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The Trilateral Commission was formed in 1973 by private citizens of Western Europe, Japan, and North America to foster closer cooperation among these three regions on common problems. It seeks to improve public understanding of such problems, to support proposals for handling them jointly, and to nurture habits and practices of working together among these regions.

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Introductory Note

The project work of the Trilateral Commission in 1991-92 was organized around three working groups. One group was concerned with “shared security responsibilities,” and was led by John Roper, Director of the Institute of Security Studies of the Western European Union. The broad field for the second group was “economic interdependence issues.” Toyoo Gyohten, now Chairman of the Bank of Tokyo, led this group and chose its particular focus on “regionalism and globalism” in the international economy. The broad field for the third group was “transnational/global issues.” Robert Hormats, Vice Chairman of Goldman Sachs International, led this group and chose its particular focus on “Migration and Refugee Issues in the 1990s: Policy Priorities for the Trilateral Countries and the International Community.”

The traditional practice in the Trilateral Commission over the years has been for a team of authors from our three regions to prepare a joint report, a report discussed in draft form in the annual meeting of the Commission and subsequently published. In contrast, a number of individual papers were prepared along the way in each of three 1991-92 working groups, followed by the leader of each group preparing a paper for discussion at the 1992 annual meeting in Lisbon in late April.

This volume includes the individual papers prepared by members or non-member experts for the three working groups. This volume also includes two of the papers by leaders of groups—John Roper’s “Shared Security Responsibilities” and Robert Hormats’ “Migration and Refugee Issues: An Interim Note.” The paper by Toyoo Gyohten—“Regionalism in a Converging World”—is being published separately as number 42 in the series of reports to the Commission.

Our work on migration and refugee issues is continuing in 1992-93 under the leadership of Robert Hormats. A joint report from Mr. Hormats and colleagues from the three regions will be completed in 1993. Our work on shared security responsibilities is continuing in 1992-93 with a particular focus on multilateral peacekeeping. John Roper is also leading this second stage, joined by several colleagues.

The Trilateral Commission warmly thanks the Japan Foundation Center for Global Partnership for its generous support of the work of the Gyohten and Hormats groups.
SECTION 1
SHARED SECURITY RESPONSIBILITIES

John Roper was the leader of the shared security responsibilities working group in 1991-92. His overview paper, which opens this section, both presents his own views and introduces key points from the papers that follow by other group members. Each paper is dated at the end. The Maul, Nishihara, Gardner and Herrera de Minon papers were the basis for subgroup discussions at the April 1992 Trilateral Commission annual meeting, and the Nishihara paper has been updated to September 1992 for publication here. The other papers date from the workshop of this group in Brussels in the fall of 1991.

JOHN ROPER

Shared Security Responsibilities

For the Trilateral Commission a three-year period has a certain importance. If we go back three years from our Lisbon meeting of April 1992 to 1989, we seem to be going back into another world. 1989 and 1990 were, as we lived through them with the collapse of Communism in Central and Eastern Europe, two of the most remarkable years of this century, even if the events of Tiananmen Square in June 1989 showed the possibility of reverses in the evolution of Communist states.

The year that we have lived since we met in April 1991 in Tokyo has been even more remarkable. The failed putsch in Moscow in August followed by the disintegration of the Soviet Union has been the most dramatic change in the strategic environment of this planet in the second half of the twentieth century. It is not surprising that our governments and the international organizations in which they cooperate have found it hard to come to terms with such a radically changed situation.

In Europe there was a paradoxical parallelism between the December 1991 meetings of the European Council in Maastricht and of the Presidents of the eleven successor republics who formed a Commonwealth of Independent States in Minsk. While the Maastricht summit marked agreement on the objectives and a program to achieve an Economic and Monetary Union (with the prospect of a common currency) and a Political Union (with a Common Foreign and Security Policy and the prospect of a Common Defense), the Minsk summit pointed in precisely the opposite direction.

The Trilateral countries are profoundly grateful for the virtual removal of the principal threat to our security, but it presents us with some new and unfamiliar challenges. The existence of a shared adversary with the massive military might of the Soviet Union gave us interests and priorities in common. In most of our countries it provided a strong, virtually irrefutable argument for priority to be given to defense and security expenditures; it meant that for all of us our first foreign policy priority, the containment of the Soviet Union, was the same. Now the relative ranking of external and internal priorities in all our countries is open to a new debate. In the election campaigns in Italy and Britain and the United States, foreign policy has not played a great part, and the successes achieved by Andreotti, Major and Bush in external relations have not been any particular advantage with their electorates. In the United States at least it seems inevitable that, whatever the outcome of the election, her partners will find a more inward-looking Administration with greater attention to domestic priorities.

The removal of the "clear and present danger" that the Soviet Union has represented means that there are now often different rankings in foreign policy priorities in different Trilateral countries. This is because the risks that we now face are of varying importance to different
countries depending on their geo-strategic situation. We have seen this reflected in attitudes to Yugoslavia and to some extent in attitudes to China.

Thus in a period when relations between the Trilateral countries are liable to go through a good deal of tension owing to trade frictions, it will no longer be as easy to demonstrate to the people of our countries that we share identical interests in terms of global security. The Tokyo Declaration on Global Partnership and its accompanying plan of action issued by Prime Minister Miyazawa and President Bush in January 1992, although a bilateral document, usefully called for an intensification of the political “triad” among Japan, the U.S. and Europe. An explicit grouping of Trilateral countries may appear to some to polarize North-South relations and increase confrontation rather than reducing it. We need to consider how the benefits of effective cooperation can be achieved while minimizing such disadvantages.

Reduced Threats, Increased Risks
François Heisbourg makes a useful distinction between security threats that require military options to provide a response and security risks the management of which will rely primarily on non-military initiatives and institutions. We are now in a world in which it is all too easy to identify security risks but much more difficult to specify threats.

In this situation, there is danger of a re-nationalization of security policies. Robert McNamara noted in his paper for the Group, for instance, that Michael J. Sandel of Harvard University sees a return to “old-fashioned global politics based on dominant powers competing for influence and pursuing their internal interests.” While McNamara accepts that this view is “historically well-founded,” he argues that it is “not consistent with the increasingly interdependent world” and he offers a very different “vision of the post-Cold War world”: ...“a world in which relations among nations would be based on the rule of law, supported by a system of collective security, with conflict resolution and peace-keeping functions performed by regional organizations.”

Hanns Maull likewise argues in his paper that a qualitative change of international relations should be achieved. This should build on the “security communities” that have developed in Western Europe, Scandinavia and North America and extend them as widely as possible with the ultimate objective of covering the whole world. An idea originally developed by Karl Deutsch, a “security community” is a group of states among whom it is impossible to conceive of force being used to settle disputes. Maull argues that the development of modern economies and “modern technology has made boundaries between states porous to a historically unparalleled degree. As a consequence the distinction between domestic and international politics is being undermined.” In his view there is now an imperative to accelerate this process and to “domesticate” international relationships in general. This, in his view, “should be the overriding objective, the new ‘grand design’ for Trilateral foreign policies.”

There was substantial support in the Group for this as an ultimate ideal, and recognition of the fact that the achievement of a “security community” in Western Europe among the member-states of the European Community and the EFTA countries had been an important achievement of the post-war period, overcoming the legacy of history. However several members argued that, while moving to such a new world, there will continue to be a need to maintain military options in case threats arise from countries outside such “security communities.” Can military force be increasingly replaced

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by economic sanctions as a means of enforcing the decisions of the United Nations? The evidence of Iraqi nuclear weapon development and the ineffectiveness of either economic incentives or disincentives to influence any of the parties in Yugoslavia argue against this for the time being. Economic sanctions assume a shared rationality that unfortunately does not yet appear to be the case.

**International Security and Stability**

In the post-Cold War situation we need therefore to establish what are the shared security interests of the Trilateral countries and how they can work together to achieve them. Iraqi aggression against Kuwait was a breach of international law and was unacceptable to us. It heralded a major disruption to the international balance in the Middle East that would have much wider political and economic effects. But there have of course been other breaches of international law to which we have not responded with such energy. Challenges to our security, both at a national and global level, now involve non-military more than military challenges. We also have to realize that our security is not only challenged directly but also indirectly by events which challenge the functioning of the international system as a whole.

In a wider sense the Trilateral countries have a shared interest in the maintenance of political and economic liberalism in our own countries, in its firm implantation in Central and Eastern Europe and in the successor states of the USSR espousing it in the last few years, and in its eventual extension to the rest of the world. Such a process is probably a precondition for the achievement of the change in the nature of international relations argued for by Hanns Maull.

Our shared security interests include the development of a global system that will ensure stability. Raising the issue of stability moves us immediately into issues of economic and social equity as well as political and military security. The relatively successful and prosperous will always have a greater interest in stability than the less prosperous. In national society internal peace is achieved by citizens accepting that the system is reasonably fair and just and that, through their participation in the political process, they have opportunities to modify the system. This provides a legitimacy to the system which ensures stability. In Western Europe the process of developing the European Community has already extended such legitimacy over a wider area. To extend it to the whole world may be thought an impossible task, although Maull argues that the porosity of our national societies is such that no country or group of countries can isolate themselves permanently from instability elsewhere in the world.

**Three Security Agendas, How Much in Common?**

While some of the immediate security agendas of the three groups of Trilateral countries will be shared, other parts will weigh much more heavily with one or two parts than with others. There are two interests that are clearly shared and which represent fairly high priorities for all of us. The first is the continued progress of the ex-Communist states to becoming pluralist political democracies with effective market economies. Any setback in this process would lead to dangerous instability that could have serious effects not only on immediate neighbors but more widely in the world. It would also have a serious indirect effect. If we were to have a failure of pluralist political democracies and market economies to provide a satisfactory basis for these post-Communist states, if these values were to prove unviably in Europe—the cradle of democratic values—then the message would be a very serious one. It would have repercussions throughout the world for the values which we hold essential and the outcome, while unpredictable, would be clearly disadvantageous. This is, of course, why involvement by our countries (the private sector as well as governments) in the transformation of the post-Communist states is of such

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*Maull, p. 22.*
importance. No one should underestimate the scale and difficulty of the task and no one can guarantee success, but the costs of failure would be clearly horrendous. Assistance in this process of transformation will be a piece of enlightened self-interest for the Trilateral world. The announcement by the G-7 at the beginning of April 1992 of the $24 billion they are making available as credits and to assist in the stabilization of the trouble is clearly a very useful contribution.

The second interest which is shared by all Trilateral countries is a concern about the risks of proliferation, not only of nuclear weapons, but also of other weapons of mass destruction and of ballistic missiles that could deliver them on our cities. Developments of recent years have added to our concern: (1) the potential for proliferation by disintegration in the successor republics to the Soviet Union; (2) the potential nuclear and weapons brain-drain from those republics (particularly Russia); (3) the discovery of how much Iraq had been able to achieve in spite of all the control systems that were assumed to exist; (4) the intelligence reports of North Korean and Algerian nuclear developments; (5) the 1,000-kilometer range of the latest North Korean Scud-derivative missiles, which from Pyongyang could target Osaka if not Tokyo; and (6) the 2,700-km range of the Chinese CSS-2 missiles, already sold to Saudi Arabia, which from Tripoli could threaten Cork, London, Copenhagen and Warsaw.

Some of these developments present more of an immediate challenge to some Trilateral countries than others, but the total picture is sufficiently alarming. There have of course been some positive developments—the Chinese and French decisions to accede to the Non-Proliferation Treaty and the agreements in principle by the successor states of the Soviet Union to hold their weapons in common in Russia. Unfortunately the latter may already be a victim of the rivalries between those successor states. Ukraine, at least, is reluctant to see a Russian monopoly.

There are also differences on what are the correct policy options to adopt among the Trilateral countries, with variations among the positions held by some from the three nuclear-weapons states. Robert McNamara argues that "nuclear weapons have no military use other than to deter one’s opponent from their use." This is true for the strong but not for the relatively weak nuclear power. For the latter the traditional French doctrine of dissuasion du faible à fort still holds good. For the relatively weak power nuclear weapons are attractive as a deterrent against not only a nuclear attack but against any attack. In the past nuclear weapons enabled NATO to equalize against the assumed conventional superiority of the Warsaw Pact; now it could be our countries who are being equalized with by proliferators or potential proliferators. Whatever their military utility nuclear weapons continue to provide some political weight for a state in relation to its more powerful neighbors. Some would suggest that this may influence the ultimate Ukrainian or Kazakh decision on the nuclear weapons on their territory.

There are those who say we cannot prevent a rapid increase in nuclear-weapons states, and indeed François de Rose, in his paper for the Group, argues in favor of those countries on the northern shore of the Mediterranean investigating anti-missile systems. The priority which U.S. Secretary of State Baker gave, in his visits to the successor states of the Soviet Union, to nuclear weapons (strategic and tactical) on their territory shows that he at least felt something could be achieved. We need to give considerable priority to working out what verification procedures a satisfactory non-proliferation regime requires (including an examination of what limitations on their own holdings the existing nuclear-weapons states would be prepared to accept) in order to ensure adequate, and therefore intrusive, controls on the present...
non-nuclear-weapons states. An equally difficult, but equally important, question is what sanctions we would impose on a signatory to a revised Non-Proliferation Treaty who infringed its provisions, and what if anything we would do to non-signatories.

North East Asia
Beyond these two broad shared interests the security agendas of Japanese, Europeans and North Americans have some variations. The Group benefited from papers from two Japanese members, Masashi Nishihara and Koji Kakizawa, which outline a number of East Asian priorities as well as examine the institutional frameworks in which regional security problems could be considered. While the developments in the former Soviet Union, Mongolia and Cambodia have been welcomed in Asia, there are still serious security risks. President Yeltsin has not yet appeared any more ready to negotiate the problem of the Japanese Northern Territories. In the same way as Gorbachev was worried (as President of the Soviet Union) about what might be the attitude of the Russian Federation if he moved on the Northern Territories, Yeltsin (as President of Russia) is still not sure what would be the attitudes in Kamchatka and more generally in the Far Eastern region of Russia.

While there have been some encouraging signs in the Korean peninsula (including the admission of both Koreas to the United Nations), the anxiety over North Korean missile and nuclear developments and the probable instability over the succession to Kim Il-Sung suggest that it must still cause concern to Japan. It is not clear what forces the United States will keep in the Republic of Korea. As Nishihara suggests, a definite development of nuclear weapons in North Korea could lead to South Korea following suit, which would create tensions between Seoul and both Washington and Tokyo.

The situation in China is of concern to all Trilateral countries. China, as a Permanent Member of the Security Council and as a major exporter of armaments, has an impact on many of the world's security issues. It is to her neighbors in Asia that developments in China are of most concern. While Deng Xiaopeng is anxious to ensure that within the economy the market system is firmly established, there are few signs of political liberalization and there is a sense of isolation in China as she is surrounded by democracies. In addition, the development of independent republics in Central Asia and the growing ethnic nationalism there is already spilling over into China. China is maintaining the growth in her defense budget, the increase for 1992 amounting to 12 percent. While this increase is much greater than elsewhere in Asia, the Japanese defense budget is increasing at 3.5 percent per annum and there are significant increases in the defense budgets of ASEAN countries.

The Japanese authorities are very conscious of the political costs at the global level of the Constitutional constraints on their participation in UN peace-keeping (let alone peace-enforcement). Nonetheless internal political difficulties have so far prevented the necessary legislation being adopted by the Diet. Kakizawa, writing in his capacity as a member of the Special Peace-Keeping Operations Committee, was optimistic that it would be possible to establish a legal framework for sending Japanese Self-Defense Forces abroad to cooperate in UN forces.

Europe
Europeans will also face some specific problems. The post-Communist states are likely to present a particular problem for their West European neighbors. As a Bulgarian parlia-

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10Nishihara, p. 31.
11Kakizawa, p. 36. The PKO cooperation bill was finally adopted by the Diet in June 1992.
mentarian put it recently, "the disintegration of the communist system releases vast amounts of energy which may easily become destructive."12 Much of that energy has led in these societies to a rebirth of nationalism that may well put strains on the internal or external boundaries of these states. Post-war European institutions have been very successful in removing the negative aspects of nationalism from Western European countries, and it is argued that this process should be extended by absorbing the new democracies into the family of European states. There is already a debate whether special treatment in security matters should be given to Western Europe's immediate neighbors to the east—the "hopeful triangle" of Poland, Czechoslovakia and Hungary—who already have association agreements with the Community. But special treatment for some is perceived as discrimination against others, and their neighbors to the south and east would be reluctant to see the creation of a new dividing line in Europe. Among these the most important is Ukraine, which after Russia and Germany will be the third largest European state in terms of population, and has potential boundary problems with six of its neighbors. While Ukraine is temporarily a member of the Commonwealth of Independent States, this is not a permanent solution but rather a mechanism for the former Soviet Union's controlled disintegration.

The problems of nuclear proliferation in and around Europe are more acute for Europe than the other Trilateral regions. The former Soviet Union's numerous tactical nuclear weapons are a continuing concern to European neighbors, in addition to its strategic nuclear systems of general concern.

The risks from the South of Europe are sometimes consolidated. This is almost certainly a mistake. The various societies and states which are found on the southern side of the Mediterranean are far from homogeneous. While there will be tensions between some of them and Western Europeans over economic and social questions, particularly in view of their very rapid population growth, this does not represent a military threat.

There will be some variations in Western Europe, as among the Trilateral countries as a whole, on the relative priority of various security issues. In broad terms, more attention is paid in Northern Europe to the risks of instability in Central and Eastern Europe, while in Southern Europe more attention is given to the problems of the Mediterranean.

North America
For the United States, the end of the Cold War and the collapse of the other superpower has had various effects. On the one hand, as shown in the Gulf War she has an unchallenged global military dominance. On the other hand, her military support is no longer as needed by her allies and that in turn reduces her political influence with them. To some, the choice is between continued American leadership and isolation, but this is surely an over-simplification. Leadership by the United States is relatively easy and welcomed when there is a clear threat, as in the Cold War or against Iraq. It is more difficult in situations where our countries are not discussing threats which may require a military response, but risks and challenges which require political and economic responses. Here a more collective approach is necessary if partners are going to cooperate with enthusiasm in American initiatives. The new security relationship between the United States and her Trilateral partners is another subject meriting further attention.

The size of U.S. forces in North East Asia and Europe will clearly be reduced as the original rationale for their presence disappears. Any precipitate decision to withdraw completely would have destabilizing effects (these forces have provided reassurance not only to America's allies but more widely in both regions). But it is not clear that a case can be developed for a

12Nicolay Statinsky, communication to WEU Assembly Berlin Symposium, April 1, 1992.
long-term U.S. presence in either region which will be accepted by U.S. legislators and taxpayers. The approach shown in the leaked draft of the Pentagon’s Defense Planning Guidance 13 may have been persuasive within certain circles in Washington, but the reaction to it among the allies of the United States indicates the difficulty of developing the right role for the United States in the new situation.

Canada has also had to reexamine her security priorities, and the decision to remove her remaining forces from Europe has caused much sadness to her friends in Western Europe. This does not, of course, only refer to the military significance of the Canadian presence, but also to its political symbolism and to the fear that the decision to withdraw may be seen as a precedent for the United States.

While this view may exaggerate the impact of the Canadian decision on the U.S. debate, it is important that Canada, which historically has played such an important role both in the Atlantic Alliance and in the development of UN peacekeeping activities, should not be seen as withdrawing from her global responsibilities.

The Institutional Framework

The Trilateral countries undertake their international security responsibilities increasingly within a range of international institutions. In some of them, such as the United Nations and the Economic Summit (G-7), all three Trilateral regions play a part, while others at present involve only two regions (CSCE, NATO) and others only one (European Community, WEU). In their papers, our Japanese colleagues put the case for and against the transfer of the CSCE formula to Asia with the creation of a Conference on Security and Cooperation in Asia (CSCA). Nishihara argues that in Asia a single overarching framework is less appropriate and that “different security issues must be handled according to their specific characters.” He does not rule out wider groupings, but recommends an evolutionary approach.

Such an evolutionary approach may not be as elegant as the design of new institutions in all regions but it may make more sense. We do not yet know all of the political implications of post-Cold War developments. Brand new institutions created in 1919 and 1945 appropriate to the political balance of the moment were unfortunately proven inadequate by the developments of the following decade. In the existing plethora of institutions, logic would lead to a tidier structure with a reduced number of organizations; but institutional inertia and the diverging political preferences of different countries make it difficult, if not impossible, to prune existing bodies. Such redundancy as does exist is not always a disadvantage. If one structure is inadequate to deal with a particular situation, it may be convenient for our governments that another is available. This said, the particular choice of organization to deal with a security crisis may be related to little more than whichever body happens to have a high-level meeting first.

The United Nations

The post-Cold War world has already seen a considerable growth in the role of the United Nations. In some ways it is now able to achieve the objectives of its founders and provide the framework of the more civilized world discussed by Hanns Mauil.15 The new Secretary General, Boutros Boutros-Ghali, seems to be taking a more active interpretation of his competences. Richard Gardner suggests in his paper16 that the Secretary General needs extra staff and regular intelligence flows from the members of the Security Council to enable him to fulfill his functions under Article 99 to bring to the atten-

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14Nishihara, pp. 32, 34; Kakizawa, p. 36.
15Mauil, passim.
tion of the Security Council "any matter which in his opinion may threaten the maintenance of peace and security."

Richard Gardner's other very substantial proposal, which led to considerable discussion in the Group, is for the creation of a UN Rapid Deployment Force. This would have up to 30,000 men. The five Permanent Members of the Security Council would each designate a unit of brigade strength (2,000 men) and thirty other UN members would commit units of battalion strength (600-700 men), as forces available to the UN under the terms of the agreements specified in Article 43. Such a force would be "available to perform a variety of purposes: (1) to be stationed pre-emptively on the border of any UN member that was threatened with aggression; (2) to defeat aggression if it occurred; (3) to put an end to mass repression against civilian populations (e.g. the Kurds in northern Iraq) that constituted a threat to international peace and security; (4) to undertake humanitarian relief in domestic conflicts; and possibly (5) to combat acts of terrorism." Gardner suggests that the Permanent Members of the Security Council might in addition provide air and naval units and air and sea lift. He discusses the relative advantages of such a structure in comparison with the UN-approved but U.S.-led coalition used in the Gulf War. The task of persuading American opinion of the validity of such an idea is probably the greatest obstacle but the financial benefits of UN burden-sharing for such a force might be persuasive.

There have been discussions at the 1992 CSCE meeting in Helsinki of a CSCE peacekeeping force, including the specific proposal of German Foreign Minister Genscher that the CSCE should become a regional arrangement as provided for in Chapter VIII of the UN Charter. A CSCE peace-keeping force could be related to the UN under Article 43(3) which provides for forces being made available by "groups of members" of the UN. Similarly Article 47(4) provides that the UN Military Staff Committee "may establish regional sub-committees."
The possibility of regional bodies such as the CSCE developing enforcement capabilities is discussed in Chapter VIII of the UN Charter, although Article 53 makes it clear that no enforcement action by such an agency can be taken without the authorization of the Security Council. In other words, a CSCE arrangement does not enable anyone to bypass a veto.

Economic Summit (G-7)
The annual summits of the seven major industrialized countries have been seen in more recent years to cover a range of political and security issues as well as the economic issues for which the series of meetings was created. This is inevitable in view of the overlap between political, security and economic issues. There has been however a reluctance by at least one member—France—to give them explicit reference to security lest it should appear that the industrialized world is imposing its wishes on the rest of the world. There is something in this argument, but it needs to be weighed against the counter-argument that it is important to develop the political and security relationship among all parts of the Trilateral world, for which the Summits seem ideal. There is considerable psychological and political value, in terms of the relations among us, that the publics of our countries do see that our leaders share a common approach to the problems of global security. A second possible advantage is that it provides a forum where the G-7 members, particularly Germany and Japan (who are not permanent members of the Security Council), would have an opportunity to concert their positions with the three members of the G-7 who are permanent members. The extension of the G-7 in London in 1991 to include President Gorbachev for part of the meeting is a further interesting development which may serve as a precedent for future ad hoc expansions.

CSCE
Although the territory covered by the Conference on Security and Cooperation in Europe has not
changed, apart from the addition of Albania, its membership has increased from 35 to 51 in recent months as a result of the disintegration of the Soviet Union and Yugoslavia. Some of its members have argued for its extension to involve Japan, perhaps as an associate member. While this would have some important advantages, the CSCE has a substantial range of problems facing it, including the question of assuring that the newest members understand the obligations of membership.

