served the last three presidents on the National Security Council Staff, establishing a record for continuous service in White House national security policy positions. Until March 2003 he was a career member of the Senior Executive Service, having begun his federal service in 1973 in the Office of the Secretary of Defense as an analyst on nuclear weapons and European security issues. In the administration of Ronald Reagan, Mr. Clarke was the Deputy Assistant Secretary of State for Intelligence. In the George H. W. Bush administration, he was the Assistant Secretary of State of Politico-Military Affairs and then a member of his NSC Staff. He served for eight years as a Special Assistant to President Bill Clinton and served as National Coordinator for Security and Counterterrorism for both President Clinton and President George W. Bush. From 2001 to 2003, he was the Special Advisor to the President for Cyberspace Security and Chairman of the President's Critical Infrastructure Protection Board. He is now chairman of Good Harbor Consulting.

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Clifford Jones

Technology Transfer to Developing Nations:

A Review of Frameworks in the Literature and the Proposal of a New Framework

University of Pennsylvania

Why is technology transfer important?

United Nations Conference on Trade and Development (UNCTAD), the World Bank, the World Trade Organization (WTO), certain non-government organizations (NGOs), the governments of developing and less developed nations, and branches of the governments of several altruistic developed nations, such as Japan's Official Development Agency, all share a common goal: the economic growth of the developing and less developed world. One attempt to accomplish this has been through direct monetary transfers from the more developed to the less developed countries. The literature shows, however, that these types of pure grants can cause moral hazards for the government of the developing country.[1] In addition, a direct monetary transfer to a developing country can actually hurt the country receiving the aid if it has a significantly negative impact on the country's terms of trade.[2] The aforementioned groups have come to recognize the inherent shortfalls to direct monetary transfers, and thus have been focusing on a different way to stimulate economic growth in the developing world: technology transfer.

Technology is widely believed to be one of the most important drivers of economic growth.[3] It follows, therefore, that a transfer of technology from developed countries to the developing world is one way to alleviate poverty through industrialization. In fact, technology transfer has been called the "engine" of economic growth in the developing world.[4] It has been suggested that technology transfer can also be used as a bargaining chip to get developing nations to agree to environmental or intellectual property regulations shows its importance.

These demonstrations of the importance of technology transfer do not say, however, how technology transfer could be accomplished or what key factors inhibit or promote its success. One such important and widely accepted factor is foreign direct investment (FDI). In an effort to increase technology transfer, the governments of some countries provide incentives in an attempt to attract FDI. One example is China, which actually promotes a specific type of FDI, the joint venture, by providing tax advantages to companies that participate in joint ventures with multinational corporations (MNCs).[5] China has also recently been focusing on reverse FDI through acquisitions of firms in developed nations by large Chinese government-owned corporations.[6] The China Na-

tional Offshore Oil Cooperation (CNOOC) is a prime example of an attempt at this type of acquisition. Not all FDI, however, leads to successful technology transfer since technology transfer is a complex process.

Technology transfer as a complex process

The reality is that technology transfer is a complicated process that can not be solved by simply stimulating FDI or acquiring high-tech machines. We must remember that the goal of MNCs and local corporations, the participants in FDI, is not technology transfer, but rather profitability.[7] The transfer of technology though FDI is often no more than unintended spillover.[8] An even worse attempt at transferring technology is the acquisition of high tech machines from overseas. The machines contain what has been termed "embedded technology"[9] and have been said to "constitute a substitute for the transfer of the technology which would have been necessary to produce [the machine] locally."[10] In technology transfer, it is the knowledge, skills, and organizational structures that are much more important than the physical objects. This human capital is the reason why Western Europe was able to rebuild so rapidly after WWII despite the fact that the majority of its physical structures were destroyed.[11] Europe's human capital contributed massively to its high absorptive capacity. This ability to "assimilate, adapt, modify, and generate technology is critical to an effective transfer of technology."[12] The United Nations (UN) calls a country's absorptive capacity its Indigenous Technological Capability (ITC). A society with a well developed ITC has, among other things: an understanding of its technological needs, an effective policy on technology and its acquisition, the ability to evaluate the appropriateness of the technology being imported, negotiating ability, technical and organizational skills, the ability to adapt technology to local conditions, an infrastructure and raw materials, and the ability to solve problems using its own resources.[13]

Frameworks: an order to the chaos

The complexity of the technology transfer process has led many researchers to create frameworks to simplify the process of technology transfer to a level that allows the reader to make informed decisions for the organization ze[14] represents. These frameworks portray technology transfer through a particular lens. They have an intended audience, whether it be corporations, world organizations, or governments. Also, the *intended use* of the frameworks varies and could be used "to assist in selecting appropriate technologies," or "to help develop policy that will attract FDI." Each framework's scope can be global (the overall impact of technology transfer), macro (one developing country), or micro (one technology and one developing country). A framework's *timeframe* can be short-term or long-term, and the channel on which it concentrates may be commercial or non-commercial transference mechanisms. In addition, each framework has certain embedded *assumptions* and *simplifications*.

In the remainder of this paper, I want to accomplish two goals. First, I will present a series of frameworks for technology transfer that have been proposed in the recent literature. This includes Young's "technology channel," an economic framework, and a framework presented by Goel Cohen in his 2004 book *Technology Transfer: Strategic Management in Developing Countries*. All of these frameworks have significant drawbacks, which I will highlight. Secondly, I will present the beginnings of my own framework, which differs from the previous models in its intended audience, timeframe, focus, intended use, and the assumptions and simplifications that it makes. Cohen's framework took an entire book to fully flesh out. The framework I am proposing would require a similar length to thoroughly cover, so I am merely proposing its outline.

The technology channel framework:

The "technology channel" framework shown in figure 1 was proposed by Stephen Young and Ping Lan in 1997.[15] The framework is similar to Porter's-five-forces because it shows how five forces – the home country's government, the host country's government, the technology sender (a MNC), the technology receiver (a local corporation or branch of the MNC), and the nature of the technology itself – all affect the flow of technology through the "technology channel" to the developing country. It is also very "actor-centric" because only one out of the five forces, the technology, is not an actor who makes decisions. Furthermore, the framework assumes that the actions of corporations are inevitable (profit maximizing) and are so heavily influenced by the regulatory environment that
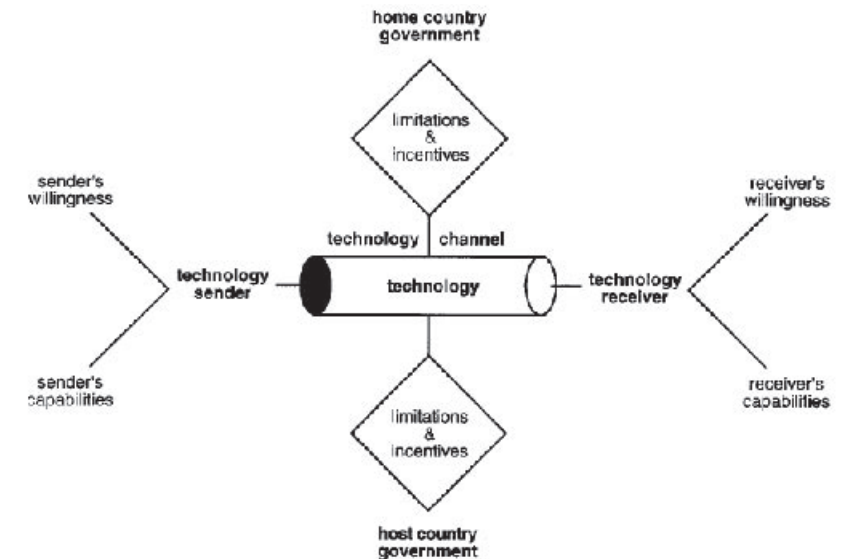
Fig. 1. *Basic model of international technology transfer through FDI*
Source: Based on SMALL, 1985; UNCTC, 1987.

governments can effectively control the actions of corporations by simply modifying their regulatory environment.

Young and Lan pay special attention to both the *capabilities* and the *willingness* of the technology senders and receivers. They define the sender as an MNC functioning either as a foreign investor and technology owner, or as a technology middleman. The technology receiver in their framework is less strictly defined. It could be a private enterprise, a state-owned firm, local personnel, local suppliers, local customers, and/or local competitors.[16] The point Young and Lan wish to make is that, while both the sender and receiver may be perfectly capable of transferring technology, they both must be willing to do so—or no transfer will take place. They point out that corporations are profit-driven enterprises, and thus, any technology transfer that occurs does so accidentally or for a profit-seeking reason. Once both the senders and receivers of technology are established as profit-maximizing entities, their actions are deemed predictable and Young and Lan delegate them to the category of dependent variables.

This leaves Young and Lan free to play with their desired independent variable, government policy. By performing a case study on several Chinese provinces, they attempt to reveal some of the government policies that are best suited to promoting technology transfer. They surveyed both the senders and receivers in joint ventures, licensing arrangements, and wholly owned subsidiaries about both their willingness

and capability to transfer (or receive) technology. The results of these surveys was that FDI suffered from a predilection to use highly embedded technology that was not easily absorbable by the local population.[17] Of all the types of FDI, however, joint ventures were the most beneficial because of the amount of "soft" (not embedded) technology that they transferred.[18] The Chinese government had recognized this and provided special tax breaks to joint ventures; however, this plan backfired as many corporations set up minimal joint ventures simply to reap the tax benefits.[19] The main conclusion of Young and Lan is that, "[t]he Chinese government policy has the effect of encouraging the quantity rather than the quality of FDI."[20] They were able to come to this conclusion because they paid a high degree of attention to how well technology was being absorbed, not just how much was being imported. It is important to note, however, that Young and Lan only focused on the very immediate results of Chinese government policy. This short-term approach, along with the strict focus on how government policy affects corporate behavior, are the biggest shortcomings of the model. Nevertheless, it serves an important purpose in showcasing the ineffectuality of some Chinese government policies.

The North-South economic model

The "North-South" hypothetical economic model has been examined quite comprehensively in the literature in varying levels of detail. One economic model, published by Benarroch and Gaisford in 2004, is particularly applicable to the topic of technology transfer. It is entitled "Foreign Aid, Innovation, and Technology Transfer in a North—South Model with Learning-by-Doing." The economic model examines a world where the North is more technologically advanced than the South, innovation only happens in the North, and there is some degree of technology transfer from the North to the South that occurs naturally. It is found that when a direct monetary transfer is sent from the North to the South, there is a short term benefit to the South. However, the aid decreases productivity in the South by lowering the marginal propensity to work and deteriorating the terms of trade, and thus, results in long term decreases in both learning and technology transfer in the South. This results in a situation that is bad for both the North and the South.[21]

While the conclusion that pure aid may cause harm in the long run may come as a surprise, Benarroch and Gaisford's next conclusion should not. They subsequently examined what would happen if the foreign aid was in a form that promoted both learning and technology transfer.[22] An example of this type of aid program is one where the Northern tax payers subsidized a training program in which some Southerners were trained in the North and some Northerners trained workers in the South.[23] This type of aid program, not surprisingly, helps out the South and, most likely, the North in the long run.

Benarroch and Gaisford's North-South model is very simplified and, like many economic models, cannot be directly applied to the real world. However, it has two distinct benefits over the more practical frameworks for technology transfer. First of all, it is able to show quantitatively that pure monetary gifts to poorer countries run the risk of harming that country by impeding learning and technology transfer. Second, the scope of this model is global. The distinctly global scope of this model allows it to look at technology transfer from a worldwide utilitarian perspective. From this vantage point, it is unambiguously clear that technology transfer of any type is beneficial for every economy in the long run. The model does point out that a gain is not as certain for the North in the long run and very unlikely for the North in the short run. With the current sentiment in the U.S. being one of high intergenerational discounting, I question whether this kind of result is one that would make the U.S. any more likely to promote technology transfer. I expect that U.S. citizens would prefer to exploit their temporary technological advantage instead of promoting long term global growth.

Cohen's framework

Cohen's book at first seems to present a very comprehensive framework for the analysis of technology transfer, but a careful examination of the book reveals limitations and shortcomings of the framework that the book never explicitly states. One implicit assumption of Cohen's framework is that the developing country being examined must have a branch of government specifically devoted to the transfer of technology in order for the framework to apply. Furthermore, this government branch must *centrally plan* the process of technology transfer.

Another shortcoming of Cohen's framework is its failure to live up to its promise to analyze the factors that affect not just the importation of technology, but the absorption and perpetuation of technology. Cohen's goal is to help the governments of developing countries choose "appropriate" technologies. "Appropriate" technologies are ones that can be imported, absorbed, and perpetuated by the developing country. Cohen's framework, however, only examines factors that affect the importation of technology. As this framework is laid out, the importance of the absorption and perpetuation of technology is mentioned, but the factors that affect them are not well examined. Despite not explicitly stating his assumptions and dancing around the topics of absorption and perpetuation, Cohen does lay out a framework that, given the stated and unstated assumptions, does a good job of analyzing the process of technology importation in developing countries.

Cohen's book starts out with a definition of technology that categorizes it into four varieties: 'orgaware,' 'humanware,' 'technoware,' and 'infoware.'[24] This categorization system is based on the medium in which the technology is embodied: institution, person, object, or document, respectively.[25] Technoware is the "hardest" type of technology since it is the most embedded. It includes tools, equipment, and facilities. Humanware consists of skills, knowledge, expertise, and proficiency. Infoware is documentation. Orgaware is the set of linkages and arrangements necessary to integrate related technoware, humanware, and infoware. Orgaware is organizations, communication channels, groupings, and other management practices. A successful transfer of technology would include all four forms of technology.[26]

After defining the four types of technology transfer, Cohen proceeds to lay out his framework. This framework is designed to assist the technology planning arm of a developing nation's government in deciding which technology it should acquire. The technology supplier is assumed to be an MNC, since that is almost always the case.[27] A bridging agency, such as the World Health Organization (WHO), the United Nations Development Program (UNDP), or UNCTAD is assumed to form the link between the developing country and the MNC and provide leverage over the MNC.[28] Because of the involvement of intergovernmental agencies, Cohen considers these types of technology transfers to be non-commercial technology transfers. It is these non-commercial technology transfers, including infrastructure projects, agricultural projects, and the training of foreign students, that his model considers.

In order for the government of the developing country to choose what technology to import, Cohen argues that it must examine what he calls the three subsystems of technology transfer.[29] These subsystems, shown in Figure 2, are the technology supplier (a MNC), the international financing and support system (multilateral and bilateral aid agencies and development banks), and the developing country's system of technology transfer for national interests (a government run program).

The technology supplier is sometimes the government of a developed country, but is almost always an MNC. These MNCs have profit incentives and thus do not want to give up control of technological information that they possess.[30] According to Cohen, this is why technology transfer must be centrally planned in order to accelerate its growth.[31] Cohen recognizes that MNCs do transfer technology to developing countries through

Figure 2　　Technology transfer as an interrelated and comprehensive system

S$_2$: International financing & support system

Multilateral aid agencies
Bilateral aid agencies
Development banks

Technology suppliers (e.g., multinational corporations)

S$_3$: Major international technology suppliers

S$_1$: Developing (host) country's system of technology transfer
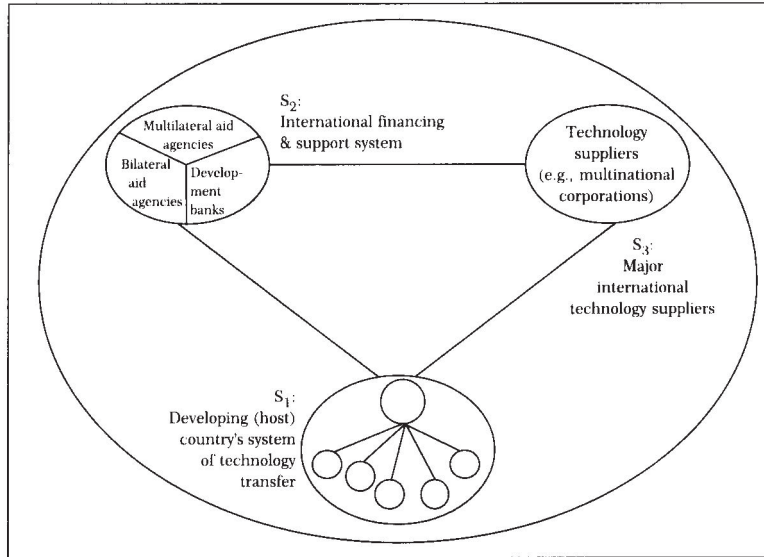
wholly owned subsidiaries, joint ventures, and licensing agreements.[32] However, he restricts his framework to the analysis of non-commercial technology transfers.[33] Thus, in Cohen's model, MNC's must have pressure put on them or be paid by international bridging agencies.

These bridging agencies are the "international financing and support system" in Figure 2. The policy declarations of the UN and other bridging agencies must be carefully monitored by the governments of developing countries.[34] In order to maximize the funding they receive for technology transfer, these countries must heed the environmental, humanitarian, economic, and political goals of these international organizations.[35]
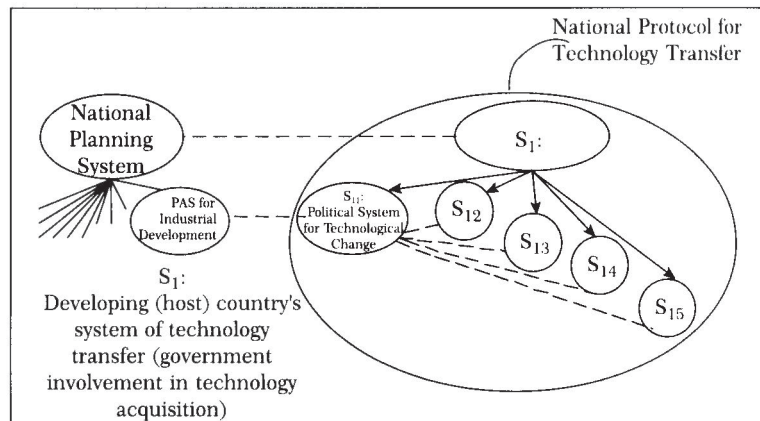
Cohen's framework goes into much greater detail with regard to the third subsystem, the host country's system of technology transfer, subsystem S$_1$ (see Figure 3).

Figure 3　　Institutional infrastructure for technology transfer and industrial development taking into account government involvement

National Protocol for Technology Transfer

National Planning System

PAS for Industrial Development

S$_{11}$: Political System for Technological Change

S$_{12}$　S$_{13}$　S$_{14}$　S$_{15}$

S$_1$: Developing (host) country's system of technology transfer (government involvement in technology acquisition)

Cohen considers a very politicized, bureaucratic system for technology transfer within the developing country. This is a limitation of the framework because many countries cannot afford to dedicate the vast amount of government resources necessary for this type of political machinery. Yet, Cohen points out that many developing countries have now politicized technology transfer to this degree.[36] While this network of subsystems shows a very specific way that a country may internally organize its technology transfer government branch, Cohen does not flesh out how the transfer of technology is handled by the system.

A more useful way of looking at technology transference within a country is Cohen's model of the forces affecting it (Figure 4). This framework works equally well for commercial and non-commercial forms of technology transfer. The five forces in Cohen's framework are: the changes in the indigenous technological capabilities, socio-cultural changes, changes in the developing country's economy and human resources system, changes in the developing country's political system, and changes in international relations.[37] These forces affect governmental policy, the amount of technology supplied by MNCs, and the demand for technology within the country. In turn, these define the technology transfer protocol, or the path by which technology is transferred.[38] It should be noted that the demand, supply, and government policy only directly affect the importation of technology, and not its absorption or perpetuation. The forces that Cohen proposes,

Figure 4　　External and internal forces affecting changes in protocol

Technological change
Changes in society and individual lifestyles
Changes in economy and human resource system
Changes in political system
Changes in international relations

Demand
Government Policy
Supply

Technology Transfer Protocol
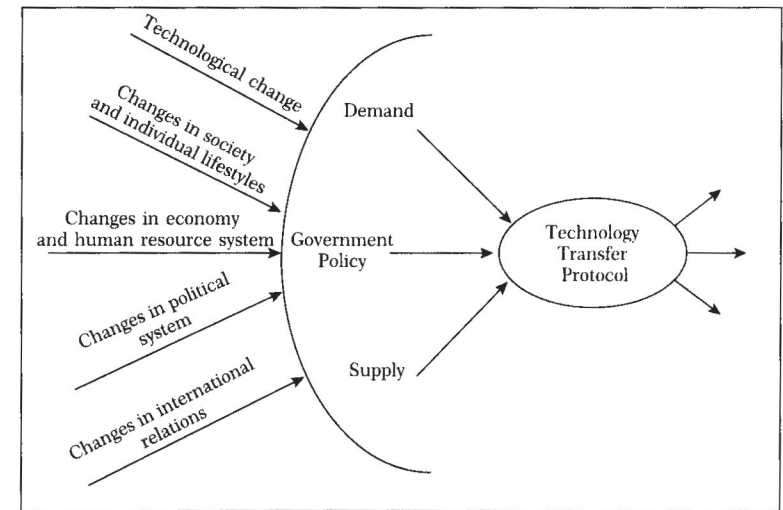
however, do affect the absorptive and perpetuative abilities of the developing country, although he does not show these effects in his model. Perhaps since these changes to the indigenous absorptive abilities take time, Cohen may have seen them as being beyond the scope of his short term framework.

My framework

I chose to develop a framework that looked at the mechanisms of technology transfer from a very different angle than the other frameworks. I did not want to build a quantitative model because I wanted to be able to focus on enough of the factors that affect technology transfer that my framework would be applicable in the real world. Thus, I have built a qualitative framework that differs from the "technology channel" framework and Cohen's framework in several key ways. The most significant difference between

these frameworks and my framework is that they are both actor-based while mine is process-based. The reason I chose a process-based framework is that I wanted to draw attention to the differences between the various stages of the technology transfer process and to examine them individually. As mentioned above, I believe that the "technology channel" and Cohen's frameworks only covered thoroughly the importation process. Even the smaller process model that Cohen presented alongside of his main model did not adequately capture the absorptive and perpetuative stages in technology transfer.

