



PBRC Update



RESEARCH, ACTIVITIES AND NEWS OF THE PACIFIC BASIN RESEARCH CENTER

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PBRC 1992-93 Fellows Named

The Pacific Basin Research Center has selected the Fellows for the 1992-93 academic year. In alphabetical order they are as follows:

Scott R. Christensen, Research Associate, Thailand Development Research Institute. "The Governance of Agro-Industrial Policy Reform in Thailand," a policy analysis involving the introduction of private incentives in agriculture and the restructuring of the national bureaucracy to improve negotiating procedures in industrial development.

Dennis Encarnation, Associate Professor, Graduate School of Business Administration, Harvard University. "Impact of Government Policies on Economic Interdependence across East Asia," a study of the convergence of government trade, investment, and other policies in support of regional integration.

Paul Englesberg, Center for International Education, University of Massachusetts at Amherst. "China's Overseas Study Program: Policy Interaction and Implementation," a history of China's policy of manpower development in foreign universities as a product of converging and

conflicting cultural, developmental, and diplomatic objectives.

Xiang-Hao He, Associate Professor, Research Center of Management Sciences, China Associations of Science and Technology, Beijing. "Environmental Dimension of Industrial Technological Development in Chinese Medium and Small Enterprises," a review of policies in support of small-scale industrialization as they came in conflict with environmental values.

Bruce Johnston, Professor Emeritus, Food Research Institute, Stanford University. "Policy Interactions in the Strategies for Agricultural and Rural Development," an analysis of Taiwan's use of divisible inputs such as high-yield seed/fertilizer combination and irrigation systems as a means of promoting equity in rural development.

Danny Kin-Kong Lam, Assistant Professor, Seton Hall University. "Premier Sun Yun-Suan's High Technology Policy," a study of Taiwan's policies in support of electronic and computer industries.

Frances Rosenbluth, Assistant Professor, Graduate School of International Relations and Pacific Studies, and **Mathew McCubbins**, Professor of Political Science, University of California, San Diego, together with **Linda Cohen**, Associate Professor of Economics, University of California, Irvine, and **Roger Noll**, Professor of Public Policy, Stanford University. "Comparative Policy Making in Pacific Rim Countries," an extended study of US-Japan policies in nuclear power and telecommunications, and financial regulation of retail banks, as well as comparative research on parallel policies in Canada, Korea, and Taiwan.

Changrok Soh, Research Fellow, Berkeley Roundtable on International Economy, University of California, Berkeley. "High-Tech Policies in Korea during the 1980s," a study of technological and regulatory interventions in industrial development on the part of three ministries, each with its own agenda of action.

Fred R. von der Mehden, Professor of Political Science, Rice University. "Thailand's Accelerated Rural Development as a Mega-Policy," an evaluation of a major effort to use central government resources to stimulate village-level investments in development.

Timothy C. Weiskel, Director, Harvard Seminar on Environmental Values, The Divinity School, Harvard University. "The General Agreement on Tariffs and Trade (GATT) and Third World Environmental Policies," a continuation of the 1992 project, assessing the likely impact of new international trading agreements upon environmental circumstances in selected Pacific basin countries.

PBRC Post-Brazil Conference

The PBRC has agreed to sponsor a series of five meetings in Bangkok, Nov. 2-6, 1992, with representatives from the 6 ASEAN countries and a selection of other Asian-Pacific island states. These meetings, to be held in conjunction with the Chulabhorn Institute's larger conference in Bangkok on *Environment, Science and Technology - The Challenges for the 21st Century*, will concern "Technological Cooperation for Sustainable Development." Four of the meetings will be closed sessions; the mid-week one will be open to the public.

The tentative sequence for the sessions is as follows:

1. Inventory of national development and environment policy interactions
 - a.) Presentation of analysis of country papers submitted at Brazil
 - b.) Discussion in the light of UNCED findings.
2. Inventory of national responses following UNCED.
3. Inventory of regional problems and environmental networks.
4. Inventory of possible mechanisms for technological exchange.
5. Recommendations for inter-country or regional institutions for exchanging environmental/developmental policy experiences.

Three representatives each from the ten or so participating countries will be chosen in collaboration with Dr. Nay Htun of UNCED, who expects to be Regional Director for Asia. These representatives are to include one specialist in

natural resource management, one in industrial policy, and one in economic development planning. The agenda for the meetings will be set by the group, but one element is to be the institutionalization of collaboration among the countries themselves and others in the region.

A New University for the 21st Century

PBRC is planning to hold a conference in the Winter of 1993, involving a few leading scholars, university presidents and other officers, social forecasters, and public officials, to consider the "University in the Twenty-First Century." Topics to be reviewed are:

- Will universities have to develop new roles to meet the challenges of the XXIst century?
- Is new knowledge emerging that cannot be pursued in conventional university organizations (are departments, inter-faculty or interdepartmental committees frozen in place)?
- Are new professions or sub-professions rising that cannot be conveniently developed and nourished by universities?
- Has the university structure become obsolete, or too tradition-bound to respond adequately to the opportunities that will arise in the twenty-first century? Do we need universities that are differently organized?

PBRC 1991-92 Seminar Series

The Pacific Basin Research Center's Seminar series continued in the Winter and Spring Semester with presentations by Professors John Orme, William Ascher, Dennis A. Rondinelli and Mathew D. McCubbins.