The CSCE was created in the 1970s to manage East-West relations in a Cold War situation. We hoped to make the situation a little more tolerable, but few thought we could change it fundamentally. The end of the Cold War has given the CSCE the obligation to redefine its role, and the current meeting of the CSCE in Helsinki is trying to do this. There is important unfinished business—to ensure that the conventional arms control agreement effectively negotiated two years ago is adjusted to the new situation in the former Soviet Union in order that it can be ratified and its important verification provisions come into effect. In addition the related agreement to limit military manpower needs to be completed, and there are a range of proposals for further arms control. 18

Beyond this, there are a range of proposals seeking to turn CSCE into an effective collective security structure for the very wide area—Vancouver to Vladivostok—which it covers. Some progress has been made in developing the CSCE into a regional organization for conflict prevention, crisis management and conflict resolution, and it is at present trying to find a solution to the situation in Nagorno-Karabakh. It has accepted that the original rule that it should act only on the basis of consensus was an impossible constraint on action, and this has been modified so that the objection of a single state can be ignored. As mentioned above, Germany has made a number of proposals to give a status under the UN Charter. Germany has also suggested creation of a steering committee with a rotating membership of the chairman-in-office of CSCE together with his predecessor and successor and added to in particular cases by three or four countries particularly interested. Such a body could serve a useful function in preparing proposals in a restricted group for submission to the total membership for agreement. France has suggested that the essentially political basis of CSCE should be formalized by the development of a formal treaty which would provide a legally constraining basis for the commitments that have been entered into.

The Atlantic Alliance, NATO and NACC
The Atlantic Alliance has been one of the great successes of the post-war period, and its success can be seen by the enthusiasm with which its former adversaries importune membership or at least a very close association. Apart from its value as an instrument of collective defense for its members, its greatest value has been the way in which it has formed, to a large extent, a common security culture among its members. Given that military force has normally in history reinforced nationalism, NATO has fulfilled a useful function in educating the politico-military leaderships of its countries to adopt a multilateral and international approach. It has certainly been one of the factors helping the development of a “security community.”

The wish for association by first the former members of the Warsaw Pact, and now the successor states of the Soviet Union has been answered by the creation of the North Atlantic Cooperation Council (NACC) with bimonthly meetings at the ambassadorial level as well as regular ministerial meetings. A wide program of cooperation with the partners is being planned to help the development of the new leadership in defense and foreign policy fields in the new democracies. It is not clear how this pattern of cooperation will develop. There are clearly differences of opinion among NATO members on how much work should be done in a NACC context and how much in CSCE.

In November 1991 at Rome the sixteen allies, after a long period of preparation, agreed at summit level to a new Strategic Concept designed to

provide a basis for the future work of the Alliance. It already took into account the changes in the Eastern part of Europe and what was still then the Soviet Union. The subsequent changes have not invalidated the Strategic Concept, but they have reopened the debate on both sides of the Atlantic on how to keep the Alliance credible and relevant. There has been a discussion for some time whether the Alliance should widen its scope of responsibilities beyond the collective self-defense of its members' territory in the North Atlantic area. In his paper for the Group, Miguel Herrero de Minón argues that NATO is useful as a model for other parts of the world (particularly in its functions among its own members) rather than as an instrument for solving the problems of other areas. Some have argued that the scope of NATO should be expanded to become a general purpose Western security organization, but paragraph 23 of the Rome Strategic Concept, inserted at the suggestion of France, confirmed that the scope of the Alliance should remain unchanged, as should the rights and obligations set out in the Washington Treaty which established NATO in 1949. This may not be everybody's preferred outcome, but it would be a mistake to think that a consensus could easily be obtained to amend the Treaty or that additional legally binding security commitments would be easily ratified by all of our parliaments.

As long as there is still considerable uncertainty in the former Soviet Union, it will be possible to maintain a defense shield in Western Europe with some level of American participation. But it is much more difficult to predict what level of standing forces Europeans and Americans will wish to maintain in peacetime and base outside their territories if in five years time Russia and the other republics are moving forward peacefully towards becoming pluralist and effective democracies with market economies. NATO has gained a high reputation as a forum for political consultation across the Atlantic. That will continue to be necessary and should, as we in the Commission have frequently stressed, be extended in appropriate ways to include Japan.

The note from Lynn Davis discussed how NATO should evolve and the future role for a U.S. military presence in Europe. There was a wide measure of agreement in our Group on the continuing stabilizing influence of an American presence. In many ways this is more important in Central and Eastern Europe than in the existing members of the Alliance. While there is little immediate pressure in Congress for accelerated U.S. troop withdrawals, American public and Congressional opinion could change and linkages, however irrational, between the size of the U.S. presence and European attitudes within the GATT negotiations could be made.

European Community/European Union.

The Maastricht "Treaty on European Union" and the associated Declaration by the member states of WEU have taken the Europe of the Twelve some way down the road to developing a Common Security and Foreign Policy. The Community agreed, assuming the Maastricht Treaty is ratified, that it would move towards a common defense policy with the objective of common defense. This will be done in the first instance indirectly through the agency of WEU, which will also become much more explicitly the European pillar of NATO.

The implementation of Maastricht, itself to be followed by further stages in 1996, is going to require a good deal of detailed negotiations. The idea of WEU having forces answerable to it is already being worked on, and by the end of 1992 (when the symbolic move of the WEU headquarters from London to Brussels takes place) some of the questions should be answered. There is great anxiety to prevent duplication with NATO but also very strong feelings that European forces should be seen to be European as such.

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19Miguel Herrero de Minón, "Regional Implementation of Invisible Security," pages 43-44.
20NATO at its June 1992 Oslo Summit agreed to consider requests from the CSCE to make forces available for peace-keeping functions in Europe.
Meanwhile the limited success of the European Community in Yugoslavia—with the civilian monitors providing some help in maintaining the ceasefire in Croatia and the EC Peace Conference under Lord Carrington's chairmanship making slow but perceptible progress—is an indication that Europeans in this area may be learning by doing. Yugoslavia has been a particularly difficult problem for all those who have tried to resolve it. The European Community members disappointed many by their lack of success, but themselves discovered how much more would have to be done before they could talk of an adequate Common Security and Foreign Policy.

The security challenge facing the countries of the Tripartite world has changed so radically in the last three years, and particularly the last twelve months, that the Group has only been able to clear away some of the undergrowth in its work. As threats of one sort have declined, uncertainty has grown. We as the most prosperous countries of the world do share responsibility to contribute to the security of our planet. The Tripartite Commission will continue to fulfill an essential function if it continues to provide an unofficial forum in which common analyses of these problems can be developed. Such a common analysis is a clear prerequisite if our countries are to work together to share their responsibilities.

April 1992

Robert S. McNamara

Security in the Post-Cold War World

H ow will nations relate to one another in the post-Cold War world and how will these new relationships affect foreign policy, military budgets and military force structures, including nuclear force levels? These are the questions I propose to discuss in this brief statement.

Although there has been clear evidence for several years that the Cold War was ending, nations across the globe have been slow to revise their foreign and defense policies, and regional and international security structures, to reflect that fact.

In the United States, for example, in 1990, defense expenditures totalled $300 billion. In constant dollars that is 50 percent more than a decade ago, only 3 percent less than at the height of the Vietnam War, and only 10 percent below the peak of Korean War expenditures. Moreover, the President’s five-year defense program, presented to Congress in 1991, projects that expenditures will decline only very gradually from the 1990 levels. Defense outlays in 1996, in constant dollars, are estimated to be at least 25 percent higher than some 20 years earlier, under Richard Nixon, in the midst of the Cold War. Such a defense program is not consistent with my view of the post-Cold War world.

Conflict, Multipolarity

Before we can respond to the changes in Moscow’s policy we need a vision of a world not dominated by East-West rivalry. As the Iraqi action demonstrated, it will not be a world without conflict, conflict between disparate groups within nations and conflict extending across national borders. Racial and ethnic...
...IN THE 21ST CENTURY RELATIONS AMONG NATIONS WILL DIFFER DRAMATICALLY FROM THOSE OF THE POST-WAR DECADES.

...in the 21st century several other countries, of what we now think of as the Third World, will have so increased in size and economic power as to be major participants in decisions affecting relations among nations. India is likely to have a population of 1.6 billion, Nigeria 400 million, Indonesia 350 million, and Brazil 300 million. If China achieves its economic goals for the year 2000, and if it then moves forward during the next fifty years at satisfactory but not spectacular growth rates, the income per capita of its approximately 1.6 billion people in 2050 may be roughly equal to that of the British in 1965. China's total Gross National Product would approximate that of the United States, Western Europe, or Japan. These figures, are, of course, highly speculative. I point to them simply to emphasize the magnitude of the changes which lie ahead and the need to begin now to adjust our goals, our policies and our institutions to take account of them.

A System of Collective Security
In such a multipolar world there, clearly, is a need for developing a new relationship both among the Great Powers and between the Great Powers and Third World nations. I believe that, at a minimum, such new relationships should accomplish three objectives:

1. Provide guarantees against external aggression for all states, and a mechanism for resolution of regional conflicts without unilateral action by the Great Powers.

2. Commit the Great Powers to termination of military support of conflicts between Third World nations and conflicts between political parties within those nations.

3. Increase the flow of both technical and financial assistance to the developing countries to help them accelerate their rates of social and economic advance.

In sum, I believe we should strive to move toward a world in which relations among nations would be based on the rule of law, supported
by a system of collective security, with conflict resolution and peace-keeping functions performed by multilateral institutions—the United Nations and regional organizations. Provision should be made for further evolution of European security structures (i.e., CSCE and NATO) and the regional organizations might well include a “Conference on Security and Cooperation in the Pacific.”

That is my vision of the post-Cold War world. In contrast to my vision, many political theorists predict a return to the power politics of the 19th century. They claim that as ideological competition between East and West is reduced, there will be a reversion to more traditional relationships. They say that major powers will be guided by basic territorial and economic imperatives: that the United States, the USSR/Russia, Europe, China, India, and Japan will seek to assert themselves in their own regions while competing for dominance in other areas of the world where conditions are fluid.

This view has been expressed by Michael J. Sandel, a political theorist at Harvard, who has said: “The end of the Cold War does not mean an end of global competition between the Superpowers. Once the ideological dimension fades, what you are left with is not peace and harmony, but old-fashioned global politics based on dominant powers competing for influence and pursuing their internal interests.”

Professor Sandel’s conception of relations among nations in the post-Cold War world is historically well-founded, but I would argue it is not consistent with the increasingly interdependent world—interdependent economically, environmentally, and in terms of security—into which we are now moving. In that interdependent world, I do not believe any nation will be able to stand alone. The UN Charter offers a far more appropriate framework for relations among nations in such a world than does the doctrine of power politics.

Such a world will need leaders. The leadership role may shift among nations depending on the issue at hand. Often it will be fulfilled by the United States.

I want to stress, however, that in such a system of collective security, whenever the United States plays a leadership role it must accept collective decision-making. Correspondingly, other nations—and that includes both the nations of Europe and the nations of the Asia-Pacific Region—should accept a sharing of the risks and the costs: the political risks, the financial costs, and the risk of casualties and bloodshed.

Had the United States and the other major powers made clear their conception of and support for a system of collective security, and had they stated they would not only pursue their own political interests through diplomacy without the use of military force, but would seek to protect Third World nations against attack by other nations, the Iraqi action might well have been deterred.

The Arms Control Agenda
While steps are being taken to reduce the danger of Great Power political conflict and to establish a world-wide system of collective security, arms control negotiations should be expanded rapidly in scope and accelerated in time. Both short-term and long-term objectives should be set for the process.

The short-term agenda, for example, should stress the obvious: early ratification of the START Treaty and the CFE Treaty; the pursuit of the unilateral reductions of nuclear arms announced by Presidents Bush and Gorbachev; and the beginning of arms reduction in the Pacific area, a subject not yet under discussion.

Such a “short-term” program will greatly improve crisis stability. However, after it is completed, the five existing nuclear powers will retain between thirty-five and thirty-eight thousand nuclear warheads. The danger of nuclear war—the risk of destruction of their societies and non-nuclear nations as well—will have been reduced but not eliminated.

Must we live with that nuclear risk indefinitely? Surely the answer must be “No.”

More and more political and military leaders are accepting that basic changes in the nuclear strategy and forces of the nuclear pow-

... Arms Control Negotiations Should Be Expanded Rapidly in Scope and Accelerated in Time.
IF WE TRULY WISH TO STOP PROLIFERATION AND TO LIMIT ARMS EXPORTS, I SEE NO ALTERNATIVE TO SOME FORM OF COLLECTIVE AND, IF NECESSARY, COERCIVE ACTION BY ORDER OF THE SECURITY COUNCIL.

ers are required. Some are going so far as to state that nuclear weapons have no military use other than to deter one's opponent from their use.¹ From that some draw the conclusion that the long-term objective should be to return, insofar as practical, to a non-nuclear world.

For many, that is a very controversial proposition. The genie is out of the bottle—we cannot remove from men's minds the knowledge of how to build nuclear warheads. Therefore, unless technologies and procedures can be developed to ensure detection of any steps toward building even a single nuclear bomb by any nation or terrorist group—and such safeguards are not on the horizon—an agreement for total nuclear disarmament does not appear feasible either today or for the foreseeable future.

However, if the nuclear powers were to agree, in principle, than each nation's nuclear force would be no larger than was needed to deter cheating—secretly building nuclear weapons—how large might such a force be? Policing an arms agreement that restricted the nuclear powers to a small number of warheads is quite feasible with present verification technology. The number of warheads required for a force sufficiently large to deter cheating would be determined by the number any nation could build without detection. I know of no studies which point to what that number might be. But surely it would be small. Very possibly it would not exceed a few tens.

With nuclear forces (after achievement of currently planned reductions) totaling tens of thousands of warheads, with the Cold War ended, and with the danger of proliferation of weapons of mass destruction increasing with every passing day, should we not begin immediately to debate the merits of alternative long-term objectives for nuclear forces of existing nuclear powers? And should we not debate as well how best to deal with the proliferation of weapons of mass-destruction and with the export of arms to the Third World? If we truly wish to stop proliferation and to limit arms exports, I see no alternative to some form of collective and, if necessary, coercive action by order of the Security Council.

**Drastic Reduction of Military Budgets**

As we move to limit further both nuclear and conventional forces, while providing for collective action against military aggression wherever it might occur, military budgets throughout the world can be drastically reduced:

- In the case of the United States, I believe it should be possible within 6 to 8 years, to cut military expenditures in half in relation to GNP, i.e., from 6 percent to below 3 percent. That would make available, in 1989 dollars and in relation to 1989 GNP, at least $150 billion per year. Reductions of substantial magnitude could be made in the budgets of most other Great Powers.

- Similar reductions can be made in the military expenditures of the Third World. The developing countries should be able to save at least $100 billion per year—approximately one-half of what they now spend—a sum twice as large as their annual receipts of development assistance from the OECD countries. In a recent address to a conference organized by the World Bank, I urged the tying of financial aid to developing countries to reductions in their military expenditures. The “conditionality” could take the form of the proposal contained in *Facing One World*, the report of the “Independent Group on Financial Flows to Developing Countries,” chaired by former German Chancellor Helmut Schmidt. The Group, which included ex-Presidents of Prime Ministers of Nigeria, Peru, Canada and Korea, urged that, when decisions concerning allocations of foreign aid are made, special consideration be given to countries spending less

than 2 percent of their GNP in the security sector. I am conscious that application of such conditionality will be difficult and contentious. Nevertheless, it is, I believe, an essential part of the solution to the waste represented by excessive military spending in poor countries.

These huge savings in military expenditures could be used to address the pressing human and physical infrastructure needs of both developed and developing nations.

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That is my vision of the post-Cold War world. It is an agenda for the 21st Century. It is not an agenda any single nation, no matter how large and powerful, can carry out by itself. But, if together we dare break out of the mind sets of the past four decades, we can reshape international institutions and regional organizations, as well as relations among nations, in ways which will be lead to a far more peaceful world.

October 1991

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HANNES W. MAULL

Civilian Power: The Concept and Its Relevance for Security Issues

"Civilian Power" and the Changing Role of the State

The concept of "civilian power" builds on the recognition that many traditional assumptions about international relations have become inaccurate, irrelevant or even misleading. Perhaps most obviously, the state-centered bias of "old thinking" in international relations no longer adequately reflects changing realities. These changes have brought nation-states under pressure from within and outside, from below and above. As Daniel Bell once put it: "The state has become too small for the big problems, and too big for the small problems."

Under this burden from below and above, some states have broken down, with their political systems collapsing (such as the Communist systems in Eastern Europe) or simply disintegrating. The most spectacular example of this, of course, is the collapse of the Soviet and then the Russian empires. But it is misleading to see this phenomenon as confined to former empires: the breakup of Yugoslavia and of Ethiopia, or the tensions in states as different as Sri Lanka, Turkey, Iraq, and indeed Canada and the United Kingdom, cannot be plausibly explained in "empire" terms. The first fallacy of the traditional, state-centered view of international relations, then, is this: states, not just empires, may break up into pieces with uncertain outlines—and efforts quickly to find new states in the debris so as to be able to return to "business as usual" may well be doomed for some time to come.

Secondly, control over the state has become
uncertain in a number of weak states. The worldwide shift to democracy, welcome as it is, reflects the inability of powerful and often unscrupulous elites to hang on to power—and hence suggests a dramatic propensity for anarchy, should newly democratic governments fail to deliver what their electorates expect from them.

Thirdly, states are increasingly under pressure from below. The forces of social change, in turn driven by the momentous advances of modern technologies in communications, transportation, production and warfare, have led to the emancipation of societies from their states. This is reflected in new demands on governments from their citizens: demands for greater freedom, for better material conditions and for a say in public decision-making, but also demands for protection against the negative effects of technological, economic and social change on people's lives. In today's world of interdependence, however, states often will be unable to meet such expectations effectively without help from other states. Many of the demands—for a better life, for an intact environment, for protection against threats from other states (and from terrorism or drug dealers)—can no longer be satisfied through autonomous national action. States will thus have to turn to other states for support for their objectives, and will in turn have to face their demands. Domestic and international politics thus insolubly intertwine, breaking down the traditional barriers between the different political realms.

Trying to satisfy domestic expectations brings states under pressure from above. Other states will pose their own demands. Moreover, in most states, control over developments in their own societies has become more tenuous as transnational economic and social processes have gathered momentum. This is most obvious in the economic realm, but underlined by transnational challenges such as climate change, drugs or AIDS. The satisfaction of some of the expectations of citizens (for example, safety from international terrorism or nuclear blackmail, enhanced prosperity or an intact global environment) thus will require common regulatory efforts by the international community. To solve the big problems, states will have to cede some of their sovereignty to supranational political arrangements.

All this suggests that states may no longer be around in the traditional sense as partners or even adversaries where we may need them most—in the "arc of crisis" which now covers Eastern Europe as well as much of Asia, Africa and Latin America. They may also no longer be around in the old sense in Western Europe, where states have responded to powerful forces of change by developing structures of supranational cooperation and integration. Yet all this does not point to a disappearance of the state as the most important political unit. It will continue to be needed as the primary (though not necessarily the only) focus of social identity, and as the most important protector against threats and forces of change. States will continue to be vital because they still can plausibly be expected to provide security. But the state has to be firmly placed in a wider continuum of politics, which reaches from the local to the global level. The state, in other words, should be seen as the strategic middle level between local and international politics, as a mediator between contradictory demands from below and above.

The concept of "civilian power" takes its cue from this changed role of the state. It sees the present changes in international relations not only as the end of the postwar world, but also as the end of the era of the nation-state, which began in the 17th century. During this past era, the concept of the nation-state provided, technologically and organizationally, the most powerful, perhaps the only viable path towards social development and international stability. In the future, the state can only play a constructive role in economic and social development in conjunction with other players, be they states or companies. Only a system of international relations in which the state becomes effectively embedded in wider
international structures of cooperation and integration, and thus is prepared to shed and share some of its sovereignty, seems viable in the longer term. To do this effectively, states will probably have to devolve some of their traditional responsibilities to lower political levels (in line with the principle of subsidiarity).

As the dust begins to settle over the debris of old political structures crushed by their inability to adjust to change, we see, together with the features of a new world, the emergence of its old foundations. In Eastern Europe and in many parts of the South, ethnic nationalism is undergoing a bloody renaissance; territorial ambition and an inclination to settle conflicts by force is making a powerful comeback. Even within the Western world, old-fashioned nationalism is getting a new lease on life from those who turn to the state to seek protection against pressures for change and adjustment, and against a loss of their old identities. The forces of integration and disintegration, of socioeconomic transnationalism and re-nationalization of international politics, are finely balanced. A resurrection of the old nation-state system is therefore by no means impossible or implausible. But it would almost certainly be hugely destructive.

The concept of “civilian power” argues that such a future can and should be avoided at all costs; it thus contains both descriptive and normative elements. In its descriptive component, it points to developments which represent elements of fundamental, qualitative change in international relations, such as the experience with “security communities” in North America, Scandinavia and Western Europe, and with European integration. But the concept also suggests that these experiences could be broadened and deepened, and that international relations can be built around functional specialization and division of tasks among countries, around an expanding body of common rules and principles of behavior, around the substitution of the principle of self-help with an increasingly effective monopolization of force, and around the settlement of political conflicts through non-violent means such as bargaining, negotiations, and common institutions. None of this can, of course, be achieved at once. We can at best expect a long and drawn-out process of transition, analogous to the messy and tortuous path along which authority was established within the modern nation-state. The challenge will be to keep on course.

The “civilization” of international relations in this concept is not only possible but also indispensable. It starts from the simple observation that modern technology has made boundaries between states porous to a historically unparalleled degree. As a consequence, the distinction between domestic and international politics has been undermined. This, in turn, means that we must either successfully export and extrapolate the mechanisms of taming social violence which we have developed at home, thus “domesticating” international relations, or suffer the intrusion of traditional patterns of international relations (anarchy, self-help and the resort to force) into our societies and politics.

The alternatives to such a commitment to “civilianize” international relations are the traditional modes of “balance of power” and “containment.” Neither is likely to provide adequate responses to present and future challenges. Balance of power (including its offshoot, nuclear deterrence) requires adversaries and precisely defined, rationally mounted threats. As we have seen, it is far from clear that we will enjoy this luxury. Efforts to keep social violence and destruction at arms length (to create in effect a world divided between wealth and poverty) through policies of containment are also unlikely to work. In their frustration and desperation, the poor will find ways to cross our borders and tap our wealth, or—failing that—to destroy the foundations of our own well-being.

While “balance of power” and “containment” may still be of some limited value as tactical responses in situations where strategies of civilian power cannot succeed imme-
The "Civilianization" of International Relations... Should Be The Overriding Objective, The New "Grand Design" For Trilateral Foreign Policies.

Immediately, neither will ultimately be helpful in shaping a viable future. The "civilianization" of international relations thus remains the only viable strategy—and an essential, urgent task to undertake for our own sake. It should be the overriding objective, the new "grand design" for Trilateral foreign policies.

What does civilian power mean? The concept aims to embrace both specific characteristics in the behavior of states and certain ways of exercising influence over future international relations. We thus have, on the one hand, "civilian power" as a medium in relations between countries, as a particular way of trying to shape future international developments with the aim to "domesticate" or "civilize" international relations with means such as collective action, an emphasis on non-military instruments of influence, and restraint in the use of military force. On the other hand we have "civilian powers"—states with the ability and a sense of commitment to civilianize international relations. In one sense, civilian powers are similar to traditional powers: they want to influence the course of history. In another sense, they differ: civilian powers will pursue objectives different from those of traditional powers in different ways. They will prefer the medium of civilian power to exercise influence, and the "civilianization" of international relations will be among their key objectives.

The Objectives and Instruments of "Civilian Power"

Turning first to "civilian power" as a medium of exchange, what are, and what should be, its purposes? They can be defined, in an analogy to the domestication of politics within states, in terms of six distinctive objectives:

a) to monopolize the use of force,
b) to establish a stable framework for organizing social and economic activities on the basis of specialization and markets,
c) the rule of law,
d) participatory forms of decision-making,
e) a degree of social equity, and
f) the development of international institutions and values.

None of these objectives was achieved at once in the evolution of the modern nation-state, nor were they necessarily advanced in parallel. The same, of course, will be true about international society. Yet considerable evidence suggests that international relations have begun to make progress in the directions outlined above.

The monopolization of force implies, of course, that the traditional central principles of international relations—sovereignty, self-help and non-interference—should gradually be replaced by a new central principle, namely the inadmissibility of any organized use of force either at home or abroad, except in self-defense against an aggressor. To make this effective, states would have to accept (as they do, for example, in the context of the CSCE) surveillance of their domestic policies, compulsory mediation and adjudication of conflicts with other states, and the positioning of peace-keeping forces in areas of tension. They would also commit themselves to applying collective sanctions against any aggressor.