The fact that my model places an explicit emphasis on the factors influencing absorptive and perpetuative capabilities, and how those capabilities change over time, means that it has a much longer time frame than either Cohen's or the "technology channel" frameworks. This long time horizon limits my model somewhat in that it prevents it from being used as a tool to choose "appropriate technologies." Instead, it is a tool for governments and multinational organizations to use to determine how policies will affect a developing country's long-term technology transfer capabilities. Like the other models, my model assumes that the primary source of technology is MNCs and that the nation is at peace. It does not assume, however, the existence of a robust technology transfer branch of the government or that the country is one of the more developed developing countries.

My model, which I shall call the "process oriented" technology transfer framework, is shown in Figure 5. The bottom of the framework shows my process-oriented view of technology transfer. There is a global technology base that resides in developed countries. MNCs take some of that technology with them as they enter a developing country. In order for technologies to be absorbed once they are in the country, there must be some level of involvement of locals with the MNCs. Wholly owned subsidiaries may hire some locals or none at all. Joint ventures between a foreign and a local firm provide the most opportunities for technology absorption.[39] Likewise, licensing of technology by local firms proves ample involvement of locals in the process. Turnkey projects, in which a foreign company constructs something and then leaves, are the least beneficial because of the extremely low local involvement.[40] Another barrier to technology absorption is
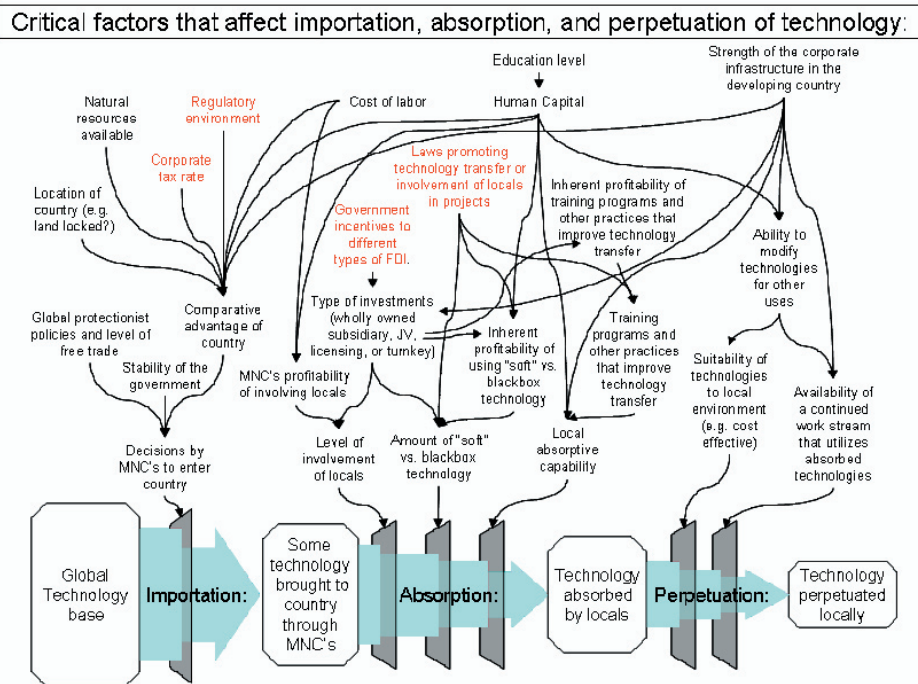
how "embedded" the technology is.[41] Imported computers, for example, teach their users little about how they are manufactured. Finally, the absorptive capability of the local populations has the greatest effect on how much of the technology imported by MNCs is absorbed.

To perpetuate a technology, there must be a continuing use for it within the developing country.[42] This use must be profitable, so if the technology is not cost effective without MNC assistance, then it will not be utilized. In addition, there must be a steady stream of work in order to keep the tacit knowledge gained by local corporations alive. However, even if the technology can not be used for its original purpose, the locals may adapt the technology and find other uses for it. These adaptations develop a great understanding of the technology and ensure its perpetuity. The right bottom corner of figure 5 shows the total amount of technologies successfully perpetuated by a developing country. These perpetuated technologies contribute greatly to human and corporate know-how and push the country towards a benevolent cycle of development.

The complicated system of arrows in the upper part of my framework demonstrates the cause and effect relationships that eventually affect the technology transfer process. For simplicity's sake, feedback loops such as the effect that hiring locals has on the cost of labor are not shown in the diagram. The effect a proposed policy change would have on technology transfer can be examined by first determining what the policy change will affect and then ascertaining the resulting effects. For example, let's see what would happen if the government of the developing country originally had unionization illegal, but passed a law allowing unionization of workers in firms that are more than 50% foreign owned. This policy would increase the cost of labor in the country which therefore decreases the country's comparative advantage and reduces the level of foreign investment. It also makes it more beneficial for MNC's to enter into licensing agreements or joint ventures instead of investing in wholly owned subsidiaries. These forms of FDI are more conducive to the absorption of technology. Besides those two main effects, several smaller ones may happen as well. Depending of the way that the unions decide to behave, they may push for more training which would further increase the country's absorptive capability. They may also use their organizational structure to strengthen the corporate infrastructure by facilitating the flow of information between organizations. This would improve the country's ability to absorb and perpetuate technology. The key question here is will the decrease in the competitive advantage of the country outweigh the numerous good effects the unions could bring? I would say for most countries, the answer is yes. Indeed, some of the good effects may not materialize as unions sometimes cause laziness and apathy.

Besides providing a way to analyze the effects of any policy change, my framework demonstrates not only that human capital and an organizational system are the most important contributor to the technology transfer process, but also why they are the most important. A quick look at the arrows flowing from human capital shows that it has major influences besides facilitating the absorption and perpetuation of technology directly. More human capital influences corporations to provide "soft" instead of blackbox technology and thus provides another benefit towards the absorption of technology. In addition, human capital increases the comparative advantage of the country making firms more likely to invest a diversity of operations there. An increase in human capital in India and China is what has lead to the increased outsourcing of white collar jobs, which have more potential for technology transfer, to those countries.

The other most important factor in my framework is the strength of the corporate infrastructure in the country. It is this infrastructure that makes joint ventures and licensing arrangements possible and adds to the comparative advantage of the country. However, the corporate infrastructure's main benefits come from the institutional learning that it allows. This vastly enhances the absorptive and especially the perpetuative capabilities of the country. The post-Fordian supply chains that a complex corporate infrastructure has

Figure 5: Proposed "process based" framework for technology transfer to developing countries

provide many channels for technology to be leaked throughout the country.[43]

      With the knowledge provided by the framework, what actions can a government take to improve the technology transfer capabilities of its nation? Besides influencing the levers of the framework which are directly government controlled (shown in red), it can also make efforts to increase the quality of its country's human capital and corporate infrastructure. The most obvious way a country can increase its human capital is to provide greater education to its citizens. Two less conventional ways are reverse brain drain, through the hiring of expatriates from developed countries, and through consulting services. Consultants nowadays emphasize that they don't only solve a client's problems, but they teach the client how to solve those problems themselves in the future. Consultants are increasingly being hired by developing countries in order to develop their technological know-how and facilitate technology transfer.

Conclusion

      Technology transfer to developing countries is a complex, yet important, area of study. Technology transfer provides a path for the developing world to catch up to the developed world, but often the correct route to take on this path is unclear. Despite the unsolved issues regarding technology transfer, it is important for frameworks to be developed so that governments of developing countries and organizations like the UN can develop policies that promote technology transfer more successfully.

      Several authors have attempted to build frameworks through which we can understand technology transfer. Each of these frameworks views technology transfer through a different lens and so each is best suited to a different, specific purpose. I have reviewed three of these technology transfer frameworks and highlighted their capabilities and limitations. Finally, I proposed my own framework that looks at the process of technology transfer from another angle. My framework is different from the other two qualitative frameworks for two reasons. First of all, my model takes a process based approach, not an actor based approach. This allows it to differentiate the importation, absorption, and perpetuation of technology and analyze the three processes independently. It also allows for an examination of how any one change in policy will affect each of these three processes. Secondly, my framework is one that can be used to develop long-term technology transfer policies. It is able to do this because it considers how the absorptive and perpetuative capabilities of the nation change over time.

      Each of the models has its own purpose and area in which it excels. The quantitative "North-South" economic model has an important place in the development of economic theory. The "technology channel" framework and Cohen's framework both present a short term guide to choosing the most "appropriate" technologies. My framework provides a long-term view of the processes of technology transfer that includes the importation, adoption, and perpetuation of technology. I believe that my model could be a useful tool to assist in the development of long-term, overarching policies that promote the transfer of technology to developing countries.

Endnotes

[1] Motoki 67.
[2] Benarroch 362.
[3] Cohen 20.
[4] Cohen 20.
[5] Young 676.
[6] Young 678.
[7] Young 674.
[8] Manra, 129.
[9] Young 674.
[10] emphasis added; Akubue 15.

[11] Akubue 16.
[12] Akubue 16.
[13] Akubue 17.
[14] I use the gender neutral pronouns of ze and hir where appropriate.
[15] Young 671.
[16] Young 671.
[17] Young 674.
[18] Young 674.
[19] Young 676.
[20] Young 676.
[21] Benarroch.
[22] Benarroch 373.
[23] Benarroch 374.
[24] Cohen 90.
[25] Cohen 90.
[26] Cohen 90-91.
[27] Cohen 124.
[28] Cohen 117.
[29] Cohen 130.
[30] Cohen 119.
[31] Cohen 119.
[32] Cohen 120.
[33] Cohen 117.
[34] Cohen 129.
[35] Cohen 129.
[36] Cohen 133.
[37] Cohen 134.
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[39] Young.
[40] Akubue.
[41] Young, Cohen.
[42] Devapriya.
[43] Devapriya.

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Figure 1 is from Young's work. Figures 2, 3, and 4 are from Cohen's Book. Figure 5 is of my own creation.

MONICA HORTOBAGYI

A Rosier Future For 'Rosas':
Crack Down on the Men Who 'Own' Them

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He promised her a better paycheck, a stable job, and the chance to move to the United States. He told little Rosa that she could be making so much more money collecting the linens and cleaning the rooms of hotel guests in Orlando, Florida than in her hometown of Veracruz, Mexico where she balanced her full-time job with looking after her brothers and sisters.

Rosa was 14 when she said goodbye to her parents and crossed the border. Her job description did not include being repeatedly raped by her smugglers and forced into having sex with men for money, and yet, alone in Orlando, Rosa found herself trapped in a web of sexual exploitation, domination, and violence: her innocence, freedom, and human dignity stolen from her with the goodbye kiss she gave to her family.

The frequency with which she was violated and the negligence of her captors to ensure that clients used condoms led to Rosa's becoming pregnant and being forced by her armed bosses to have an abortion, before being almost immediately sent to work again.

Although Rosa no longer lives under the control of her captors, she remains a prisoner to her past: shadowed by the shame that still clings to her and the residual distrust of people she has carried with her through the years.[1]

The way in which Rosa's life was so easily gambled and spent, the way in which her physical and psychological well-being were viewed as collateral in the mission of lining a pimp's back pocket, the way in which she was forced to suffer in silence without access to an aid agency, and the way in which she was completely powerless against the violation of her own body are some of the factors that compel social justice advocates to promote what they believe would be a better system: the legalization of prostitution around the world.

This paper will address the link between the global trafficking of women and domestic prostitution markets, the reasons that prostitution is the abuse of women (often young girls), and why the solution to this daily tragedy, exemplified in Swedish legislation, is not state-sponsored prostitution, but instead, the criminalization of masculine demand.

Pro-legalization advocates maintain that legalizing prostitution would sanitize the grime of unregulated conditions and wrestle control from the cruelty of underground "lords." Legalization, in their opinion, would reduce the horror in the daily global reality of human trafficking, which feeds prostitution at the domestic level, by laying down game rules and standards.[2] By removing the need to sneak around a strict law, pro-legalization advocates say, the women involved in prostitution might also be more willing to come forward and seek medical or legal aid without fear of prosecution or rough treatment. Some supporters even back the idea's financial implications for the State,[3] since the sex trade, after drugs and arms trafficking, comes in as the third most lucrative industry worldwide.[4]

As international trafficking of women continues to increase and present significant social challenges, public discourse is leaning more often toward establishing standards, i.e. legalizing prostitution. But doing this would only be bandaging, not healing, the wound that festers with gendered violence and inequality in our society. Thich Nhat Hanh writes, "You have to solve the problem on the level of the basement, not of the living room."[5] Reducing the demand for prostitution, and thus the profits resulting from trafficking women, is resolving the issue in the basement of society by starting with that society's mentalities and decisions.

Those who promote the legalization of prostitution often resign themselves to the conclusion that no society will ever be without this industry. Yet, Charles Winick, coauthor of *The Lively Commerce: Prostitution in the United States,* asserts:

> *Since prostitution has always been with us, it is often argued that it is an exercise in futility to control it…Merely because something has existed does not make it in any way socially desirable. For centuries slavery was in existence and it appeared to be a very important service in many different countries. However, we now recognize that slavery is unacceptable…*[6]

Winick draws a parallel between slavery and prostitution because, in both institutions, the victims are stripped of their individual freedoms and dignity; they lose even the control over their own bodies and the power to use their voice in self-defense. Although the United States and many other nations worldwide have abolished systems of racial slavery, we have overlooked – perhaps by negligence, perhaps with consciousness - the stain of sexual slavery on humanity, an invisible cancer in almost every society. Legalizing the mentalities and violence against women that are inherent to the practice of prostitution is not ultimately serving the women, but rather is affirming the actions of the men who feel they are justified in "buying" women and children.[7]

The connection between global trafficking of women and children and domestic prostitution is an idea that gains greater validity with each country that "decriminalizes" prostitution. The example of Amsterdam demonstrates that legalizing prostitution glorifies the institution of sexual slavery, which not only creates a safe space for pimps, but also increases the demand for the market and thus the need for more women.[8] In response to the United Nation's *Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children*, Sweden effectively addresses the problems of prostitution at the "basement level" with The Swedish Law That Prohibits the Purchase of Sexual Services. In addition to naming the "invisible men" whose actions were previously shielded by law, the Swedish government "articulates that demand has a gender and this gender is male…the Law states that prostitution is men's violence against women, and, as such, the Law prohibits the purchase of sexual services."[9] The Swedish Law goes one step further in acknowledging that:

> *Prostitution and trafficking in women are seen as harmful practices that cannot, and should not be separated; in order to effectively eliminate trafficking in women, concrete measures against prostitution must be put in place.*[10]

Both "businesses" go hand-in-hand. Prostitution creates a need for trafficking. Dorchen A. Leidholt, Co-Executive Director of the Coalition Against Trafficking in Women, develops the similarities and the perverted complimentary nature of the two practices in her speech "Demand and the Debate:"

> *What is the relation if any between prostitution and sex trafficking? The truth is that what we call sex trafficking is nothing more or less than globalized prostitu-*

tion. Sex industry profiteers transport girls and women across national and regional borders and "turn them out" into prostitution in locations in which their victims are least able to resist and where there is the greatest demand for them… Prostitution and sex trafficking are the same human rights catastrophe, whether in local or global guise. Both are part of a system of gender-based domination that makes violence against women and girls profitable to a mind-boggling extreme. Both prey on women and girls made vulnerable by poverty, discrimination, and violence and leaves them traumatized, sick, and impoverished. Both reward predators sexually and financially, strengthening both the demand and criminal operations that ensure the supply.[11]

Prostitution is trafficking: women and girls who are prostituted are moved from location to location in efforts to prevent the woman from ever gaining too much of a support system and because "customers demand novelty."[12] Trafficking in women, therefore, only adds an international element to an already forced "nomadic" lifestyle. Both methods of domination feed each other in a destructive harmony.

Prostitution is Abuse of Women

Few practices are so detrimental to an individual's physical, emotional, and psychological health as prostitution. Described by a former prostitute as "bought and sold rape,"[13] the practice of prostitution is a violent assault on a woman's sense of worth and state of health. Having worked as a rape-crisis counselor in the '70s, Leidholdt stumbled upon the relationship between the two behaviors when she began advocacy work for prostitutes.

What [the women whom I had counseled for rape] had endured as a one-time assault was the ongoing condition of women and girls in prostitution—a prolonged, numbing series of sexual violations carried out by multiple violators…in reality it was gang rape, and not just a single gang rape, but gang rape carried out day after day, for years.[14]

Leidholdt not only made the connection between rape victims and the "on-the-job" trauma that deepens daily for a prostitute, she also paralleled the "injuries that prostituted and trafficked women suffer"[15] as being "identical: post-traumatic stress disorder, severe depression, damage to reproductive systems, damage from sexual assault and beatings, and sexually transmitted diseases."[16] Also, cervical cancer, chronic hepatitis, frequent viral illness, eating disorders, backaches, headaches, stomachaches, sleeplessness, exhaustion, and vaginal infections are all health risks common to prostitution.[17]

In addition to the physical and emotional abuse that prostitution inflicts on the women, trafficked women suffer an acute degree of added psychological stress from the deprivation of their travel documents, the threat of deportation, and the initial (and often undefined) debt they owe to their traffickers, which "locks them into conditions of slavery."[18] Adding insult to injury, women are forced to work for the first 'x' amount (a quantity set by the pimp) of customers without receiving payment, in order to pay off the debt she owes for her trafficking. Below is a description of Thai women sent to Australia, a country that recently legalized prostitution:

All the women said they had no control over the number of clients they were made to service. In Australia, the brothel was a sex factory with a woman forced to take a minimum of 500 clients without payment, to repay a debt of A$40,000 that could be unilaterally increased…Living in conditions of complete bondage, these women were made to work 12 hours a day, 7 days a week to meet the target so that they could start earning money. Police admitted at least three Melbourne brothels used contract girls who had to sleep with 700 clients each, without payment, to meet their contract terms.[19]

There exists, arguably, no other institution in contemporary society that is so reminiscent of the slavery that existed two centuries ago: a system that deprived a people of their freedom, corporal and legal protection, and human dignity for the sole reason of their skin color, now lives on by targeting an impoverished percentage (hundreds of thousands, if not more) of the female gender with the same physical and financial dependence and captivity, verbal and corporal abuse, and utter humiliation. If she does not perform the work that's expected of her (often a standard that is unreasonably set), a prostituted woman is beaten or raped. When she experiences abuse, she has nowhere to turn for aid since often her "master" is her most frequent abuser. She is an invisible – an untouchable – not by definition but set apart from society's compassion. Her worth relies alone on the money she generates, most of which she will never see. She tires out quickly ("an anonymous pimp commented on the 'brief shelf life' of a girl in prostitution"[20]) with "premature old age" being a doctor's explanation of why on average, prostituted girls last only four years before "despair, degradation, decline, and early death" prohibit them from continuing.[21]

Our compassionate and just response to this human rights nightmare occurring every hour of every day somewhere in the world is *not* to legalize prostitution. Abandoning the women under the control of their pimps to state-sponsored prostitution speaks as an eternal sentence against respect for women and against ever attaining gender equality. Decriminalizing prostitution, following the example of Amsterdam and Australia among others, is taking a step backward in our human evolution and away from recent victories that recognize the non-sexual role of women in our world today. Let the United States not follow in the Australian town of Victoria's steps by "supplying naked women on the table at tea breaks and lunchtime,"[22] but move in the direction that Sweden has set. For, in Sweden, "it is understood that any society that claims to defend principles of legal, political, economic, and social equality for women and girls must reject the idea that women and children, mostly girls, are commodities that can be bought, sold, and sexually exploited by men."[23]

The "zero-tolerance" approach that Sweden has taken toward prostitution since January 1, 1999 has dramatically affected the vitality of the sex trade within the country's borders. The law's effectiveness can be seen most clearly when compared to Sweden's neighbor, Denmark, which has only 4.5 million inhabitants – half of Sweden's population size – yet nearly five times the number of women whose sexual services can be bought. In 1999, as the Swedish Law was just beginning to be enforced, there were approximately 2,500 women prostituted in Sweden, 650 of them were on the street. Ekberg reports that:

From 1999 until today, the number of women [in Sweden] involved in street prostitution has decreased by at least 30% to 50%, and the recruitment of new women has come almost to a halt. It is estimated that the number of women in prostitution has decreased from 2,500 in 1999, before the Law came into force, to no more than 1,500 women in Sweden in 2002," and that the "number of women in street prostitution in Sweden today is no more than 500.[24]

Compare these numbers to the lenient atmosphere of Denmark, which was estimated to have approximately 2,000 street prostitutes in the early 1990s and nearly 8,000 street prostitutes alone last year, not including the women confined to brothels and other environments.

Sweden has seen this decline in prostituted women because the Swedish Law brings forward the previously hidden pimps and customers, the "invisible men," and forces them to face the consequence of their demand. The crackdown in Sweden on pimps and traffickers reduces profits and creates many more complications, ultimately discouraging market growth. According to Ekberg, "In conversations recorded during crime investigations, pimps/procurers and traffickers have expressed frustration about setting up shop in Sweden and attracting customers who are willing to buy their women in prostitution."[25] The most challenging issues for a pimp or trafficker to dodge are a loss of time, and therefore money, since street prostitution is too risky and women must be accompanied to their next "appointment;" the growing fear in Swedish men of "being arrested and prosecuted

under the Law;"[26] and the necessity of 'apartment brothels,' whose locations are switched regularly to avoid police detection, and are consequently expensive to maintain and require greater networking. When countries such as the Netherlands, Germany, and Denmark are close and much more easygoing on the buying of sexual services, fewer pimps are choosing to risk the strict environment of Sweden.