14 November 1991 - John Orme

In a paper entitled "The Origins of Great Policies on Taiwan: Three Cases," John Orme reviewed the history of three sets of policies pursued by the KMT on Taiwan: the land reform of 1949-53; the shift toward export-led growth, 1958-62; and the beginnings and current state of environmental policy from 1982 to the present. Mr. Orme argued that the first two did indeed represent "great policies" but that in the third case it appears

that a great policy has not yet been achieved. His definition of a "great policy," which was the subject of some discussion in the seminar session, emphasized the importance of effectiveness and positive achievements. Others contended that the emphasis ought to be put on the originality of the conception or other effects of the policy.

Mr. Orme then attempted to draw lessons from these policy histories about when and why governments are able to implement "great policies." He found that four factors could be cited as possible explanations. The first is the presence of a synergistic interaction between two policy sectors. For example, the possibility that land reform might not only achieve political stability on the island but might also contribute to its industrialization provided an additional argument to those on the side that favored reform. By contrast, when goals in one sector can only be achieved at the cost of goals in another, as appears to be the case with environmental protection, it is much more difficult to overcome opposition.

Second, Mr. Orme noted that policy change has often come about in part through inadvertence, that is, when those who might have been expected to oppose a change in policy failed to do so because they did not foresee its effects. This was true of the support given by one powerful minister in 1953 to the decision to distribute shares in public corporations to the landlords as compensation for their lost properties. T.K. Chang backed this privatization in the hope that the firms would fail, thereby discrediting private ownership; instead, it gave a spur to the development of Taiwan's private sector.

Third, the author contended that reforms which challenge the interests of strong forces in the government or society, as all three of these policies did, will be politically feasible only if their supporters make an alliance with some group strong enough to offset this opposition. The land reform enjoyed the support of much of the bureaucracy and the army; this was what has been called "reform from above." The adoption of the strategy of export-led growth was made possible in part by pressure exerted by the United States -- "reform from without." The beginnings of environmental protection came about as a result of pressure from the public and the nascent environmental movement, which is "reform from below."

Finally, Orme argued that land reform and economic liberalization were more successful than environmental policy because an authoritarian

government is better able to promote some kinds of reform than others. Specifically, in areas of policy where it is expedient to limit political participation, such as land reform, change can probably be implemented more easily.

28 February 1992

In our seminar session on the 28th of February, Professor John Orme presented an overview of his research to date on the origins of the Marshall Plan.

The Marshall Plan, which provided Europe with \$13.3 billion in economic aid from 1948-52, was distinct from earlier American efforts to assist Europe in that it was a program not just for relief but for lasting recovery to be achieved by increasing investment and fostering the economic and perhaps political integration of Europe. Hence, the key questions for interpretation would seem to be why the United States decided to commit resources on this scale in 1947 and why the response took this particular form.

By early 1947 a sense of crisis had developed among top US officials as they viewed the food and fuel shortages and balance of payments troubles of Western European nations. Secretary of State George Marshall became disillusioned with the prospects for cooperation with the Soviet Union during the Moscow Foreign Ministers conference in the spring of 1947 and concluded that immediate action was necessary. In addition, former President Hoover presented a report in March 1947 calling for an increase in German production, which, because of the controversy it was bound to ignite in France and the support it was attracting in Congress, required the presentation of an alternative program. Finally, due credit ought to be given to both Marshall and President Harry Truman for their political courage and organizational ability.

The program took the form it did in part because Congress was not likely to fund additional requests for piecemeal aid and in part because of the need to deal with the dilemmas posed by Germany. It was hoped that if German recovery took place within the context of a more integrated Europe supported by generous American assistance that this would be less dangerous and more acceptable to France.

Overall, it can be said that the Marshall Plan emerged from the interaction of several U.S. goals. The containment of communism and achievement of European economic recovery were mutually reinforcing; while the need to stimulate German

recovery while maintaining a favorable political climate in France appeared at first to present a difficult dilemma. It was the U.S. officials' efforts to come to grips with this problem that inspired innovative thinking and produced the Marshall Plan.

(Summaries of the presentations by Professors Ascher, Rondinelli and McCubbins will be presented in the next issue of PBRC Update)

**Who We Are,
What We Want To Do**

PBRC Update is a newsletter by, about and for the students, faculty, research fellows and associates of the PACIFIC BASIN RESEARCH CENTER (PBRC). The PBRC began operations on 2 January 1991 as a project in the CENTER FOR SCIENCE AND INTERNATIONAL AFFAIRS (CSIA) of the John F. Kennedy School of Government at Harvard University, pending its permanent establishment in its parent institution, Soka University of America. John D. Montgomery, the Ford Foundation Professor of International Studies, Emeritus, at the

Kennedy School of Government is the Director of the PBRC.

The Center for Science and International Affairs was established in 1973 to advance the understanding and resolution of international security problems through a program of research, publication, training, and teaching. The Director of the CSIA is Professor Ashton B. Carter.

Soka University of America is a sister school to Soka University in Tokyo. The Tokyo campus was established in 1971 and now has 7,000 students enrolled in six schools. Soka University of America plans to begin operations in the near future.

In the academic year 1991-92 the PBRC offered eight research fellowships, five of which were located at Harvard, and the remainder were located at other locations and institutions. The PBRC has selected ten Fellows for 1992-93 (See listing of research fellows above).

The PBRC Update will be issued to members and friends of the PBRC community from time to time throughout the academic year. It is hoped that it can serve as a forum for the exchange and discussion of ideas related to the Center's ongoing work. It will include both news about the Center's present activities, news about policy issues in the Pacific basin itself, and announcements about forthcoming PBRC activities and research plans.

Pacific Basin Research Center

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