While such sanctions could include a whole range of measures, effective enforcement will ultimately require a certain transfer of national rights to use force, subjecting them to international decision-making procedures with the effect of (a) legitimizing the use of force and ensuring its exclusive deployment for purposes of defense and rule enforcement, and (b) enhancing the deterrent value of collective security arrangements.1 This implies growing importance for peacekeeping forces for purposes of deterrence. In short, we are talking here about something rather dramatic: a shift in international relations to a system of collective security.

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1 A practical example of something similar is the deployment of U.S. troops in Europe, which de facto involves a—voluntary—loss of American autonomy in the use of force. The risk that America would immediately be drawn into almost any kind of military East-West conflict in Europe provides an important element of deterrence and reassurance.
The effort to monopolize the use of force faces a number of well-known difficulties: the traditional reluctance of states to commit their resources to the pursuit of collective rather than individual objectives, the difficulty which often exists (objectively or politically) in identifying the “aggressor,” and the existence of nuclear weapons.2

The first difficulty is perhaps the most serious: our governments can be expected to be very circumspect, if not outright reluctant to go to war for collective security purposes. Fortunately, however, collective security objectives are being underpinned ever more strongly by the facts of interdependence. Developments which may not directly and immediately threaten national security in the traditional sense more and more do so indirectly through spillover effects. The Middle East provides a clear example: a threat to the security of Saudi Arabia would be a threat to the economic security of all oil importers, and indeed, via the potential impact on the world economy of severe oil market disruptions, an economic threat to the world economy as a whole. Nuclear weapons proliferation provides another example. While the acquisition of such weapons may subjectively enhance the security of an individual state, the spread of such weapons clearly enhances the probability for every state to become the intended or unintended victim of nuclear attacks and nuclear fallout.

Next, collective security arrangements face the tricky problem of “identifying the aggressor.” One way to avoid political tangles could be procedural rather than substantive: instead of trying to judge a possibly complex configuration, all parties would simply be expected to follow certain pre-established rules of conduct, such as the renunciation of force, submission to compulsory mediation, acceptance of peace-keeping forces, etc. Refusal to comply with those procedures would be seen as identifying the aggressor, who would then have to see sanctions imposed.

Lastly, collective security arrangements have to confront the possibility of a nuclear-armed aggressor. But while the existence of nuclear weapons in the hands of an aggressor may indeed make collective security action more difficult (though not impossible, if sanctions are confined to economic measures backed up by defensive military deployments), the existence of nuclear weapons also argues powerfully for an eventual monopolization of force in that particular realm. Indeed, the nonproliferation regime already contains some (admittedly weak) elements of collective control; and if it is to survive, it will most probably require additional transfers of sovereignty from the weapons states, from the “have-nots” and, most urgently, from former “haves.”3 In other words, the nuclear weapons problematically strongly argues for the development of international controls over the nuclear fuel cycle, for a return to the ideas of the Baruch plan of 1946. Nuclear weapons may make the establishment of collective security more difficult, but they also provide powerful reasons for doing so.

Creating a political framework for markets requires above all appreciation of the advantages of markets, and efforts to allow market mechanisms to unfold effectively. While the former has recently broadened dramatically with the discrediting of Communism and economic planning, the latter may not yet be sufficiently appreciated. Here, the East Asian experience with intelligent industrial policies may

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3 The problems with ex-Soviet nuclear weapons will be around for a long time to come. Not only will it take years to dismantle those weapons, the weapons-grade material extracted, particularly plutonium, will be difficult to dispose of. The risks of nuclear diversion, proliferation and accidents which this implies for the international community are rather obvious. Whether political and administrative controls in the nuclear successor states of the Soviet Union will be sufficient to contain those risks must be doubtful. The alternative is obvious: some form of international control.
provide lessons to be learned. Lastly, a modicum of political stability (in the sense of absence of violence and uncertainty) will be necessary for markets to do their work. Here, we are back to the conclusion reached earlier: collective security will be important not only for its own sake (i.e., to prevent major war), but also as a precondition for fully exploiting the opportunities of market mechanisms for global welfare.

The rule of law again involves a loss of traditional sovereignty through a shift to (a) acceptance of international law as binding on national policies, (b) a general willingness to submit to international adjudication, (c) acceptance of surveillance of domestic politics, and (d) support for measures of enforcement against violations of important principles and rules. There have been discernible advances (but also many setbacks) in this direction in recent years. In more or less effective forms, the rule of law has been developed in relations between states in areas as diverse as international trade (the GATT), nuclear proliferation (NPT, IAEA, Nuclear Suppliers Club) or the Law of the Sea. Human rights have not only played a prominent part within the UN system, but have also been established—under certain circumstances—as a justification for intervention in the internal affairs of states by the international community. Within the European Community, efforts to establish binding principles of behavior for states in relations with other states, as well as with their citizens, have gone further still.

Participation: the domestication of international relations will also demand that the rules, laws, institutions and processes of enforcement enjoy legitimacy. One way to establish legitimacy is involvement in collective decision-making so as to form a broad consensus. This facilitates implementation once a consensus has been established; at the same time, however, it makes the decision-process much more cumbersome and susceptible to deadlock and blockages. The tension between leadership and broad consensus, between the need for initiative and the desirability of involvement, will be with us for a long time to come in international organizations such as the UN or the CSCE; it cannot be resolved easily, once and for all. But this tension may also be creative: it could provide a check on rash decisions, give additional impetus to effective international cooperation, and stimulate new experiments in regional or functional cooperation between like-minded states.

A second problem will in practice be at least as difficult: who is to determine the legitimacy of a new international order—states or people? The insistence on the universal validity of democratic values (as enshrined, for example, in the CSCE "Charter of Paris") might seem to provide an answer: in democratic political systems, governments enjoy legitimacy, which they may then bestow on international arrangements. In practice, there will be two complications. First, an electorate may disapprove of its government's foreign policies, and may feel strongly enough about it to throw the government out. Secondly, ethnic divisions within a society may block the establishment of functioning democracies, and provide contradictory answers to the demand for legitimacy of certain international arrangements.4

Social equity: to enjoy legitimacy, the new international order which civilian power strives to develop will have to be successful in providing equal opportunities for a better life for all people, not just for the few. While efforts to improve the outlook for the disadvantaged and the poor have met with at best mixed results so far, it is becoming clear that material opportunities could also be equalized (downward as well as upward) via spontaneous developments transmitted through channels of interdependence. Migratory pressures are one...

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obvious example, the international drug trade another, environmental destruction a third. In other words, we will either have to find ways to improve the outlook for the disadvantaged, the poor, and the global environment through political efforts (with the side benefit of enhanced legitimacy for the new order) or we will have to suffer the equalization of living conditions and the destruction of our democratic “way of life.”

*International institutions and values:* “civilianizing” international relations will require the strengthening of existing international institutions, and perhaps also the development of new ones. Just as important is the development of international values to underpin collective action. Recent years have seen a remarkable, worldwide surge of support for Western values of freedom, democracy and market economics. Yet to sustain their appeal, those values must be developed, and they must demonstrably reflect not just the particular interest of the rich and powerful Trilateral world, but those of all people. Without that third great value of the French Revolution, *fraternité* or solidarity, the appeal of democracy and market economics is unlikely to last. People in the East and the South will need our help and our resources to give them a chance to succeed; and without a sense of solidarity and compassion, the electorate in our countries will hardly be willing to countenance the kind of adjustment and material sacrifice which they may have to accept in order to sustain the appeal of our values in the East and in the South. Unless we allow our own behavior and policies to be measured against the norms and values we proclaim, we are unlikely to make them acceptable to others.

The natural instruments for the exercise of civilian power are non-military: rule of law, mediation, bargaining, negotiations, compromises, and also money. But civilian power must also deal with traditional problems of military security and must be able to enforce rules. This implies the will to use force as a last resort—though civilian power would apply military power in particular ways: based on a collective decision (rather than unilaterally) and confined strictly to purposes of effective peace-keeping, peace-making, deterrence and defense against the aggressive use of force. The purpose of civilian power threatening or using force would be to enforce international order by creating strong incentives against the pursuit of political objectives with military force.

The use of military means under the auspices of civilian power will eschew coercive strategies, and will rely more heavily on the symbolic effects of deployments, hence upgrading the importance of peacekeeping missions. Peacekeeping forces could be used as an expression of a multilateral commitment to enforce rules and principles, though the enforcement would not necessarily rely primarily on military force. In terms of military requirements, this argues for two types of multilateral or international forces: forces to ensure effective peace under conditions of civil strife or interstate tensions *within the context of an agreed political settlement*, and forces which could *deter and defend against a military attack*. Both types of forces, in the perspective of civilian power, should be integrated multinational forces with unified training and equipment, and ideally also an integrated command structure. Their deployment should be subject to collective decisions.

This brings me to other forms of enforcement, notably economic sanctions (and, more broadly, political conditionality attached to economic assistance). Economic sanctions in my view could become a potent instrument to enforce order. The bad reputation sanctions enjoy is often simply due to exaggerated expectations or a misunderstanding of what sanctions can achieve. Sanctions can provide strong incentives against aggressive action, and can even have a coercive effect in the long run. To illustrate, it is far from evident that economic sanctions would have failed to push Iraq out of Kuwait. What is clear is that it might have taken a long time, and thus required sustained political will by the international community...
to maintain the sanctions. It is also clear that sanctions could never have worked without the deployment of military force to deter further military aggression, which could have undermined the effectiveness of the oil boycott. In fact, the application of economic sanctions against Iraq, backed by military deployments to prevent a "breakout" by Iraq, provides a good example of effective civilian power.

The effectiveness of economic sanctions will, of course, also depend on the stakes involved for the target country. Economic sanctions, and more broadly economic conditionality, will work only where there is something to lose, and to gain. This is one of many arguments for economic assistance: effective assistance (or the expectation thereof) will create stakes in playing by the rules. This argues for a more thorough exploration of, and political commitment to, conditionality and the use of economic sanctions, which could create additional deterrents against potential aggressors.

All this may sound rather utopian, though there are many real trends and examples which conform with elements of the overall picture sketched here. Nor is this blueprint particularly new. It draws heavily on the UN Charter, shorn of its central ambiguity between state rights (sovereignty, non-interference) and human rights. It is a distillation of the letter and spirit of recent G-7 Summit communiqués.

It is, of course, possible to dismiss those documents as mere rhetoric. It is also possible to take them literally. The truth, as usual, is somewhere in between: they should be taken as providing a sense of direction, a definition of purpose. What I have tried to do here is to develop those statements into a perspective about the responsible use of power by those who have it.

How realistic a perspective is this "civilianization" of international relations? I have no illusions. It is obvious that at best we can expect a slow, arduous transition towards "civilianized" international politics. For the present situation is marked by the co-existence of hugely different states and societies. While the evolution of interdependence has led to the establishment of extensive structures and institutions of supranational policy co-ordination and integration, in particular among Trilateral countries, many societies still struggle with the tasks of nation-building, of civilianizing their domestic politics. And while technological and economic interdependence has led to the rise of the global corporation, and has shaped dense networks of interactions in which frontiers play no role, politics have lagged behind, have continued to focus on the state.

No doubt the world is facing tremendous potential for social crisis and political anarchy in the former Communist countries, and in many parts of the South. The historical analogy to the 1930s, if anything, underdramatizes those challenges—for the economic and social crisis goes deeper. Political structures at all levels will come under tremendous pressure from economic dislocations, ecological destruction, and demographic pressures. And modern technology will continue to offer even more devastating, far-reaching and pervasive devices of destruction. Risk and uncertainty are likely to be the key themes of future international relations.

In this transition period, Trilateral countries will, as Lawrence Freedman has aptly described it, be confronted with confused interests, confused principles, confused instruments and, I would add, confused commitments. The turmoil in the East and in the South may appear not to threaten our immediate and vital interests—yet in the end it is bound to affect them. We will be confused about the right of self-determination of groups in relation with their states and with each other, reluctant to intervene militarily for reasons of collective security, reluctant to make the necessary resources available for the transitions in the East and the South, and, last but not least, we will be confused in our commitment to

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international relations at a time when all three Trilateral regions are facing important domestic shortcomings and challenges.

To pursue the road sketched here thus will not be easy. We should be clear, however, about the alternatives. The traditional mechanism for creating order through a balance of power has become of very dubious value—witness the experience in the Gulf and the contribution which efforts to create stability through a "balance of power" via arms sales have made there, and elsewhere. Traditional balance of power policies may still be unavoidable under certain circumstances, but they are quite clearly the least desirable, and one of the riskiest, tools for achieving international order.

Nor are we likely to succeed in containing and deterring the pressures which we will be facing as a result of socio-economic crises or political turmoil in the East and South, though elements of containment and deterrence will probably be necessary at a tactical level in some circumstances. Strategically, however, we must be clear where we want to go. To move towards civilianized international relations will need flexible and intelligent policies in two directions: deepening of existing arrangements of supranational cooperation and integration, and widening those arrangements to include others. It will also need protagonists which advance this course—civilian powers.

The Role of a "Civilian Power"
The Ideal Type and Existing Actors
Let me now turn to the other meaning of "civilian power," that which identifies actors as "civilian powers" in the international state system. This role of "civilian power" is an Idealtype in the Weberian sense, rather than a role which realistically fits any of the major players of today's world. Defined briefly, the role implies the ability and intent to shape international relations in line with the objectives, and using the instruments, outlined above. Civilian powers are, in other words, states which are willing and able to advance the civilianization of the international system.

None of the major powers at present fills this role perfectly. The United States comes close in her ability and willingness to shape the international order, as well as in the values and objectives she has pursued. But America has often fallen back into unilateral action (such as in Vietnam, in Panama or against Libya); she has repeatedly refused to allow her own behavior to be measured by her own standards (or be judged by others); and she has also used military rather than civilian instruments to advance her objectives more than would be compatible with the role discussed here.6

The Soviet Union under Gorbachev interestingly developed, in "New Thinking," the theoretical foundations for a civilian power role. At the same time, the disintegration of Soviet power, of the Soviet empire, and then of the Soviet state never allowed these theories to be seriously tested. None of the successor states, not even Russia, will in the coming years have the ability to actively shape the international system (though they might well do so passively through their weakness).

France and the United Kingdom are handicapped as civilian powers by their ambivalent self-perceptions which oscillate between seeing themselves as traditional Great Powers and as members of the European Community. Neither of the two has really committed herself wholeheartedly to Europe as the only realistic platform for her own aspirations, as this would abolish part of her traditional identity.

China at present is in many ways the traditional antithesis of a civilian power. She believes

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6 This point is made by George Kennan in his comments on the use made of his design for America's postwar "containment" strategy. See, for instance, Memoirs 1925-50 (Boston: Little, Brown, 1967), pp. 358-59, and "Containment Then and Now," Foreign Affairs (Spring 1987), pp. 885-90. The comments here are not necessarily meant as a criticism of America's postwar strategy and policies, which evolved around another role image—that of a Superpower in military competition with another Superpower. This may (or may not) have been a realistic role perception under the circumstances. Whether there historically existed an alternative to the Cold War in the direction of "civilizing" international relations under the conditions of the East-West conflict is a separate issue.
in sovereignty and autonomy, in military power and political independence. At the same time, China is rapidly becoming involved in the economic dynamism of the Pacific Basin, and is thus experiencing growing constraints on her margin of maneuver. To bring her into the fold of civilianized international relations may well be one of the key challenges facing the North East Asian region in the coming years.

The European Community in several ways comes closest to the notion of civilian power. As yet however, she lacks sufficient unity of purpose and clout, particularly in the military area. This may well develop in the future, as it already has to some extent since the beginnings of European integration.

Japan and Germany
I have already argued elsewhere that Japan and Germany objectively have become prototypical civilian powers—though they do not yet conform fully to this role in their foreign policy behavior. They might best be called “civilian societies” rather than “civilian powers,” to identify their principal deficit with regard to the latter role: a reluctance to exercise their civilian power (though this seems to be changing now in the case of Germany). Both Japan and Germany are in a peculiar situation. Their compartment in international affairs matters tremendously; they objectively have the ability, and hence an obligation, to help shape international relations. But both also share certain common experiences and constraints, which have pushed them into developing particular forms of foreign policy behavior. Those experiences are:

a) the historical trauma of military aggression.

Japan and Germany have learned through bitter experience the costs of military expansionism and the need to transcend traditional forms of national security policies through transfer of sovereignty and the development of international cooperation and integration. This process of social learning is probably more advanced, and the results more deeply embedded, in Germany than in Japan. Both countries, however, have as a result of their experience with themselves imposed severe constitutional and political constraints on the uses of military forces.

b) the development of stable democracies only after 1945 under the guidance of American (or Western) occupation forces. Those postwar democracies have been very successful. They have been able to contain the threat of social violence through economic growth, and to develop a measure of social justice and channels for popular participation in decision-making. Historically, an important aspect of this development towards democracy has been the effective establishment of civilian control over the military—one aspect which nicely sums up the successful “civilianization” of Japan and Germany.

c) high economic growth and material wealth, which has provided the underpinnings for democratic stability, as a result of their becoming “trading states.” Again, this has involved a process of social learning—in this instance, about the utility of “post-modern” foreign policies which emphasize transfer of sovereignty, international division of labor, and the integration in structures and institutions of international interdependence.

d) in the postwar world both Japan and Germany effectively transferred responsibility for their national security to others: they entrusted the United States with guaranteeing their security against external military aggression. These crucial arrangements between America on the one

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7 The term “civilian power” was in fact first coined with regard to the Community and her role in international relations. This is one (but not the only) intellectual debt I owe to François Duchêne. See his “The European Community and the Uncertainties of Interdependence,” in Max Kohnstamm and Wolfgang Hager (eds), A Nation Writ Large?: Foreign Policy Problems before the European Community (London: Macmillan, 1973), pp. 1-21.


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hand and Japan and Germany on the other formed the hidden foundations of the postwar world of economic interdependence. As such, this transfer had numerous (often invisible but nevertheless far-reaching) positive repercussions. It provided important elements of regional political stability; it opened the way for economic rehabilitation and development of the vanquished axis powers; and it formed—in the context of the Atlantic Alliance and the European Community—the basis for “civilianizing” interstate relations along the lines outlined above.

Today, Japan and Germany thus in effect come closest to being “civilian powers”—not out of their own achievement, but as a result of their aggression and defeat in World War II and the postwar policies of America. They are today more “civilian” than the traditional powers, yet too strong economically and politically to be just ordinary countries or “civilian societies.” Their ambitions and strengths are primarily economic; they are thus more accustomed to build on common interests, to create incentives for others to play along, and to redefine situations and their own interests so as to accommodate conflicting pressures. Their traditional military power is more constrained than may be apparent at first glance by a number of internal and external factors. Their national economic power, too, is probably much more severely circumscribed than is often recognized: it may be difficult to mobilize politically (because it is largely in the hands of private actors) and even in highly asymmetrical exchange relations an economic power will always have to consider the risks of an insolvent partner who might either discontinue the exchange, or use non-economic power (i.e., brute force) to protect his/her own interests.

In short, Japan and Germany are “incomplete powers,” and for a number of external and internal reasons neither could easily become a traditional Great Power. If either were to do so, the implications would likely be disastrous not only for itself, but also for regional and international stability and prosperity. Regional stability in Western and Central Europe, as well as in East Asia, is now wholly or predominantly underpinned by structures relying—formally, as in Europe, or informally, as in East Asia—on patterns of interdependence. Japan and Germany are the linchpins of those regional structures. Should they turn towards reasserting their national autonomy and prepare to defend it in traditional ways, this would risk undermining both the political and the economic foundations of regional stability by reopening traditional tensions, arms races, and economic protectionism.

Japan and Germany thus have only one realistic future course to take. They need to accept and develop their roles as civilian powers. This implies the following:

a) Japan and Germany both have to assume major responsibility for the maintenance of international order and the domestication of international relations.

b) Military force is not the only, perhaps not even the principal instrument which can be used to maintain international order. Japan and Germany have particular responsibilities to develop alternative forms such as economic sanctions, conditionality, and multilateral procedures to provide alternative ways of settling international conflicts and civil wars. But civilian power will not be viable without a military component for purposes of peace-keeping, but also of collective security and international order. Japan and Germany should move towards possible participation in both types of operations, provided they are undertaken (1) as a result of a collective decision and (2) by multinational forces with (3) an integrated military structure.

c) Primarily, however, Japan and Germany should make contributions to peace-keeping operations, taking such initiatives as an opportunity to push for integrated military and political structures for the use of such forces, both at the UN and at the regional level.

d) Japan and Germany should exploit opportunities to strengthen international order through non-military means, such as economic assistance and transfer of technology.
e) Neither Japan nor Germany could discharge their roles in the sense outlined here without a very effective domestic education effort to underpin their foreign policies. The need to domesticate international relations, the values implicit in such an effort, and the appropriate ways to pursue this course may be vaguely felt within their respective electorates, but the willingness to make sacrifices to support such policies seems at present quite limited. The foreign policies of the civilian powers (and I suspect of others as well) need to be explained and debated much more vigorously inside our countries.

f) Finally, and most importantly, Japan and Germany will have to remain firmly committed to the role of "civilian power," accepting its limitations and incompleteness. This will no doubt at times be controversial within the two countries, as well as with their partners. Whether they will be able to stay the course, will ultimately depend not only on them, but on the United States. America, though no longer a Superpower, will continue to remain the pivotal actor on the world scene. It will therefore also have to be the key civilian power if the transformation of international relations is to succeed.

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FRANÇOIS DE ROSE

The New Security Scene and Challenges

The security situation that prevailed in Europe for 40 years was one of decisive conventional superiority of the Warsaw Pact, which obliged NATO to consider that the most dangerous kriegspiel it might have to resist was a massive surprise attack. Against such a threat, the Western powers would have had to be ready to use theater nuclear weapons under the doctrine of "flexible response," improved in the late '70s by the FOFA concept. Papers found in the files of the former East Germany show that the Russian High Command expected the conflict to become nuclear in the first 24 hours and anticipated that the Warsaw Pact forces would progress westward at an average of 50 km a day.

The events that took place in the Eastern bloc (collapse of Communism, reunification of Germany, dissolution of the Warsaw Pact, repatriation of Soviet forces inside their borders) and the disarmament agreement on conventional forces in Europe and elimination of short-range nuclear weapons (if and when these dispositions are completed) will radically change the setting to the advantage of the Western powers. Not only will a surprise attack become impossible, but the basic concept of Russian and Soviet strategy is, from now on, well-nigh impossible to implement. That strategy rested on the possibility to enjoy large numerical superiority in men and equipment. With the elimination of the former imbalance of forces and the search for parity, it is deprived of its basic assumption.

No doubt Russia will remain the largest and most powerful single military power in Europe. No doubt it will continue to enjoy,
for as long as one can see, an overwhelming superiority in long-range strategic weapons of mass destruction. Unlike as a sudden use of these weapons may, from now on, seem, it will be necessary for the Western powers to retain their strategic systems, reduced as agreed upon for the United States while Britain and France, most probably, stick to their concept of minimum deterrence. As far as NATO goes, it would seem appropriate, short-range delivery systems being withdrawn, that some long-range air-to-ground systems be kept as a clear indication of U.S. commitment to the maintenance of European security.

Two new sets of problems concerning the future of Europe are now in process of emerging. One is of a more political than military nature, concerning NATO as such, and is already in our lap. The others are mainly derived from the Gulf War. They are problems of long-term security about which it is not clear whether NATO is likely to be involved.

1.

The first new problem relates to the situation of the former satellites of the USSR. These countries, in different ways, are aiming at adopting democratic institutions and a market economy. The paramount condition for their reaching their goals is to be able to count on many years of peace. They have better things to do with their scarce resources than wasting them on large defense programs.

Geographically, they are located between two major powers. One is friendly Germany. The other is either a new Soviet Federation or a more concentrated Russia. It is not to question the motives of either a Soviet or a Russian power to say that the future of either is uncertain. In between these two countries there is a “strategic vacuum” which the peoples who occupy it already call a “security vacuum.” It is with this in mind and because they are fearful of regional balkanization that the leaders of Poland, Czechoslovakia and Hungary have expressed a request for the establishment of a “contractual settlement” (règlement contractuel in French) with NATO. They are asking that a formal basis be given to this relationship along the lines proposed by the United States and Germany (regular meetings at the ministerial level between the Alliance and its former adversaries).