       Addressing women's justice by reprimanding masculine demand, therefore, is an effective means of shrinking and controlling the web in which many women find themselves caught. The answer does not lie, as many believe, in legalization and decriminalization "a la Amsterdam or Victoria." Instead, the State "is responsible for assisting women to leave violent situations, including prostitution, and for providing women with access to shelters, counseling, education, and job training."[27]

       By addressing this societal weed that threatens to choke women of their dignity and our greater society of true interpersonal respect, citizens and legislators must begin at the basement level of the issue. Starting with the mentality that even permits "buying" another human being as a viable concept, governments must take the "hard line" with prostitution and trafficking, and instead underline the freedom and inherent dignity of <u>all</u> citizens. This attitude requires that a government punish the predators creating the demand, not the women who are trapped in the system. This also requires that the government provide a viable alternative to the women who believe that being dominated is their only chance at life. The government, as demonstrated by Sweden's example, should be a place that offers aid in assisting women that empowers them to escape from their captivity instead of an institution that will seek to perpetuate it.

Endnotes

[1] Rosa's story is taken from HumanTrafficking.com testimonies. They are available at: www.humantrafficking.com/humantrafficking/trafficking_ht3/who_victims.htm

[2] Janice G. Raymond. "Guest Editor's Introduction." *Violence Against Women,* October 2004, 1083-1086.

[3] Janice G. Raymond writes that the [International Labor Organization] "has proposed that recognizing and regulating prostitution as a normal economic sector would be particularly beneficial for poorer countries in Southeast Asia, and that revenues from the sex sector could be an enormous source of tax revenue to aid countries in financial crisis." Janice G. Raymond. "Prostitution on Demand: Legalizing the Buyers as Sexual Customers." *Violence Against Women*, 1162.

[4] "Trafficking the Traffickers." *The Guardian*, August 12, 2004.

[5] Thich Nhat Hanh, "The Practice of Peace," 148.

[6] Charles Winick. "Debate on Legalization of Prostitution." *Taking Sides: Clashing Views on Controversial Issues in Human Sexuality*, ed. R. Francoeur, 266.

[7] Raymond. "Prostitution on Demand: Legalizing the Buyers as Sexual Customers." 1156.

[8] Dorchen A. Leidholdt. "Demand and the Debate." The Coalition Against Trafficking in Women Conference, October 2003, 13.

[9] Raymond. "Prostitution on Demand: Legalizing the Buyers as Sexual Customers." 1158.

[10] Ekberg, cited *Ibid*.

[11] Leidholdt 11, 13.

[12] Leidholdt 19.

[13] Leidholdt 7.

[14] *Ibid*.

[15] Leidholdt 12.

[16] *Ibid*.

[17] Melissa Farley. "'Bad for the Body, Bad for the Heart': Prostitution Harms Women Even If Legalized or Decriminalized." *Violence Against Women*, October 2004, 1097.

[18] Leidholdt 11.

[19] Raymond 1171.

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[20] Farley 1097.

[21] Farley 1097.

[21] Raymond. "Prostitution on Demand: Legalizing the Buyers as Sexual Customers." 1164.

[22] Ekberg 1188-1189.

[23] Ekberg 1193.

[24] Ekberg 1200.

[25] Ekberg 1201.

[26] Ekberg 1192.

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Daniel L. Tavana

Understanding Terrorism:

A Political Response to a Social Phenomenon

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Scholarly attempts to define terrorism have been relatively futile. This view is held by Walter Laquer, who maintains that creating a definition of terrorism is impossible and efforts to create a definition are hopeless.[1] Laquer takes this stance after observing other scholars in the field who have rarely been able to establish a common definition of terrorism for several important reasons. First, states fighting insurgencies label them as terrorist organizations because of the anticipated propaganda benefits. Insurgents, however, consider themselves to be "freedom fighters," seeking to reclaim their rightful place in society and salvage their possessions at all costs. Second, while most scholars seem to agree that terrorists are politically motivated, the media frequently labels hostage takers or hijackers as terrorists even if they are only seeking money or a ransom. Third, agreeing upon a definition is difficult because there are different entities that harbor and condone acts that result in the death of innocents. For example, if a suicide bomber manages to kill innocent, non-combatant agents, and if a state reacts by bombing a troublesome housing or residential complex, the end result is the same: innocent people have been murdered who are victims of a set of conditions over which they have no influence.

A study by Schmid and Jongman shows there are no less than 109 different definitions of terrorism.[2] In the United States alone, different federal agencies are guided by completely different definitions of terrorism. The U.S. Department of State defines terrorism as "premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents, usually intended to influence an audience."[3] In contrast, the U.S. Department of Defense defines terrorism as "the calculated use of unlawful violence or threat of unlawful violence to inculcate fear; intended to coerce or to intimidate governments or societies in the pursuit of goals that are generally political, religious, or ideological."[4] In addition, the United Nations has no common definition of terrorism, causing much disagreement over which incidents can and cannot be considered acts of terror and what form of international response is warranted.

Bruno S. Frey's definition, however, tries to combine aspects of other definitions and identifies four elements of particular interest. Terrorists use force on civilians, act in an unofficial capacity (without national uniforms and without military support), want to attain political goals, and intend to have far-reaching effects beyond the immediate victims, particularly through the media.[5]

Terrorism: A Dangerous Symptom

The causes of terrorism are just as elusive as the definition. Terrorism can be viewed, however, as a symptom of what can be termed "collateral damage." Collateral damage arises from policy measures that yield positive results for the policymaker, but negative results for another entity. According to Noam Chomsky, a leading scholar on terrorism and modern American imperialism:

> … *these things [terrorist attacks] don't come out of nowhere. They come from something. Whether it is a crime in the streets or a monstrous terrorist crime or anything else. And usually if you look at the reasons, some of them are legitimate and ought to be addressed, independently of the crime. They ought to be addressed because they are legitimate. And that's the way to deal with it.*[6]

Generally, terrorists feel as if their situation is rooted in *collateral damage* incurred by external actors. For the Palestinian Liberation Organization, the actors are the Israeli government and the U.S. government. Collateral damage is defined here as the unintended consequences of a particular policy. Terrorism is a response to a perceived injustice; it is not a psychological, social, or religious problem. In fact, given the circumstances of terrorist groups, an act of terror is more rational than some scholars are willing to admit.

The conduct of terrorism is rooted in strategy, argues Ernest Evans, who has created a model in which he describes the nature of strategies of violent social change.[7] Clearly, as indicated in Table 1, there are definite advantages to using terrorism as a tool for social change. Terrorism is the only strategy that involves a complete evasion of institutionalized armed forces. While other strategies require incredible resources and incredible power. Another main difference of the terrorism strategy is that, if successful, the existing regime is coerced into acquiescing power instead of being ousted. However, since terrorists do not generally desire to rule, the ends are the same if the regime has been ousted or coerced. The most significant strategic flaw of terrorism is the length of time it takes to achieve any substantial social change. While most of this knowledge is rather intuitive, the state response to the different social change strategies is typically irrational. In policy studies, a coup d'etat, an insurrection, or a guerilla war is rarely seen as a "problem." Rather, it is seen as the result of domestic frustrations with the existing government. Terrorism should not be seen as anything different. If a society eliminates the source of the frustrations, then the terrorist premise for the use of violence to achieve social change is neutralized.

Table 1: Strategies for Violent Social Change

Social Change Strategies	Time Taken	Relationship with Existing Armed Forces	Status of Old Regime
Coup d'etat	Short	Won over	Ousted
Insurrection	Short	Defeated	Ousted
Guerilla war	Long	Defeated	Ousted
Terrorism	Long	Evaded	Coerced

After the September 11, 2001, attacks on the United States, many scholars and citizens posed the question, "Why do they hate us?" Not surprisingly, the people whom

terrorists claim to represent ask this same question. In an almost prophetic account of what would happen in the aftermath of the September 11, 2001, attacks, Robert Fisk writes:

> *But this is not the war of democracy versus terror that the world will be asked to believe in the coming hours and days. It is also about American missiles smashing into Palestinian homes and US helicopters firing missiles into a Lebanese ambulance in 1996 and American shells crashing into a village called Qana a few days later and about a Lebanese militia – paid and uniformed by America's Israeli ally – hacking and raping and murdering their way through refugee camps.*[8]

Clearly, there is a source of terrorism. Many are willing to accept the fact that the situation for groups such as the Palestinians, Basques, and Chechens, is, in fact, horrible. However, terrorism does not simply have its roots among people who are living in misery. It has its roots in collateral damage.

The Futility of Deterrence by Force and the Structure of Terrorist Cells

Those who attempt to fight terrorists by force wage an impossible war. Coercive deterrent policies are rarely considered effective.[9] Paul Wilkinson writes, "There is a widespread misconception that using terror to defeat terror will ultimately work. On the contrary, evidence shows that this policy is counter-productive."[10] If these counter-terrorism strategies are continuously failing, why do states continue to support these measures? Frey believes that states use these measures because states are expected to "undertake swift, decisive action."[11] Basically, since most people do not understand the complications and mechanizations of terrorism, they are inclined to support the use of all-out force. This policy "demonstrates that the government is determined to act and provides a 'macho' image."[12] Deterrence by force ultimately assists terrorists, as a vicious cycle of action and reaction ensues. As the state continues to kill innocent civilians, it becomes easier for terrorists to acquire sympathizers and recruits.

Counter-terrorist strategies frequently employ force against the terrorists themselves. When the United States militarily invaded Afghanistan after September 11, they repeatedly searched mountains and caves with the hopes of finding Osama bin Laden and other al-Qaeda operatives. While it is comforting to place all the blame on one or two men, terrorist organizations typically have several senior members who establish and guide the ideas of the movement. Furthermore, beneath these senior members, there are groups of leaders who actually create the terrorist cells. The terrorist cell is the only dynamic of the group that poses any sort of threat, since it carries out the attack. All too frequently, governments celebrate the capture of certain terrorist cells. No sooner, however, has the cell been destroyed for a new cell to emerge. Terrorist cells are created so that the members of the cell perform certain functions without knowing any other details. Thus, in a cell, no operative knows more than any other. Each plays an independent role, which can ultimately be refilled repeatedly. Given the nature of terrorist cells, and given the intelligence and energy required to destroy a cell's operations, attacking terrorist cells is cyclical, as resources are wasted trying to thwart the actions of the cell.

In order to truly deter terrorism, Evans argues that a "re-politicalization" of American policy response to international terrorism is needed. Evans states:

> *If the United States wants to strengthen deterrence of acts of international terrorism, then it must first take into account the political factors behind the phenomenon of terrorism. Unless these factors are understood and acted upon, the pattern of failure in American policy response to transnational terrorism will continue.*[13]

Terrorism can only be drastically reduced if the world attempts to understand and address the social grievances that terrorists seemingly represent. Concerning the Arab-Israeli

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conflict, Chomsky states, "Twenty years ago, the former head of Israeli military intelligence, Yehoshapat Harkabi, also a leading Arabist, made a point that still holds true. 'To offer an honorable solution to the Palestinians respecting their right to self-determination: that is the solution to the problem of terrorism. When the swamp disappears, there will be no more mosquitoes.'"[14] Understanding the causes and motivations of terrorism does not necessarily have to mean that the civilized world is simply giving in. Rather, the world can create justice from injustice. The heinousness of terrorism can be matched only through the humanity of diplomacy – not the force of retribution.

Addressing the Inequities

In a movement that feeds off forced inequity, how can we marginalize collateral damage? The answer lies in addressing the inequities. Edward Said offers a different vision of terrorism that deviates from the traditional "good versus evil" approach: "These are tense times, but it is better to think in terms of powerful and powerless communities … than to wander off in search of vast abstractions that may give momentary satisfaction but little self-knowledge or informed analysis."[15] There are three ways to address these inequities, including the formation of sustainable economies, the sacrificing of national interest, and the termination of support to illegitimate governments.

Reacting to terrorism with force ultimately supports the terrorist cause. Tom Hastings, a preeminent scholar of nonviolent responses to terrorism, has proposed several ways in which we can combat terrorism nonviolently by decreasing inequities. Poverty can ultimately lead to feelings of hopelessness, which can make it easier for terrorist groups to recruit followers. When powerful states become the prime consumers of the world's resources, there should be no surprise when rogue groups emerge in an attempt to communicate the fact that their people have little or no access to these resources. Hastings writes, "If we wish to end terrorism, then, a logical strategy would include helping develop sustainable economies for peoples who are currently in societies with poor economies."[16] This argument is rather intuitive: those who live in wealthy regions do not support terrorism because they are protected by the existing order. Terrorists are hopeless, and it is precisely this combination of misery and poverty that leads to the phenomenon of terrorism.

The majority of the impoverished peoples described above develop a sense of anger when they witness the huge disparity between themselves and other countries. These people begin to feel as if powerful states serve only their national interests. Furthermore, it has been argued that multinational corporations, along with powerful nations, directly and willingly keep groups of people impoverished.[17] In a world that is only becoming smaller, it is increasingly important to understand that the interests of humanity must come before the interests of the United States. Rather than negotiating oil prices and plundering the oil of the Middle East, politicians should plead with Americans to reduce "privileged over-consumption," as defined by Hastings.[18] Consider an extreme case where a Saudi Arabian national who has been forced from his job by an American corporation returns home to his television set where he sees images of American sport utility vehicles. Given this scenario, which occurs all too frequently, terrorism is a rational response for a hopeless person. Former U.S. Ambassador to Kuwait, Anthony C.E. Quainton, writes, "Looked at realistically, terrorism can be eliminated only when full political rights are enjoyed by all, economic and social grievances are removed, and the inviolability of the human person is respected."[19]

Unfortunately, American foreign policy has often included support for illegitimate regimes. Hastings describes this as "state-sponsored terrorism," because the end result is ultimately the same. State-sponsored terrorism is the use of violence "to repress collective bargaining, or democracy or human rights."[20] This clandestine intervention has come to be known as "covert action."[21] Covert action allows the U.S. government to carry

out certain policy measures that are beneficial for the American people, but sometimes too heinous to be decided out in the open. Currently, there are several governments in the Middle East that are economically and politically dependent on the United States, including Saudi Arabia and Egypt. In both of these countries, however, the leaders rule autocratically and ruthlessly. The people do not support these governments, as they are perceived to be puppets of the United States. Through the promise of financial aid and the presence of military bases the U.S. indirectly supports corrupt and illegal governments. To many people throughout the world, a contradiction is evident. The United States, the self-proclaimed "beacon of freedom and liberty," openly supports some of the most ruthless governments on Earth. Again, it should be no surprise that the people of the world who are suffering the most from this policy resort to terror. American politicians who celebrate the liberation of Iraq are seen as hypocrites to the people of Egypt who are not allowed to vote for their leaders *because* of the United States.

A Case Study in Eliminating Terrorism

The relationship between the United States and Islamic fundamentalist terrorists is becoming increasingly deadly. For this reason, this particular case study will put the aforementioned arguments into context and attempt to describe possible policy measures that might reach the "ends" currently sought by U.S. policymakers.

In 1998, Osama bin Laden rendered his second *fatwa* (although the term fatwa is misleading for bin Laden is hardly a Muslim clergyman), in which he made three demands. First, he criticized the United States for its frequent placement of troops and bases in Saudi Arabia. Second, he stated that the sanctions and frequent bombings in Iraq were destroying an absurd number of Iraqis. Third, he claimed that the United States was directly responsible for Israeli violence against Palestinian civilians.[22] These reasons, clearly elucidated between bin Laden's frequent calls for *jihad*, are not unfounded. Most people who live in the Middle East would agree with these statements. However, most people in the Middle East would not support a form of retaliation that involves the equal slaughter of innocents, as that which occurred in the attacks of September 11. In Article 10 of the Islamic Resistance Movement (Hamas) Charter, Hamas pledges to "do its utmost to constitute at the same time a support to the weak, a defense to all the oppressed. It will spare no effort to implement the truth and abolish evil, in speech and in fact, both here and in any other location where it can reach out and exert influence."[23] Given the Bush administration's rhetoric on good and evil, it is surprising that each side considers the other to be an advocate of "evil." In any event, these are the objectives and demands of Islamic fundamentalist terrorist groups.

Currently, U.S. policy is dictated by intelligence and force. When it is possible for intelligence gatherers to identify a terrorist cell, the terrorists are apprehended. In some cases they are tortured, while in others they are tried in court. The practice of torture is ineffective, given the structure of terrorist cells described above. Each member rarely knows the location of another member, and in many cases, an individual terrorist might not even know the time and place of the attack he is planning on carrying out. In addition, throughout the Middle East, images of torture are broadcast by the media. Again, terrorists have been able to facilitate recruitment by arousing local and national sympathy.

In addition, current policy uses brute force as a response to terrorists who have succeeded in destroying targets or murdering innocent people. A more radical approach, used in particular by the Bush administration, has been to simply invade certain nations and engage in democratization and nation-building. This is the strategy currently being tested in Iraq and Afghanistan. Both the use of torture and the use of force ultimately result in more innocent deaths and more suffering. Furthermore, the presence of both of these will ultimately breed more terrorism, as has been witnessed in Iraq.

The people of the Middle East have no objection to American culture, contrary to what most policymakers and Islamic fundamentalists would have us believe. As Edward Said argues, only the Orientalist argues that the principles of Islam are contrary to the principles of globalization and modernization. Noam Chomsky writes:

> *[The people of the Middle East] are very angry at the United States because of its support of authoritarian and brutal regimes; its intervention to block any move towards democracy; its intervention to stop economic development; its policies of devastating the civilian societies of Iraq while strengthening Saddam Hussein…And of course, [the United States] support for the Israeli military occupation, which is harsh and brutal.*[24]

This is precisely why the people of the Middle East reconcile and sympathize with groups such as al-Qaeda and Hamas. It is not because they are against modernization, it is because they view the United States as a source of unspeakable misery for the people who live in the region. The example of Iraq is very similar. Prior to the U.S. invasion, Iraq was one of a few secular countries in the Middle East. Above the need to liberate Iraq, rid the country of nuclear weapons, and stabilize the oil market, the invasion of Iraq was more of a political statement. Any state that defies the United States of any demand should be punished. These contradictions infuriate the people who live in afflicted countries. Consider United Nations General Assembly Resolution A/RES/42/159, signed in December of 1987. The resolution, entitled "Measures to prevent international terrorism," was an assertive document condemning and criminalizing terrorism. The vote was approved by the entire General Assembly except for two states: the United States and Israel.[25] Why would the United States strike down a resolution condemning terrorism? For the people of the Middle East, the answer was simple: the United States voted the resolution down because there were many in the world who could easily substantiate claims that certain U.S. and Israeli governmental decisions were equivalent to acts of terror.

In Saudi Arabia and Egypt, the case is similar. In order to assist the Israeli government, the United States placed military bases in both states. In order for these bases and for favorable oil prices to continue, the regimes of both countries need to stay in power. In both countries, extreme forms of *shariah* law are implemented, human rights violations are frequent, and democratic development is stifled. As a result, people in both states believe that if the United States would stop supporting these regimes, the regimes themselves would be vulnerable to change.

In lieu of these conditions, what can the United States do to marginalize terrorism? First, the United States must remove its military from the region as soon as is permitable. While our military must remain in Iraq and Afghanistan until the countries stabilize, military installations in Saudi Arabia, Egypt, Israel, and Turkey serve very little purpose, save defending Israel and assuring low oil prices. Next, the United States must direct less money toward capturing terrorist cells, since any attempt to strike at terrorist cells is counter-productive. Incredible resources are put into intelligence gathering, which is ultimately futile. Aside from protecting the Israelis and securing oil interests, there is no strategic reason for the United States to meddle in the affairs of the Middle East.

The United States needs a strategy that will be fair to both the Palestinians and the Israelis, not a policy that will prioritize American Jewish interests in Israel. While one might argue that both parties have attempted to give the Palestinians land several times, the Israelis must consider allowing self-governance and halting violent responses to terrorism. Our national interests do not rely solely on oil and Israel. While both are important, the U.S. government should also take into consideration justice, democratic development, and fairness to all groups that have a stake in the future of Israel. American consumption of oil must be limited, as well. If we make an effort to help the impoverished people of the region, terrorist groups will find it much harder to justify any attack.

Finally, the United States must immediately stop engaging in covert action in other parts of the world. Covert action is only covert to the people of the United States. For people of other countries, this covert action is public knowledge. The United States is the

most powerful state in the world, but it is not likely that it will remain the most powerful state for eternity. Instead of creating resentment, it would be much more beneficial and just to use the resources of the U.S. to help rather than hinder international progress.

Conclusion

Terrorism has become a complex phenomenon that has largely succeeded in instilling fear and inactivity among afflicted peoples. By attempting to understand the origins and extent of terrorism, scholars have tried to identify the source of anger. Terrorism is not a problem that randomly emerges from inequity; it is a symptom of collateral damage. In addition, efforts by states to obliterate terrorist cells by force are futile. The only way to curb terrorism is to address the inequities and attack the source, which has its roots in collateral damage. Applying these results to the given conflict between the United States and Islamic fundamentalist terrorists illustrates that there are several positive alternatives that have the potential to eliminate the sources of inequity upon which these terrorists rely.

This paper is by no means a *justification* for the use of terrorism. Rather, it suggests that the current measures used by most states to attack terrorism are becoming increasingly ineffective. Policymakers play off national fear and react harshly to terrorists, which ultimately helps terrorists obtain ideological support. However, the future looks bright. Since the emotion and anger of the September 11, 2001, attacks has subsided, a rational policy can more easily address the real problems of the Middle East.

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KIMBERLY HSU

Transnational Organized Crime:

Its Globalized Roots and the Need for a Globalized Solution

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A popular notion of organized crime is that of La Cosa Nostra Mafia organizations – a glamorous image of machine guns and Sicilian godfathers. Yet the real picture of modern organized crime in fact reflects the seamier undersides of an insidious international network. Though drug trafficking and money laundering remain the principal crimes in the business, new international threats such as human trafficking and the transfer of small conventional arms or nuclear material have surfaced within the last two decades. Whatever the crime, criminal organizations today transcend international borders more easily than they did in the heyday of La Cosa Nostra. Organized crime is no longer a matter of domestic activity; now, due to its transnational nature, it is a threat to entire populations, state governments and economies, even international stability. This paper first argues that the new threat of transnational organized crime is wholly a product of globalization and the liberation of the economy from state control. The second argument is that states should work within the new globalized system to find an international solution to organized crime rather than attempting to tighten state control on the problem. Before exploring solutions and policy recommendations, however, it is necessary to discuss the root causes and the development of the problem of transnational organized crime (TOC) itself.

The Global Roots of the Problem of Transnational Organized Crime

How did this new criminal network develop? The most pertinent issue, as far as TOC is concerned, is globalization. In order to understand the emerging threats that international criminal organizations pose, it is necessary to first understand the impetus that introduced those threats to the international community. In his paean to globalization, *The Lexus and the Olive Tree*, Thomas Friedman outlines three trends driving the world to faster speeds, wider dimensions, and greater riches: the democratization of technology, the democratization of finance, and the democratization of information.[1] The necessary outcome of these three democratizations, according to Friedman, is the necessity of what he calls the "Golden Straitjacket" — abiding by the rules of the free market and its relevance to the survival of a state.[2] By relinquishing state control over the economy and surrendering to the forces of the market, the state as a unit benefits financially.[3]

At the same time, globalization and its closely related cousin, economic liberalization, signal the imminent irrelevance of borders. Some suggest that without the arbitrariness and artificiality of cartographic boundaries, new sociological divides will cleave along unifying factors such as ethnicity, religion, or "civilizations."[4] Other theorists tend to emphasize that the most compelling impetus of survival will be the new flexibility and mobility of the global economy. It is the economic implications of globalization that are most vital to understanding modern transnational criminal organizations. While Friedman discusses globalization of the economy in terms of three major democratizations, the globalization of crime is a result of three similarly themed relaxations: the relaxation (or, put more cynically, the involuntary loss) of state control over technology, over trade, and over the state itself.

Relaxation of State Control over Technology

The utmost goal of the relaxation of state control over technology is the facilitation of bureaucratic and commercial processes, which, in effect, makes it easier to carry out criminal functions against those institutions. Now that "new electronic technologies permit multiple iterations of certain acts that in the past would have been extremely time-consuming, perhaps impossible,"[5] criminal organizations can conceal their illicit activities communications behind new methods of digital encryption. Simply put, what would once have been an incriminating paper trail can now be an indecipherable transaction hidden behind a string of binary code.

In addition to facilitating the concealment of criminal activities, the relaxation of technology has provided for advances in counterfeiting technologies. Such developments have provided the greatest boon to the business of money laundering, which has now expanded beyond simple currency or credit card fraud. As money is now commonly transferred electronically, new technological advances make it easier to legitimize illicit funds through a process known as 'layering,' which dissociates funds from their sources and therefore obscures the audit trail.[6]

Relaxation of State Control over Trade

While economic liberalization has seen positive effects for licit corporations, illicit organizations have also reaped the economic benefits of the new global economy. The North American Free Trade Agreement, for example, has certainly enabled a surge in the flow of legitimate consumer products and prosperity to producers, but at the same time, it has also had the same effects upon North American drug trafficking and the producers of illegal narcotics.

One important component of the increased magnitude of trade is the streamlined shipping industry. The recent development of shipping and packaging items in sealed, uniform containers, known as containerization, has greatly increased the efficiency of shipping both legal and illegal goods.[7] Though Stephen E. Flynn's piece, "America the Vulnerable," focuses on globalization's effect on terrorism, his comments regarding the vulnerability of the shipping industry are just as relevant to transnational organized crime. Describing the "competitiveness of the U.S. economy and the quality of life of the American people rest on critical infrastructure that has become increasingly more concentrated, more interconnected, and more sophisticated," Flynn presents an ominous outlook for the security of the infrastructure.[8] As a result of substandard and outdated security methods, the infrastructure is highly vulnerable to the transport of illicit goods, from cocaine from Colombian cartels to illegal migrants trafficked by Hong Kong triads. A corrupt hold over trade and shipping infrastructure, whether by terrorists or criminal organizations, not only poses a risk to the international economy, but also challenges the power of the state to control the entry and exit of goods across its borders.

Relaxation of Government Power within the State

The relaxation of government control over the state itself is one of the contributing causes of TOC related to globalization. On the system level, states have greater freedom in the post-Cold War international system to choose among a greater number of political blocs and ideas. Within the state, "the relationship between modes of ownership/ governance and levels of graft and misappropriation is [...] far from clear-cut."[9] As globalization takes place, the power of the state becomes increasingly dependent on the market and its investors. In particular, the privatization of finances lends itself to limited oversight of the high volume of financial transactions that constantly take place, generating opportunities for money laundering.[10]

The second challenge of globalization that has shaped TOC is a result of the economic relationship between developed and developing countries, which has become more pronounced. For example, while the intention of structural adjustment programs is to promote economic growth by replacing the power of state intervention with the power of the market, these programs often encourage criminal activity by bringing in a stream of jobs and hard currency for nations deeply in debt.[11] It is important to note the unfortunate reality that the Darwinian tendency of the new economy to reward the fittest and fastest means that the system also tends to reward the richest. In other words, it simply further develops the already-developed states. As a result, the reality of the global economy is not necessarily that everybody wins. It is that a "topography of winners and losers [emerges], with criminally challenged states as the downright losers" and consequently that "some developing countries have grown too weak to maintain even democratic rule and minimum conditions of order, at which point we may be more surprised by the absence than the presence of organized crime."[12] In this manner, criminal organizations and corruption can become comfortably ensconced in the upper echelons of state government, posing yet another challenge to legitimate state control.

However, transnational criminal organizations do not only affect state control and sovereignty of developing countries. Though developed countries tend to have clearly structured governing systems, they also can be burdened with sluggish bureaucracies and antiquated technologies. Thus, the infiltration of criminal organizations, often more light-footed and technically sophisticated than state governments, can have damaging effects on developed countries as well.

Linking Transnational Organized Crime to the Threat of Terrorism

Lastly, globalization has linked TOC with one of the newest emerging threats to the international system: terrorism. It is important to make the distinction between the two operations, as each has its own goals and motivations. Terrorist organizations seek political change to the status quo, using terror as a tool to enhance the credibility of their threats. In contrast, transnational criminal organizations endeavor to maintain the status quo, largely because changing the political structure of the state would mean upsetting the corruptive hold that the organizations have upon the government. Indeed, with regard to its goal as a profit-making entity, a transnational criminal organization could be compared to a multinational corporation "seeking to maximize their freedom of action and to minimize the effects of both national and international control over their activities."[13]

With the advent of globalization, however, there has been a substantial motive for terrorist organizations and criminal organizations to mutually benefit from achieving their goals. One reason for the incentive to cooperate is the shift in focus from national crime to criminal and terrorist activities at the international level. The most troubling possibility of this international focus is the potential cooperative effort between terrorist organizations and criminal organizations to traffic weapons of mass destruction. Some scholars also highlight the changed political landscape in the post-Cold War era as a reason

for cooperation between terrorist organizations and criminal organizations, as terrorist organizations have lost the state sponsorship they enjoyed in the past, making them more willing to fund terrorist activities by engaging in criminal activities.[14] Most often, the funds derive from illegal drug money legitimized in the process of money-laundering. In the wake of the September 11, 2001, according to U.S. Drug Enforcement Administration Administrator Asa Hutchinson, the United States has begun to take a more active role in pursuing so-called "narco-terrorists" by "[starving] the infrastructure of every global terrorist organization and [depriving] them of the drug proceeds that might otherwise be used to fund acts of terror."[15] The two processes are, therefore, inextricably linked: countering terrorism means countering its roots in TOC; once the threat from TOC is eliminated, the means for survival of terrorist organizations is also eliminated.

Where do we go from here?

The bad news of the link between globalization and TOC is that transnational criminal organizations have both the influence to bring the international economy to its knees and the capability to weaken international stability and security. As transnational organized crime has penetrated other increasingly amorphous institutions, such as terrorist organizations and state governments, it has become an omnipresent threat. The good news, however, is that we can do something about this threat. Because globalization has muddied the definitions and boundaries of states and non-state actors, the best source of action against transnational organized crime is the global community itself. To counter an omnipresent threat, we require an omnipresent solution.

The Global Hope for a Solution to Transnational Organized Crime

The current problem is that states, especially states with well-developed and highly partitioned bureaucracies, often fail to view the problem of organized crime as an international problem. Even within the United States, individual agencies often take individual ownership of the problem, rather than tackling organized crime as a shared responsibility. A state-centric solution, such as simply putting up defenses by fortifying state borders, obscures the real global roots of the problem. While a paradigm shift towards multilateralism is not a simple solution, it will be the necessary and effective solution to overcome TOC. The suggested "omnipresent" solution for transnational organized crime, however, indicates that the most effective course of action is more than just the acceptance of multilateralism. While an international consensus is the major component of the solution to TOC, it is necessary to view this consensus as part of a multi-faceted cooperative strategy at different levels of the international system.

International/System Cooperation

Overall, the greatest benefit to an international agreement is that it facilitates legal uniformity across state boundaries. By equalizing the costs of committing criminal acts across all states, we can eliminate the incentive for mobility of crimes across boundaries. For instance, unlike the more closely regulated banking industry in the United States, the legal systems in the Cayman Islands, Austria, Lichtenstein, and Luxembourg provide for numerous shell banking opportunities and strictly protect the privacy of banking clients. Such legal asymmetry motivates criminal organizations to stash clandestine funds in countries where the legal system protects their money. The idea in standardizing legal stipulations, therefore, is to smooth out any heterogeneity and comparative advantages that one country might have over another.[16] One country in particular that has successfully implemented such changes is Switzerland. Once a devoted guardian of absolute client confidentiality, Switzerland has in recent years strengthened its awareness and willingness to tackle money laundering in its banks. As the country made changes in its criminal code

and worked closely with international organizations, the flow of assets related to money laundering in Swiss banks has noticeably decreased.[17]

Uniformity in international law code should indeed refer to preventative measures to block organized criminal efforts; however, it should also refer to punitive measures, such as international authority to extradite international criminals. Clarification of legal boundaries in a world that increasingly lacks geographic boundaries is a challenging task. Yet, in an age when citizenships and jurisdictions blend as easily as an Italian citizen living in Mexico City who commits a crime against an American corporation in Tokyo, it is imperative that the international community take steps to halt the spread of TOC.

Opponents of uniformity in international law code point to a possible sacrifice of state sovereignty as a result of international cooperation. Further state-centric concerns relate to a state's role of protecting its citizens and its national security: its unwillingness to extradite its own citizens to another country, for instance, or its unwillingness to share sensitive information with other countries. However, international standardization and collaboration addresses an important aspect of the global economy: as a laissez-faire policy begins to dominate the legal economy, an increasingly interventionist policy will be necessary to check the illegal economy.[18] Furthermore, by transgressing national boundaries and exploiting legal systems, it is transnational criminal organizations themselves who pose a risk to state sovereignty. U.S. Senator John Kerry puts it candidly in his 1997 book, *The New War*:

> *We need to move beyond traditional notions of national sovereignty when those traditional notions benefit only the bad guys [. . .] it is the criminals who are taking advantage of national sovereignty to conduct their criminal enterprises and the governments and the citizens whose security those governments were created to protect who are being violated by their own reluctance to respond.[19]*

Moreover, as Robert Keohane suggests, international institutions might seem useless in a world of sovereign states if "institutions [are] seen as opposed to, or above, the state, but not if they [are] viewed as devices to help states accomplish their objectives."[20] Indeed, it is unquestionably in a state's interest and in the interest of the international community to synthesize legal efforts against transnational organized crime. This is likely why the UN background papers for the 1994 Naples conference on transnational organized crime term legal standardization "legal harmonization."[21]

What about the problems generally expected to arise in a group problem solving setting? With different states of varying resources and economic means, the process seems likely to be inherently uneven and unfair. Smaller countries can be wary of international institutions because the institutions can become merely an amalgamation of resources that more powerful countries exploit for their own interests. Yet, because TOC is an international problem with international roots, a multilateral solution is necessary because it is ineffective for a single country to take action on its own. Fighting TOC requires more than just additional resources; it requires the information sharing, personnel sharing, and mutual technical support. While a single nation may be able to confront the local criminal franchise within its borders, it will find itself less capable of dismantling the corporate headquarters, as transnational criminal organizations often seek safe havens in sanctuary states with weaker justice systems.[22] In fact, smaller countries can actually benefit from multilateralism. Working within the international framework of the United Nations can lend a voice to smaller countries because the UN tends to operate by consensus decision making rather than majority voting.[23] Furthermore, while small countries may not have the resources to undertake independent action or negotiate numerous bilateral treaties, a multilateral consensus or international regime on a mutually shared interest like TOC can reduce their individual transaction costs, to borrow a term from Keohane.[24]

Currently, the most prominent international tool against TOC is the UN Convention against Transnational Organised Crime, which is:

> *[...] a legally binding instrument committing States that ratify it to taking a series of measures against transnational organised crime. These include the creation of domestic criminal offences to combat the problem, and the adoption of new, sweeping frameworks for mutual legal assistance, extradition, law-enforcement cooperation and technical assistance and training.[25]*

Though it is difficult to impose an enforcement mechanism on the UN Convention, Kerry suggests establishing incentives for states to cooperate and disincentives for criminal organizations to continue operating. He suggests a "seize and share" strategy to encourage international cooperation, in which states seize the assets of criminal organizations and share them among the cooperating states.[26] He further recommends the deterrence of criminal activity by means of standardizing international law (as has been previously discussed) and imposing economic sanctions on uncooperative sanctuary states.[27]

Regional/Bilateral Cooperation

One problem with multilateral arrangements is that when many states come to a consensus, the result tends to be a diluted compromise subject to the median vote. Is it a good use of time and resources only to result in an agreement "lite"? More importantly, is such an agreement effective enough to combat TOC? The answer to these concerns is "yes". Although it initially may not seem to be the case, international cooperation has benefits aside from the concrete outcome of the international agreement itself. The very process of international discussion has the power to raise awareness and bring issues to the forefront. The result, in the case of TOC, could be international pressure upon criminal organizations or sanctuary states to change their ways. More importantly, international dialogue can serve as a catalyst for more concentrated efforts against TOC.

For this reason, regional or bilateral cooperation is a necessary and effective tool against transnational criminal organizations. With geographic proximity as the uniting principle, such undertakings can be tailored to region-specific needs. For example, the Organization of American States has a strong interest in controlling the production and trafficking of cocaine, while heroin trafficking and intellectual property pirating are top concerns to the Association of Southeast Asian Nations. Fewer players in the regime can also mean more specific and potent measures against criminal organizations, even if the interest is not regional. Bilateral arrangements between the United States and Italy have been strongly developed since the late nineteenth century, when the organized crime and violence of La Cosa Nostra began to take a stranglehold upon both nations.

Nevertheless, bilateral and regional efforts need to take place in a global context. More concentrated efforts against TOC run the risk of simply choking off one portion of the international criminal network only to have it flourish elsewhere. What is necessary, therefore, is a "'variable geometry' approach to cooperation, based on a thickening web of bilateral linkages complemented by multilateral approaches that provide a framework of principles".[28]

Unilateral Action

Unilateral action against TOC should not be confused with "going at it alone." Instead, unilateralism should supplement internationally coordinated action so that it is more likely to be of value to the global community. In order for an international arrangement to succeed, individual states must make political sacrifices, whether by making compromises or by taking the additional responsibility necessary to make an international arrangement function properly. As the country with perhaps the most deeply vested economic interest in combating TOC, not to mention the resources, power, and influence to lead other countries to action, the United States can, and should, be the country to shoulder the extra responsibility. Once a multilateral structure attains support

and critical mass, the United States could take the lead in mobilizing other countries and catalyzing anti-crime efforts in order to make successful international cooperation a reality.

The United States could also lead by example. By implementing anti-crime policies on the domestic level, the United States would be particularly effective against money laundering operations. To make political changes in the global arena, the state must build international partnerships in order to effect change. However, in the age of globalization in which individual investors and markets have become increasingly powerful, economic changes in the global arena require the active cooperation of the citizens. One of the most successful initiatives to combat TOC with the active engagement of private actors is the Wolfsberg Group, a group of eleven major international banks that convened to develop anti-money laundering standards for international private banks in order to counter financial scandals related to government corruption in developing countries.[29] As the site for many of the world's financial transactions, U.S. policies targeting financial operations on its soil will undoubtedly have ramifications in markets abroad – licit or illicit.

Conclusion

The big issue in transnational organized crime is that criminal organizations possess the agility, flexibility, and the technical know-how that state governments are currently ill-equipped to handle, both technologically and bureaucratically. Criminal organizations have by now built flourishing enterprises by adhering to the golden rule of globalization: conform or perish. To fight them, we need an overhaul of legal, technological, and bureaucratic processes, and more importantly, a major paradigm shift toward international cooperation. As an example, notes Moises Naim, editor of *Foreign Policy* magazine, "One reason Interpol is poorly funded is because its 181 member governments don't trust each other."[30] We need to change this mindset by expanding our state-centric focus on simply blocking TOC and pursuing a proactive international solution focused on prevention and elimination. We need to pursue preventative and offensive action instead of defensive reaction. Finally, in the globalized age of porous state borders, we need to rethink our great power conception of sovereignty as an outdated relic of the Cold War and accept the necessity of cooperation in a global community.

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[29] Mitsilegas, Valsamis. "Countering the chameleon threat of dirty money: 'Hard' and 'soft' law in the emergence of a global regime against money laundering and terrorist finance." *Transnational Organised Crime: Perspectives on global security*. Ed. Adam Edwards and Peter Gill. Routledge: New York, 2003. 195-211. p. 207.

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Danielle Vasilescu

Necessary Measures in Dealing with the Commercial Use of Outer Space

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As private enterprises become increasingly involved in outer space activities in the next century, global cooperation will become more vulnerable and there will arise a greater need for an international regime or institution to define the commercial use of space. The current general space treaties do not provide mechanisms for the settlements of three major sources of dispute in this field, namely the special needs of developing countries to share space resources, the potential for military activity in outer space, and the regulation of commercial activity for wealthy nations. Following the theory of the Concept of the Heritage of Mankind, which helped settle disputes over the High Seas in the 1970s, it is crucial for an international legal system to recognize the equal rights of developing nations outer space exploitation. This step would not only help coordination between the northern and southern hemispheres, an important challenge of our time, but would also allow technical progress for all mankind.

Origins of Space Activity

Space activity originated with the launch of the first satelite by the USSR, shortly followed by the US's in the 1950's. The first twenty years of space activities were almost exclusively dedicated to exploration and research, with milestones such as the USSR putting the first human being into space and the U.S. putting the first human beings on the moon. Recently, space activities have increasingly been developed and implemented to apply space technology to serve peoples' needs and demands. Such examples are seen through the daily world-wide communication and weather information from satellites.[1] In order to expand and provide for their own financing, these types of services will eventually depend on commercialization, especially from private enterprises willing to invest in technically sophisticated fields. Space technology is thus becoming more indicative of a countryd' standing and potential for scientific and industrial technical progress. The major kinds of commercial space activity at present are telecommunication satellites, remote sensing satellites, direct broadcasting satellites, space activities to obtain solar energy and exploit resources and space minerals from the moon and other celestial bodies, and transport services both between earth and space and within space.[2]

Currerntly space law specifically deals with the most effective efforts toward, and successful realization of, these

economic and technical demands. Major international treaties that were formed to address the utilization of outer space are The Outer Space Treaty of 1967 and The Moon Treaty of 1979. The Outer Space Treaty of 1967 outlines the principles of state activity in the exploration and use of outer space. The Moon Treaty of 1979 governs state activities on the moon and other celestial bodies. [3] Up until now, highly industrialized countries refused to ratify The Moon treaty due to its restriction on moon exploitation.

In addition to these global multilateral treaties, treaties for specific commercial fields, such as the INTELSAT, INMARSA, EUTELSAT and ARABSAT agreements for specialized satellite services, have also been concluded.[4] In order to assess the adequacy of these treaties in terms of accommodating today's endeavors in space commercialization, it is necessary to evaluate the extent to which they permit private enterprises to engage in such activities. In terms of The Outer Space Treaty, it is important to note that none of its provisions uses the word "commercial." Rather, it describes space activity using the terminology "exploration and the use of outer space." Certain law theorists like Van Traa-Engelman and Rosenfield argue that the word "use" can be extended to cover commercial use, so that space activity is not restricted to only the "exploration" of outer space and celestial bodies.[5] Others refute this interpretation by pointing to Article I of the Treaty, which claims that space can only be used "for the benefit and in the interest of all countries…and shall be the province of all mankind."[6] Authors of this opinion agree with the French delegate that "use" means exploitation, and therefore see this expression as a prohibition of exploitation, thus commercial use, of outer space.[7] Article VI addresses this issue by providing that activities of non-governmental entities "shall require authorization and continuing supervision by the appropriate State Party to the Treaty."[8]

The idea that space is a province of mankind, protected from exploitation, traces back to the legal concept of the common heritage of mankind developed in the late 1960's, which revolutionized the domain of public international law. This notion, which has excited much intensive debate and controversy over the past decades, questions and reexamines many well-established principles of classical international law, such as acquisition of territory, consent-based sources of international law, sovereignty, equality, resource allocation, and international personality.[9] In his famous manuscript *The Concept of the Common Heritage of Mankind in International Law,* Baslar explores the legal theory and implications of this doctrine by directing it to outer space law, the law of the sea, the law of Antarctica, international environmental law, human rights, and general principles of public international law. He tries to develop a normative framework through which the concept offers alternatives for the governance of the global commons.