The substance and the form of such a new relationship will have to be determined. One would hope that NATO will give a positive response to the demand of these three countries and instruct the permanent representatives to work out the details. It is not likely that such a future arrangement would take the form of a military guarantee. But by its very existence and proximity NATO would act as a peacemaker in that area. What François Heisbourg has called “existential deterrence” works by the simple presence of an organization which has a vital interest in the maintenance of peace and in the political and economic progress of the nations concerned. In a few words, the Alliance which has permitted the Western European powers to build their Community by allowing them to look forward to a future of peace would now, as in a relay race, play the same role and render the same service to Europeans of the East.

There is one prerequisite for this: The Alliance must be maintained and allied forces, however reduced in men and equipment, must be kept west of the German-Polish border or, at a minimum, west of the Elbe. This means some American forces, without whose presence there is no more Atlantic Alliance.

There is no doubt that the level of forces in Europe can and will be very substantially reduced. Yet between reduction and complete withdrawal there is a world of difference, a difference that separates opposite policies. The reorganization of the forces that belong to the integrated command into multinational units will certainly make their eventual withdrawal more difficult and therefore works in favor of greater military cohesion in the Alliance.

...the alliance which has permitted the Western European powers to build their community... would now, as in a relay race, render the same service to Europeans of the East.

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2.

The second problem is the threat of weapons of mass destruction from a country governed by some fanatical dictator. The Gulf War has shown that this is no longer a purely theoretical hypothesis.

Against such a threat of attack or even blackmail, deterrence can not rely only on the power to retaliate at the same level of violence. The rationale of deterrence by the strong against the weak rests on the former's ability to deny the latter the capacity to inflict insufferable damage. This means being able to intercept and destroy enough of his missiles to deprive him of the hope of achieving his purpose.

The possibility of working out such a defense seems to be of concern first to the nations along the northern shore of the Mediterranean. But technology runs fast and so will proliferation. With the implementation of disarmament programs there will be in many countries (maybe more in the former Soviet Union than elsewhere) many qualified scientists and technicians looking for jobs. No doubt they will be offered some with very attractive conditions.

The possibility of working out an anti-missile defense should be investigated. It is important in this respect to note that not only does President Bush want work to be continued on SDI; but that Russia's leaders now see it as not without interest.

Among the other lessons to be drawn from the Gulf war is the vital impact of qualitative superiority. Sophistication of C³, space technologies, precision of weapons, stealth delivery systems, and so forth now make more difference between enemies than ever.

3.

Europeans are currently at work trying to set up a structure that would promote a common defense policy. Important as political mechanisms are, they do not provide, by themselves, a sufficient basis for influence and power if not backed by the capacity to procure the "hardware," that is to say, the arms systems without which there will not be a defense capacity worth the financial effort invested in its production. A better political balance with the United States will only be attainable if such cooperation is undertaken on well-chosen projects, looking 10 to 15 years ahead. No organization seems better suited for that task than the Western European Union.

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Security Initiatives in East Asia

New Uncertain Factors in the Security Environment

The Cold War may be over, but the security environment of East Asia is not transforming itself in the same way as that of Europe. There are several trends that suggest that the end of the Cold War may not enhance the security of the region.

For sure, the Soviet, or now Russian, military threat has sharply declined, due to the Soviet Union's disintegration and increased internal problems such as ethnic nationalism, economic mismanagement, and the lowered morale in the military. The Russians have withdrawn their forces completely from Mongolia and largely from Vietnam, and completely withdrawn their military support of Cambodia. They have also eliminated all of their SS-20 missiles. Furthermore, the United States has unilaterally eliminated all its ground-based and sea-based tactical nuclear missiles.

There are other encouraging developments, including the democratization of Mongolia, the establishment of Moscow-Seoul diplomatic relations, the concurrent admission of North and South Korea into the United Nations, progress in the Cambodian peace process and, most recently, Beijing-Seoul diplomatic relations.

On the other hand, there are new factors affecting the security environment of the region. First, the "democratic triumph" in Moscow may create new ideological tensions with North Korea, China, Vietnam, and Laos. This may create a new Cold War between Beijing-led Communist forces in Asia and the non-Communist forces, if reformist forces should fail to retain their current political leadership.

Second, the impact of ethnic nationalism rising in Central Asia may spill over into China, possibly causing secessionist movements in places like Xinjiang-Uigur, Inner Mongolia, and Tibet. Some of Taiwan's pro-independence groups and "anti-Beijing democratic moves" in Hong Kong may also become politically more formidable for China.

Third, the uncertain relations between the central military command and the republics in the Commonwealth of Independent States (CIS) raise the question of who will control the nuclear arsenals and, in the case of East Asia, who will control the Pacific Fleet. If the need should arise for confidence-building measures or naval arms control in the Pacific, who would be the negotiating partner? Nuclear safety is becoming serious at sea as well as on land.

Fourth, North Korea's calculated delay in accepting international inspection of its "alleged" nuclear program is a destabilizing factor. The U.S. unilateral withdrawal of all ground-based tactical nuclear weapons from South Korea has put pressure upon Pyongyang not to go nuclear. However, the pressure has not proved to be effective enough. Should North Korea develop nuclear arms, it may force South Korea to follow suit, which would cause tensions between South Korea and the United States and between South Korea and Japan, since neither Washington nor Tokyo would like to see a nuclear arms race on the Korean peninsula.

Fifth, the U.S. military presence in East Asia and the Western Pacific is slowly declining, partly as a result of the relaxation of tensions with Moscow, and partly as a result of the U.S. government's increasing financial difficulties. The U.S. Navy still plans to maintain two carrier task forces in the Western Pacific. The Pentagon claims that its schedule to implement phased troop cuts during the 1990s, announced in April 1990, will be gradual enough to avoid a power vacuum. However, the U.S. government's decision to close its bases in the Philippines this year has created a major setback for the U.S. forward strategy.

There are several trends that suggest that the end of the Cold War may not enhance the security of the region.
The South Koreans may want to take over some command responsibilities so far held by U.S. forces, in an attempt to facilitate security dialogue with Pyongyang. The Japanese government today considers the mutual security pact with the United States essential to its security, but it may face growing voices in the United States calling for reexamination of the pact in view of the drastic changes in the international environment and the current deterioration of Japanese-U.S. relations.

Sixth, as the Soviet and American military presences decline in the region, there is a growing concern about the future of Japanese and Chinese military power. Stimulated by the high-tech warfare in the Gulf, China stresses the need to modernize its own military and has substantially increased its defense budget (12 percent in 1992). China’s more recent territorial claims over offshore assets and maritime frontiers pose yet another source of tension with some of its neighbors, including Japan. To back up its claims, China has recently purchased air tankers from Israel. Japan has slowed down the pace of its arms procurement, but continues to procure Aegis anti-missile cruisers, Patriot anti-air missiles, and multiple-launch rocket systems. Tokyo also has passed in the Diet a bill which allows its Self-Defense Forces to participate in UN peacekeeping operations. These steps by Japan have been perceived by China, for instance, as steps toward a larger military role. If Japan and China should become military rivals in any sense, it would destabilize the region.

Proposed New Approaches

These uncertain and discouraging prospects in East Asian security may require new devices so that a more favorable security environment may be restored. Several proposals on regional mechanisms have been made since the mid-1980s. They will be assessed here.

A Pacific Conference or an Asian Version of CSCE (1986)

Mikhail Gorbachev proposed in his 1986 Vladivostok speech that there be a Pacific Conference modeled after the Conference on Security and Cooperation in Europe (CSCE). Leonid Brezhnev had proposed a similar idea in 1969, using the term “an Asian collective security system,” which was apparently designed to weaken the U.S. security position in Asia and to “encircle China.”

The Soviet proposal of 1986 was taken up by Australian Foreign Minister Gareth Evans and by his Canadian counterpart, Joe Clark, both in 1990, although the latter placed more emphasis on a North Pacific-Northeast Asian version. With their proposals, the term CSCE (Conference on Security and Cooperation in Asia) has become popular. Soviet Foreign Minister Shevardnadze made an official proposal at a nongovernmental international meeting in Vladivostok in September 1990 that Moscow host in the same city in 1993 a Foreign Ministers’ Conference of the Asia-Pacific region.

The Japanese and U.S. governments first responded to the idea with great reservations, on the grounds that such a large regional forum could not effectively handle diverse subregional security issues, ranging from the Korean problem to the Cambodian issue. CSCE was designed to tackle a single issue: to reduce East-West tensions in Europe. In addition, Tokyo and Washington maintained that such a forum may have to start with incomplete participation due to the absence of diplomatic relations between several countries. Without North Korea’s participation, for instance, the forum cannot treat the Korean issue. More recently, Tokyo has shifted its stand to favor subregional and region-wide consultations on security, as will be discussed later.

China has also expressed reservations about this proposal.


Mr. Gorbachev proposed in Krasnoyarsk in September 1988 the idea of holding talks among the Soviet Union, China, and the United States, so as to initiate discussion concerning a mechanism to negotiate all proposals (including the
Soviet ones) with regard to Asia-Pacific security issues. The three powers were mentioned because they are the permanent members of the UN Security Council from the Asia-Pacific region. Neither the United States nor China has shown interest in this idea so far.

An Informal Regional Meeting at the United Nations (1990)

Japan and Indonesia sponsored an informal dinner at United Nations in September 1990 for foreign ministers of the Asia-Pacific region. It was attended by fifteen countries, including the United States, the Soviet Union, and China. There was no specific agenda. It was considered to be a successful gathering in that the major powers of the region attended it. Whether this initiative will be repeated remains uncertain.

A Five-Power Consultative Meeting in Asia (1991)

President Gorbachev proposed in a speech given in the Japanese parliament in April 1991 that the five major powers in the region (the Soviet Union, the United States, China, Japan, and India) should consult on Asia-Pacific security issues. No country other than the Soviet Union expressed any support for this proposal. Perhaps India may support it. Several smaller countries in the region have instead criticized the proposed idea as a sign of “big power hegemonism.”

A Security Forum under the ASEAN Post-Ministerial Conference (1991)

In the ASEAN Post-Ministerial Conference held in Kuala Lumpur in July 1991, Japan proposed the idea of holding a subministerial-level consultative meeting (“sherpas’ meeting”) on regional security issues under the aegis of the ASEAN Post-Ministerial Conference (PMC). The initial reaction of the ASEAN nations was that they wanted to “study” the idea. The United States expressed reservations. However, the ASEAN Summit held in January 1992 endorsed this idea. ASEAN-PMC refers to the conference that ASEAN foreign ministers hold with six “dialogue partners” in the region for two days or so immediately after an annual ASEAN Foreign Ministers Meeting. The dialogue partners are: the United States, Canada, Japan, South Korea, Australia, and New Zealand (EC representatives are also present). There are some voices calling for the inclusion of Russia and China as dialogue partners.

ASEAN-PMC is perhaps the only ongoing regional mechanism, working since the late 1970s. (South Korea has become a dialogue partner only for the last few years.) It was designed to promote economic cooperation with the dialogue partners and to obtain the latter’s support of ASEAN’s position on Cambodia. A proposed ASEAN-PMC forum on security is a step forward to institutionalized security discussions that have been conducted informally in the past.

However, the deficiency of such a forum may lie in the fact that it is ASEAN that will take the initiative in setting up an agenda. Thus it is not likely to be able to discuss adequately non-ASEAN issues, such as the Korean issue or larger security issues such as naval arms control. The format needs modification.

An APEC Security Forum

The same members that are involved in ASEAN-PMC have also formed Asia-Pacific Economic Cooperation (APEC) since November 1989. The ministerial-level conference meets annually to discuss economic cooperation in the region. In November 1991 when APEC met in Seoul, it invited China as a new full member. Taiwan and Hong Kong also became members.

Some suggest that APEC can also discuss political and security cooperation, just as the EC has over time. Although APEC is still too young and is lacking an institutional foundation, it may assume that function as it matures. In September 1992, the Japanese and Australian prime ministers discussed the idea of an Asia-Pacific Summit, based on APEC.
A Skillful Combination is Needed of Subregional or Issue-Specific Approaches and Regional Approaches

A general survey of proposed initiatives to tackle regional security issues demonstrates that region-wide conferences or three-power and five-power fora do not hold much promise for the solution of regional security issues like the Korean problem. Different security issues must be handled according to their specific characters and approaches.

Each of those issues (like Korea, the future of China, Moscow's weakened control over nuclear arsenals, Pacific naval arms control, Cambodia, and the South China Sea) needs a different approach—a different set of participating nations, a different format, and different procedures. Neither CSCE nor the EC has been successful so far in containing the war in ex-Yugoslavia. Likewise, many Asia-Pacific security issues cannot be solved simply by large conferences or large groups.

Nonetheless, there are issues (such as the respective security roles the major powers, i.e., the United States, Russia, China, and Japan, should play in the Asia-Pacific region) which are common concerns for the whole region. If a regional grouping of some kind can discuss such issues and can increase regional understanding, if not regional endorsement, of the U.S. security role in the region or Japanese participation in UN peacekeeping operations, for instance, it will contribute to regional stability and international security.

For this purpose, an APEC security forum rather than an ASEAN-PMC security forum could probably serve better. As mentioned before, a proposed ASEAN-PMC security forum would be managed by ASEAN as an interlocutor. It can deal with ASEAN-related issues, but faces difficulties in dealing with non-ASEAN security issues unless the forum is so modified. APEC began as an institution for economic cooperation, but could develop a political cooperation wing,
as the EC developed European Political Cooperation. In the meantime, while APEC matures, an informal gathering like the dinner party organized at the United Nations for Asia-Pacific foreign ministers in September 1990 may continue to be useful for regional security.

September 1992

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Japanese Participation in Multilateral Security Affairs

The collapse of the Communist regimes in Eastern Europe and in the Soviet Union has proven the durability, and perhaps even triumph, of democracy and free-market economies. However, the Persian Gulf War demonstrated the sobering fact that regional conflicts around the world will continue to erupt and threaten our security and economic interests.

In the face of these realities, Japan, the United States and the rest of the world are wrestling with how best to reshape their defense strategies, away from strategies designed to cope with the now defunct bipolar world.

The big shift for Japan is an increasingly global focus in our thinking on defense strategies. The Japanese leadership and public have, for the most part, come to recognize that Japan must assume a security role in the world commensurate with its economic stature.

Lessons of the Gulf War
To a certain degree, the Persian Gulf War has helped us clarify what our role should be. That war provided an important catalyst for generating national debate in Japan over our defense policies and the means by which Japan can and should make a greater contribution to maintaining peace in the world.

Japan can draw at least three lessons from the Gulf War. First, it showed us ever so clearly that the strict interpretation of our Constitution, that is, the defending of Japan only at its borders, will not allow us to defend our vital interests. Japan depends on the Gulf countries for 70 percent of its oil. Therefore, our national interests lie in helping to restore and keep peace in that region.

The second big lesson was that no matter how much money we contribute to such collective efforts, it will not be enough. No amount of money can balance the risk to life and limb which American soldiers and other coalition troops faced in the Arabian desert. Involvement of Japanese personnel was clearly necessary.

The third lesson for us is that the world cannot always wait for Japan to decide what it will do during times of international crisis. We must be more prepared and more responsive. We must have mechanisms and procedures in place so that we can take the appropriate steps.

U.S.-Japan Security Relationship a Cornerstone
In the post-Cold War era, the U.S.-Japan security relationship must remain basically unchanged. It must endure as the cornerstone for maintaining peace and stability in the Asia-Pacific region. Japan's defense strategies in the years to come will be always to buttress and fortify U.S.-Japan security relations.

To strengthen this most important bilateral relationship, I favor an increase in our government's support of U.S. troops in Japan. I also believe that both sides would find benefit from more frequent consultations between our respective foreign and defense ministers. And perhaps we should even consider expanding our joint military exercises, such as RimPac. Each of these measures will bring us closer and work to ensure a more secure Asia-Pacific region.

The Ailing Bear
Regarding the Soviet Union, we in Japan continue to feel quite apprehensive. Nuclear weapons once targeted for European sites are now in positions that pose a threat to Japan's security. The Soviet Bear is now ailing and a sick bear is often the most dangerous. The disintegration of central control, if it leads to the
nation's complete collapse, would increase the possibility of an accidental nuclear war.

Yet, Japan would like to develop better relations with the Soviet Union. The Japanese government, with NATO's backing, is now doing its best to progress toward a solution to the four-decade-old dispute over the four islands off Hokkaido in northern Japan.

Closer Consultations with a Distant Europe

Though separated by a great distance, both Europe and Japan are in very close proximity to the Soviet Union. We share anxiety over the consequences of the disintegration of that country.

In addition, there are big changes underway in the defense structure of Europe. I would like Japan to be more closely involved in that process so we can share our ideas and understand what those changes mean. Japan's security cooperation with the countries of Europe has thus far been quite limited. More consultations on defense strategies between my country and that region, together with the United States, would make a great deal of sense right now.

Deeper Security Relations with Asian Neighbors

Japan should also devote more energy to deepening security relations with our Asian neighbors in order to maintain political stability. The crumbling of Communism in its heartland might indeed create security uncertainties in the Asia-Pacific region, where three Communist governments—in China, North Korea and Vietnam—remain in place.

Perhaps it is possible to cooperate more closely in matters of regional defense. Unfortunately, those countries still harbor mistrust of Japan's intentions. The memories of our past aggressions understandably die hard. The best way to gain the trust of our Asian allies is by sharing experience and expertise.

As another way to replenish a mutual confidence and develop stronger links between Asian countries, we should try to create a Security Forum in this region. It would be a good idea, I believe, to follow the example of the CSCE (Conference on Security and Cooperation in Europe) that was founded in 1975 in Helsinki and that unites 35 nations including the United States and Canada. Perhaps we could call it CSCA—Conference on Security and Cooperation in Asia.

Regarding this region, I also think that an Asian peacekeeping corps could be created under the auspices of the United Nations and in close cooperation with the United States. This idea might strike some people as quite provocative but we have to discuss the entire spectrum of possibilities for improved defense strategies in the Asia-Pacific region.

Japan SDF in UN Peace-Keeping Operations

The central question for Japan in determining its future defense strategies is this: exactly how and within what framework can Japan contribute to regional and global security.

The first step will be the participation of our Self-Defense Forces in UN Peace-Keeping Operations. As a member of the special committee on P.K.O., I think we will be able to establish the legal framework for sending SDF personnel abroad to cooperate in UN peacekeeping operations and risk operations. I persist in the efforts I have been making since the fall of 1990 to obtain the passage of a UN Peace Cooperation law, because I believe the UN affiliation is the most acceptable way for our Self-Defense Forces to assume an expanded security role abroad.1

September 1991

Koizumi Kahiwada became Parliamentary Vice Minister of Foreign Affairs in November 1991. He was first elected to the Diet in 1977, after serving in the Ministry of Finance.

1 Editor's note: The Diet passed such legislation in June 1992.
The Role of the United Nations in Collective Security

During the darkest days of the Cold War, scholars concerned with the United Nations used to complain bitterly that the world organization had "become necessary before it had become possible." With the Cold War behind us, the UN is proving to be both necessary and possible in its primary role—dealing with threats to peace and security. That Trilateral countries have recognized this new reality is reflected in the following statement of the G-7 London Summit of July 1991:

We believe the conditions now exist for the United Nations to fulfill completely the promise and vision of its founders. A revitalized United Nations will have a central role in strengthening the international order. We commit ourselves to making the UN stronger, more efficient and more effective in order to protect human rights, to maintain peace and security for all and to deter aggression. We will make preventive diplomacy a top priority to help avert future conflicts by making clear to potential aggressors the consequences of their actions. The UN's role in peace-keeping should be reinforced and we are prepared to do this strongly.

The Security Council of the UN held the first meeting in its history at the Head of State and Head of Government level on January 31, 1992. After reaffirming their commitment to the collective security system of the Charter, the fifteen Council members invited the new UN Secretary-General, Boutros Boutros-Ghali, to prepare a report for UN members by July 1, 1992 on "ways of strengthening and making more efficient within the framework and provisions of the Charter the capacity of the United Nations for preventive diplomacy, for peacemaking and for peacekeeping."

In the last two years the UN Security Council has played a role of unprecedented importance in world politics. It not only authorized the use of force to terminate Iraq's aggression against Kuwait; it then took measures to destroy Iraq's weapons capabilities, to maintain embargoes on arms sales to Iraq and on the purchase of Iraqi oil, to assure compensation to victims of Iraq's aggression, and to provide humanitarian assistance to the people of Iraq and protect them against mass repression.

All together, the UN has launched more peacekeeping operations in the last four years than it did in its first forty-three, and the scope of those operations has broadened from mere border patrolling and truce supervision to organizing and monitoring free elections, disarming hostile forces, assuring the protection of human rights, resettling refugees, and even providing for a country's interim administration. The newly-authorized and ongoing operations include UNTAC (UN Transitional Authority in Cambodia); UNPROFOR (UN Protection Force in Croatia); MINURSO (UN Mission for the Referendum in Western Sahara); ONUSAL (UN Observer Mission in El Salvador); UNAVEM II (UN Angola Verification Mission) and UNIKOM (UN Iraq-Kuwait Observation Mission).

These are in addition to the peacekeeping operations launched in earlier periods of the UN's history but which still continue: UNIFIL (UN Interim Force in Lebanon); UNDOF (UN Disengagement Observer Force on the Golan Heights); UNFICYP (UN Peacekeeping Force in Cyprus); UNMOGIP (UN Military Observer Group in India and Pakistan); and UNTSO (UN Truce Supervision Organization in Israel and the occupied territories). In 1992 and 1993 the combined...
cost of these new and old peacekeeping operations will be over $2 billion a year—double the UN’s regular budget.

Quite apart from peacekeeping operations, the UN Secretary-General through his special representatives has recently been engaged as a fact-finder or mediator in such far-flung places as Somalia, Afghanistan, and Nagorno-Karabakh. All indications are that the demands for his services as peacemaker are likely to escalate in the months ahead.

In the light of these circumstances, and particularly in view of the forthcoming report of the Secretary-General that has been called for by the Security Council Summit, the Trilateral countries need to consider where the UN fits into their security policies for the 1990s and, more specifically, just what kind of evolution in UN activities and structures would serve their national interests.

The following are some proposals that seem to merit consideration:

1. **Preventive Diplomacy and Peacemaking**
   Under Article 99 of the Charter, the Secretary-General can bring to the attention of the Security Council “any matter which in his opinion may threaten the maintenance of peace and security.” Under Article 98, the Secretary-General can be asked to perform “other functions” by the Security Council and other UN organs. At the Security Council Summit of January 31, there was widespread support for enhancing the preventive diplomacy and peacemaking role of the Secretary-General. One way of doing this would be to improve the flow of reliable information to him on incipient conflict situations in different regions of the world, together with expert analysis of that information with options for constructive UN action.

As a result of the restructuring of the Secretariat by the new Secretary-General, the UN now has in place an outstanding team to support an enhanced role for preventive diplomacy and peacemaking. Boutros-Ghali has appointed two new Under Secretaries-General for Political Affairs, Vladimir Petrovsky and James Jonah, and under them two new Assistant Secretaries-General—Kofi Annan and Sotirios Mousouris. These are in addition to the Under Secretary-General for Peacekeeping, Marrack Goulding. These senior staff members should be given “watching briefs” on different regions of the world and be available for special missions on behalf of the Secretary-General to defuse incipient conflicts. They could supervise small “regional bureaus” at UN headquarters capable of the kind of political analysis performed in national Foreign Ministries. This group of permanent UN civil servants could be supplemented in emergency situations by high-level personalities from UN member nations on temporary assignments. The use of Cyrus Vance in the Yugoslav crisis is a model on which to build.

In addition, the 15 members of the Security Council should be asked to supply information regularly to the Secretary-General’s office that could help him perform his preventive diplomacy and peacemaking functions. This information could come from reconnaissance satellites as well as from other sources employed by national intelligence agencies and diplomatic establishments. The supply of this kind of information from Permanent Members of the Council has recently proved most valuable in enabling the IAEA and the UN Special Commission to find and dismantle Iraq’s weapons of mass destruction. This new practice of information-sharing should now be broadened and regularized in the larger context of the Secretary-General’s “peace watch” functions.

Another measure to be considered is the building up of UN field offices for preventive diplomacy and peacemaking functions. The Secretary-General has no worldwide diplomatic corps—and the UN members would not at this stage authorize one. But political offices of the Secretary-General were quietly established during recent years in Baghdad, Teheran, Islamabad, and Kabul. In the last-named city, as these lines are written, an able representative of the Secretary-General, Benon Sevan, has been trying to arrange a transitional government for Afghanistan leading to free elections. Building on this precedent, polit-
ical offices of the Secretary-General could be opened in other places as the need arises. Use could also be made in special circumstances of the country representatives of the UN Development Program and the heads of the UN's five Regional Commissions.