So far, this approach has proven successful in several ways, such as the UN Law of the Sea Convention (LOSC) in 1982, which eased the concerns of developing nations regarding wealthy countries' control over the High Seas by marking the deep seabed, the ocean floor, and its resources, as common heritages of mankind. The Moon Treaty parallels this development by providing in Article 11(1) that the moon and its resources are also common heritages of mankind.[10] Attempts have been made to declare the following other space resources as belonging to mankind: meteors, the geostationary orbit, the spectrum of radio-frequencies used for space communication, solar energy, low earth orbits, and Le Grange Spots.[11] As technology progresses and the first signs of commercial activity in space seem to get closer everyday, it is increasingly necessary for a legal system to enforce the rights and privileges of all countries, regardless of their economic distinctions, so that the entire international community can equally participate in and contribute to this extraordinary project.

Developing Nations: Why should they be involved?

There are several reasons why active efforts must be made to involve developing nations in space activities. First, since space technology requires the most sophisticated and expensive machinery, developing nations would have little access to commercial activity in

space if forced to detain. Secondly, these nations would be excluded from certain practical space activities such as remote sensing and solar energy, from which they stand to benefit tremendously.[12] More important than laying out the obvious gains to developing countries from participating in space activity, however, is to understand why they are entitled to these rights.

Developing countries wishing to be more involved in space activity and united in the 'Group of 77,' seize upon Section 1 of The Outer Space Treaty to support their claim: "[Exploration and use of outer space must be carried out] for the benefit and in of all countries, irrespective of their degree of economic or scientific development."[13] In addition to this Treaty, The Moon Agreement purports the further development of cooperation among states in the exploration and use of the moon and other celestial bodies. Equal participation in space activity would benefit all nations by preventing the moon from becoming an area of international conflict.[14] Furthermore, agreements like The Moon Agreement serve to limit the growing militarization of space, one the biggest challenges to space law.[15] Wealthy nations, who hold the most influence in decision making processes, must follow these principles of equal access and protection when they finally lay out rules for space commercialization.

Aside from potential military agression, another potential source of conflict that will likely emerge in the development of commercial activity in space is the ability of highly industrialized nations to monopolize certain private sectors in outer space. Developing nations have already accused developed countries of dominating satellite services in the past. In 1983, at a Multilateral Planning Meeting to conduct and plan worldwide satellite services, developing nations complained that "if the existing practice of 'first come, first served' continued to apply to the distribution of radio frequencies and orbital position for space services, there would not be sufficient and appropriate radio frequencies/orbital positions left for them when they were ready to use them." [16] These concerns were addressed in March of 1988 by the Legal Subcommittees, which drafted the following compromise,"…the exploration and utilization of outer space should be carried out for the benefit and in the interest of all states, taking into particular account the need of developing countries."[17] This consensus takes Section 1 of The Outer Space Treaty a step further by actually engaging the Third World in potential action rather than simply guarding them from discrimination. This kind of compromise that actively, rather than subtly, involves underprivileged countries should be the model for future legal frameworks of private space activity.

Concluding Remarks

Over the past fifty years, the purpose of space activity has moved from exploration to public services and will likely progress to privatization in the next century. The advancement of space technology is a type of social change to which the law, a dependent variable in this case, must react. Since the legal implications of commercialization are extremely complex and different from those of research and government activities, there needs to be a clearer framework that can be used to confront potential problems in this field. In order to maintain cooperation in the international arena, nations must recognize outer space resources and celestial bodies as common heritages of mankind that can only be privatized under limitation and for peaceful purposes. Space privatization should be carefully regulated in order to prevent monopolies from forming, which are sources of economic injustice and dispute among competing nations. Allowing developing countries to utilize space's valuable resources to counter their state of poverty would promote both cooperation and technological advance across the entire globe. Through open dialogue and respect, nations will gradually be able to foster a mutually beneficial relationship as they engage in this remarkable human endeavor.

Endnotes

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[5] Van Traa-Engelman. *Commercial Utilization of Outer Space,* pp. 20.
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Mark Robert Brennan

The Complex Humanitarian Crisis in Sudan: Context and Options

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Since the dawn of the recorded history of Darfur, political marginalization and conflict have been almost inseparable from the region's name. The latter has followed the former in a vicious cycle as the region passed from one regime to another—its own independent rulers were displaced by Turco-Egyptian overlords, who gave way to the Anglo-Egyptian "condominium," which, in turn, was followed after independence by military oligarchy and, most recently, an Islamist regime. The region's current well-publicized humanitarian crisis has to be understood within this less well-known historical context. Likewise, the responses of the international community, including the United States, to the situation—which have been largely driven by attention-grabbing sound bytes invoking the specter of genocide—need to be examined in that light.

Darfur, Sudan, and the International Community in Historical Context

What is known about Darfur today can be dated back to Islam's advent in the area around the fourteenth century. Almost from the start, there has been much confusion over ethnicity, due in part to the region's complex tapestry: there were native Arab tribes, foreign Arab tribes, and black African tribes, some of which mixed freely while others held themselves aloof. The sultans of the region were likewise difficult to classify, being largely native Africans, but steeped in Arab culture. Ethnicity was often more a matter of culture and identification than of physical appearance. During the Turco-Egyptian period the Darfur sultanate was conquered twice, ultimately falling in the hands of Turco-Egyptian colonialists. Adding to the historical mélange, at the end of the nineteenth century Khartoum, the capital of the Egyptian Sudan, was conquered by Islamists before surrendering to British control in the early twentieth century.

As a result of the British policy of indirect rule, which encouraged gradual changes in Sudan toward modernization, the country was transformed into a two-tiered society in which the Darfuri natives were marginalized and the outsiders, both in Khartoum and among those who migrated into Darfur, benefited. Darfur suffered from lack of education, lack of health care, and little to no technical advancements, while those in Khartoum progressed. After Sudan was granted its independence on Janu-

ary 1, 1956, the neglect continued. Gérard Prunier sums up rather succinctly the political "development" of the following five decades: "Demagoguery [was] a part of politics and the 'African' electorate was told that if Darfur had been neglected it was the fault of the 'Arabs'—something which the Fur, Masalit, or the Zaghawa were only too ready to believe given that their tribes were largely absent from the Khartoum power structure."[1]

In the 1970s, drought increased Darfur's misery, particularly when Khartoum chose to ignore the problem. Finally, with some reluctance, in 1984 Darfur was declared a disaster zone, but the lack of aid led to strikes against the Sudanese government. As a result, in 1985 General Swar ed-Dhahab led the military coup that overthrew the longstanding regime of the Gaafar Nimeiry (1969-1985), [2] and paved the way for election which, in 1986, brought Sadiq al-Mahdi, a moderate descendant of the Islamist preacher who besieged the legendary British General Charles "Chinese" Gordon in Khartoum a century earlier, to power. [3]

When civil war broke out in Chad, the situation in Darfur became even more complicated. Khartoum supported the Arab north in Chad against that country's government. Chad responded by sending its Libyan-trained soldiers against Khartoum, which then took action against Libya. Out of all this, the Chadian troops of Hissène Habré came to be in Darfur. These maneuvers fostered a politically manipulated situation: the hapless Darfuri had to choose between Arab or African identities. Muammar Gaddafi's Libya supported the nomadic Arabs, providing them with weapons. Prunier comments on the influence of the civil war in Chad and relations with Libya saying, "While international politics were once more being played on their backs, the Darfuri were increasingly contaminated with the atmosphere of violence and ethnic hatred that the outside forces were deploying in support of their aims."[4]

Furthermore, during the 1980s, conflict erupted between the Sudan People's Liberation Army (SPLA) in southern Sudan and the Khartoum government, signaling the start of a new phase of violence in the decades-long conflict between the country's Arab Islamist north and its south, populated largely by black African Christians and followers of traditional religions. Meanwhile, in 1989, Omar Hassan al-Beshir, supported by the National Islamic Front (NIF), overthrew al-Mahdi's government.[5] With Beshir's military regime in power, the NIF, an offspring of the Muslim Brotherhood, sought to establish Islamic law in Sudan.[6]

As situations such as famine and ethnic clashes were worsening in Darfur throughout the 1990s, the Khartoum government continued the historical neglect of the region. Officials in Khartoum, supported by the public opinion in northern Sudan, were focused on the war with the SPLA in the south. The government was also heading down an increasingly authoritarian path, as Beshir increased his hold on power by dissolving the Parliament.[7] The neglect toward Darfur and the political manipulation of ethnicity in the region prepared it for the blood bath to come.

Historical and Conceptual Background to a Crisis

The current crisis in Darfur has arisen partly out of conflict over land in the region. Increased desertification caused by the drought in the 1970s pushed several nomadic Arab groups into southern Darfur. This led to increased land disputes between Arab nomads and non-Arab farmers. As the conflict worsened, the Sudanese government under Sadiq al-Mahdi (1986-1989) armed an Arab militia.[8] In 1995, under Omar Hassan al-Beshir, the Sudanese government redrew the boundaries of the Darfur, splitting African tribes into different provinces and allotting more territory to the Arab nomads. Beshir also continued the practice of arming the Arab militias known as the *murahilin* "nomads."[9] In response to the predations of the Arab militias (and their Khartoum supporters), the two Darfur-based rebel groups, the Sudan Liberation Movement (SLM) and the Justice Equality Movement (JEM), formed. The SLM justifiably accuses the government of Sudan of

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giving the non-indigenous nomadic Arabs positions of power in Darfur and of persuading the Arabs to fight their non-Arab neighbors. The JEM has similar complaints of marginalization and mistreatment by the government.[10] Just recently these two groups have joined to form the Alliance of Revolutionary Forces of West Sudan. In 2003, the SLM formed the Sudan Liberation Army (SLA), recruiting members from the Fur, Masaalit, and Zaghawa tribes. That same year, SLA and JEM forces attacked a military airfield.

The government responded by sending out a new militia—dubbed the *janjaweed* (roughly translated as "evil men on horseback")—to eradicate the rebels, but the conflict resulted in mass violence toward civilians.[11] The j*anjaweed* are armed and equipped by the government in Khartoum.[12] Beshir admitted in a 2003 speech that the *janjaweed* were directed to quash the rebels of the SLA and JEM, but the *janjaweed* also targeted black African civilians in Darfur, a fact not disputed by *janjaweed* leaders who have acknowledged that they attack with army forces of the government in Khartoum, sometimes targeting villages with no rebel military presence. Adopting a practice of ethnic cleansing, the *janjaweed* kill men and children alike, rape women, and loot and destroy property.[13] The Fur, Masalit, and Zaghawa tribes have become the primary civilian victims of these attacks.[14]

In addition to the historical background of the crisis in Darfur, there is an important conceptual background to grasp: *genocide* as it is defined as by the Convention on the Prevention and Punishment of the Crime of Genocide. The Convention provides a carefully worded, detailed definition:

> *In the present Convention, genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such:*
>
> (a)   *Killing members of the group;*
> (b)   *Causing Serious bodily or mental harm to members of the group;*
> (c)   *Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;*
> (d)   *Imposing measures intended to prevent births within the group;*
> (e)   *Forcibly transferring children of the group to another group.*[15]

The United States government has argued that that the crisis in Darfur has met this definition of genocide; nevertheless, other members of the international community have been more reluctant to invoke the term. The United Nations-appointed International Commission of Inquiry, headed by the Italian jurist Antonio Cassese, concluded that, while there are "people who might have acted with genocidal intentions,"[16] their actions do not constitute genocide. This proclomation led many to conclude that there is no legal obligation to act, whether on the part of the UN as a whole or any of its member states.

The Current Situation and Calls for Action

It is now appropriate to delve deeper into the issue and look at what is currently happening in Darfur. One must look at the current status of the situation, and what action it calls for.

According to an article in the October 2005 issue of the *New Internationalist*, the UN cites 180,000 deaths of black Africans in Darfur since 2003. This number is a relatively low estimate, as the British House of Commons International Development Committee and many non-governmental organizations cite a figure closer to 400,000 deaths. The Committee also cites two million displaced people. Recently, some of the internally displaced have returned to their towns to start their lives again only to find their towns completely leveled.[17]

In November 2005, UN Secretary-General Kofi Annan stated in a report, "The looming threat of complete lawlessness and anarchy draws nearer, particularly in western Darfur, as warlords, bandits and militia groups grow more aggressive."[18] Annan reported

harassment of farmers, destruction of crops, violence toward women and children, and further displacement due to village raids. Annan also noted in his report that in September and October the death rate increased. In addition, the UN's access in Darfur has fallen below seventy-five percent.[19]

U.S. Deputy Secretary of State Robert Zoellick's reports confirm those of Annan. In recent months, a ceasefire has been interrupted by increased violence, and African Union (AU) peacekeeping forces have been attacked. Meanwhile, peace talks are being postponed as anti-government rebel leaders from Darfur are fighting among each other. Zoellick also recently warned of the potential for the crisis in Darfur to disrupt the peace agreement that ended the North-South civil war in Sudan. Another serious point Zoellick mentioned is that the situation has expanded to Chad, where there are at least 200,000 displaced Sudanese. Because of the president of Chad's alliance with Sudan, a new rebel group has arisen and seeks to overthrow him.[20]

Despite differences between the institutions they represent, both Annan and Zoellick have called for diplomatic solutions to the situation in Darfur. Annan stresses the importance of humanitarian aid and, to deliver the aid safely, calls for an increase in security. Both Annan and Zoellick place great importance on the peace talks in Abuja, Nigeria. Zoellick maintains that the involved parties must apply themselves to the goal of peace.[21] Therefore, Annan and Zoellick view negotiation as the means of obtaining the long-term goal of peace in Sudan.

A Survey of U.S. Foreign Policy

Now that a substantial background to the crisis has been given, I will turn to U.S. foreign policy toward Darfur. Since the beginning of the crisis, the U.S. has given millions of dollars in aid to Darfur and has made several other political decisions and statements concerning Darfur. There are also previous policy decisions concerning the North-South war in Sudan and the International Criminal Court (ICC) that have effects on U.S. foreign policy toward Darfur.

Upon an examination of U.S. foreign policy toward Darfur, former Secretary of State Colin Powell's statement, recognizing the situation as genocide, is paramount. On September 9, 2004, using the guidelines provided by the Convention on the Prevention and Punishment of the Crime of Genocide,[22] Powell said to the Senate Foreign Relations Committee, "We concluded that genocide has been committed and that the Government of Sudan and the Janjaweed bear responsibility, and genocide may still be occurring."[23] U.S. President George Bush agreed that the situation constitutes genocide,[24] but these statements may have been used as a political ploy to satisfy Bush's constituents prior to his re-election, as the U.S. seems to have shied away from the situation in Darfur.[25] As proof, critics note that no substantial change in policy has been made since the declaration.[26] It is important to note that Powell's statement did not legally hold the U.S. responsible for taking action against the government of Sudan.[27]

A pressing issue in the crisis is that of humanitarian aid. In FY 2003 and FY 2004, the U.S. government contributed over $250 million in aid, and the U.S. is increasingly pledging humanitarian aid to Darfur, as in FY 2005 over $500 million was pledged.[28] The humanitarian assistance reflected in these dollar amounts covers a broad field of relief efforts, as the U.S. contributes to sanitation improvements, gives food, water, and emergency relief supplies, and aids in providing shelter. Money is also allotted for research including that of sexual violence, protection, documentation of sexual violence, and justice and accountability to local Darfuri groups.[29] In addition the "Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief of 2005" (HR 1268), signed into law on May 11, 2005, appropriates funds to Darfur and peacekeeping operations, including such operations as those led by the AU.[30]

In addition to the millions of dollars in humanitarian aid given, the U.S.

government has imposed sanctions on the Khartoum government. In 1989, under the United States Foreign Assistance Act, the U.S. suspended military aid to the Sudanese government because of the civil war in Sudan's south.[31] In 1997, U.S. President Bill Clinton issued Executive Order 13067, "Blocking Sudanese Government Property and Prohibiting Transactions with Sudan," in response to the Sudanese government's support of terrorism, undermining of neighboring governments, and violations of human rights. The order severed economic relations with the regime.[32] In 2004, under the "Comprehensive Peace in Sudan Act," restrictions on travel of government officials in Sudan and a freezing of their assets were imposed, as well as a call for the U.S. government to leave all sanctions on the Sudanese government in place until the regime made steps towards peace in *all* of Sudan.[33] Therefore, for over fifteen years, official Washington has been imposing sanctions on Khartoum for its human rights violations, but the effect seems negligible.

The recently debated topic of the ICC is also pertinent to the situation in Darfur. In 2002, the U.S. chose not to become a party of the Rome Statute of the ICC. Some believed that in not joining the ICC, the U.S. would veto a resolution to refer the human rights violations in Darfur to the ICC.[34] Such a veto would have had immense significance to how those responsible for the crisis are brought to justice but, in March 2005, the resolution passed with U.S. assent.[35]

Militarily speaking, the U.S. has so far made no commitment to the crisis. The "Darfur Peace and Accountability Act of 2005" (S. 1462, H.R. 3127) has been introduced in the both the House and Senate. The act passed the Senate with an amendment, calling for a complete substitution,[36] and currently waits on House action. Even with the amendment, the bill still authorizes a military presence in Darfur on behalf of the AU.

There are several reasons the U.S. has not engaged militarily. One reason is that the U.S. has relied on Sudan for the fight with issues of counterterrorism.[37] In fact, in April 2005, the Central Intelligence Agency brought the head of Sudanese intelligence to their headquarters in Langley, Virginia ,for a debriefing session on Osama bin Laden the same official was wanted for humanitarian crimes in Darfur.[38] This willingness to compromise ethical integrity by not dealing with an accused war criminal of the Darfur crisis for valuable counterterrorism information shows that other U.S. foreign policies, such as the "War on Terror," unfortunately take precedence over the crisis in Darfur. Furthermore, in its actions toward Darfur, the U.S. has been careful to protect the peace agreement resolving the north-south conflict in Sudan, which was reached earlier this year.[39] This puts the U.S. government in the awkward position of trying to keep the government of Sudan engaged for fear of a breach in the agreement and trying to condemn the same regime for the crisis in Darfur. The U.S. justifies its inaction by hiding behind a comment made by Zoellick: "I don't think we can clean it up. It's a tribal war that has been exacerbated by other conditions and, frankly, I don't think foreign forces ought to get themselves in the middle of a tribal war of Sudanese."[40]

Other Relevant Actors

There are also several actions by other political states to consider when analyzing the Darfur crisis. One must also look at non-state actors, such as the UN and the AU, and their respective influences on the crisis.

China has invested in Sudan's oil industry because it needed to secure foreign oil fields for its growing economy. In 1999, an article in the *Wall Street Journal* revealed that China's oil project in Sudan brought in $500 million of the $710 million that the China Petroleum Engineering & Construction Corporation made. In 2001, Chinese officials made it known that the China National Petroleum Company planned to use the Sudanese oil project as a main source of tripling overseas production by 2005.[41] Since the late 1960s, China has also been a key supplier of arms to the Sudanese government. In the 1990s the Sudanese government increased their reliance on the Chinese-made arms due to the

civil war, strengthening the oil-arms trade. China makes deliveries of ammunition, tanks, antipersonnel and antitank mines, helicopters, and other fighter aircraft.[42] Clearly, China's profitable oil-arms trade with Sudan could prove to be a hindrance to taking any action against the Sudanese government.

An article by Becky Tinsley in the *New Internationalist* points out that the French also have a vested interest in Sudanese oil. Tinsley does not fail to note that since China and France are both permanent members of the Security Council, their self-interests could result in vetoes to actions proposed in Sudan.[43] But, France is also aware of the fact that the crisis threatens the stability of a friendly regime in neighboring Chad.[44]

In addition to China and France, Germany, Canada, and Britain also have established policies with Sudan which are relevant to the topic at hand. After Powell's declaration of genocide, which was subsequently endorsed by President Bush, the governments of Germany and Canada both concurred with the finding. On the other hand, in April 2004 ,the British ambassador in Khartoum told an audience there that British trade with Sudan was flourishing, and that Britain would remain "good friends with Sudan."[45] Britain, like the U.S., is trying to satisfy constiuents on both sides of the issue.

Some actors have responded on a purely humanitarian level. The Netherlands and the European Union, for example, have limited their influences to monetary aid. In peace talks European nations have pushed for no fly zones in Darfur, but since they commit themselves no further than giving humanitarian aid, the no fly zones were never seriously considered.[46]

The UN has made its presence in Darfur through the World Food Program (WFP), appealing for money from various governments to deliver aid to the victims of the crisis of Darfur. The organization also provides helpful predictions concerning the amount of aid needed and when the need for aid will increase or decrease. In May 2005, the WFP reached a new record when it fed over 1.8 million people in Darfur.[47]

Despite not defining the crisis as genocide, a finding inconsistent with the U.S., Canada, and Germany policies, one action the UN Security Council did take was to pass Resolution 1593, which refers criminals of the crisis in Darfur to the Prosecutor of the ICC.[48] Hopefully this resolution will not prove as toothless as other apposite UN resolutions. The UN, like other international actors, has been trying to please everyone in Sudan, yet accomplishing very little.[49]

Finally, the AU has refused to condemn Khartoum and refuses even to put the blame on the *janjaweed*. Obviously, a severe lack of funding has influenced the AU's stance on the situation. But, as long as the international community doesn't have to deal with Darfur, it is happy to let an ineffectual AU "deal" with the matter.[50]

Policy Options

One must keep in mind that in considering "humanitarian interventions" there is no dichotomy of decisions. Decisions made are based on several factors. It has been said before that, "Humanitarian intervention saves lives and costs lives. It upholds international law and sometimes breaks international law. It prevents human rights violations and it perpetrates them."[51]

Addressing the international community first, I will discuss different options states have to work toward a resolution in Darfur. Countries in the region, such as Libya, Chad, and the Central African Republic, should be most concerned with resolution in Darfur, as the crisis may affect political and economic ties or cause further destabilization in the region. These countries also have the greatest grasp on the historical and political background in the area.[52] J. Peter Pham observed, "If charity begins closest to home, so should multilateralism."[53]

If the neighboring states are unable to resolve the conflict, which so far has proven such so far, Europe should intervene. Pham maintains that European countries should

not be afraid to use and enhance their militaries through such an intervention for the furtherance of international security. He also notes that the crisis is within geographical proximity of the Eurasian heartland.[54] Therefore, the European allies of the U.S. should have a particular desire to resolve the conflict in Darfur rather than shying away from it; nevertheless, the U.S. is not free of responsibility in Darfur.

The U.S. also has a number of options to pursue in Darfur. In considering these options one must address the feasibility of each from a standpoint of political strategy. For starters, one can look to the recommendations of the Human Rights Watch (HRW). Indubitably, HRW has its own agenda to satisfy in Darfur, which should be kept in mind when looking at the recommendations. HRW proposes that the U.S. government: condemn the Sudanese government for its violations of international humanitarian law and its human rights abuses; keep its sanctions on the Sudanese government until the cessation of abuse in Darfur; and pressure Khartoum to provide protection for civilians, break up the militias, and investigate the massive crimes. Finally, HRW calls on all governments to continue allocating aid impartially to those in need.[55]

Most of these recommendations have been satisfied, but there is one that is questionable. While it is perfectly feasible for the U.S. government to request that the Sudanese regime provide protection for the civilians, break up militias, and basically end the crisis in Darfur, it seems fairly ineffective. The same regime is supplying the militias, and preceding militia attacks with air raids[56] with the help of Chinese-made arms and weapons, a part of a lucrative project between China and Sudan.[57] Why would they suddenly stop because the U.S. asks them to?

Military intervention in Darfur is another option for the U.S. Since the condemnations and sanctions imposed thus far on Khartoum seem not to be reining in its militias; and since the regional parties and others have had little satisfaction with diplomatic options, a military intervention is not unrealistic. The Darfur Peace and Accountability Act of 2005 would allow the use of the U.S. military as a resource to help the "expansion of the African Union Mission in Sudan."[58] It is imperative that U.S. military intervention, if any, is issued in this multilateral perspective. Using American military forces as part of the AU Mission in Sudan would give support to the AU and any other nations that choose to do the same. It would also give U.S. actions greater legitimacy before the UN and the international community.

On the other hand, such a deployment, for a crisis that has no direct link to American tangible interests, risks being judged "a form of superpower promiscuity."[59] Another problem is the French and Chinese oil interests in Sudan. A military intervention, however multilateral and humanitarian, could cause tension between the U.S. and these two countries, as well as other third-party states. If this were the case, China would present a greater concern than France. Especially with the established oil-arms trade between China and Sudan, the U.S. would need to take extreme caution in any military intervention.[60] Finally, the possibility of a military intervention is questionable due to inaccessibility of the region in crisis, which is too remote for naval access. The U.S., or any other state capable of providing military intervention, would have to fly over potentially hostile Sudanese territory, further complicating the operation.

The crisis in Darfur irrefutably calls for help from the international community. Thousands are dying as a result of this crisis and mass human rights violations are being committed. The United States should continue its condemnations and sanctions against the government of Sudan. Along with the international community, the U.S. community should also continue to give humanitarian aid to the victims of the crisis, including, if ultimately necessary, protecting them from those who are harming them whether the harm be called "ethnic cleansing," "acts of genocide," or simply "genocide." Despite the complexities of a military intervention, if all diplomatic options have been exhausted, the international community, including the U.S., should not hesitate to engage in a multilateral military intervention. One hopes that the U.S,. along with the international community

would finally take responsibility and work as a cohesive force to end the humanitarian crisis in Darfur, one that is in many senses complex, but in its human toll very simple.

Endnotes

[1] Mark Brennan would like to thank Professor J. Peter Pham for his helpful comments and guidance.

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JULIA NELSON

The Nagas of India:

A Struggle for Self-Determination

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"Within the boundaries of a nation's geographical land, its national, cultural and political characters develop and become the identity of the ethos of that nation. The national identity of a nation is therefore rooted in geographical land which has nurtured it, and the two are inseparable. This again is to say no national identity of a nation falls upon it from the skies. As long as the nation survives, its land is part of its existence."[1]

Tribes of indigenous, headhunting warriors characterize the zealous and notable Naga people of the hills of northeastern India. Underestimated by the British, and now by the Indians, this unique people group in South Asia has outlasted centuries of foreign rule and pressure. Despite years of interaction with outsiders, the customs and structures of the Nagas have remained relatively preserved. With annual festivals and ingrained rituals, these tribes proudly keep celebrating their past and embracing their culture. Because of their strong sense of identity and growing unity among the sub-tribes, the Nagas have maintained a powerful connection with their heritage, while still accepting new ideas into their system. From technology to religion, the Nagas have allowed external influences to advance their society without compromising their distinctiveness. As this long-running society continues to develop, a deep tie with the culture has persisted for centuries. It is this exceptional desire for self-preservation that has propelled the Nagas to subsist and to strive for autonomy from outside control.

By describing the historical perserverance of these tribes and their capacity to fight for their freedoms, I will portray in this paper the current situation and concerns of the Nagas as they live under the Indian government. With firsthand research of the Nagas living in Delhi, the capital city of India, I will also demonstrate what is essential to the empowerment of these tribal people for societal and individual development.[2]

One of the first allusions in literature to the Nagas comes from as early as the second century A.D., as the Greek philosopher Ptolemy referred to "the Naga Log as the land of the Nagas."[3] Coming from the Mongoloid race, these tribes migrated from different directions across the Himalayan Mountain Range. "There is no clear evidence for their migrational movements," yet many different legends and traditions have been passed down to explain the beginnings of the Nagas.[4] While "the origin of the Naga race is veiled in obscurity," these tribes established many independent, yet interconnected, communities.[5] Situated in the foothills of the

Himalayas, these people are "divided into a number of separate tribes that differ among themselves in matters of economy and social organization."[6] Overall, agriculture and the trading of various handicrafts have created a stable economic lifestyle for the Nagas.

As the Nagas are broken into more than sixteen major tribes, these groups have spread over the territory located along both sides of the border of the current country of Myanmar and within the present-day Indian states of Nagaland, Arunachel Pradesh, Assam, and Manipur. Each of the tribes set up individual primitive systems of social control with a village council and chief that are still more or less functioning today.[7] According to a 2001 census, the population of the state of Nagaland has grown to the considerable size of 1,988,636 in the northeast region, in addition to the rest of the Naga people living in adjacent areas.[8]

Even though the Nagas have been bound together by various shared ways of life, the actual acknowledgement of their overarching communal identity has remained ambiguous for many years, even among themselves. Since these tribes lived mainly in rivalry, the practice of head-hunting defined these people as their fundamental means of power and survival. Yet, besides many universal rituals, the lack of a common language throughout the Nagas demonstrates this existence of the assortment of subgroups within the population. Each of the sixteen major groups, continues to retain its own exclusive language. While over time English has become the common and recognized language of the educated Naga elite, the rest of the tribal languages fall into the family of Tibeto-Burman languages.[9] Nagamese has become the only other means of common communication among most of the Nagas as a form of a limited, although useful, trade language. As no one complete language is spoken by a sizeable portion of the entire Naga population, "this diversity was made possible, and even encouraged, by the area's geographical isolation and political fragmentation."[10]

Along with respective languages, "certain details of material culture and customary behavior also distinguished one village from another."[11] Nonetheless, these communities thrived as self-sufficient as they "could produce nearly everything they needed for their livelihood without depending on external contacts."[12] The recognized unification of the Nagas has only become much stronger in last two hundred years with the arrival of outside powers. A common cause for self-determination has resultantly also joined together the numerous Naga tribes as a larger body.

The British invaded the Indian subcontinent region in the early 1800's, and they first ventured into the Naga Hills in 1827.[13] After these Europeans began to take control of the Indian lands in 1857, these foreign powers formally declared the Naga Hills a District of British India in 1881, despite the lack of an actual British presence in the region.[14] The tribal areas of the Nagas became some of the final territory of modern-day India to be annexed by the British. Because of the fierce refusal of the Nagas to physically surrender to the British powers, Great Britain decided to implement "a policy of non-intervention, discontinuing the expeditions and encouraging trade" with the Nagas.[15] Using their colonial strategy to divide the peoples in order to conquer them, the British were able to assert their authority over the tribal people without physically founding a substantial establishment in the Naga Hills. Some historians suggest that the official concept of the existence of these different tribes was "created as the British administrators sought to classify and categorize them in order to systematize their political dealings with these diverse peoples."[16] By segregating the various tribes into weaker, smaller units, Great Britain believed it could more effectively take control. Even though the British had no right to take over the area, they sought economic benefits in seizing the Naga terrain. Nonetheless, during the rule of the British, the Nagas still remained "by and large on their own and continued their social and political activities according to their traditions and customs."[17]

Foreign powers not only attempted to establish their political and military rule by organizing the tribes into districts, but they also ventured to influence them socially and spiritually. Other than the few periodic exploratory groups into these hills by "the oc-

casional British civil servant, the only outsiders with whom the Nagas came into contact in the early years were Christian missionaries."[18] For about eighteen years, missionaries had been working in the area prior to the formal annexation by the British of the Naga Hills. Many of the Nagas accepted Christianity openly, as some claim even today that most of these tribal people are now Christians.[19] The missionaries not only took an interest in sharing their religion with the Nagas, but they were also concerned with the social welfare of the tribes. Instigating these issues of communal wellbeing has been considered to be what "led to the rise of an element that subsequently played a prominent part in the Naga nationalistic movement."[20] With this new unique identity, tribes were able to develop an even more distinctive culture from the other British regions, namely the mainland of Hindu India.[21] Therefore, Christianity flourished among the Nagas, as this religion gave the tribes the motivation and a method for unification in their cause for self-autonomy.

After almost a century of occupation, the country of India, and also the district of the Nagas, were given independence from the British in August of 1947. However, the Naga Hills were left by the British only to be invaded by the Indian army in the early 1950s.[22] Even though these tribal people were never before officially connected with the people of the Indian mainland, the Indians were determined to claim the territories in the foothills that were once declared as British.[23] Because the Indian government sought to formally bring the Nagas under their control, these efforts began "the ugly guerilla war which has raged in the Naga Hills since 1953."[24] Despite continued efforts of the Nagas to resist this new outside authority, the pressure of the Indian powers eventually overcame the tribal opposition. In 1963, the state of Nagaland was created by the Indian government to formally incorporate under its rule many of the tribes in the Naga Hills.[25]

Following the Indian liberation from the British, the Nagas had also hoped for their respective independence, yet were instead forced under Indian governance.[26] These tribes were devastated to merely shift from one ruling foreign power to another. The Nagas continue to argue that they were never a part of India while under British control, and therefore "India's independence from Great Britain did not confer upon her sovereignty over Nagaland."[27] Because the Nagas claim that only one of their many sub-tribes was, in fact, ever conquered by the British after almost half a century of resistance, the Nagas as a whole believe that they were never truly ruled by these foreigners. Great Britain viewed these other undefeated Naga villages as "unadministered areas" or "excluded areas" in their occupied region.[28] The Nagas have thus determined that the British "had absolutely no right to hand over such territories to India or Burma [Myanmar] after their departure from their South Asian empire in 1947."[29] Likewise, the Nagas consider that the Indian state has no legal right to govern their lands in the hills, disapproving of the reality that the northeast has been "practically under military rule in an attempt to force Naga nationalism into submission."[30] A common view of many discontented Nagas is that "Nagaland is not in India, but India is presently in Nagaland by invasion and subjugation."[31]

These tribal people lack a significant connection with the nation of India, while they have maintained an unbreakable tie with their land and community. For generations, the Nagas have been defined by their land as an indigenous people;
"This is because the land is their land and they want to live in their land without fear or domination as free citizens of a free country. The Nagas are fighting for their land because they have no other land on the whole face of the earth besides 65000 sq. kms."[32]
With this understanding of their inherent control of the hills, the Nagas have never been at peace with outside rule. Recognizing that the Naga district created by the British did not encompass the entirety of the tribes, many Nagas were left disgruntled that many pockets of their own people were stranded within the borders of neighboring districts. As the Indian government imposed the same demarcations used by the British to set up states in the northeast, the Nagas living in areas excluded from the state of Nagaland continue to live on their land as neglected minorities under the forced control of other northeastern states.

Amid these frustrations and the desires for sovereignty, some of the Nagas decided to stand up for their own autonomy. In the spring of 1951, Angami Zapu Phizo, "the father of the insurgency movement,"[33] formed a group to strive toward more Naga autonomy. As the group's peaceful efforts were immediately and firmly rejected by the Indian national government, the radicals within the Naga group resorted to more drastic means. The goals of these Nagas became more severe as they "demanded independence for their people on grounds that their area had never been part of India and that they were culturally quite distinct from India."[34] Formally securing his leadership of these guerilla groups, Phizo became "the elected President of the Naga National Council which declared Naga independence from India and later became the parent body of the underground Naga Federal Government (NFG)."[35] Because the Indian central government consistently refused to listen to the Nagas, these people of the northeast instead set up their own system of governance to de-legitimize the Indian structure.

The movement of Naga extremists began the development of violent, underground activities that have escalated over the years into a serious national crisis. Known as "disturbed areas," the Naga Hills were overwhelmed with "ambushes and raids against the government outposts and those sectors favoring a more moderate course."[36] While these terrorist actions created intensified security in Nagaland by the Indian central government, these events also led to a mounting desire for Naga sovereignty.

After years of fighting between the Naga revolutionaries and the Indian military, the leaders of the Naga community, represented by the Nagaland Baptist Church Convention, and the Indian government met at a convention to settle the conflict.[37] The peace talks were initiated with "the sole object of exploring ways and means for the speedy restoration of peace and normalcy in Nagaland."[38] On September 6, 1964, a cease-fire agreement was put into effect by both sides. Even though the accord was inevitably broken in the years following, the cease-fire was somewhat effective as it was able "to hold open lines of communication and public dialogue on the political issues of the area."[39] The settlement was also successful in bringing many of the underground guerillas into the legitimate system of governance and political participation. Yet, by allowing security for former militants to live peacefully in the villages, the agreement consequently permitted the rebels to openly share their radical ideas with their fellow Nagas. While the peace talks established more temporary stability within the state, this spreading of ideas also created a broad avenue for rising anti-Indian sentiments in the administrative and social sectors.

Throughout the following decades, Naga revolutionaries continued to organize as other less extreme nationalist groups developed. Currently, the militant radicals still call for Naga independence, while other more moderate Nagas fight for their cause for greater Naga unification. In 1980, the National Socialist Council of Nagaland (NSCN) was founded by three Nagas who were dissatisfied with the prior agreements between the then reigning Naga National Council and the Indian government. These aggravated men refused to accept Indian concessions, and decided to carry on "an armed struggle to end Indian sovereignty over the Naga people and establish a People's Republic of Nagaland."[40]

As the Indian government began discussion with the NSCN, differences arose among the Naga leadership of this group that eventually led to a split into two separate factions in 1988. The NSCN (IM) became the more radical group while the NSCN (K) was established as the less extreme sector.[41] While both organizations continued to terrorize the state, the former group has become the more predominant one in Naga cause. "Based on the principle of socialism for economic development and a spiritual outlook of Nagaland for Christ,"[42] the NSCN (IM) has been dealing more peacefully with the Indian government since both sides declared cease-fire in August of 1997.[43]

Mainly supported by Nagas living outside of the state of Nagaland, the NSCN (IM) is funded by an assortment of illegal activities, primarily drug trafficking from Myanmar. Despite their unlawful actions, this militant group has been calling for three alter-

native solutions from the Indian government. Foremost, these Naga nationalists seek the independence of Nagaland, "comprising of the present territory of Nagaland and the Naga inhabited areas of Manipur and Myanmar."[44] Since the Indian government maintains that "complete independence for the Nagas is a preposterous proposition," this group has also called for a second option to create Greater Nagaland, which would include the Naga-inhabited areas outside of Nagaland, establishing a new state with extended borders.[45] If both alternatives are dismissed, the final option of the NSCN (IM) would be to form a separate state of Southern Nagaland to comprise of neglected Naga regions of other states.[46]

In the past year, the Indian government has established more communication with this Naga organization because of persistent violent protests. Even though the central government continues to push aside the issue of Naga autonomy. During a recent dialogue a Group of Ministers in India claimed to be "more willing to discuss other key demands like Nagas being identified as separate Naga citizens, an exclusive Planning Commission for Nagaland, separate flag for Nagaland, and a State Human Rights Commission."[47] The Indian government has become increasingly more aware of the need to further invest in this Naga state to pacify the extremists, while also legally and economically incorporating Nagaland under Indian control.

A policy of India for governing Nagaland has been to exclude outside pressures from entering the state. Patterned after the British approach, the central government of India has limited the entry of non-Nagas and foreign companies into this northeastern state in order to preserve, and alienate, the tribal populations. Besides the prevailing missionary endeavors in Nagaland, India has attempted to filter the influences that permeate this area. Because the central government has monitored the advancement of the state, Nagaland has been developed solely with "the availability of medical facilities, and technology, and the removal of such checks on the population-growth as feuding and head-hunting."[48] Therefore, the Nagas have faced a slew of problems from this attempt to mix modern and tribal culture without the proper procedures. Because of the introduction of new conveniences, an intense population growth has been devastating the hills ecologically. Through these measures, the agricultural system is being strained as,"the likelihood of progressive deforestation and the subsequent erosion of hill slopes is a very real danger, and one which the Nagas realize without being able to break out of the vicious circle of over-cultivation and the resultant diminishment of the basis of agricultural production."[49] While the Indian government has attempted to develop Nagaland, the allocated funds have only been exposing the state to a more advanced lifestyle without actually changing the existing standards of living for these tribal people. Overlooking the native Naga concepts of societal structure, the Indian government has ineffectively made efforts to provide this state with resources for appropriate development.

Because this tribal society remains generally agricultural, the Nagas have become dependent on funding from the central government in order to afford imposed expectations of modern imports. The Indian-placed state government has yet to make the economy in Nagaland "become sufficiently diversified to provide employment suitable for hundreds of men and women with a modern education."[50] Even though the availability of advanced merchandise exists in Nagaland, the economy and society still lack the equivalent advancement. Professional opportunities and areas for financial investment are other sectors where the state requires more attention and development. The central government continues to lack the ability to help the Nagas because of the failure to understand the tribal society.

Along with the unsuccessful efforts of India to rule the Nagas, these tribes also cannot legitimize the inefficient Indian rule because of significant cultural differences. Racially, religiously, and linguistically, the Nagas claim that they are not compatible with the nation of India.[51] Noting these differences, the tribes believe they "have an inherent right to govern themselves."[52] Even the basic heritage of the Nagas differs greatly from the rest of mainland India. Being descendents of the Mongoloid race and not the Aryan race like the majority of their fellow countrymen, the Nagas have a drastically different physical appearance than the mainland Indians. Looking, dressing, speaking, and acting differently, the Nagas are easily distinguishable; and even harassed when they venture to other areas of their country outside of their home in the northeast hills. Their Christian faith, lack of Hindi-speaking ability, and more east-Asian look make these tribal people easy targets for discrimination socially, professionally, and politically.

The oppression of northeastern Indians in the mainland has grown as the younger generations of tribal peoples are looking for more options outside their hill states. The amount of abuse against young Nagas has significantly increased as more Nagas have moved to other parts of India. In an article from a local Indian publication outlining the atrocities experienced by the young female Nagas, one Indian man in Delhi states, "If you don't dress appropriately and don't speak Hindi despite being here for years, what do you expect?"[53] The maltreatment of and prejudices against the people from the northeast have become widely accepted in many parts of the country.

Although the Nagas encounter a considerable number of problems when venturing outside of their states, the issues faced at home are also extensive. Because of the vast unemployment problem in the northeast, many young Nagas travel to Delhi to seek higher education and job opportunities that are not available in their home state. Therefore, there exists both a large influx of many Nagas into larger cities in the mainland, putting them into precarious situations, as well as a failure to diversify the abilities and employment within the northeastern states. Even with the knowledge of these problems the central government of India has yet "to transform the economy of Nagaland to such an extent that in the years to come the local population can create enough wealth to sustain the new developments initiated by a government able to draw on financial resources originating outside Nagaland."[54]

Considering the number of issues Nagas face, both within and outside of their state, the Indian government must recognize the severity of the situation and take action. By analyzing how to create a new dimension in the style of governance, a need is rising to look beyond the individual interests of various institutions, bureaucrats, and politicians, and turn to the people themselves. The most important factors currently affecting the Nagas are their lack of understanding of their rights, their absent connection to the government, and their poor professional prospects. Because of a growing gap between the policy makers and the constituents, this lack of communication hinders the understanding of the needs of the people and the capacity of the government to fulfill them. The underground movement of dissension continues to expand among the people, especially within the youth population, as the government remains distant and divided from the people.

Along with more mutual communication, expanded stability and improved governance should be enacted in Nagaland so that the state will be able to better provide for the Nagas and channel their capabilities. Through actively empowering civil society, all people will be more able to participate in government by understanding the ways in which they can make a difference and have a voice. With appropriately mobilizing resources and funds, more support would go to professional development and the expansion of jobs for the people. In accordance with one of the objectives of the United Nations' "Millennium Development Goals" for the advancement of the developing countries, the Indian government can work more actively towards a plan to "develop decent and productive work for youth."[55] By having a more significant focus on the training of young Naga workers, the state will experience the added benefits of bringing these youth into the formal labor market for future economic expansion.

Within Nagaland, there also exists a growing need for more capacity building. In the villages, the government should provide more job-training to improve health and education sectors, while also developing the infrastructure. Since many Nagas are concerned that government funds are not being allocated to appropriate areas, such as providing

loans for aspiring entrepreneurs, the accountability of the government to the people can also be improved in accordance with the new law as of 2005, The Right to Information Act.[56] This knowledge of the workings of the government can then be shared with the villages through trained professionals to lead to further development.