The Secretary-General could make greater use of his Article 99 authority to alert the Security Council to information developed through such an improved worldwide intelligence network. The Council could hold regular closed meetings to examine problems identified in the Secretary-General's "peace watch." And the Security Council Summit could become an annual event, affording Heads of State and Heads of Government the opportunity to evaluate the UN's role in collective security and recommend improvements.

2. Peacekeeping
Recent experience has revealed a number of deficiencies that need to be corrected if the UN is to respond effectively to the heavy peacekeeping responsibilities it is being called upon to discharge in the 1990s. As the Yugoslavia and Cambodia operations indicate, peacekeeping forces will increasingly be needed to deal with conflicts within as well as between states and will require skills that go well beyond troop supervision and border patrol. Three things need to be done to make the UN's peacekeeping operations more effective.

First, units of national armed forces earmarked for UN service should be trained in advance in the complex tasks that now characterize peacekeeping operations.

Second, equipment needed in those operations—jeeps, trucks, radios and other communications gear—should be stockpiled in key locations for emergency use. The UN estimates that some 50 members are now able and willing to supply a battalion (600-700 men) for a UN peacekeeping operation, but adds that in the case of many Third World countries the needed equipment is lacking.

Finally, we need to address the serious financial problems that have recently delayed the deployment of peacekeeping forces. Many UN members—notably the United States and the Russian Republic—are in arrears in their payments for both peacekeeping and the regular budget. These arrearages should be paid up as soon as possible. In addition, the UN needs a Peacekeeping Emergency Fund of $50-100 million to cover the start-up costs of new operations; otherwise the arrival of peacekeepers will continue to be delayed until new financing is made available in each situation. To be sure, the costs of UN peacekeeping are now substantial, but it is worth recalling that the cost of Desert Storm was $1.5 billion per day.

3. Peace Enforcement:
A UN Rapid Deployment Force?
A central question to be considered by the Trilateral countries is whether the UN's system for deterring and defeating aggression should rely exclusively on ad hoc coalitions assembled and led by the United States—or whether an institutionalized system should now be created as provided for in Article 43 of the Charter. That Article provides that "all UN members undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security." Although Article 43 declares that these agreements "shall be negotiated as soon as possible," efforts to negotiate them were abandoned in the early postwar years due to the Cold War.

Article 47 of the Charter provides for a Military Staff Committee, consisting of the Chiefs of Staff of the Permanent Members of the Security Council or their representatives, to "advise and assist" the Council on all questions relating to "military requirements" and the "employment and command of forces placed at its disposal." The Military Staff Committee is to be responsible under the Security Council for the "strategic direction" of the armed forces placed at its disposal. Questions relating to the command of these forces are to be "worked out subsequently."

How might these Charter provisions now be implemented in a way that would serve the common interest in deterring or defeating threats to

A CENTRAL QUESTION... IS WHETHER THE UN'S SYSTEM FOR DETERRING AND DEFEATING AGGRESSION SHOULD RELY EXCLUSIVELY ON AD HOC COALITIONS ... OR WHETHER AN INSTITUTIONALIZED SYSTEM SHOULD NOW BE CREATED...
the peace and acts of aggression? Certainly not by asking UN members to assign units of their armed forces to a huge UN standing army. For both political and budgetary reasons, such an ambitious plan would have scant support.

A more modest proposal, however, might now merit study by the Triilateral countries with a view to launching discussions among members of the Security Council and other interested UN members. The five Permanent Members of the Council could enter into Article 43 agreements designating units of brigade strength (2,000 men) for a UN Rapid Deployment Force to deal with threats to the peace and acts of aggression. Thirty other UN members could commit smaller units of battalion strength (600-700 men) pursuant to such agreements. This would provide a force of up to 30,000 men that would be prepared in advance of a crisis with common training, standardized or inter-operable equipment, and joint exercises under a UN commander. When a crisis occurred, those national contingents most suited for the purpose would be called up—which in most cases would be far less in number than the total potential force of 30,000.

The five Permanent Members, like other UN members, would assign units of their ground forces under Article 43 agreements (for example, the Ready Brigade of the 82nd Airborne Division could be the U.S. contribution). The Permanent Members could also be asked to pledge air and naval units and/or airlift and sealift capability. In some conflict situations, it would be preferable to keep the Permanent Members, or at least the United States and the Russian Republic, in a back-up military role, with ground forces of other UN members on the front lines.

A UN Rapid Deployment Force of this kind would be available to perform a variety of purposes: (1) to be stationed preemptively on the border of any UN member that was threatened by aggression; (2) to defeat aggression if it occurred; (3) to put an end to mass repression against civilian populations (e.g., the Kurds in northern Iraq) that constituted a threat to international peace and security; (4) to undertake humanitarian relief in domestic conflicts; and possibly (5) to combat acts of terrorism.

The UN Rapid Deployment Force could only be deployed by the Security Council and therefore could only operate where there were nine affirmative votes of the fifteen Security Council members and where no veto was cast by a Permanent Member. Such a force would not be powerful enough to deal with all kinds of aggression; action by U.S.-led coalitions would sometimes be necessary as authorized by the Council in Desert Storm. Moreover, UN members would continue to have the right of individual or collective self-defense under Article 51 of the Charter. Nevertheless, a UN-RDF would constitute a meaningful political as well as military deterrent in many situations, particularly where it could be deployed preemptively on the border of a threatened country. It is doubtful if Saddam Hussein would have attacked Kuwait if a UN force composed of units of a dozen members, including the Permanent Members, had faced him on the other side of the border.

The feasibility of creating a UN-RDF will depend, first and foremost, on the attitude of the Security Council’s Permanent Members. Judging from their statements at the Security Council Summit, France and Russia seem to favor the idea. The United States and the United Kingdom seem skeptical. The position of China is unknown, but China would be unlikely to block creation of a UN-RDF if the other four Permanent Members favored it.

A more difficult question is presented when it comes to participation in a UN-RDF by non-Permanent Members. They do not have the veto privilege, are not members of the Military Staff Committee, and may not even be members of the Security Council when a call is made on units they would be asked to pledge under Article 43 agreements. But Article 44 of the Charter provides that when the Council has decided to use armed force it shall invite UN members not on the Council to participate in its decisions concerning the employment of units of that member’s armed forces. Article 47 further provides that UN members other than the Permanent Members can be invited to participate in the work
of the Military Staff Committee when this is required for the "efficient discharge" of the Committee's responsibilities. These Charter provisions could be interpreted liberally to provide a seat at the decision-making table for non-Permanent Members contributing to a UN-RDF. In addition, such members could be permitted to insert an "opting-out" provision in their Article 43 agreements, to the effect that in exceptional cases involving important national interests they could decline to make their armed forces available for a particular operation.

It is often forgotten that the negotiation of Article 43 agreements is not merely an option available to UN members; it is a legal obligation of membership in the world organization. In a context in which this dead letter provision was being activated, Article 43 could provide a way of securing contributions from two key countries that resisted making human (as opposed to financial) contributions to the Gulf War for domestic political and constitutional reasons—Japan and Germany. With the creation of a UN-RDF, the governments of these two countries could argue that their Constitutions should be interpreted to permit fulfillment of Article 43 obligations and, failing such an interpretation, that their Constitutions should be amended accordingly. The Japanese Socialists and German Social Democrats would not be able to claim any longer that sending armed forces abroad would be caving in to U.S. demands or encouraging the revival of militarism. Perhaps they could be brought to support a UN-RDF pursuant to Article 43 in which UN members in many parts of the world were doing their share to provide armed forces for a global collective security system.

A basic advantage of the Article 43 approach is that it would provide a degree of legitimacy for UN peace enforcement actions that is not available when they result from coalitions dominated by one country. In the Gulf War the military operation became identified with the United States rather than the United Nations and Saddam Hussein was able to argue that his enemy was the United States and not the world community as a whole. In addition to the problem of appearances, there was the practical consequence in the Gulf War that once the Security Council had authorized the employment of armed force under Resolution 678, it had no control over how that force was employed. Indeed, because of its veto power the United States was in a position to block any effort by the Council to force the termination of hostilities or force the United States to alter the way it was carrying out the Council's broad mandate. Many UN members—and not only those who claimed the United States had "hijacked" the Security Council—are determined to prevent a repetition of the Gulf experience and assured that future peace enforcement operations are run by a UN commander kept under strict UN control. Their presence in the future as non-Permanent Members of the Council may mean that the Gulf experience is a non-repeatable proposition—or is repeatable only in exceptional circumstances.

Another argument for the Article 43 approach is that it is more likely than the use of ad hoc coalitions led by the United States to provide the genuine collective security system protecting all UN members that is implied in President Bush's "new world order." There will be many threats to the peace or acts of aggression where neither the United States nor any Permanent Member of the Security Council will wish to take the heavy military and political burdens assumed by the United States in the Gulf War. Yet President Bush has presented his "new world order" as one in which aggression will be defeated and international law upheld on behalf of all nations, not just the United States and the Permanent Members. In doing so he articulated the same Wilsonian vision set forth by other American Presidents. This is a vision that now commands support from a large majority of UN members who feel the UN should be in a position to protect any UN member from aggression even where the interests of the Permanent Members are not vitally engaged.

A fundamental objection to a UN-RDF is that of military feasibility. It is true that the UN has demonstrated the workability of multinational peacekeeping forces composed of contingents from many nations, but these contingents were...
used for observation, border patrols, buffer zones and the maintenance of order, not war-making. Can a successful military campaign be conducted by a coalition of a dozen different national contingents, each under a national commander but subject to an overall UN commander? How would the vital functions of intelligence, communications and logistics be handled? Could any amount of preparatory training and joint exercises overcome the difficulties of diverse cultures, military doctrines and national interests? Would the Pentagon ever consent to have U.S. forces under the overall command of a non-American? Are there military figures of politically appropriate nationality available whom the Permanent Members of the Security Council would trust to conduct a military campaign effectively? If these questions cannot be answered authoritatively at this time, surely they should be the subject of study by qualified military and political leaders from interested UN members, either under the auspices of the UN or under private auspices.

4. The UN and Regional Organizations
The demands on the UN are now so great as to place a severe strain on its resources of people and money. Hence Secretary-General Boutros-Ghali and many UN members are looking with interest on ways of involving regional organizations outside the UN as "force multipliers."

Certainly more could be done to employ the resources of the Organization of American States, the Organization of African Unity, the European Community, and the Conference on Security and Cooperation in Europe to assist the UN in its preventive diplomacy and peacemaking functions. The EC is already engaged in a major effort to resolve the crisis in what was Yugoslavia.

But none of the regional organizations mentioned above have military forces at their disposal. If the UN wishes to make use of the military forces of another international organization, it will have to look to NATO. This would have been unthinkable a few years ago, but today the Republics of the former Soviet Union and the nations of Eastern Europe that have been liberated from Soviet rule are associated with NATO in the North Atlantic Cooperation Council. Some of them are even seeking NATO membership. There is no overriding political reason why the Security Council should not make use of NATO-assigned forces for peacekeeping or even peace enforcement operations by a UN-RDF. Indeed, Article 43 of the Charter specifically envisages that agreements to supply forces to the Council can be made by "groups of members" and Article 53 provides that the Council can utilize regional agencies for "enforcement action under its authority."

Making NATO an executing agent for UN peacekeeping and peace enforcement operations both inside Europe and possibly beyond is an option that should now be seriously explored. The same option could be explored with the Western European Union or the European Community if and when those organizations develop significant military capabilities.

5. Reconstituting the Security Council: Is It Time to Open Pandora's Box?
As the Security Council plays an increasingly central role in world politics, demands for changes in its composition and methods of decision-making are becoming more insistent. The more active the Council becomes, the more the 150-plus UN members not on it complain about decisions made in their names but without their participation. As the UN approaches its 50th anniversary, it becomes difficult to justify permanent seats on the Council for the United Kingdom and France, but not for Japan and Germany. And large countries in the developing world that have enormous influence over events in their regions feel aggrieved that they have no comparable input into UN security policy.

"If it ain't broke, don't fix it," has been the response thus far of the five Permanent Members to demands for Security Council reform. The United Kingdom and France fear the loss of their Council seats; all five Permanent Members fear the loss of the veto. But that same veto protects the Permanent Members from any change in the Charter they do not like, and
indefinite refusal to consider any change in the Council’s composition could undercut the Council’s effectiveness. UN members could one day refuse to implement Security Council-approved economic sanctions or decline to supply troops for peacekeeping or peace enforcement operations if they feel the Council has lost legitimacy.

There is a growing feeling among UN members that the Council cannot remain as it is to the year 2000 and that an appropriate occasion to make changes would be the UN’s 50th anniversary in 1995. Since the national interests of the Trilateral countries are deeply involved in this question, it would seem only reasonable that they should begin serious discussions of it among themselves in official or unofficial forums.

The best solution for the Trilateral world and for the UN as a whole, in the view of this writer, would be to enlarge the Council to provide permanent seats without veto to Germany and Japan, provided of course that these countries are prepared to permit the use of their armed forces in Council-authorized operations which they approve.

Additional seats may also have to be provided for countries such as India, Nigeria and Brazil. Alternatively, additional seats could be made available to Asia, Africa and Latin America to enable those countries to take their places on the Council with greater regularity.

If the size of the Council could be held at 20 to 23—and if the veto could be retained for the Permanent Members who now have it—enlargement of the Council may be negotiable. The result would be a stronger United Nations, more capable of responding to the challenges of the post-Cold War world. Whether such an outcome is achievable is uncertain. But sooner or later, and very probably sooner, we will have to find out.

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MIGUEL HERRERO DE MINON

Regional Implementation of Indivisible Security

1.

Collective Security has become irreversibly indivisible. During the Cold War, such indivisibility arose from the global threat exercised directly or indirectly by the Soviet Union. Now, with the Cold War over, it is the interdependence of international society, definitely universalized, which dominates the nature of collective security.

If experience shows how a local conflict might spread and become worldwide, the greater interdependence of today’s economic, strategic and political relationships emphasizes this possibility. Thus, a local actor—Iraq—could have turned (and may still turn) into an unlimited threat by affecting not only the world economic balance (supplies of energy), but also its strategic balance (development of non-conventional weapons and delivery systems) and political balance (mobilization of the Arab world). The same could be said of other powers (for instance, any power located in Southern Asia capable of blocking Japan’s strategic communications) or even of meta-political attitudes, such as Islamic fundamentalism.

This new interdependence leads us to a necessary revision of the classical concepts which have determined Western security for many years, i.e. the “in area” or “out of area” approach which was used to distribute the responsibilities of Atlantic Alliance members. While a forward defense was the official doctrine of the Atlantic Alliance during the years of confrontation with the Soviet Union, its main powers now give special attention to fringe areas located beyond the borders established in Article VI of the Washington Treaty.
2. Notwithstanding security's indivisible character, the end of the Cold War and its inherent bipolarity have reestablished the polycentric nature of international society. The guarantee of security should become regional in order to be effective. Worldwide institutions (such as the United Nations) as well as regional institutions (CSCE, OAS) will require regional instruments of action.

How do we deal, then, with regional security in those areas where the Trilateral world, for one reason or the other, shares certain interests? In order not to undermine security's global nature, regionalization must avoid the following risks: (a) Allowing or promoting local hegemons. The negative experience of Iran and Iraq should suffice to prevent repetition of similar mistakes with Saudi Arabia, Turkey, India, or Indonesia. (b) Distributing tasks in such a way as to eliminate the benefits of joint action (synergy) by great Trilateral powers. This would be the case if the United States alone was involved in the Middle East, or if only Europe had a presence in the Western Mediterranean. (c) Differentiating between the United States' single global interest and purely regional interests of other powers. This would inevitably lead to a selective regionalization of U.S. interests. And the same would occur if economic and military responsibilities in security areas are subject to a hypothetical "division of labor," typical of Japan's and Germany's attitude, especially during the Gulf crisis.

3. In conclusion, regionalization of security, which is essential for its effectiveness, must rest on the prior condition of major Trilateral countries being members of a directorate of the concert of nations. The addition of Germany and Japan to the permanent membership of the Security Council could be a formal recognition of their new role.

If not all, at least a certain number of the Trilateral members of this directorate should belong to more regional security institutions.

Any single leadership, such as Japan in Asia or the United States in the Americas, could give birth to local suspicions. On the other hand, keeping an excessively low profile in deference to other powers could promote undesirable local hegemons and prevent reciprocal interweaving of regional security institutions. To avoid these two important risks, great powers, instead of holding the main commanding roles, might reduce their participation in such institutions to logistical and intelligence support as well as a substantial component of the collective political leadership.

The combination of this role held by main powers in security institutions, along with their intimate association with other principal regional powers, would prevent the emergence of threatening local hegemons.

These regional organizations should be the equivalent of "security communities," that is, a group of states among whom it is impossible to conceive of force being used to settle disputes and whose active solidarity prevents the emergence of any destabilizing external or internal threat.

The best model for all regional security organizations is NATO (in its functions among its own members). This institution, offering permanent political consultations and preserving national armies as well as integrated military structures, certainly minimizes possible conflicts among its members (e.g., Greece and Turkey). The regional institutions would maintain regional security and their reciprocal connections, through the multiple memberships of major powers, will express the indivisibility of worldwide security.

By becoming the operating systems of global security, regional security organizations, in the event of a crisis, could be placed under the mandate of broader institutions with no direct action capabilities, such as the United Nations or CSCE (related to NATO through NACO).

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Striking a New Transatlantic Bargain

Striking a new transatlantic bargain will require decisions on a variety of different issues, which involve political and economic as well as military matters. This brief discussion paper will focus on two of these issues: how should NATO evolve and what should be the future role of American military forces in Europe?

The aim of this note is not to present the new “bargain” that will hopefully emerge. That would be premature. My aim is to help in the preliminary task of sorting through different points of departure and outstanding issues in the current debate.

The Future Role of NATO

There are a variety of points of departure from which views about the future role of NATO proceed. Among them are the following:

- NATO will continue as an alliance involving collective security commitments among its members, for the common interests which have formed the basis of the alliance in the past will not change.

- NATO will provide a forum for consultations on the full range of potential political and security issues in Europe and even outside.

- NATO will carry out peacetime military planning to guarantee its security commitments.

- NATO will not be the institution chosen for dealing with (a) ethnic and nationalistic conflict in Europe (witness events in Yugoslavia); (b) out-of-area military conflicts (witness the Gulf War); or (c) European wishes over time to provide their own collective defense.

Outstanding issues include the following:

- Will NATO prove useful as a political forum for consultation if it is not chosen as the appropriate institution for taking action and its role is simply to issue communiqués when there is a consensus view?

- Can the alliance continue to be useful in dampening feuds among its European members, especially if its membership expands?

- Should the alliance go beyond granting the countries of Central and Eastern Europe associate membership, and extend to them (formally or informally) security guarantees?

- Should the alliance maintain standing military forces in peacetime (and in what number) to provide for any or all of the following: (a) a basis for reconstitution against a major military threat; (b) a hedge against the possibility that military forces will be needed in smaller conflicts in Europe, under the umbrella of the CSCE or the United Nations; (c) capabilities for humanitarian assistance or nation-building within Europe or outside; or (d) a joint military command and the integration of national forces?

- Is NATO necessary for the Americans to have a voice in European security affairs?

Future Role of American Military Forces

In thinking about the reasons for keeping American military forces in Europe, there are among Americans two principal points of departure, which lead to very different conclusions:

- One way is to begin by looking at past reasons for such forces in the light of recent events in Europe and the Soviet Union. Few, if any, remain. Chaos and turmoil are engulfing the USSR, with the possibility of a resurgent nationalist Russia or Soviet empire a threat only for the very distant future. If serious dangers were to arise, there would be time for the United States to return militarily to Europe.

For other potential threats to peace in Europe, which could arise more quickly, the American role is problematic. If called upon, U.S. mili-
tary forces could still be provided from the United States. The case for keeping American military forces in Europe as to respond to out-of-area contingencies is not persuasive.

American interests in Europe exist independent of the presence of U.S. military forces. They are not required for the Americans to have a “seat at the table” in European matters. NATO as an alliance will not dissolve without the forward presence of American military forces. It is difficult to see a link between the presence of American military forces and keeping the Germans closely integrated with the West. European governments currently support the continued presence of American military forces, but it is not clear that public support will exist once Soviet troops leave Germany.

Moreover, political pressures in the United States have increased for a withdrawal of American military forces, given developments in the Soviet Union. Congressmen prefer to close bases in Europe rather than in the United States, and military planners as well as budget cutters see real savings in bringing American troops home.

• The second way to proceed in coming to a view as to whether the Americans should keep military forces in Europe is to begin with the “critical” American interest in Europe remaining a region of peace. The historical record is poor when American military forces disappear and Europeans are left to their own devices. Thus Americans need to remain engaged in Europe, including militarily, to help keep the peace.

General John Galvin, SACEUR, favors retention of a robust American military presence of some 150,000 men, consisting of an Army corps of 92,000 men with air defenses, intelligence, and logistics, as well as the 6th fleet in the Mediterranean and several wings of fighter aircraft. Senator Sam Nunn, in contrast, has called for a residual force in Europe on the order of 75,000-100,000 men, with the active-duty units being air squadrons and intelligence and supply forces intended to facilitate the rapid reentry of U.S. combat forces. Most of the military equipment currently prepositioned in Europe would remain.

So, assuming some American military forces should remain in Europe, there is the outstanding issue of whether it is sufficient to rely only on air forces. Is it necessary that there also be Army combat and support forces?

Answering this question entails a consideration of what their military tasks might be, beyond simply demonstrating U.S. interest and involvement in Europe. There are potentially three: providing the base from which to build up military forces for a general war with a powerful Russia; responding to the outbreak of smaller conflicts; and being available for peacekeeping and humanitarian assistance.

Depending upon one's choices, the size and characteristics of the American military presence still need to be defined. General Galvin's force involves a corps of two heavy divisions, complemented by a small theater planning group. Should this force be more balanced in terms of heavy and light forces? Can its size be reduced by having forward brigades rather than divisions?

October 1991

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As mentioned in the introductory note at the beginning of this volume, the paper by the leader of this group—Toyoo Gyohten’s “Regionalism in a Converging World”—is being published separately. This section includes the papers specially prepared for the workshop of the Gyohten group, held in Tokyo in January 1992. Several other workshop papers by participating members were originally prepared for other purposes. Fred Bergsten’s “Policy Implications of Trade and Currency Zones,” originally prepared for an August 1991 symposium, has been published by the sponsor of that symposium, the Federal Reserve Bank of Kansas City, in a 1992 volume entitled Policy Implications of Trade and Currency Zones. Fred Bergsten’s “The Collapse of Bretton Woods: Implications for International Monetary Reform,” originally prepared for an October 1991 NBER conference, will be published in a forthcoming NBER volume entitled A Retrospective on the Bretton Woods System (edited by Michael D. Bordo and Barry Eichengreen). Mario Monti’s outline for a workshop session was accompanied by his presentation, entitled “Regional Integration and Trilateral Cooperation,” appearing in the publication on the 1991 annual meeting of the Trilateral Commission. Niels Thygesen’s “Economic and Monetary Union in Europe and Global Economic Cooperation” appeared in The International Spectator XXVI:1 (Jan.-March 1991), pp. 70-86.

YOTARO KOBA YASHI

Asia-Pacific Regional Development

Introduction

The implications of the rapid changes sweeping the globe are yet to be determined, but the need to carefully examine and analyze these changes cannot be underestimated.

The trend towards economic regionalism has increasingly come to be viewed as inevitable. The question remains, however, what shape this regionalism will take. Clearly the possibilities are innumerable and the risks great. However, the potential benefits of open regionalism supportive of global cooperation make it urgent for us to place a priority on insuring such an outcome.

The simple analogy of a jigsaw puzzle illustrates the problem. With each nation representing a piece of the puzzle, it soon becomes clear that first grouping pieces based on similar color and later combining these few groups is an efficient way to piece together the puzzle. Alone each piece has its own shape and design, but together the picture is beautiful and clear. Determining the proper fit takes trial and error, but this method of grouping makes solving the puzzle an easier feat than attempting to fit together random combinations of pieces until there is a proper match.

Regionalism has the potential to make the world a smaller community. It has the potential to expedite the complex process of trade liberalization. The dilemma is how to achieve this end.