       Understanding the needs for empowerment and the responsibility of the government to provide for its citizens, the Nagas maintain their struggle to make their tribal society survive under the Indian rule. As they seek more concessions and assistance from the central government, feelings of frustration and despair in reaching the success of development as an Indian state remain. Given the Nagas' strong history of perseverance, these people are nonetheless searching for ways to improve the status of their people. Whether these efforts mean working with or without the central government continues to be the source of persistent conflict and concern in northeastern India.

Endnotes

[1] Iralu, Kaka D. *Nagaland and India: The Blood and the Tears*. Delhi: 2003. p. 9.

[2] During the summer of 2005, I spent three months living in New Delhi, India in order to initiate a project entitled "Naga Youth Empowerment and Development in Delhi." Researching the present issues of the Nagas and developing strategies for improvement, I worked with a number of student and professional Nagas, including the founder of the project and my mentor, Hekani Jakhalu (Advocate, Delhi High Court).

[3] Singh, K.S. *People of India National Series Volume VI: India's Communities N-Z*. Delhi: Oxford University Press, p. 2519.

[4] Pheiray, Chinaongai. "A Study of Christianity Among the Nagas in Nagaland and Manipur." *Oregon: Theological Research Exchange Network*, 1990. p. 13.

[5] Ganguli, Milada. *A Pilgrimage to the Nagas*. New Delhi: Oxford & IBU Publishing Co., 1984. p. 6.

[6] Gokhale, B. G. "Nagaland—India's Sixteenth State." *Asian Survey*, Vol. 1, No. 3 (May, 1961), 36-40. p. 36.

[7] Singh, p. 2520.

[8] "Nagaland at a Glance." *The Government of Nagaland*. December 10, 2005. www.nagaland.nic.in/profile/aglance.htm.

[9] Singh, p. 2519.

[10] Burling, Robbins. Review of *"Naga Pisgin: A Sociolinguistic Study of Inter-Lingual Communication Pattern in Nagaland,"* by M. V. Sreedhar. *Language*, Vol. 53, No. 1 (Mar., 1977), 243-245. p. 243.

[11] Furer-Haimendorf, Christopher von. *The Konyak Nagas: An Indian Frontier Tribe*. NY: Holt, Rinehart & Winston, 1969. p. 41.

[12] Ganguli, p. 6.

[13] Boorah, Romy. Review of "The Nagas: Hill Peoples of Northeast India. Society, Culture and the Colonial Encounter," by Julian Jacobs. *American Anthropologist*, New Series, Vol. 94, No. 1 (Mar., 1992), 236-237, p. 236.

[14] Ganguli, p. 14.

[15] Pheiray, p. 40.

[16] Boorah, p. 237.

[17] Pheiray, p. 148.

[18] Gokhale, p. 37.

[19] Pheiray, p. 15.

[20] Gokhale, p. 37.

[21] The term "mainland" refers to the main peninsular territory of the Republic of India. This segment of land does not include the northeastern branch that is connected to India only by the state of West Bengal. The Naga Hills are located in the northeastern region.

[22] Pheiray, p. 150.

[23] Iralu, p. 4.

[24] Means, Gordon P. "Cease-Fire Politics in Nagaland." *Asian Survey*, Vol. 11, No. 10 (Oct., 1971), 1005-1028. p. 1005.

[25] Dasgupta, Jyotirindra. "Community, Authenticity, and Autonomy: Insurgence and Institutional Development in India's Northeast." *The Journal of Asian Studies*, Vol. 56, No. 2 (May, 1997), 345-370. p. 364.

[26] Gokhale, p. 37.

[27] Means, Gordon P. & Ingunn Means. "Nagaland-The Agony of Ending a Guerilla War." *Pacific Affairs*, Vol. 39, No. ¾ (Autumn, 1966-Winter, 1966-1967), 290-313. p. 290.

[28] Iralu, p. 5.

[29] *Ibid*.

[30] Pheiray, p. 148.

[31] Iralu, p. 7.

[32] *Ibid*.

[33] Dasgupta, p. 367.

[34] Gokhale, p. 37.

[35] Means, "Cease-Fire Politics in Nagaland." p. 1006.

[36] Gokhale, p. 37.

[37] Means, "Cease-Fire Politics in Nagaland." p. 1005.

[38] "Dawn of Peace in Nagaland." *The Government of Nagaland*. December 10, 2005. www.nagaland.nic.in/profile/history/peace.htm

[39] Means, "Cease-Fire Politics in Nagaland." p. 1023.

[40] Routray, Bibhu Prasad. "National Socialist Council of Nagaland (NSCN-IM)." *Institute of Peace and Conflict Studies*. December 10, 2005. www.ipcs.org/newDatabaseIndex.jsp?database=1004.

[41] The NSCN (IM) is led by two of the initial leaders, Isak Chisi Swu and Thuingaleng Muivah. The NSCN (K) was created by the other originator, S. S. Khaplang, who decided to split into a separate group because of a suspicion that the other two leaders left him out of secret negotiations they held with the Indian government.

[42] Routray.

[43] "Dawn of Peace in Nagaland."

[44] Routray.

[45] Means, "Nagaland-The Agony of Ending a Guerilla War." p. 291.

[46] Routray.

[47] Sharma, Rajnish. "NSCN's Controversial Wishlist Sent to CCS." *Hindustan Times*. New Delhi: June 4, 2005.

[48] Furer-Haimendorf, Christopher von. "The Changing Position of Tribal Populations in India." *RAIN*, No.22 (Oct., 1977), 2+4-8. p. 2.

[49] *Ibid*, p. 4.

[50] *Ibid*.

[51] Iralu, p. 11.

[52] Means, "Nagaland-The Agony of Ending a Guerilla War." p. 290.

[53] Reddy, Sheela. "My Distant Cousin, India." *Outlook: The Weekly Magazine*. Delhi: Vol. XLV, No. 20. May 23, 2005. p. 32.

[54] Furer-Haimendorf, "The Changing Position of Tribal Populations in India." p. 5.

[55] "Millennium Development Goals by 2015." *United Nations*. Published by the Department of Public Information, February 2003.

[56] *The Right to Information Act* is a piece of legislation passed by the central government of India in 2005 in order to make the inner-workings and decisions of the government leaders and policy-makers more accessible to the people.

KEVIN LAU

The Social Effects of the Asian Financial Crisis on Korea

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The Asian Financial Crisis first struck Thailand in the summer of 1997, and the problem quickly spread to neighboring countries.[1] Even the currency markets of states that were considered "strong," such as Singapore and Hong Kong, were affected — leading to a general recession all across the local stock markets. As the entire region faced an economic slump, European and United States markets also felt the effects, and in the winter of that year, South Korea entered into the crisis head-on.

The exact steps leading up to Korea's entrance into the crisis are widely debated and studied, but there seem to be consensus around a few reasons. First, in the 1990s, the governance of the financial system was decrepit because the huge conglomerates (*chaebols*) had tremendous control over government policies. The *chaebols* were able to manipulate the rules to create a favorable market for themselves, leading to overinvestment in sectors such as automobiles and steel. One report states that as a result of this ineffective structure, by early 1997 — even before the crisis reached Korea — seven of the thirty main *chaebols* were essentially insolvent. [2]

As the currency markets around Asia began to slide into trouble in early 1997, foreign investors began to draw out their funds, giving rise to a liquidity crunch. The stock market lost half of its value from July to December, reflecting the loss in confidence from foreign investors. In November alone, they withdrew about $1 billion worth of investment.[3]

With the increase in corporate bankruptcies came an increase in the number of non-performing loans, which led to a credit crunch. Banks were unable get funds from their foreign sources. Short-term loans to Korean financial institutions fell from $65 billion in 1996, to $46 billion in 1997, to only $29 billion by the end of 1998.[4] The Standard and Poor's credit rating for Korea went from AA- in October 1997 to B+ in December.

As the crisis continued, the South Korean government realized the need for foreign emergency aid and filed its first request for aid on November 21, 1997. The first package of $10 billion was delivered on December 24. As usual, the International Monetary Fund (IMF) aid came with stringent financial rules. While Korea repaid its last installment of debt to the IMF in September of 2001, the social effects of the financial crisis are still being felt. This paper will examine how the crisis led to changes in employment patterns and class structures and will provide linkage to non-financial consequences such as increases in crime and divorce rates. I conclude with possible policy recommendations that the Korean government should adopt to reverse some of the negative effects of the crisis.

I. Employment Patterns

Volatility characterized the unemployment rate in the late 1990s; but in recent quarters, unemployment has stabilized somewhere around 3.3%. However, a report by Sohn at the Samsung Economic Research Institute points out that the unemployment value is misleading. With the increase in GDP, one would naturally expect unemployment to go down.[5] For example, GDP growth rates rose from 3.8% to 7% in 2001 to 2002, but unemployment barely moved from 3% to 3.1%. Despite economic growth, the unchanged unemployment rate can be traced to a few reasons:

1.   The Unique and Changing Labor Structure

Korea has a high percentage of laborers employed in non-cyclical industries. For example, over 10% of the population was employed in agriculture in 2001.[6] But more relevant to the effects of the crisis is the fact that, since the late 1990s, there has been an increased reliance on temporary workers. A study done by the Korea Labor Institute found that around 50% of Koreans are now employed in "non-regular" jobs (contract and part-time positions), the highest percentage in the Organization of Economic Cooperation and Development (OECD).[7] The data also shows a tremendous increase in the number of daily workers, from 1.7 million in 1998 to a high of 2.4 million in 2002.

This statistic is troubling as day workers do not have the protection of standard workers in terms of job security, health insurance, and other benefits. A study by Y. Kim found that in 2002, non-standard workers were paid only 52.9% of what regular employees received for performing the same tasks.[8] While the official unemployment percentage has not decreased, the quality of employment available has.

2.   The Definition of Unemployment

The unemployment rate does not include individuals who have simply given up on looking for jobs. A study completed in 2001 estimated that as many as half a million individuals belong in this group, accounting for an increase of 2% in unemployment.[9] This relatively large portion of the population are currently unable (and not trying) to find employment. We can safely assume that most of them are disgruntled and disappointed, and some of them may be turning to the underground economy (e.g. working for cash "under the table").

3.   High Youth Unemployment

The Sohn study also reported that the unemployment rate of university graduates is up to 33.2% as late as 2004; but, because of statistical procedures, many young individuals are not yet listed as officially seeking work, and they are not figured into the official unemployment count. Such a high percentage of youth unemployment, especially for those with degrees, points to a tremendously competitive job market, pushing some to be disgruntled with the value of their university education.

Even though the official unemployment rate has stabilized after the recovery from the financial crisis, the Korean people are far from their previous satisfaction levels. Many Koreans are locked into low-paying, non-standard positions. Others have simply given up looking for work. A sizeable population of young workers is actually seeking work, but has not been included in the official count yet.

However, one noticeable trend after the crisis is the increase in the demand for higher education. The following data from the World Development Indices show that, in 1998, the percentage of the labor force with higher education increased significantly — suggesting that those who were not as educated were laid off or fired.

In terms of social welfare, this would imply that the sudden additions to the unemployed population are less educated, and these individuals would likely have more problems finding high-paying jobs. In fact, companies can take advantage of this competition to drive wages even lower. The data clearly illustrates that the unemployed popula-

tion as a group suffered as a direct result of the Asian financial crisis. I re-examine the youth unemployment rate to see whether the young who are actively seeking work have had any success.

The data above suggests that the youth (15 to 19 year olds) suffered, and continue to suffer, a tremendous setback in unemployment. According to a report by *The Economist*, companies in Korea have begun to hire experienced workers and graduates with advanced business degrees, instead of students fresh out of college.[10] A. Kim studied these new trends and suggested that students themselves are changing their plans in order to adapt.[11] Kim found that one in three university students are taking a leave of absence from school to work part-time, travel, or enroll in overseas language training to enhance their competitiveness in the job market. There is also an increase in students heading to graduate studies — not only to avoid being unemployed, but also to pad their resumes. Thirdly, students are increasingly choosing to move to degree programs to become teachers, doctors, pharmacists, etc. — professional positions that offer more job security. Therefore, the Asian financial crisis can be seen as a mixed blessing. Students were forced to take up majors, degrees, and academic programs that they might not have chosen, and thereby shaped a more educated populace.

In terms of number of hours worked after the crisis, workers were not allowed to work as much. The number of workers in the 18-35 hour range actually increased, drawing from the decreases in the fulltime segments. Taking into consideration that money is in higher demand in a financial recession, the data certainly implies that the decrease in the number of hours worked was not voluntary. While it does seem that demand for fulltime workers has picked up again, we do note that in the two years immediately after the crisis, when workers and families were probably the most traumatized by the effects of the crisis, they were not able to increase their work levels to cover their losses.

One dangerous result of the financial crisis in terms of employment is the increase in work-related emigration. In 1997, 3,297 individuals who moved away from Korea were educated in such high-education areas as computing and electronics. In 2000, this number ballooned to 8,369.[12] This type of "brain-drain" is particularly dangerous to the economy. On a more personal sociological level, it also puts pressure on those who are still in Korea to consider options to leave. Such a desire to leave the country takes away from the credibility of the economy as a whole.

II. Class Structure

The A. Kim study pointed out a newspaper survey that found that there was a great restructuring in the percentage of the population who identified with each class. A great majority of the people who considered themselves upper class moved down to middle class. Subsequently, the middle class moved themselves down to low class. As we recognize that the difference between upper class and middle class is rather large, the survey illustrates the decrease in basic individual confidence. For example, an individual who owned numerous homes and had a sizeable portfolio would not consider himself dropping down to middle class because he lost some wealth in the crisis. The shift in class identification, however, illustrates the panic level of considering lowering oneself a whole "class."

A similar issue brought up by the recovery of the financial crisis was the increase in household and corporate debt. Because of the recovery and the resulting economic growth, families were encouraged to take on more loans than they would usually do. By 2002, household debt accounted for 40% of bank loans and more than 70% of GDP.[13] More alarmingly, almost one-third of Korean companies do not have enough income to cover the interest on their debts. The new data suggests that the disruption afforded by the Asian financial crisis directly changed how Koreans viewed credit. On a personal angle, however, the trend suggests more desperation and more unhappiness — a family that is laden with debt will be constrained with how much they will be willing to spend. Psycho-

logical pressures resulting from debt can lead to other tangible consequences as well.

After the financial crisis, the government responded with various welfare programs. After the unions agreed to allow lay-offs, the government increased the basic welfare benefit from 50% to 70% of the minimum wage.[14] In May of 2003, leaders recognized the increasing youth unemployment and doubled the supplementary budget set out to create jobs, from $238 billion won (USD$196 million) to $500 billion won. The Labor Industry also hosted jobs fairs: at the fair on June 16, 2003, some 100 job offers were given out by IT firms.[15] This supplements the point made earlier about how the Asian financial crisis is a mixed blessing — while obviously unemployment is never a good thing, if the welfare program is successful, it will allow workers to find and develop themselves in their jobs. Even if at first they can't find jobs that they would consider their first choice, these beginning positions might equip them with skills that they would be able to translate to more productive uses in the future.

III. Non-Financial Effects

The Asian financial crisis has been linked to a number of non-economical effects. One issue that has arisen is the rising divorce rate.

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Number of divorces (thousand)	65	68.3	79.9	91.2	116.7	118	120	135	145.3	167.1	139.4
Change (thousand)	5.7	3.3	11.6	11.3	25.5	1.3	2	15	10.3	21.8	-27.7
Change rate (%)	9.6	5.1	17	14.1	28	1.1	1.7	12.5	7.6	15	-16.6
Crude divorce rate*	1.4	1.5	1.7	2	2.5	2.5	2.5	2.8	3	3.5	2.9
Number of marriages (thousand)	393.1	398.5	434.9	388.6	375.6	362.7	334	320.1	306.6	304.9	310.9

Source: National Statistical Office – "2004 Marriage and Divorce Statistics" Document, April 8, 2005

As the chart above shows, the number of divorces increased dramatically in and after 1998. When comparing the number of divorces to marriages in the given year, there is almost one divorce for every two marriages in a given year (a much higher ratio than the 0.23 in 1997 before the crisis). We look into the specific reasons cited for divorce to get a better explanation: Economic problems are cited in almost 15% in all divorces. Considering that some of the other reasons might be an indirect consequence of financial problems as well (for example, abuse or infidelity might be driven by frustration over financial issues), we can conclude that the link between the Asian financial crisis and the number of divorces is not only an association, but also a cause-and-effect. Divorces, especially for financially-distressed families, would hurt not only the two individuals involved, but the children as well. Therefore, the Asian financial crisis will continue to affect the Korean public far into the future.

The crime rate has also risen since the Asian financial crisis. H. Joo studied these trends in his paper, "Crime and Crime Control," and concluded that "recent phenomena, such as the financial crisis that hit Korea in the late 1990s…seem to have contributed to the disturbing increase in crime and crime rates."[16]

The Asian financial crisis has also affected women and the family structure. The study by A. Kim cites that women were more easily targeted for layoffs.[17] Several campaigns started before the crisis to promote gender equality had to be scraped. The government had been pushing a quota system for the *chaebols* to hire more women in managerial positions. However, the government abandoned these efforts to focus on economic growth at the onset of the crisis. With the increased uncertainty of the economic conditions, the struggle for equality quickly got swept aside. In a survey to evaluate the statement "it is better for everyone if men earn a living and women keep house," 82% of men and 71% of women agreed. In comparison, only 36% of both men and women agreed in the United States.[18]

On a more tangible level, the East Asia Environment and Social Development Unit found that the majority of the decrease in regular workers (as opposed to day workers) was composed of women. The trend illustrates the inherent belief that men should be the main source of income for the family. This belief could lead to longer-term effects in terms of benefits equality. In 1998, women's wages were only 63% of men's, the most serious percentage among the OECD nations.

Therefore, the Asian Financial Crisis regressed the efforts of the gender equality movement. It remains to be seen how effective new measures, such as the Ministry of Labor's "Policy for Women's Stable Employment," will be at tackling this problem.

IV. Summary of Observations

We noted that in recent years the unemployment rate has stabilized, but it masked a variety of serious issues that could potentially bring a lot of grief to the Korean people. First, there is now an increased reliance on day workers. This type of temporary employment is problematic since workers enjoy neither the job security nor the health and wage benefits of full-time workers, even when completing the same work. Second, we saw that a significant portion of the population have actually given up on looking for jobs, contributing to financial problems on a personal level. Also troubling is the fact that youth unemployment is uncomfortably high.

In the immediate years after the crisis, we noted that a disproportionate percentage of the population laid off were relatively uneducated. Thus, we can conclude that the "satisfaction level" of the population is even lower than if it had been an across-the-board lay-off. The less educated the unemployed, the more difficult it is for them to find new jobs. Furthermore, the increased supply of these unemployed individuals — who, without much education as leverage, arguably would be willing to accept lower pay — would drive down wages for those who did manage to hold on to their jobs.

In the immediate period after the crisis hit, fulltime workers were not allowed to fill their usual work hours, implying additional hardship for families to maintain their usual lifestyles. Workers, especially the educated ones, were also found to be moving away from Korea. Not only does this threaten the long-run productivity of the economy, it generates personal dissatisfaction as well.

With the Asian financial crisis came the shrinking of the middle class, but people who used to be in the "high class" also dropped; the middle class dropped correspondingly, creating a much greater "poor class" base. Along those lines, household and corporate debt increased, suggesting that people were too desperate to hold on to the traditional Korean value of maintaining savings.

I linked this desperation as a key contributor to the effects of the Asian financial crisis that are not directly related to finance. The divorce rate rose significantly as a result of the crisis, suggesting future problems in the long run with family instability. The crisis also led to an increase in crime. Gender equality also becomes an issue — women were more adversely affected by the layoffs as a result of the crisis than men and it will take time to "repair" the damage done.

I did note that not all the effects of the Asian financial crisis are negative. I argued that with the increased competitiveness in the labor market, we can anticipate workers struggling harder to improve themselves. With students staying in school longer and engaging in additional job and language training before joining the labor force, Korea might enjoy a more equipped workforce in the future. However, this positive outlook might be too optimistic in that it focuses too much on the long run. The fact remains that many people have been displaced from their jobs or have been forced to take undesirable jobs. It is undeniable that the net effect of the crisis is negative.

V. Future Recommendations

There is no doubt that Korea is being treated more seriously in the international arena. While it still has a long way to go before being able to compete with the technologically advanced Japan or the natural-resource endowed China, Korea is on the rise with the increasing stability of its political system. And with the increased focus on North Korea and the nuclear crisis, South Korea is enjoying greater attention as a key political player in the region.

Thus, to capitalize on these developments, Korea must be willing and able to speed up its recovery — not just to give itself a powerful image to outsiders, but also to instill more satisfaction among its own people. Korea must not allow the current increase in cyclical unemployment (which is associated with business cycles) to evolve into an increase in structural unemployment (the more permanent "natural" rate).

The first step will be to fix the economic and education weaknesses. Instead of hiding behind a stable, but misleading, unemployment rate, the government should take steps to increase employment in regular and stable jobs. Closing the benefits gap between temporary and regular workers by legislation will be necessary in order to encourage more companies to go back to a system of employing workers for a longer term. Then, the population would feel more secure in their jobs. Workers would have the chance to commit to jobs they are truly passionate about instead of jumping on any day jobs that they can find. Revamping the education system is also a key factor. Instead of sending students abroad for academic training (which can easily lead to brain drain), Korea should strengthen its own learning institutions. This would lead to a more stable work force and with time, a more trained one as well.

The Korean government must also be careful to ensure that gender equality is maintained. It should dispatch the Ministry of Labor to continue to monitor data such as the percentages of men and women in temporary/day jobs, as well as the wage differential across the genders, in order to promote fairness. If these numbers continue to be troubling, the government must think about taking more drastic steps like mandating specific quotas for male and female workers.

Finally, the government should also encourage the country to participate in more social events that solidify the national confidence and social well-being. Korea's successful co-hosting of the World Cup in 2002 (as well as the unexpectedly superior performance of their team) rallied the people around their country and distracted Korean from their economic troubles. At the semifinals game, the Korean people famously turned out en masse in red to support their team. The Korean government should continue to support big-name international events that will boost morale at home, and in doing so, showcase a population that is unified even in economic trouble.

The Asian financial crisis has left a definite footprint in the sociological affairs of Korea, changing the employment and economic class structures. Non-financial factors such as divorce and crime rates have also been affected. Even with the economy slowly recovering from the crisis, the government must take immediate steps to fast track the growth so as to protect the well-being of the Korean people.

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The Impact of Iran's Bushehr Reactor on U.S.-Russian Relations and U.S. Policy Options

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Background

A major roadblock in U.S.-Russian relations is Russia's cooperation with Iran's nuclear ambitions, which was put into writing on February 27, 2005 when Iran and Russia signed a landmark nuclear fuel accord that would bring the Bushehr Nuclear Power Reactor, Iran's first atomic energy plant, online by 2006. The United States has adamantly opposed Iran's nuclear power program, claiming that that it supports a covert program to develop nuclear weapons. This issue has negatively affected Russian-American relations since the 1990s. Russia sees the Bushehr reactor as a mammoth civilian venture, an $800 million nuclear power project that adheres to international norms, brings cash home, and ensures close relations with the Islamic regime in Tehran. However, from the United States' perspective, oil and gas-rich Iran does not need nuclear power. The U.S. alleges that Iran, using the civilian project as a cover, is gaining sensitive Russian technology that will help Tehran's hard-line mullahs acquire nuclear weapons. Curbing such proliferation is a key strategy of the U.S. led "War on Terror." Officially, the United Nations International Atomic Energy Agency (IAEA) says that both Russia and Iran are adhering to all guidelines for their declared nuclear projects. Russia notes that, under a nonproliferation agreement, the U.S. is building a similar reactor in North Korea, another country labeled by President Bush as part of an "axis of evil."[1]

In January 1995, Russian Minster of Atomic Energy Viktor Mikhailov and the head of the Atomic Energy Agency of Iran, Reza Amrollahi, signed an $800 million contract calling for Russia to complete the first unit of the unfinished nuclear power station at Bushehr by installing a 1,000MW VVER-1000 light-water reactor at the site within four-and-a-half years. Construction of a nuclear power station at Bushehr was started in 1974 by the German firm Siemens as part of the Shah of Iran's nuclear program. Work stopped, however, after the Iranian revolution of 1979, and the site was heavily damaged during the 1980-1988 Iran-Iraq war. Iran tried to find a contractor to finish the plant during the 1980s, but failed owing to U.S. pressure on potential suppliers. Amrollhahi and Mikhailov also signed a secret protocol to the contract under which Russia and Iran would conduct talks on a wide range of nuclear assistance beyond the power reactor. Under this protocol, Russia agreed to open negotiations on providing training to Iranian specialists at Russian nuclear research centers, assisting Iranian

efforts to mine uranium, and supplying Iran with a gas-centrifuge uranium enrichment facility.

In August 1995, Russia and Iran signed a 10-year contract under which Russia would supply nuclear fuel, fabricated at the Novosibirsk Chemical Concentrate Plant, for the Bushehr plant. The Clinton administration and Western nonproliferation experts were concerned about the proliferation implications of the power reactor itself, but the projects under this secret protocol, namely the centrifuge plant, were particularly alarming. Under pressure from the U.S., Russian President Boris Yeltsin announced in May of 1995 that Russia was canceling the centrifuge aspect of the deal.[2]

There are currently two main concerns expressed by the U.S. that stem from the Bushehr deal. The issue of spent fuel cells and the transfer of technical knowledge of nuclear physics are central to the U.S.'s proliferation worries. Currently, there is an agreement in place between Russia and Iran that requires all of the spent fuel to be returned to Russia for permanent storage. Further provisions stipulate that the Bushehr plant's activities are to be monitored by the IAEA inspection teams. An even more serious concern is that Bushehr will provide indirect assistance to different aspects of the suspected Iranian weapons program. Moscow has committed to training Iranian physicists and technicians for Bushehr at the Kurchatov Institute and the Novovoronezh Nuclear Power Plant. Iranian nuclear scientists also visited the Scientific Research Design Institute of Energy Technologies (NIKIET) in Moscow, and according to Minatom Minister Aleksandr Rumyanstev, Russian specialists will assist Iranians in the operation of the first unit of the Bushehr plant for the first six years of its operation. This concerns the U.S. because collaborating with Russian specialists will greatly increase the knowledge of Iranian nuclear specialists and improve their access to aspects of Russian nuclear technology. Collaborating in the construction of the Bushehr reactor could give Iran useful expertise in the construction of a covert plutonium production reactor, and cooperation with Russian specialists on uranium mining, milling, and enrichment could assist Iranian scientists in efforts to build a covert uranium enrichment plant.[3]

The plutonium and uranium enrichment programs, coupled with centrifuge enrichment, could be used to build a successful nuclear weapons program. That was one reason why the centrifuge enrichment plant element of the original deal was such a cause for concern. Russian centrifuge technology, while less advanced, is less technically demanding than that of Western Europe, and it is feared that Iran could easily reverse-engineer Russian centrifuges, which would accelerate its efforts to enrich uranium to weapons grade. Although Russia cancelled that part of the Bushehr deal, legal Russian-Iranian nuclear cooperation could provide a cover for illegal transfers of nuclear technology from Russia to Iran, which cannot be ruled out given the financial crisis in the Russian nuclear industry and the relatively weak Russian export controls.[4]

The current agreement is for Russia to complete the construction of the Bushehr reactor by 2006, and upon completion, Russia will begin shipping the nuclear fuel. Ever since President Bush labeled Iran as part of the "axis of evil," Russia has come under increased pressure to terminate its agreements to assist in Iran's nuclear developments. This poses a problem to the U.S. because Russia is heavily imbedded economically in the Iranian program and would lose millions, if not billions in revenue. President Bush and Russian President Vladimir Putin have recently enjoyed a cooperative agreement, namely because of their common views on the need to eradicate international terrorism. However, the Iran issue has once again become a central roadblock for further positive developments in the two nations' relations. It is a classic case of conflict of interests: the U.S. does not want Russia to assist a state-sponsor of terrorism with nuclear materials, and Russia has economic interests in Iran's nuclear energy industry and does not want to balk at U.S. pressure. In order to repair U.S.-Russian relations, the United States must initiate a policy change if Washington wants to enjoy further support from Moscow.

U.S. Policy Options

The United State could continue to put diplomatic pressure on Russia in hopes to buy more time and possibly negotiate an end to their deal with Iran. If such a policy were successful, the main benefit would be a termination of Russian contracts to build and supply Iran's nuclear reactors. This would temporarily put an end to Iran's nuclear program and would be a diplomatic victory for the U.S. It would also temporarily assist Israel's security and help the War on Terror. A halt in Iran's nuclear program would be a blow to terrorists who would like to get their hands on nuclear material to use in weapon making. However, the main shortfalls of the benefits of this policy are that they are temporary. It is very unlikely that Iran would let Russia's withdrawal end its nuclear ambitions. Iran could very well pursue its materials through the A.Q. Kahn network or another black market scheme, which would be a devastating blow to the War on Terror and Russia's determination not to see Iran armed with nuclear weapons.

The problem with this scenario is that it would be very difficult to enjoy short-term success. The U.S. has had trouble convincing Russia to give up its Iranian dealings; Moscow seems convinced that Iran is only pursuing a peaceful nuclear energy program. Russia's main concerns in their dealings with Iran are solely economic. It would be imprudent to assume that Russia could be convinced that the Iranian threat is worth giving up $10 billion in profits. In recent years, the summit meetings between Presidents Bush and Putin have had little success in coming up with a comprehensive agreement on the Iran issue, other than the fact that they both agree that a nuclear armed Iran would be bad for both nations. Another problem with prolonging the dialogue is that it may take too long. Ultimately, Russia and the U.S. may run out of time.

In either situation (successfully ending the Russian deal or delaying the completion of the plant), Iran could drastically change the security framework — as was the case with North Korea — and pull out of the Non-Proliferation Treaty (NPT), kick out the IAEA inspectors, and hastily pursue a weapons program that would be closed off to the eyes of the United States and Russia. Furthermore, Israel may become impatient and actively preserve their own security by launching a military strike to destroy the Bushehr reactor, as it did to Iraq's Osirak facility in 1981. Such offensive manuevers would negatively affect both Russia and the U.S. For Russia, it would be a huge loss in its investment in the Bushehr plant, and Russia would again lose billions in lost revenue, as it had in 2003 following the U.S.-led invasion of Iraq. The U.S. would then not only have to worry about Iran's response to Israel, but the results of such an open conflict could lead to huge instabilities in the Middle East and would have security and economic threats to Russian and American oil interests in the region.

Another possible option is to offer Russia economic incentives in exchange for full disclosure of past nuclear assistance, and ending the technology transfer to Iran. The U.S. could offer to approve the storing of spent fuel from: American-built reactors around the world in Russia under American technical supervision; the financing of expanded nuclear security programs, including nuclear submarine dismantlement and chemical weapons destruction, under the Nunn-Lugar Cooperative Threat Reduction Program; the purchase of Russian oil for the U.S. strategic petroleum reserve; and other high-tech non-nuclear projects, such as civilian satellite launches.[5] The United States could award Moscow with commercial contracts and politically support its accession to the World Trade Organization (WTO), which could possibly compensate for the loss of nuclear cooperation with Iran. In any packaged deal, the U.S. would definitely have to compensate Russia for giving up its lucrative deal in Iran—an expensive route to follow.

For Moscow, the risks of this option may be too high. Russia would reject this deal "because for Moscow to relinquish its stance could be seen as Russia softening its image as an unbendable, independent player in international relations."[6] Putin could lose political support if he is seen as giving into American "demands." For Bush and Putin, there remains the problem of what will happen to Iran if Russia were to discontinue its

nuclear assistance. There certainly is a risk that the two nations would be faced with a massive proliferation nightmare if Iran were to pursue an aggressive nuclear program on its own and unregulated by the international community. However, it would also be beneficial for both countries to mend their differences on the Iran issue and strengthen their cooperation on combating international terrorism and halting proliferation. With the Iran question resolved, U.S.-Russian relations would be stronger. The economic incentives approach would also benefit U.S. national security if it gave Russia more funds to pursue its WMD security initiatives and more effectively prevent the proliferation of its vast nuclear materials.

The flipside of the economic-based policy is the option of sanctions. The U.S. could sanction companies that supply nuclear material or technology to Iran, using legislation similar to the Iran Missile Proliferation Sanctions Act of 1997 and the Iran Non-Proliferation Act of 2000. Also, any entity that supplies technology or materials to Iran or contributes to its development of nuclear weapons could be severely sanctioned, with proliferating companies, officials, and executives being denied all U.S. funds, visas, and licenses.[7] However, such sanctions on Iran would most likely do more harm to the U.S. than good. China, Russia, and European countries with an interest in Iran's oil industry, would oppose sanctions. Furthermore, as seen in Iraq in the 1990s, states determined to obtain nuclear weapons can inevitably find ways around these sanctions to get the materials they need.

A third possible option the U.S. could use to address its concerns with Russian involvement in Iran's nuclear program would be to use military strikes to take out the Bushehr reactor facility. There are two possible scenarios for using military force: one that adversely affects U.S.-Russian relations, but effectively eliminates the Iranian nuclear threat; and one that is mutually beneficial and advances the interests of both Russia and the U.S. Both scenarios have the same basic benefits: the removal of Iran's nuclear threat, nonproliferation security for the Greater Middle East region, and security for Israel. However, each scenario has different costs and risks and requires an individual examination.

Scenario 1

In this scenario, military action by the U.S. would produce great opposition in Europe and the Middle East, and would further exacerbate the already intense anti-American sentiments in the region and parts of Western Europe. Escalation could include an unpredicted Iranian retaliation on Israel or Iraq. The U.S. military is already overcommitted in Iraq and Afghanistan; and Russia would undoubtedly be concerned with deaths of Russian workers at Bushehr that would inevitably occur from the destruction of the facilities. The backlash effect could hurt Russian support of the U.S.-led War on Terror, and could jeopardize Russia's agreements with the U.S. military to use Russian bases for operations in Afghanistan. Therefore, the costs and risks of a U.S. decision to intervene militarily may be too high to proceed.

Scenario 2

This policy scenario tends to benefit Russia more than the U.S., but it nonetheless removes the Iranian threat at Bushehr. It is clear that the concerns about the implications of a nuclear-armed Iran are increasingly evident in both the United States and Russia. Putin, however, is in a far more difficult situation than the U.S. because Moscow, unlike Washington, is directly engaging in nuclear negotiations with a rogue state, which is contributing to the problems in U.S.-Russian relations. According to Mark Katz, a professor of government and politics at George Mason University, some Russian scholars think that Putin realizes that the nuclear reactor Russia is building for Iran in Bushehr could help Iran acquire nuclear weapons. Yet Putin does not want Russia to stop its work on the project.[8] Halting its nuclear activities could be seen as Russia backing down to U.S. pressure. If Moscow were really concerned that it may be a mistake to build the reactor, but also see it as a mistake to pull out, then the best solution to this problem would be for what has already been built at Bushehr to be destroyed by either the United States or

Israel.[9] Putin "would be able to publicly denounce such a move in the strongest terms, but would likely feel relieved to have Iran's nuclear program demolished."[10] It would benefit Russia even more if Israel, rather than the United States destroyed the Bushehr reactor. An American attack on Iran would initiate strong anti-American sentiment abroad and would be difficult for Putin to avoid without appearing complicit in the destruction of Bushehr. However, an attack on Iran by Israel would allow Moscow to condemn Israel while maintaining cooperative relations with Washington.[11]

The United States would pay a huge price if the military option were used. The American image would again be under fire by critics abroad, and the looming threat of an unpredictable Iranian retaliation. If the U.S. were to attack Iran, then Russia would reap the benefits of a de-nuclearized Iran, but at the expense of the U.S. image abroad. However, this policy is almost too hypothetical to be enacted into action because Putin has not specifically endorsed this way of thinking about the situation. If it were the case that Putin honestly opposed the military option, and the U.S. or Israel went ahead with the plan anyway, the consequences would further undermine U.S.-Russian relations.

Currently, the best and most realistic policy option, although not the most popular choice, is to allow the Russians to complete the Bushehr project and follow through with their nuclear assistance to Iran. Washington should trust that Putin knows what he is doing and will honestly and vigilantly monitor Iran's activities through the IAEA. Russia should be required to continue proceeding with utmost care in its further nuclear cooperation with Iran, doing everything possible to provide for verification of transactions, which would exclude any militarization of the nuclear project from being acceptable. Russia and Iran have signed an agreement that allows Russia to fuel the reactor on the condition that Iran sends back the spent fuel, which Iran could otherwise upgrade to weapons use.[12] Furthermore, Russia has repeatedly insisted that it believes Iran is not pursuing a nuclear weapons program and will limit the Bushehr reactor to strictly civilian energy use.

Complicity may be a risky policy because it will allow Iran to have a nuclear power plant that could be used to make nuclear weapons. Russian scientists that are training Iranian physicists and technicians could pass on the knowledge necessary for Iran to use to build nuclear weapons. The control of the materials, although under the strict monitoring of the IAEA, may still be questionable and could result in proliferation to terrorist networks. Also, Israel could strike Iran's nuclear facilities and create a huge situation of instability and upheaval in the Middle East; actions that could potentially draw the United States into a new war to protect Israel from all the angry Arab states that would want to destroy Israel.

There are also worries in the U.S. that the Iranian deal could turn into a massive Russian commercialization of its civilian nuclear expertise in other projects in Iran, the Middle East, and other parts of the world. After Iran, where would Russia stop? These types of deals may be so economically rewarding that it becomes a major growth industry to compete with its oil and gas business. If that were the case, then it brings up many proliferation concerns with the further spreading of nuclear material around the globe and could be a blow to the War on Terror. Enforcement of IAEA standards and regulations would be difficult with a vast global nuclear enterprise. Luckily for Russia, there are few nations that would be able to meet this new market. Unfortunately for the U.S., these are the same nations that could not get energy from American companies because they are on a restriction list that gauges potential threats to national and international security.

There are important considerations and reasons why the U.S. should embrace Russia's Iranian nuclear deal. Although Russia appears to be in the agreement with Iran purely out of economic reasons, Russia is still a main ally in the War on Terror. Putin is personally committed to combating international terrorism, the central security problem faced with Russia today. President Putin shares President Bush's concerns about proliferation; and both leaders agree that an Iran with nuclear weapons would be dangerous for both nations.[13] If this threat is so serious to Putin, why would he engage in

actually giving a state-sponsor of terrorism nuclear technology? There has to be some sort of trust on the Putin's part to let this take place. The U.S. should be careful when doubting the seriousness of Russia. After all, Russia was trying to make international terrorism a global priority well before September 11, 2001. Russia has always faced problems with terrorism; and that concern has always been a focus in Russian national security and foreign policy. Perhaps, the U.S. should trust Russia's judgment that their assistance to Iran will be under the microscope of the IAEA and Russian security services.

With that in mind, the credibility of Russia and its goal of becoming an important player in global politics are the most at stake in the present Iran situation. If something was to happen (such as a terrorist attack or successful Iranian nuclear weapons program) and it was linked back to the Iran-Russia deals, Moscow would come under intense international scrutiny since it gave Iran the materials and technology. Russia would get serious heat for: 1) cooperating with a known state-sponsor of terrorism; 2) believing that Iran was not trying to use the nuclear reactor and technology for weapons; 3) supplying and assisting in proliferation of weapons to terrorists; 4) undermining the War on Terror; and 5) indirectly contributing to a terrorist attack. Russia's credibility as an opponent of terrorism would be diminished. Russia would seem like a hypocrite for publicly denouncing terrorism, yet negotiating a deal to give nuclear material to a known state-sponsor of terrorism.

Another important reason to support this policy deals with the inevitability of an Iranian nuclear energy program. In the case of Iran, whose population boom in the last 50 years has increased the demand on civilian energy, it is unlikely that Tehran would give up on its ambitions if the agreement with Russia were to fail. Iran could pursue a program from another foreign provider, or it could secretly pursue a black market scheme that would be covert from the international community. With the present situation with Iran, it may be in the best interests of the United States to allow Russia to be Iran's nuclear fuel provider. By doing this, it requires that the IAEA monitors Iran's activities and enacts further safeguards in the NPT. Iran's engagement in an open nuclear program can give the U.S. some assurance that Iran will be closely watched.

It may be best to allow Russian nuclear energy companies to complete Iran's Bushehr project because it is unknown who would take Russia's place in Iran. It would be better for the U.S. to have a Russian company take the lead because Washington and Moscow have strong relations and agreements over the threats of terrorism and both Presidents Bush and Putin agree that Iran should not have nuclear weapons. This agreement should assure the U.S. that Russia will do everything it can to monitor Iran and make sure Iran only uses the nuclear material for civil and not military use. With Russia taking the lead in Iran, Washington can work closer with Moscow to enforce the IAEA and NPT standards with Iran. If it were another country, such as China, the U.S. might not get a guarantee that there would be real measures in place and enforced to prevent a nuclearized Iran. The degree of cooperation in monitoring Iran would be much greater with Russia than it would be with North Korea or China. Since it is very likely that Iran would eventually obtain nuclear materials through some other method, it is best that the United States go ahead and allow it to happen through a close ally in the War on Terror, such as Russia.

Lastly, the United States could use Russia as a way to indirectly monitor and negotiate with Iran. Iran has less hostile historical ties with Russia than the U.S. Tehran and Moscow's special relationship would allow for consideration of their policies if initiated by Russia. The U.S. has had difficulties in recent years obtaining credible intelligence out of Iran, mainly because the strained U.S.-Iranian relationship and the lack of U.S. intelligence officers in Iran. The circumstances make it difficult for the U.S. to secure a foothold in the inner-workings of the Iranian government. Cooperation with Russia, however, could change that. The nuclear assistance deals give Russians an automatic access to many of Iran's top energy facilities that IAEA inspectors would not be able to enter. This could be a great opportunity for Russian intelligence to gain secret information on Iranian nuclear programs, which could help the U.S. exploit the alleged covert nuclear weapons program.

Although a change in U.S. policy from opposition to endorsement seems to be a win-win situation, embracing such policies could have high costs for the United States. The U.S. could be seen as giving in to Russia, or worse, backing down to Iran. Iran could use this as a propaganda tool to label the U.S. pressure as a failure. A move away from Washington's hard-line policy may anger some conservative hard-liners in the Republican Party, causing President Bush to encounter a political setback. Israel could also give the U.S. pressure for allowing a sworn enemy of Israel to potentially obtain a deadly weapon. It may be in Washington's best interest to *publicly* maintain the position that the U.S. is opposed to Russian cooperation with Iran and continue to publicly denounce Moscow's agreement to send materials and scientists to build the Bushehr plant. *Privately*, however, it would be in the best interests of the U.S.-Russian relationship for the U.S. to accept that Russia will build the nuclear reactor at Bushehr and trust that Russia will do everything it possibly can to prevent Iran from becoming a nuclear weapons power.

Conclusion

Iran poses a serious problem to U.S.-Russian relations and these problems cannot be met with one single policy. Each approach has different pros and cons to consider, and each option's costs, risks, and benefits should be equally considered. However, for all realistic and practical purposes, it appears that the best U.S. policy option that would help improve U.S.-Russian relations while keeping a close eye on Iran, is for President Bush to endorse the completion of the Russian-built reactor at Bushehr. Russia and Iran have entered an agreement that calls for strict IAEA monitoring, containing provisions to restrict the plant's production to civilian nuclear energy. The U.S. must work closely with Russia to make sure Iran conforms to the agreement and does not obtain nuclear weapons. If Iran fails to do so, the United States and Russia must take action and bring Iran before the United Nations Security Council.

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