This paper will examine recent Asia-Pacific regional developments. It will compare this development to regional development elsewhere, and it will evaluate the risks and opportunities of Asia-Pacific development.
Two Versions of Asia-Pacific Regional Development

Asia-Pacific Economic Cooperation (APEC)

- **Background.** APEC was established to provide a regional forum for ministerial discussion and coordination on a broad range of economic issues resulting from a growing interdependence in the Pacific region.

APEC is an informal grouping of fifteen Asia-Pacific nations: Japan, the United States, Canada, Australia, New Zealand, South Korea, the Philippines, Thailand, Malaysia, Singapore, Brunei, Indonesia and, most recently, China, Taiwan and Hong Kong. Together, this group of nations account for close to 50 percent of the world’s total economic output, 40 percent of its trade, 40 percent of its population and 30 percent of its land area.

In November 1989, in Canberra, Australia, the first annual ministerial meeting of APEC was held. APEC is Asia’s first high-level body grouping most of the region’s major governments.

Between annual ministerial meetings, senior officials as well as working groups meet to oversee the work of APEC. Ten working groups have been created, covering broad areas of economic, educational and environmental cooperation: Review of Trade and Investment Data, Telecommunications, Transportation, Tourism, Trade Promotion, Regional Energy Cooperation, Fisheries, Marine Resources Conservation, Expansion of Investment and Technology Transfer in the Asia-Pacific Region, and the Asia-Pacific Multilateral Human Resources Development Initiative.

- **Progress.** In November 1991, the fifteen nations comprising APEC met in Seoul for their third annual meeting. A decision was reached to seriously consider organizing a secretariat with a budget, though no definitive statement institutionalizing APEC or its financial mechanism was adopted. In addition, the “Seoul APEC Declaration” was issued, asserting the member-nations’ commitment to a free trade system, a reduction of trade barriers, greater interdependence and an effort to improve the standard of living in East Asia. It made a special resolution to work towards a successful conclusion of the Uruguay Round. So far the grouping has been limited to exploratory steps, but it plans to look toward specific measures of trade liberalization in the future.

Applications for APEC membership from Mexico, Chile, Peru, Ecuador, Argentina, the Soviet Union, India and Papua New Guinea are still pending.

East Asian Economic Caucus (EAEC)

- **Background.** The EAEC has been defined as a “loose consultative grouping of Asian countries without an institutional framework” intended to bolster the regional economy and strengthen the free world trading system.

The original proposal of an East Asian Economic Group came from Prime Minister Mahathir Mohamed of Malaysia in December 1990, under the circumstances of the coming market integration of the European Community and the development of the North American free trade zone concept. At that time, the East Asian Economic Group was labeled a “bloc” and the proposed members included the six ASEAN countries (Brunei, Indonesia, Malaysia, Philippines, Singapore, Thailand), Japan, China, Korea, Taiwan, and Hong Kong (and possibly Indo-China countries as well).

The proposal has encountered strong criticism for its failure to include the United States, Canada, Australia and New Zealand. Thus, the proposal was substantially modified, and currently is coined the EAEC, a more moderate consultative body or caucus.

- **Progress.** On October 8, 1991, ASEAN economic ministers reached an agreement to pursue the creation of an ASEAN Free Trade Area (AFTA) and to hold the East Asian Economic Caucus, which will call for the inclusion of other Asian nations such as Japan. The EAEC has the potential to address a wide range of proposals including AFTA by Thailand and...
Common Effect Preferential Tariff (CEPT) by Indonesia.

Though the EAEC has not been formally ratified, already it has generated much debate on the topic of open regionalism. It has prompted the United States to recognize the economic potential of Asia and to reaffirm its commitment to the region. In addition, it has prompted discussion on a desirable free trade framework in the region, as well as with other nations and regions, including the Western Hemisphere.

**Other Regional Developments**

*New New Europe*

"Call it the 'new New Europe,'" says Fortune (December 2, 1991). The drive to create a unified market coupled with the collapse of Communism promises new challenges and opportunities for Europe and the entire global community as well.

This new integrated Europe is unique. It will offer the free movement of goods, capital, services and people. It will create a single EC currency, common external tariffs, and a central bank. This integrated single market has increasingly been viewed as a step towards a political union, but as of yet the scope of the political union remains to be defined. The new integrated Europe is driven by government policies and treaties as opposed to Asian regional developments which are driven by private enterprise responding to market forces. In addition, the European Community is linked by a cultural unity that cannot be found in the Asia-Pacific region where vastly different histories and cultures are neighbors.

What does all of this mean for the Asia-Pacific region? The Single Market will mean a stronger Europe, but presumably not a "more closed" Europe. It seems quite unlikely that European integration would lead to isolation from other economic, political or cultural spheres in the world. The EC's external policy calls for "reciprocity" or "equality of access and opportunity." This is a more favorable call than for protectionism. In short, the prospect of increased regional stability, accelerated growth and improved economies of scale and business efficiency for Europe should be looked on as favorable for the entire international community. A member of the Keidanren (Japanese Federation of Economic Organizations) concludes, "...if the whole of the EC becomes an institution similar to the U.S., those who do business, both Europeans and outsiders, would gain tremendously."

**North American Free Trade Agreement**

The NAFTA as currently proposed varies greatly from regional developments in Europe and in the Asia-Pacific area. It is not attempting to set external tariffs, permit the free movement of labor, or form some sort of a political or regulatory union (as in Europe). It also is not dealing with numerous nations of different backgrounds, governments and histories (as in Asia). It is, however, seeking to create an immense market composed of 360 million consumers with a total economic output of 6 trillion dollars.

Although negotiations for the NAFTA are much further along than any plans for a Free Trade Area in the Asian region, the ultimate goal of reducing barriers in the region, and not creating them for others, is the same.

The NAFTA is inevitable and should be regarded positively. In as much as it represents immense opportunity for the three member-nations, it also presents opportunities for the rest of the world. An increase in North American growth rates means more trade with the East Asian region. It would contradict United States' policy to create an exclusionary trade bloc. In addition, the NAFTA must be fully consistent with GATT requirements for free trade areas. In the words of United States Ambassador to Japan, Michael Armacost, "The United States wants to expand intra-North American trade, but we have no intention of jeopardizing our interests in East Asia."
Regional Development in the Global Perspective

Discriminatory Economic Blocs?
The fear of replacing the old East and West blocs of communism and capitalism with new, equally competitive blocs is a realistic concern.

The term “fortress” has become the keyword for this trend. It may be an overstatement; we may not be in danger of a “Fortress Europe” or a “Pax Nipponica,” but a more subtle yet equally dangerous form of competing trade blocs could easily emerge if there is not a serious effort to counter such a trend.

President Bush’s recent trip to Asia illustrates this point. It brought to the surface the many fears and tensions that have been building. The underlying threat of every nation seems to be one and the same, though some verbalize it and some do not—that is, the threat of enforcing protectionist measures to counter the other nation’s protectionist measures. This goes back to the old proverb: “Which came first, the chicken or the egg?” The threat of increasing trade barriers becomes a vicious cycle that runs counter to productive dialogue.

Open Regionalism for the Asia-Pacific Region

The Asia-Pacific region is not analogous to any other geographic region in the world. It does not form one landmass, does not share a common culture or ideology, and does not consist of one main “power.” It could be characterized by its lack of coherence more readily than by its unity. As such, the complexities of bridging differences and forming regional groupings among such a diverse membership are enormous.

For every move in the direction of creating a regional grouping there is increased apprehension, on the part of both members of the region and those outside of it. Indeed, the words zone, agreement, community or association are left for more integrated, less controversial structures.

The New York Times summarized the most recent meeting of APEC in the following manner: “The members spent much of the time in Seoul explaining what the economic grouping, known as APEC, would not be and how the region should not be organized.” Yet APEC has become a key regional forum. Consequently, it is a natural outcome that as the membership list grows, so does apprehension among some of its smaller member-nations that their needs will be overlooked.

These fears raise a key question. In such a diverse region as the Asia-Pacific region, is there anything wrong with having diverse “organizations” to address diverse needs? Europe serves as a case in point. This immense region has more than one organization to address its many needs. In the Asia-Pacific region, APEC is a valuable forum for linking the interests of North America and Oceania with the rest of this vast zone. However, East Asians may still desire, perhaps as a supplement to this grouping, an organization in which only East Asians are the natural members. This could be compared to the EC where only Europeans belong. The United States has supported the EC, though it is not a member. So it should be with the EAEC, or any other version of this concept which comes to be. Other Asia-Pacific states must not feel offended or threatened.

Yet the EAEC has aroused fears, namely, that it will serve to limit external trade while fostering exclusive trade among its members. Understandably, the original proposal was quite controversial, but in its present form it deserves consideration. The proposal, as explained by Dr. Noordin Sopiee, Director General of Malaysia’s Institute of Strategic and International Studies (ISIS), is to provide a forum to discuss East Asian economic issues of mutual concern. It would, of course, be supportive of global free trade, consistent with GATT.

Japan is in a precarious position with regard to this debate. As Saburo Okita, former Foreign Minister of Japan, points out: Japan accounts for over half of total Asian GNP, the United States remains a significant export market for
Japan's economy, Japan is both an Asian economic power and a core member of the G-7, and the underlying intent of the EAEC seems to be to aid the under-represented nations in an international economic system where industrial nations seem to have the advantage. Ironically, Japan's immense economic and industrial strength may impede its attempts to make positive moves in the Asian region.

Japan has been described as standing in somewhat of a "no-man's-land" unable to truly feel at home in the Asian region, or consequently, in the broader international community. This is a problem that must be tackled with a great deal of persistence and patience.

Japan's focus must begin to shift in the 1990s. From the time of the Meiji Restoration, progress has been guided by an official policy of "de-Asianization" or "pro-Westernization," as advocated by Yukichi Fukuzawa, famous philosopher, educator and founder of Keio University. Adhering to this policy seemed a rational and natural course, as Japan was driven to develop its technology and economy in order to take its place among advanced nations. This policy has now outlived itself.

Japan must adjust its role in the Asian region to accommodate the new environment. It must reverse the process whereby it distanced itself from the rest of Asia to pursue a path of modernization through Westernization. As Japan has emerged as an advanced nation, failure to acknowledge the troubled past that has flavored relations with Asia will only restrict the region's ability for progress as we approach the 21st Century.

Japan must pursue a path of "re-Asianization." Re-Asianization does not involve Japan isolating itself within the boundaries of Asia or placing itself at the center of Asia by dominating other countries in the region. Re-Asianization is not exclusive. Re-Asianization means strengthening ties with Asia, while at the same time maintaining and strengthening Japan's valuable relationship with the United States and Europe. Japan must act to better align itself with the concerns of Asia as a whole, and win back the friendship and trust of Asian nations.

In order to achieve this goal, Japan must foster an open regionalism in the Asia-Pacific region. This does not preclude the possibility of more than one regional organization.

Open Mind Towards Asia-Pacific Regional Development

Robert B. Reich, Harvard professor and political economist, describes the 1990s in this way: "We are living through a transformation that will rearrange the politics and economics of the coming century. There will be no national products or technologies, no national corporations, no national industries. There will be no national economies, at least as we have come to understand that concept." Whether or not this will be the case, our increased interdependence is irreversible, and the potential benefits are many.

When regionalism can work towards global cooperation, then the full picture of the jigsaw puzzle will come into view. For the Asia-Pacific region this will require a great deal of cooperation among very diverse nations.

The United States has expressed apprehension over recent Asia-Pacific regional developments. Commenting on the EAEC proposal, Ambassador Armacost stated in October 1991 that it "raises concerns in Washington because it would draw a line down the Pacific, thereby creating the impression that East Asia is going its own way on trade issues." While it is understandable that the United States has concerns, it must understand the desire of East Asian nations to have a forum to discuss matters of mutual interest.

It is time for the Asian region to formulate its own decisions on these regional developments. It seems likely that some "group" will be formed as a supplement to APEC, and it also seems likely that this group will contribute to international trade liberalization and cooperation. Maintaining an open mind as to these developments should be the role of the members of the international community.
APEC is a valuable mechanism for multilateral cooperation, but at the same time other mechanisms may be needed to address other concerns.

The United States is and will continue to be immensely important in the Asia-Pacific region. The growing interdependence within the Pacific region is undeniable. In 1989, U.S. trade across the Pacific reached $304 billion, 37 percent more than U.S. trade across the Atlantic. APEC is a valuable mechanism for multilateral cooperation, but at the same time other mechanisms may be needed to address other concerns.

Regionalism must be shaped in an open, not adversarial manner. Only in this way will it be able to support global cooperation. When nations of differing regions view such developments with an open mind, and not with fear, then this regionalism will become “open” in the true sense of the word. This will, in turn, benefit the entire international community.

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J. H. Warren

Multilateralism and Regionalism: A North American Perspective from a Canadian Viewpoint

This paper is purposefully not entitled multilateralism “versus” regionalism because, so far as trade is concerned, the two concepts need not be incompatible and can be complementary and mutually supportive. Leaving agricultural trade aside, the major common markets and free trade areas created since World War II have stimulated economic growth, have been trade-creating, and have not significantly raised barriers to the exports of other countries. As such they were generally in line with the disciplines of the GATT, which from the beginning envisaged the creation of common markets and free trade areas of a trade-benign character (in accordance with Article XXIV).

This observation is not intended to minimize the dangers to economic growth and trade and welfare gains that the development of competing and restrictive regional economic blocs in Europe, the Western Hemisphere and Asia could involve—quickly stimulating protectionism, the

1 As regards agriculture, the sin of favoring and protecting domestic producers at the expense of efficient exporters, and with prejudice to the interests of national users and consumers, has been a general phenomenon whether of groupings (such as the EEC and EFTA) or of individual countries large and small (United States, Japan, Canada and most others whose domestic agriculture has been uncompetitive). So pervasive, expensive and damaging have trade-distorting agricultural policies become, whether through internal support, import limitation or export subsidization, that it finally became generally evident that something had to be done and that the problem could only be addressed on a multilateral basis, as is now belatedly being attempted in the Uruguay Round.
breakdown of international trade rules, and increasing unilateralism at the expense of the public good. The point is that these very serious dangers are so far only potential dangers and that in the Uruguay Round, if successful as it should be, strong countervailing forces are at work designed substantially to strengthen, improve and broaden the worldwide trading system, including more effective trade rules and increasing disciplines on trade-distortive internal policies.

The real challenge and best defense against destructive regionalism and national unilateralism in trade will be to mobilize in the months immediately ahead sufficient political will to ensure that acceptable solutions are found to the still outstanding problems in the Uruguay Round and that, as a result, a new platform for the cooperative management of world trade is put in place. It is also arguable that, quite apart from GATT requirements, the very nature of the modern economic world, with growing private sector integration, instant communications and massive trans-border information and financial flows, itself sets limits to the extent to which countries or regional groupings can deviate from acceptable norms of behavior.

In any case, there is not an undifferentiated “growing trend toward economic regionalism.” European regionalism has been around at least since the Treaty of Rome creating the European Economic Community in the 1950s. EFTA came into being as a response to the formation of the EEC, which involved obligations and delegations of sovereignty which the EFTA countries were not at that time ready to accept. The possibility of closer political cooperation was and remains a consideration as the European Community moves towards closer and closer economic integration. This is in contrast to the purely economic orientation of the Canada-U.S. Free Trade Area and the NAFTA negotiations including Mexico.

So far as Asia and the Pacific are concerned, the concepts, modalities and instruments of economic cooperation have not yet taken definitive form. This is not surprising given the great diversity of the countries surrounding the Pacific. The United States, Canada and Japan are opposed to the development of an inward-looking economic bloc in the region and welcome APECs (Asia Pacific Economic Cooperation) strong support of the Uruguay Round. Whether Malaysia’s proposals for tighter economic links within East Asia will gather further support seems to depend on the outcome of the multilateral negotiations. At this time it is premature to characterize Asia/Pacific cooperation as part of “a growing trend towards regionalism.”

The Canada/United States Free Trade Agreement
Canada and the United States are large countries sharing a transcontinental border over which flows the largest volume of bilateral trade in the world (in excess of US$160 billion annually). But the United States is vastly richer, more populous and, as a superpower, in all ways stronger and more influential than its northern neighbor. Over 60 percent of Canada’s imports come from the United States and over 70 percent of its exports go there. Such reliance on a single trading partner involves a certain vulnerability for the smaller country.

It was natural after World War II that a prime objective of Canadian trade policy be to improve access to the vast market of the United States through GATT negotiations which permitted the progressive reduction and elimination of the highly protective U.S. tariffs erected in the 1930s.

In the 1980s, recession and the rise of side deals in restraint of trade outside the GATT slowed down prospects for further multilateral trade liberalization. The effectiveness of the GATT in dealing with new forms of trade restriction and its capacity to extend international disciplines to new areas such as services came increasingly into question. At the same time, European countries, the United States and Canada became more aware that their relative competitive position was declining vis-à-vis emerging industrial countries in Asia, most of all Japan.

Against this background and given the rise of protectionist sentiment in the U.S. Congress, fears rose in Canada that hard-won access to the
United States market was vulnerable. Concern about U.S. unilateralism and the harassing application of U.S. trade laws became more prevalent. The need for improved market access to increase export prospects was very evident. It was not clear GATT could any longer be counted on to protect and further Canada’s interests in foreign markets, particularly that of the United States. Canada tried to work out a number of sectoral free trade deals, as had earlier been done in the automotive sector. Those negotiations were without issue, however, inter alia because of differences about which sectors to include and an inability to find adequate reciprocal balance.

In 1985, after extensive cross-country consultation, the new Conservative government came to the conclusion that in order to protect Canadian access to the U.S. market, the political risks of entering into comprehensive free trade negotiations with the Americans had to be faced.

Canada’s approach, as a neighbor and ally whose market for U.S. exports is the largest of any country in the world, was well-received by the U.S. Administration. (An overt initiative from the Americans would have floundered in the light of Canadian sensitivity about potential U.S. domination of the Canadian economy and feared undermining of social and cultural policies, if not political independence.) U.S. willingness to engage Canada in free trade negotiations reflected a number of considerations other than its interest in further developing the Canadian market. Failure of the world’s trade ministers to come to grips with outstanding and pressing issues at the GATT Ministerial Meeting of 1982 had led the United States to question whether multilateral negotiations were the only or best way ahead. The opinion was growing that U.S. trade objectives could also or alternatively be secured through bilateral negotiations or unilateral pressure. A successful bilateral deal with Canada would demonstrate leadership in the trade policy field when progress on the multilateral plane had stalled. It would also demonstrate that trade negotiations could successfully address new issues—such as services, investment measures and trade in energy products—not being taken up in the GATT.

Essentially, U.S. willingness to negotiate for reciprocal free trade with Canada was never in doubt. It was made easier because a negotiation with Canada would not have to address, for example, overseas competition in the sensitive textile and automotive sectors. Congress, not unexpectedly, played hard to get when the U.S. Administration sought “fast-track” negotiating authority, but in the end, after a close vote for the record in the Senate, the authority was given.

The negotiations were engaged in 1986 and were concluded at the end of 1988, following a bitterly divisive general election in Canada. The Mulroney government was returned, but the popular vote showed that (for a variety of reasons) many Canadians, possibly the majority of those who voted, were fearful of closer economic integration with the United States. This debate continues to reverberate through Canada’s politics, especially in light of the highly visible loss of jobs in manufacturing over the last two years—in part a function of the need to restructure in the face of global and North American competition, but much accentuated by the recession.

The implementation of the FTA, now three years old, has not been easy from the Canadian point of view. (Some have wondered whether the main individual beneficiaries have not been Washington trade lawyers and lobbyists!) The U.S. authorities have not been willing to resist what appears to be almost trivial complaints against Canadian exporters under U.S. trade laws and the U.S. approach has been highly legalistic. On the other hand the bilateral dispute settlement provisions have worked fairly and the process of binational dispute settlement should eventually serve to dissuade frivolous and harassing complaints by private companies.

Canada’s hope is that the Uruguay Round outcomes on subsidies and countervailing duties, anti-dumping duties and safeguards may serve to improve U.S. trade laws and their application. The Uruguay Round will also be important in a number of other areas—including agriculture and intellectual property—not amenable to negotiated solutions on a bilateral basis.
The Canada-U.S. accord has been examined in the GATT and its evolution will come under periodic review in the future. The contents of the Agreement appear to conform closely to the requirements of Article XXIV, but (as with other regional arrangements examined) no formal approval has been given by the Contracting Parties.

The North American Free Trade Negotiations
Mexico's need for better and more assured access to the American market is similar in a number of respects to the imperative which earlier had motivated Canada. United States willingness to respond to a friendly neighbor was also a key element in both cases. But the needs and motivations of the three parties are quite different in many respects.

Mexican Motivations and Objectives
After so many years of fear of U.S. dominance and historic hostility, and after decades in which Mexico ran a closed and autarchic society, in 1990 President Salinas proposed a free trade arrangement with the United States. A variety of considerations underlay the Mexican initiative. The bankruptcy of previous policies had clearly been demonstrated following the collapse of oil prices and Mexico's international debt crisis. Many elements of its economy were clearly uncompetitive relative to the rest of the world. Recognition thus grew that change had become inevitable. Although Mexican nationalists had blocked membership in the GATT at the end of the Tokyo Round, Mexico became a member in the mid-80s and started reforming its statist economy and opening its market. Mexico's interest in better and more broadly based export performance intensified and a number of agreements were entered into designed to protect Mexico's access to the U.S. market—one on subsidies and another establishing a framework for investment and trade.

Once the process of reform took hold it became clear that Mexico would need investment (including the return of flight capital) to help modernize its economy, that exports would be critical to success, and that (whatever prospects might be in Europe and elsewhere) Mexico's key market is the adjacent United States. Necessity became the mother of change and the logic of the situation, including the Canadian example, led to the conclusion that a free trade deal with the Americans was essential.

Politically the move away from the old nationalist orthodoxy was facilitated by increasing awareness of political and economic changes taking place elsewhere in the world. It was also made easier because the new generation of Mexican leaders and bureaucrats had been educated abroad (chiefly in the United States) and understood and favored more market-oriented public policies.

Another preoccupation of the Salinas Administration has been to avoid reversion to statism by future Administrations by consolidating the liberalizing reforms in an international agreement.

Finally President Salinas presumably hoped that increasing prosperity aided by free trade with the United States would be a positive factor for the future political success of the governing party, ease social problems and eventually reduce illegal immigration into the United States.

American Motivations and Objectives
From the U.S. point of view, the evolution of Mexico from an autarchic, nationalist, authoritarian and hostile state to a friendly, more democratic country endeavoring to join the mainstream of market-oriented economies could only be welcome. Political stability would be enhanced on the southern U.S. border, the Mexican market would be progressively opened to more American goods and investment, and Central American instability would be more effectively cushioned from the U.S. heartland. A more prosperous Mexico would, through positive employment effects, ease the problem of illegal immigration to the United States.

At a more strategic level of thought, a free trade area with Mexico as well as Canada would fit the Bush geopolitical vision for the Western Hemisphere (including his Enterprise for the Americas Initiative). Free trade arrangements
which included the new areas of services, investment and intellectual property could only help to ensure that these new disciplines would gain wider acceptance internationally, including in the Uruguay Round.

For all those reasons, and despite the concerns raised by protectionist U.S. groups and by environmentalists, the United States was ready to respond to Mexico when Mexico took the initiative.

*Canadian Motivations and Objectives*²

Canada itself would not have taken the initiative to propose free trade with Mexico, given its limited trade and investment interests. In trade union, nationalist and cultural circles, Canadian public sentiment had been strongly against the Free Trade Agreement with the United States; the economy was already in recession and constitutional difficulties remained acute. Despite the political risks, the Government’s decision was nonetheless to seek to have Canada joined to the prospective U.S./Mexico negotiations. Why would an already unpopular government wish again to divide the country on the issue of free trade, especially with a country known as a low-wage-cost competitor?

Clearly the extension to Mexico of free access to the United States market would to a degree dilute the preferential access to that market so recently won by Canada. This effect would be magnified over time as Mexico becomes more prosperous and diversifies its export mix. But in itself, this argument would not have been conclusive. What was decisive was the prospect that (in line with President Bush’s Latin American initiative) the United States would conclude an ever-expanding series of free trade arrangements with Latin American countries. This would further diminish Canada’s tariff preferences in the U.S. market. More important was the spectre that, absent the melding of these initiatives in a free trade arrangement, the United States would end up enjoying free entry to the markets of each of its bilateral partners whereas each of them, including Canada, would be sharing access only to the U.S. market. Avoiding this hub and spoke development in favor of the United States was a key Canadian objective.

Another important consideration was necessarily the locus of future investment in North America. With the conclusion of an FTA with the United States it had been hoped that the attraction of Canada as a place to invest would be significantly enhanced for both domestic and foreign investors. A comparable arrangement between the United States and Mexico which excluded Canada would again tilt the North American investment equation towards the United States, and possibly towards Mexico if low-cost labor were an important factor. The answer, in order to ensure a more level investment playing field, was logically to join in a tripartite negotiation for a full North American free trade zone.

On the political/strategic plane, Canada after many years of reticence had only recently decided to upgrade its relations with Latin America, and had taken its seat as a member of the Organization of American States. Against that background, if there was to be a general intensification of relations with Western Hemisphere countries, Canada could hardly stand aside with respect to the possible first important chapter—a free trade negotiation with Mexico.

Finally, unspoken but in the back of the minds of even convinced and dedicated Canadian multilateralists, was fear of failure of the Uruguay Round with the consequent danger of the breakdown of international trade cooperation and the application of GATT trade rules. Should Canada not take out at least the insurance policy of being a founding partner of any widening zone of Western Hemisphere free trade? This is certainly not part of Canada’s official trade policy, which is strong-

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² The Canadian government sees a liberal trade policy as a key element in helping to bring about the restructuring of its economy to meet global competition at home and in third markets. This point of view applies to the FTA and the Uruguay Round. It was likewise germane when the issue of joining or not joining in the prospective U.S./Mexican negotiations arose. Trade Minister Crosbie stated in February 1991: “By liberalizing access to our market within the confines of a mutually beneficial set of rules, we want to encourage Canadian producers to restructure and become more competitive. ... Trade liberalization, whether achieved multilaterally, bilaterally or trilaterally is a necessary step for securing our future prosperity.”
ly supportive of a successful Uruguay Round and the subsequent construction of an effective Multilateral Trade Organization. But the shadow of this defensive consideration should be mentioned.

Canada's broad objectives in the NAFTA negotiations are: (a) barrier-free access to Mexico for Canadian goods and services, while developing tariff phase-out provisions and safeguard mechanisms which reflect Canadian import sensitivities; (b) improved access to the U.S. market in such areas as financial services and government procurement; (c) improved conditions under which Canadian businesses can make strategic alliances within North America to better compete with the Pacific Rim and the European Community, as well as other parts of the world; (d) ensuring that Canada remains an attractive site for foreign and domestic investment; and (e) the establishment of a fair and expeditious dispute settlement mechanism.

The Negotiations
The negotiations are aimed at a comprehensive agreement freeing up trade in goods and including financial and other services, investment issues, and intellectual property questions. What are the key issues which have emerged? Very special attention is being given to the automotive sector, where North American, Japanese and European producers of vehicles and parts have a variety of complementary and competing interests. A significant liberalization is being sought of government procurement regimes. Mexico has great concern about the application of U.S. trade laws, particularly anti-dumping laws, and insists on an adequate dispute settlement mechanism along the lines secured by Canada in its FTA. Mexico's basic objective, however, is improved and more certain access for its exports to the U.S. market. The United States wants a "good" agreement for the broad geopolitical reasons already mentioned. It wishes to secure much greater freedom to invest in Mexico and will need special agricultural safeguards in the case of some Mexican exports. Canada shares the U.S. interest in a more liberal Mexican investment regime and Mexican insis-

tence on a less restrictive application of U.S. trade laws. Canada wishes to see that improvements negotiated in the Uruguay Round are reflected in U.S. laws and that the gains made in the Canada/U.S. Free Trade Agreement as regards dispute settlement (particularly Chapter XIX concerning the application of countervailing and anti-dumping duties) are not undermined in the trilateral negotiations. Whether within the agreement or in parallel with it, or both, concerns about the environment and its interface with trade will have to be taken into account in some meaningful way. For political acceptance in the United States and Canada, answers will have to be available with respect to differing labor standards in Mexico.

The outlook for the NAFTA negotiations depends in part on the outcome and timing of the conclusion of the Uruguay Round. An ultimate parameter is also the expiration of U.S. "fast-track" trade negotiating authority on June 1, 1993. For the time being the negotiations are proceeding on the basis that they could be completed to all intents and purposes by this spring. Preliminary drafts of sections of a possible agreement are being prepared and exchanged in order to focus the negotiations. Presidents Bush and Salinas at their Camp David meeting in December 1991 agreed to try to have a framework agreement drafted by the end of this month, January 1992. In denying that he wished to postpone presentation of an Agreement to Congress until after the November presidential election, President Bush said "We want an agreement, a good agreement as soon as possible." Whether progress in the coming months will be such as to permit Congressional action on an agreement before the real heat of the U.S. elections next autumn remains to be seen. There is rising protectionist sentiment in the U.S. Congress, especially amongst the Democratic majorities in both the House and the Senate.

Regional and Global Trade Policy Consistency: The Way Ahead

The thrust of our Group's work is that regional trade integration need not be inconsistent with the global imperatives of an increasingly interde-
pendent world. Quite the contrary, a regional grouping can reflect natural affinities and stimulate efficient growth both within the region and, through trade, with the outside world.

This however presumes that the basic GATT rules are observed, i.e., that between the members, trade barriers (tariff and non-tariff) are removed on substantially all trade and the process of opening the internal market is not accompanied by the raising of barriers to the trade of outside countries. If the motivation and modalities of a regional bloc are designed to enhance protection against outsiders, to gain third-country markets irrespective of means, and (in the end fruitlessly) to export the economic problems of the region to the outside world, then everything possible should be done to change such an orientation and avoid escalating bloc-to-bloc and country-to-country economic warfare.

There are a number of countervailing forces at work which mitigate against such an unfortunate scenario. Major multinational corporations increasingly see the world as their market and would oppose having their sourcing, production and marketing systems placed in jeopardy by narrowly based national or regional protectionism. Moreover throughout the world there is an increasing realization that dirigiste inward-oriented economic policies are unsuccessful in furthering the public good, indeed in meeting the basic needs of populations. It may be helpful also that, with tariff levels in most industrial countries already substantially reduced, a decision by governments significantly to increase border protection and increase costs to users and consumers would be transparent, would involve visible foreign retaliation and would therefore carry much greater political risks than in earlier periods when domestic markets were more fully and universally protected.

But the real answer will be to ensure that a breakdown of international trade disciplines and trade cooperation does not occur. For this to be avoided the Uruguay Round must succeed! What will this require?

First is informed and courageous political leadership in key countries. Such leadership would be prepared to align public policy with today's reality of global interdependence. This would imply a willingness to abandon, over a reasonable period, the defense of the status quo, particularly vis-à-vis highly organized vested interests, whether in developed or developing countries.

Secondly, it would be very helpful if, sooner rather than later, current recessionary conditions could be overcome and the world's economies move forward on a path of sustainable non-inflationary growth. For this to be assured, informed leadership will also be required in the management of national and international macroeconomic policies.

On the trade side the clock is running fast towards the midnight hour. Only a few months remain to find the common ground necessary to ensure success for the Uruguay Round. This is the real current test of countries' willingness to cooperate for their own and for the general good. The need for success in this, the most comprehensive and important international economic negotiation ever undertaken, seems obvious. Let us hope that the comprehension and will of men will finally, after five years of endeavor, prove equal to the challenge.

January 1992

J.H. Warren concluded a distinguished career in Canada's federal public service as Ambassador and Coordinator for Multilateral Trade Negotiations (1977-79), the latter years of the Tokyo Round. He was then Vice-Chairman of the Bank of Montreal (1979-86) and now serves as Principal Trade Policy Advisor to the Government of Québec.

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3 Surprisingly, this message may not be as fully understood as it should be in a number of major industrial countries which have not accepted that the forces of international competition, changing comparative advantage and dynamic change must also apply to them. But that realization must come sooner or later.
Global Macro-economic Management

Effective and Needed...

It is clear that global macro-economic management is both effective and needed. When the October 1987 stock market crash led the leading economies of the world to stimulate simultaneously, the world enjoyed in 1988 its best year of the 1980s in terms of real growth. Performance in 1988 was much better than had been predicted both before and after the stock market crash. The world response to world stimulus was immediate.

The need for global macro-economic management is equally obvious. As the United States has become a less and less effective global locomotive, the growth rate of the non-communist world has fallen from slightly less than 5 percent in the 1960s to slightly less than 4 percent in the 1970s to slightly less than 3 percent in the 1980s. The last gasp of the American locomotive pulled the world out of its 1981-82 recession in 1982-83. The OECD traced much of the growth in both Europe and the Pacific Rim in 1982-83 to exports to the United States. But in 1992, the United States could not do what it did in 1982-83.

Based on export surpluses, much of the good performance of the Pacific Rim in the 1980s was essentially achieved by transferring aggregate demand from America and Europe to the Pacific Rim. These surpluses, and such a transfer, cannot be expected to last through the 1990s. Without this transfer, it is not obvious that the Pacific Rim will continue its rapid growth in the 1990s. Developments in Central and Eastern Europe will also require an expansion of aggregate demand in the rest of the world if these countries are to have any chance of successfully entering the capitalist world economy. If anything, global aggregate demand management is more needed in the 1990s than at any time since the decade after World War II.

...But Very Unlikely

Unfortunately, short of a crisis that affects all of the principal economies (such as the 1987 stock market crash), it is equally clear the major economies will not coordinate their macro-economic policies. They will not coordinate since what may be good for the world is seen as bad for each individually. At the moment, for example, the world economy would be more successful if savings rates were much higher in the United States, interest rates were much lower in Germany, and the trade surplus were much smaller in Japan. Higher U.S. savings rates and easier German monetary policies would lead to lower real interest rates for the world. Japan should be providing aggregate demand for the rest of the world and not sucking it out of the rest of the world.

But it is quite clear that none of the three countries is going to do what it should do to help the world economy. Each can tell a political story as to why those policies are not sellable at home. Germany needs to fight inflation with high interest rates since the German government will not tighten fiscally. Americans are in a recession and do not want to cut their consumption. A trade deficit would require large structural changes in Japanese industry.

Essentially we are now in a world economy that brings to mind an auto accident on a superhighway rather than on an isolated country road. On the country road, the first car that happens by is very apt to stop to help, since the driver knows that there are unlikely to be other cars along very soon. On the superhighway, no one stops. Everyone knows that there are many other cars that could stop to help, and each individual does not want to be inconvenienced by having to stop and spend time helping someone else rather than carrying on his own business. What is everyone’s business is no one’s business.

So too in the world economy. No one wants to inconvenience his economy to help the world economy, since everyone assumes that someone
...EVERYONE LOOKS AFTER THEIR NARROW SELF-INTEREST AND NO ONE IS WILLING TO SACRIFICE TO LOOK AFTER THE COLLECTIVE NEED TO MAINTAIN THE SYSTEM.

else should look after the system. No one is now large enough relative to the total world economy to see that the success of the system is more important than his narrow self-interest. As a consequence, everyone looks after their narrow self-interest and no one is willing to sacrifice to look after the collective need to maintain the system.

The events in Central and Eastern Europe are going to make economic cooperation among the major Tri lateral countries even less likely. We no longer need to work together economically to ensure that the alliances containing the Soviet bear hold together politically. Everyone is going to feel much freer to be non-cooperative on the economic front in the decade that lies ahead. This can already be seen in the current GATT Round. A failure to reach agreement this time would not be the political and military disaster that it would have been in the past.

Less Likely with Regional Blocs
Breaking the world into regional blocs will also make macro-economic cooperation less likely. If, in proportional terms, more trade occurs within blocs and less trade occurs across blocs, the divergence in economic conditions is apt to be greater in the decade ahead than it was in the decade immediately behind us. There are going to be fewer circumstances in which coordination is easy since everyone will want to do the same thing. Everyone will be facing the same economic circumstances — too much or too little aggregate demand.

If the blocs manage their trade with each other, as I think they will, management techniques will be used to stop any one of the blocs from running persistent surpluses (or deficits) with the other blocs. Trade flows will come to be seen as an instrument of aggregate demand management. If nothing else, this will reduce demand for goods and services in the Pacific Rim.

Outcome will be Lower World Growth
Short of being willing to create a world central bank or being willing to impose some global fiscal management (both extremely unlikely), there is no system of macro-economic coordination that is going to work in the decade ahead. Governments elected nationally cannot be expected to service global needs that conflict with national needs. The performance of the world economy is simply going to have to get much worse before anyone is prepared to give up the degree of national or regional economic sovereignty that would be required to make macro-economic coordination work. If there is a severe worldwide recession, the world will act to stop it. But if just part of the world is in a recession, as is now the case, the world will not act to stop it. Given the cycles inherent in capitalism, it is clear that less is going to be done to stop recessions than was done in the past.

Thus just as world growth rates were lower in the 1980s than in the 1970s, and lower in the 1970s than they were in the 1960s, it is fairly safe to forecast that they will be lower in the 1990s than they were in the 1980s. With an expansion of the non-communist world to include Central and Eastern Europe and all of their difficulties in making the transition from communism to capitalism, another 1 percentage point decline in world growth rates would not be surprising in the decade that lies ahead.

January 1992

Lester C. Thurow is Dean of the Sloan School of Management and Professor of Economics at the Massachusetts Institute of Technology. A revised version of this note appeared in the September/October 1992 issue of The International Economy.
This section opens with the paper for the 1992 annual meeting by the leader of the migration and refugee issues group, Robert Hormats, which summarizes the group’s discussions—notably at an early 1992 workshop in New York City—and presents some key points from papers utilized by the group. Two such papers were originally prepared for other purposes and thus are not published here. Ritt Bjerregaard’s “Population Movements in the 1990s: Challenges for Policy Makers—Europe” was originally prepared for a December 1991 conference organized by the North South Roundtable as part of the commemoration of the fortieth anniversary of the Office of the United Nations High Commissioner for Refugees. Michael S. Teitelbaum’s “The Effects of Economic Development on Out-Migration Pressures in Sending Countries” was originally prepared for the March 1991 OECD International Conference on Migration. The subtitle of the Hormats paper—“An Interim Note”—is an indication that this project is continuing in 1992-93. The final report will be completed in 1993.

ROBERT D. HORMATS

Refugees and Migrants:
An Interim Note

We have returned again and again in our discussions to the vital distinction—in national policies and in individual situations—between refugees and migrants.

National policies with regard to the taking in of migrants are a matter for sovereign decision. Indeed, different Trilateral countries have very different policies with regard to immigration. These differences are not just technical. They relate to basic national traditions and ideas of national identity.

In contrast to migrants, refugees are governed by international convention. The well-established international regime for refugees is one of the most admirable creations of the international community in the period since the Second World War. All Trilateral countries have signed and ratified the 1951 Refugees Convention. The particular claims of a refugee are based, of course, on a vital distinction in individual circumstances. The 1951 Convention defines a refugee as an individual who, “owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his habitual residence... is unable or, owing to such fear, unwilling to return to it.”

The distinction between refugees and migrants is of central importance, but there is a crisis in its practical application. Among Trilateral countries, that crisis is most evident in Europe, as discussed below. The hundreds of thousands of asylum-seekers entering European Community countries in recent years (especially Germany) do not, for the most part, qualify for refugee status under the 1951 Convention. The end of the Cold War and the collapse of Communist regimes have taken away the easy designation as refugees of individuals fleeing these countries—individuals who generally fled in conveniently small numbers. But neither are these hundreds of thou-

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1 Canada and the United States are traditional immigration countries. Japan and most European countries are not, by tradition, immigration countries. Some European countries, such as Italy and Spain, were traditional emigration countries, but now find themselves facing major in-migration pressures. Traditional policies are under pressure in most Trilateral countries.
POLICY MUST GO BEYOND CONVENTIONAL CONTROL AND HUMANITARIAN MEASURES TO ADDRESS THE PRESSURES THAT PRODUCE DISRUPTIVE POPULATION MOVEMENTS IN THE FIRST PLACE

sands of asylum-seekers easily classified as simple migrants. There is a broad intermediate group of persons who have some measure of a humanitarian claim but do not qualify as refugees under the 1951 Convention.

Considering the 1951 Convention too narrow in its definition of a refugee, the Organization of African Unity adopted the African Refugee Convention in 1969—giving refugee status to persons compelled to flee because of “external aggression, occupation, foreign domination or events seriously disturbing public order in either part or the whole of his country of origin or nationality.” As W. R. Smyser wrote in his paper for us, “the 1951 Convention (was designed to deal) with the consequences of totalitarian governments like those of Hitler and Stalin, and the 1969 (OAU) Convention with the consequences of decolonization and nation-building in Africa. Most refugees in the Third World flee for reasons listed in the OAU definition. That definition may also prove to correspond more accurately to refugee movements during the decolonization process in the Soviet Union and Eastern Europe.”

Our discussions also focused on “pre-refugees,” those groups in precarious or potentially precarious situations that may bring about large and disruptive population movements. As Doris Meissner emphasizes, the causes of contemporary migrations are deeply embedded in the social, economic and political conditions of our times. “To be effective, policy must go beyond conventional control and humanitarian measures” to address the pressures that produce disruptive population movements in the first place. The end of the Cold War and the collapse of Communism in Eastern Europe and the former Soviet Union may bring about new large population movements, but also open up wider opportunities for countries to work together to deal with underlying circumstances. This is also critical for the repatriation of 15-17 million refugees under the protection and care of the international community in camps in various parts of the world. Our discussions in effect dealt with “pre-migrants” as well as “pre-refugees,” particularly in consideration of economic development and its connections to out-migration.

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Several policy areas have emerged for special emphasis in the second phase of our work.

The Asylum-Seekers Crisis in Europe

Asylum-seekers, as Doris Meissner writes, are “by far the most controversial category” of persons moving into industrialized nations, and “arguably the most difficult” to address. Before the 1980s, as Meissner notes, asylum applications were “an exceptional event...generally sought and conferred...in defector situations.” Since then, “caseloads in all industrialized nations, except Japan, ballooned.” The problem is particularly acute in some European Community countries, most notably in Germany.

Significant numbers of persons were admitted to some European countries with “refugee” status before the explosion of asylum-seekers in the 1980s, but these persons were largely selected in foreign countries for admission and resettlement (often from camps in countries of first asylum). Asylum-seekers, in contrast, are already at the border or in the country and then declare their desire for refugee status.

6 Meissner, page 70.
5 In 1990, for example, about 200,000 persons sought asylum in the Federal Republic of Germany—four times the total for the next highest country (France, at about 50,000). The crisis in Germany is made more difficult by the concurrent inflow of large numbers of ethnic Germans. Almost 400,000 ethnic Germans (Aussiedler) resettled in Germany in 1990, largely from the Soviet Union (about 150,000), Poland (about 130,000) and Romania (about 110,000).
European Community countries—again Germany is an outstanding example—have worked hard to establish systems for processing asylum claims that give due process to claimants. But the existing machinery is not adequate. It may take years to process an asylum-seeker's claim in Germany. The final approval rate is very small—between 6 and 7 percent in 1991—but very few of those whose claims are ultimately rejected are removed from the country.\^6

This is creating a potentially explosive situation. Large numbers of people have been coming in and staying, in spite of what policy has determined. We focused in our discussions on the sense of "loss of control." It is not so much foreigners as such that citizens resent, but rather this "loss of control," one expert argued. There needs to be at least an appearance of control by the political authorities and the political process, the argument continues, or fertile soil will be provided for racism and related ills. Another expert stressed how much more difficult it is for most European nations to deal with this than it is for Canada or the United States—given differences in "how we see ourselves." For most European nations, immigration is not seen as a source of nationhood, as part of the essence of the nation. Substantial inflows seemingly uncontrollable by policy thus present a deeper social and political challenge. The anxiety, the explosiveness, is not only about the future, another expert argued, but about the past. Our societies are already different than our images of them, but we have not adjusted to this. The new arrivals are proxies for old issues.

What is to be done? Great interest was shown in our group in the Canadian system for processing asylum claims. Gordon Fairweather, Chairman of Canada's Immigration and Refugees Board and a former member of the Trilateral Commission, participated in our discussions.\^7 The Canadian system meets a strict human rights test of an individual hearing before a decision-maker (Canada's Supreme Court decided that "paper screening" was not enough). Yet this system, in part because it is well-staffed, is able to process most claims within three months. The acceptance rate is high (70% in 1990, 64% in 1991), but those whose claims are not accepted are generally removed from the country. The number of asylum applications has gone down from about 34,000 in 1990 to about 28,000 in 1991, but the reasons for this are not clear. It is argued by many that a fair and rapid system for determining the validity of claims (with removal of those with claims judged invalid) will lead to a reduction in the number of claims, as those without credible claims become less likely to make claims in the first place. The Canadian experience may support this argument, but it is too early to tell.

Canada has an immigration system alongside its system for judging asylum claims, and some in our group argued strongly that an immigration policy—which most European Community countries lack—is a vital part of the overall package. The absence of any other channel into the country is an important aspect of the flood of applications for asylum, it was argued. And removal of those with invalid asylum claims would become easier for national and local authorities if an alternative channel can be offered, however long the lines and waiting periods. Thus development of an immigration policy is a vital part of addressing the crisis of asylum-seekers.

Some European members in our group opposed the establishment of immigration policies. One argument was essentially political: We are not an immigration country; our citizens and voters will find this unacceptable. Another argument was practical: The

\^6These persons, though not removed, are without the rights of legal residents, leaving them open to exploitation in ways that legal residents are not.

\^7The Fairweather paper for the group, "Refugee Determination: The Canadian Experience," is printed on pages 93-95 of this volume.
establishment of quotas for immigration will simply open a new channel. It will not reduce the flood of asylum-seekers.

The European Community dimension to these issues is very important. There was general, sometimes adamant, agreement in our group that a common European asylum policy is essential; but the prospect for such a common policy does not appear bright in the near future. Some argued in addition for a common European immigration policy, for reasons related to those presented above for national immigration policies.

Caseloads of asylum applications have also risen dramatically in the United States and Canada in the 1980s, though the numbers are much smaller than for Germany and, in a different national context, have not become a central political issue. These issues are also now engaged in Japan, which has had very little experience with asylum-seekers until quite recently and where the numbers are still very small by European or North American standards. One crucial episode was the arrival of almost 3,000 “boat people” on Japan’s western shores from late May to September of 1989. As it turned out, the majority of these unexpected visitors were not political refugees from Vietnam as they claimed to be but ‘economic refugees’ from China hoping to slip past Japan’s strict immigration barriers and find gainful employment here. In September (1989) the government moved to tighten screening procedures, and deportation of the job seekers began late last December (1989). 8 Japan may be more severely challenged on this front if there is great instability in the region—in China or Hong Kong, for instance—at some future time.

Longer-Term Migration Pressures
The in-migration pressures which stir many Trilateral countries are not just immediate, but also longer-term—related to demographic trends and economic differentials. “How can a rich world of stable population size,” Doris Meissner asks, “interact with a less-developed world of dramatic population growth?” 9

Even with rates of population growth slowing in many countries of the developing world, the projections are daunting. By 2010, according to the Meissner paper, the working age population in the developing world will increase (net) by about 730 million men and women. Finding jobs for these people in these countries will be a formidable task. To demonstrate the magnitude of new job creation required, it is worth recalling that the U.S. economy produced only about 2 million new jobs annually during its period of robust job growth in the 1980s. Ritt Bjerregaard’s paper focused on the European Community and the southern Mediterranean region in this regard. 10 Between 1990 and 2000, the number of working age people in the southern Mediterranean region is projected to grow by about 27 percent (or about 22 million), while the working age population in the European Community is to grow by about 1 percent (or about 1.5 million). Pressures for economic migration will be enormous.

The slow growth of the workforce in most Trilateral countries might be thought to increase the attractiveness in Trilateral countries of admitting foreign workers, and in some respects this is the case. In both the United States and Canada, changes in immigration policy in recent years have put added emphasis on skills needed for the economy—because of domestic shortages and as a positive aid to international competitiveness. But slow population growth in Trilateral countries, perhaps especially outside North America, also increases uneasiness that inflows of immigrants will

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8 "The Debate over Foreign Workers," Japan Echo XVII.1 (1990), p. 43. This is the introduction to a set of three articles used by the group.

9Meissner, p. 74.

10Ritt Bjerregaard, "Population Movements in the 1990s: Challenges for Policy Makers—Europe," manuscript, pp. 10-12. This paper was originally prepared for a December 1991 conference organized by the North South Roundtable.
more rapidly change the character of society—societies which do not see themselves as shaped by an immigrant tradition.

Japan is a particularly interesting case. As a paper for a 1991 OECD conference noted, “Japan, with the world’s fastest aging population and the highest life expectancy, has been the only developed country that has not relied on foreign labour to mitigate the effects of labour scarcity on its industrial growth. Strict immigration policies have limited the current proportion of foreign nationals in the Japanese labour force to no more than 0.3 percent (this includes long-time resident Korean and Chinese and unregistered foreign workers) as compared with...12 percent in France, 9.5 percent in West Germany, 7.5 percent in the United Kingdom and 6.7 percent in the United States.”11 The pressures for larger admissions of foreign workers have increased in Japan in recent years (as has the number of illegal foreign workers). This is not just a matter of growing labor shortages (cyclical and structural), but also higher wage differentials with other countries (particularly with the rise of the yen after 1985) and the phenomenon of more ambitious neighbors wanting to come to Japan to learn as well as work.

**Pro-Active Policies with “Sending Areas”**

The response of Trilateral countries to the asylum-seekers crisis or to longer-term in-migration pressures cannot be found only in border controls and policies within our own societies. Migration and refugee challenges require pro-active policies with “sending areas.”

Our discussions took up some cases that cannot be generalized, though they may have implications for others. One is German unification. The slowing of population movements from east to west within Germany was one objective in the acceleration of monetary unification and the choice of exchange rate between the D-mark and the Ost-mark. “The D-mark comes to us or we go to the D-mark” was one of the slogans at the time. But German reunification cannot be a model for other Trilateral countries reaching out to neighboring sending areas, and the amount of assistance for the transition to which Germany is committed will not be duplicated elsewhere.12

In his paper for the workshop, Piero Bassetti takes up the case of Albania and Italy.13 He recounts the “invasion” from Albania into Italy, particularly the landing between Bari and Brindisi in early August 1991 and the subsequent return. Italy’s subsequent actions with Albania to deter further flows have been remarkably intrusive:

The dispatch of substantial aid immediately follows the end of the crisis... For the first time in the experience of Italian aid efforts, the aid program to Albania—code-named “Operation Pelican”—explicitly subjects this aid to the acceptance of conditions which come close to establishing a relationship of “limited sovereignty.” The August 26, 1991 memorandum of understanding between Italy and Albania entrusts the implementation of the project, on the Italian side, to the Defense Ministry. The aid will be distributed by the Italian military: some 800 soldiers and officers under the command of a general, with logistical assistance from the navy and air force. Officially, the armed forces are supposed to make up for Albania’s deficient distribution system. The real objective, however, is to ward off any new wave of escapes through systematic patrolling of Albania ports and coasts. Italian military aircraft are given the greatest latitude to fly in Albanian air space. In its statement of purposes, the program expressly states that it must contribute to “hold down” manpower in Albania.

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11 Lin Lean Lim, “The Demographic Situation and Migratory Movements in Asian Countries,” manuscript, p. 8. This paper was prepared for the March 1991 OECD International Conference on Migration.

12 Migration from east to west within Germany nevertheless continues, though at a much slower pace.

13 Piero Bassetti, “Migration and Asymmetric Inter-dependence: Italy’s Albanian Episode,” pages 86-92 of this volume. The extended quotation is from page 89.
As can be seen from the very beginning of the crisis and in all its stages, Italy has pursued a policy of "containment," reserving cooperation for actions within Albania and in order to prevent the transfer of population. Whenever necessary, it has not hesitated to resort to military or paramilitary methods, and in any case to military-like scenarios, thus actually choosing to behave in a way which had already been envisaged, though not adopted in practice, towards refugees coming from North Africa.

We gave considerable attention in our discussions to NAFTA. Is this a prototype for proactive policies by other Tri lateral countries with neighboring areas? Immigration is not explicitly part of the NAFTA negotiations, though supporters of the agreement have sometimes used the argument that "you take the products, or you take the people"—the argument that economic development in Mexico is the only way to reduce out-migration pressure into the United States and Canada.

The examination of the effects of economic development on out-migration pressures in sending countries uncovers a "fundamental paradox," as Michael Teitelbaum puts it:

The fundamental paradox of developmental approaches to immigration policy lies in the contradiction between the short-term and the long-term effects of such development... Over the long term of generations, it is clear enough that rapid economic development in the Third World would ultimately reduce the pressures that favor out-migration currently and prospectively. There are many historical examples of such changes.... However, the inbuilt contradiction is that over the short term of 1-2 decades, the effects of successful and rapid economic development are profoundly destabilizing, and generally tend to increase the impetus toward out-migration rather than moderate it. The same rural modernization that increases agricultural productivity contributes to disintegration of traditional social networks and economic relationships, and hence promotes the exodus of people from rural areas toward urban settings. At the same time, urban settings raise expectations and provide knowledge and resources about international migration to those with recourse only to poorly paid jobs on the fringes of the domestic economy. Improved transportation and communication links (both internal and external) lower barriers to such movement. Therefore, over the "short term," which here means 10-20 years, the effects of economic development tend to promote and accelerate out-migration.14

Nevertheless, "developmental approaches to immigration policy" have to be actively pursued, even if the positive effects for reduced out-migration pressures are much farther out in time than many imagine. We had some discussion of an organized consideration of these issues between the European Community and North African countries, and of EC Mediterranean policy eventually serving some functions similar to NAFTA.

Another model is the widening of the European Community itself, particularly with regard to Poland, Czechoslovakia and Hungary. With regard to countries farther east and south in Europe, other frameworks—Council of Europe, CSCE—can be used to encourage observance of minority rights and democratic freedoms that will over time reduce the outflow of refugees and others with more modest humanitarian claims.

The Tasks of the International Community
So far this note, along with much of the group's discussion, has been rather "self-centered" in its concentration on in-flows into Tri lateral countries and pro-active policies

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66 THE TRILATERAL COMMISSION
with major sending areas into Trilateral countries. However, the overwhelming majority of refugee movements across international borders are in the developing world, as are the overwhelming majority of the 15-17 million refugees under the protection of the United Nations High Commissioner for Refugees (many in camps for ten years or longer) and the overwhelming majority of those internally displaced in refugee-like situations.

The Trilateral countries are critically important participants in and supporters of the multilateral frameworks and instruments that have been developed to address these challenges—most notably the United Nations High Commissioner for Refugees. The international refugee system has been under tremendous pressures in the recent period, so much so that the paper prepared for us by W.R. Smyser takes seriously the question of whether the system can survive.

The international protection and assistance system for refugees is poorly funded and chronically understaffed. The annual program budget of the UNHCR is about $1 billion. This compares to an estimated $5-6 billion per year spent by industrialized countries on processing a far smaller number of asylum-seekers.

The emphasis on more pro-active approaches earlier in this note is also important in the broader international community's efforts in the coming period. We need to develop more ways to become more pro-active in dealing with "pre-refugee" situations by addressing "root causes," and more active with countries of origin in repatriation programs and in providing protection and care within national borders. The current period should offer substantial opportunities for repatriation with the winding down of some Cold-War-related conflicts; and a strengthened international system may be able to moderate some of the large potential population movements that undoubtedly lie ahead.

April 1992

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DORIS MEISSNER

The International Migration Dilemma

Migration is as old as humankind and as new as the forces shaping events in a post-Cold War world. Through the ages, it has functioned as a primary source of human progress that has been a positive force for individuals and civilizations alike. In modern times, migration has been fundamentally an outgrowth of the agricultural revolution and urbanization. However, because today's migrations are also increasingly generated by wars, human rights deprivations and poverty, large numbers on the move can be the source of political instability and dangerous upheavals.

The vast majority of migrants move within their own countries, the next-largest share move across national boundaries within the

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15 Many of the Kurds who fled Iraq in 1991 were able to return and to be taken care of in Iraq, an unprecedented international operation on this scale.
less developed world, and a relatively small share cross borders to the industrialized world. Although proportionately small, the numbers coming to the industrialized countries are sizable and growing. Because many of today's migrants were not properly admitted or are racially, ethnically or religiously distinct from host societies, there is a perception in some receiving societies that the nation has lost control over its destiny. This has led to fierce political debate and calls for dramatic policy changes.

To the extent that nations have migration policies at all, most handle them as narrow, particularistic functions. The causes of contemporary migrations are deeply embedded in the social, economic and political conditions of our times. To be effective, policy must go beyond conventional control and humanitarian measures, so that managing migration pressures becomes part of nations' central economic, political and security objectives.

Anatomy of the Issues
The United States, Canada and Australia have been the traditional immigrant-receiving nations of the world. They were created and settled by Europeans who came in especially large numbers during the last decades of the 19th century up to the onset of World War I. Immigrants to these nations are now overwhelmingly Hispanic and Asian. U.S. immigration, for example, is approximately 45 percent Hispanic, 40 percent Asian and 15 percent from other areas, including Europe. With a net annual immigration of about 1 million (including annual net illegal immigration), the United States admits the largest number. However, as a percentage of population, Canada's annual immigration levels—at close to 1 percent of its population—are the highest of the three.

Other significant features of immigration for these nations include:

- Policies that promote, in varying proportions, three streams of immigration: humanitarian (refugees and persons in refugee-like situations); social (family members of citizens and residents); and economic (skilled and unskilled workers, investors, etc.)
- Recent changes in law or policy to increase immigration levels, emphasizing scientific and technically skilled immigrants to overcome labor force skill deficits and enhance global competitive advantage.
- Settlement patterns where immigrants cluster in a relatively few urban locations, creating unanticipated, often intense demands for housing, schools, etc.
- Immigration law enforcement regimes using border, visa, transportation carrier, employer and other requirements to control immigration processes.
- Substantial illegal immigration from growing numbers of countries.
- Large political asylum caseloads requiring lengthy adjudication processes.
- Historic and continuing opposition to immigration by the majority of the public; support for it from new immigrant groups and their advocates and from employer and business interests.

Other advanced industrial nations have not historically been immigrant nations. Nevertheless, during the 1980s Europe began to be home to substantial and steadily growing numbers of foreigners. In France, for example, foreign-born residents now comprise 8 percent of the population. For Germany, the number is 7.5 percent. These shares are analogous to the United States, where 8 percent of the population is foreign-born. Even Japan now finds itself hosting groups from Iran, Bangladesh and the Philippines. Until recently, it had had only a tiny minority of long-time Korean and Chinese residents.

Europe's immigrant groups are essentially comprised of the following:

- Guestworkers and their family members. Although guestworker programs and recruitment terminated in the early 1970s, family reunion continues for those who did not return.
About 10 million workers came during the years of guestworker policies.

- Nationals of former colonies for whom special migration provisions often apply. They numbered about 2 million.

- Asylum applicants from many different nations, for example, Somalia, Sri Lanka, Iran, Romania. About 6-800,000 cases are pending.

These are historically new phenomena for Europeans. In Japan and most of Asia the issues are not on the political agenda at this time. However, the specter of China and its future political and economic course poses a major geopolitical question within the region and globally that could have an important migration dimension.

In Europe, the immigration debate is providing fuel for rightist political themes and movements. Although France's Le Pen, for example, does not represent mainstream political thought, he and kindred antagonists raise a basic question about national identity by asking, in effect, “Who are we?” For a country historically bound together by assumptions of shared ethnicity or nationality, immigration is seen as a fundamental threat to national unity.

European states do not define themselves as immigration nations. However, traditional definitions of migrant-sending and -receiving states have broken down dramatically. More and more, nations with no migration tradition are confronted with migration questions, and others that were strictly sending or receiving states are experiencing both phenomena. Consider these situations:

- Italy and Spain, which supplied workers in large numbers to northern neighbors just ten years ago, now host growing numbers of people from northern Africa and Eastern Europe.

- Hungary, a source of refugees throughout the Cold War, now provides asylum to victims of Yugoslavia's civil war and is seen by Romanian “tourists” as a source of jobs and opportunity.

- Poland—from which large numbers of seasonal workers go to Germany, France and Austria—worries about the brisk traffic of traders from the Soviet Union penetrating its economy.

- Flows of Guatemalans and Salvadorans into Mexico have led it to patrol its southern border. Hundreds of thousands of Mexicans continue to try to cross the U.S. border each year.

- The largest share of Canada's political asylum caseload is comprised of people from third countries who have entered Canada from the United States.

The end of the Cold War has placed a spotlight on the dilemmas posed by open borders within Europe. However, the forces underlying contemporary migrations substantially predate the parting of the Iron Curtain. From a migration standpoint. Eastern Europe and the Soviet Union simply represent another set of countries on a list where conditions of life often propel people to try to leave.

Who are today's migrants and why are they on the move?

Legally admitted immigrants and non-immigrant residents

For immigrant-receiving nations, the 1980s have been a period of historically high immigration levels that promise to continue and increase through the 1990s. More than 9 million newcomers came to the United States during the 1980s, for example, making it the nation's highest immigration decade in history.

In addition, numbers of non-immigrant residents have dramatically grown in all industrialized nations. Foreign students, technically trained personnel, multinational corporation executives and managers, scientists and experts in a wide variety of fields in which global enterprises and markets exist now comprise a growing international elite. They come from nearly every nation, move frequently and freely, and are not generally viewed as a problem.

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Contract labor migrants

Policies similar to Europe's guestworker schemes of the 1950s and '60s are widespread. In particular, many countries in the Middle East rely on foreign workers from labor surplus countries nearby and in South and East Asia. Contract labor arrangements exist in many parts of Asia and between Asian nations and nations in other regions of the world. A number of Asian governments, for example South Korea and the Philippines, actively promote these policies.

The instability inherent in contract labor arrangements was vividly illustrated at the outbreak of the Gulf War when almost two million workers poured out of Kuwait, Iraq and Saudi Arabia, forced to return to nations already unable to provide jobs and further stressed by the loss of substantial remittance payments. Nonetheless, contract labor arrangements are seen to be mutually beneficial and are likely to continue to be prevalent, particularly for Asia.

Illegal immigrants

Virtually every industrialized nation now houses populations of illegal immigrants. Some slip across borders. Others overstay the terms of authorized visas or travel documents, originally issued for tourist, study or temporary work purposes. Most plan temporary or episodic stays which, for a high proportion and for a variety of reasons, become long-term.

Illegals generally work in marginal or undesirable jobs. By and large, they do not directly displace large numbers of native workers at the outset, but can be a contributing factor to circumstances that undermine overall working conditions and labor market adjustments over the longer term.

Asylum-seekers

By applying for political asylum at the border or inside the host country, this group seeks a finding of refugee status from the host government. Political asylum was an exceptional event before the 1980s, generally sought and conferred in defector situations. Beginning in the early '80s, caseloads in all industrialized nations, except Japan, ballooned.

Although some asylum applications are clear efforts at subterfuge (adjudication is protracted, often taking years, and applicants have varying degrees of work or social services rights while waiting), most asylum-seekers come from countries and circumstances where a mixture of economic hardship and political chaos prevails. As a result, despite application approval rates of less than 20 percent, those whose applications are denied are frequently never returned to their countries. They may not be refugees under the provisions of international refugee law, but most nations are unwilling, for humanitarian and domestic political reasons, to return people to nations like Somalia, Sri Lanka, El Salvador and the like.

Asylum-seekers are by far the most controversial category of international migrants in industrialized nations and arguably the most difficult migration situation today to address.

Refugees

United Nations estimates set the global number of refugees at 17 million. Probably an equal number are displaced within national borders. In international law, refugees are persons with a fear of persecution based on “race, religion, national origin, political opinion or membership in a social group.”

Today's refugees are overwhelmingly in the less developed world (the 20 countries hosting the highest ratio relative to the country's indigenous population have average per capita incomes of $700), and they are the victims of war and civil strife, particularly protracted proxy Cold War conflicts. Less than 1 percent have any chance of resettlement in the West. The majority who are outside their countries live in camps administered by the United Nations and other agencies. This international humanitarian aid system is chronically understaffed and poorly funded.
There are many significant issues associated with the first two groups—legal immigrants and contract labor migrants. However, it is the latter three categories—illegal immigrants, asylum-seekers and refugees—around which the migration debate in the industrialized world is revolving today. Although the three groups are distinct in law and policy, related conditions, singly and in combination, have generated them.

The large numbers of people on the move as illegal immigrants, asylum-seekers and refugees can be attributed to these conditions:

**Wars and civil strife**
The 1970s and '80s have been marked by protracted war and civil strife in many countries and regions of the world. Many of the conflicts, such as those in Southeast Asia, southern Africa and Central America, were fueled and sustained by U.S.-Soviet antagonisms. Ninety percent of the casualties in these proxy wars have been civilians. The peril to non-combatants, and the duration and devastation of both the proxy wars and other civil strife situations have caused massive population displacements. Depending on the international politics of the situation, the victims became refugees (Cambodia, Vietnam, Afghanistan), asylum-seekers (Ethiopia, Nicaragua, Sri Lanka) or illegal immigrants (El Salvador, Somalia, Haiti).

**Economic development patterns**
Many of the development gains of the 1960s and '70s slowed or were reversed in the 1980s, due to war, recession and debt. Thus, job creation and improvements in living standards lagged seriously at a time when high 1950s and '60s birth rates poured unprecedented numbers of new workers into labor markets. Where cross-national linkages existed, either through long-standing labor market relationships (such as Mexico and the United States) or historic ties (such as northern Africa and Europe), South-North migration accelerated.

In addition, the export-led development strategies that have prevailed in many countries, particularly in Asia, together with over-population, poverty, or unemployment, seem to induce emigration. Even Japan is no longer impervious to in-migration pressures. Contingents of illegal residents come from Taiwan, South Korea, Bangladesh, the Philippines, Thailand, and Pakistan. The explanation is Japan’s international role as a leading source of investment and leading market. The same can be said for the United States and other nations. Major investment out-flows seem to encourage a reverse flow of migrants.

**International connections**
International migration flows are not random. They track close connections that have been established, often decades ago, between and among nations. These connections are rooted in colonialism, war and military occupation, labor recruitment, and economic penetration. Thus, Indians move to England and Canada, their Commonwealth partners. Korean war brides led the way for today’s sizable Korea-U.S. flow. Turkish guestworkers in Germany sent for family members instead of returning to them at home. Cuban elites, who identified with capitalism and whose wealth derived from American investment, fled to Miami after the 1959 revolution.

Once migration footholds are established, family members join successful migrants, remittances link communities across great distances, and established immigrant groups help the newly arrived find work and negotiate seemingly alien ways and places. Migration itself then becomes a new connection between nations, evolving into a social process that is increasingly sustained by factors that are largely beyond the realm of government action or the economic impulses that originally generated it.

Colonialism and military occupation may be outdated forms, but new, analogous transnational linkages are being created as economic interdependence deepens. These
linkages give rise to new forms and sources of migration.

Receptivity to migrants in advanced industrial nations
A complex set of supply/demand interactions must exist for migration pressures to become actual flows. Migration to advanced societies occurs in response to humanitarian and social beliefs that are the basis for admitting refugees and family members of earlier immigrants. It also occurs as a function of the economies of developed nations.

International trade and markets have restructured developed country economies in ways that expand the supply of low-wage jobs, especially in major cities. Traditional manufacturing jobs have diminished, often replaced with lower paid, less skilled production jobs, and service sectors have grown very rapidly, creating substantial numbers of new, low-wage jobs. Immigrants are more likely than indigenous workers to take these jobs, a trend that seems not likely to change.

Although certain levels of immigration may make important contributions to the economic health of developed countries, migration is not the answer for overpopulation relative to job opportunities in less developed countries. Under any realistic scenario, immigration opportunities in the developed countries will remain modest when viewed against the employment needs of the rest of the world.

The dilemma posed by international migration pressures will not solve itself: it requires concerted efforts and new priorities by individual nations and the international community.

Towards Policy Responses
International migration is a structural characteristic of broad social, economic and political themes in today’s world. What is required is a wide-ranging mix of policies at national, regional and international levels. The broad objective should be to manage migration pressures in ways that (a) eliminate involuntary migration due to life-threatening circumstances, both political and economic; (b) prevent sudden mass movements and humanitarian emergencies; and (c) establish mechanisms to control, regulate and channel flows that are, to some extent, inevitable.

This section sketches some ways to think about the migration policy challenge in both national and international policy arenas.

National policies
Clearly defined, publicly debated migration policies need to be established by many more than just the traditional immigration nations. Former Soviet bloc states have been quick to recognize this need. Hungary and Poland, for example, expressed the desire to sign international refugee agreements as early steps to achieving acceptance and legitimacy from the international community. They saw themselves as vulnerable to flows from nearby with no ability to respond appropriately. They need technical assistance, legal reform and international support, including money.

Although nations need new policies to address new migration pressures, the controversy swirling around the issues in Western Europe illustrates how difficult and volatile the subject can be. Public political discourse in France by mainstream politicians now includes references to the “noise” and “smells” created by immigrants. In Germany, a spate of vicious attacks on foreigners by youth groups has electrified an already tense legislative debate on proposed changes to the constitution (Basic Law) to tighten political asylum procedures. Political elites fear that the immigration issue will again cast Germany in the role of anti-foreigner in international eyes. For Europe as a whole, immigration has become another of the issues for which to consider whether to proceed at the national or Community level to set policy.

In spite of the political difficulties, Germany has made proposals that have now been endorsed.
by other Community nations. Its program calls for efforts to arrest smugglers, standardize border controls, deploy mobile forces in remote border spots, and penalize airlines and other carriers for failing to check documents. These are all reasonable steps which are considered routine, acceptable elements of immigration regulation in traditional immigration nations. In addition, migration policies should embody effective labor market controls, legal protections for non-citizens, access to citizenship, and timely adjudication of political asylum claims.

It is also essential to develop systems that admit specified levels of new immigrants. The most objectionable policy in the forum of public opinion is one where the nation appears unable to control a basic element of sovereignty, the choice of who resides in the country. This abdication of choice is what exists today in the form of burgeoning asylum caseloads in many developed countries. These long-staying populations symbolize national vulnerability. Such is not the case when a nation determines that it has reasons—humanitarian, economic self-interest, whatever—to invite some foreigners to join the society and decides whom and how many. Those reasons exist for most developed nations today; presenting them and developing policy accordingly will contribute importantly to the cause of migration regulation and control.

Finally, a crucial aspect of national policy involves questions of the integration of newcomers. Whether by choice or happenstance, many developed nations, including Japan, have become immigrant nations to varying extents. Regardless of what steps nations take to respond to future migration pressures, substantial populations of immigrants now reside in Trilateral nations and are likely to remain. Postponing the cost and commitment for successful integration is, under these circumstances, dangerous social policy. The challenge is one of successfully integrating newcomers and, most importantly, their children.

In this regard, these areas are of particular importance:

- labor market mobility of migrants, especially the second generation;
- language capability of immigrants and access to language training;
- immigrant entrepreneurial activity, including availability of credit and technical assistance; and
- institutional and social barriers to economic advancement.

Cultural and racial/religious objections to newcomer groups are the most intractable to address but can most readily be overcome if the immigrants are making intergenerational economic progress. Such progress has an important political dimension as immigrants become a disproportionately large part of the younger, working population of Trilateral societies whose aging native populations will draw heavily upon publicly financed social welfare programs.

**International policies**

Migration policy measures that utilize law enforcement, visa and admission criteria, and timely political asylum procedures are necessary but not nearly enough. Migration pressures must be addressed with policies of far greater scope and ambition than those encompassed by the framework of traditional humanitarian and immigration control policies. Sadako Ogata, the United Nations High Commissioner for Refugees, has urged that the issues be treated not only “as a matter for humanitarian agencies of the UN but also as a political problem which must be placed in the mainstream of the international agenda as a potential threat to international peace and security.”

Heeding this warning will require fundamental shifts in foreign policy by Trilateral states. For more than 40 years, and especially since the Helsinki Accords were adopted in 1975, freedom of movement as a fundamental principle of international human rights was
Defining freedom of movement in a new day requires recasting the fervor and effort the West devoted to promoting the right to leave to underscore its corollary, the right to stay.

Most international migration today is an act of desperation, not choice. The vast majority of individuals prefer home and will stay there, if conditions are even barely tolerable. It is that impulse that policy must build on; freedom of movement should reflect options and choice, not the sole avenue for survival.

An international ethos anchored in the right to stay would require:

- Sustained development, balanced growth and population stabilization in the countries which now house the majority of the world’s population. A crucial question for the future is how can a rich world of stable population size interact with a less developed world of dramatic population growth? The enormity of the task is illustrated by these numbers. By 2010, about 730 million new workers (net) will have entered the labor force in the developing world. During the period of the most robust job growth in the United States in the 1980s, to provide a comparison, the economy produced 2 million new jobs annually. The need to generate jobs is unprecedented.

Another illustration of the scale of what is required comes from information about migrant remittances. Foreign exchange generated by remittances is estimated to be $66 billion,1 a number second only to oil sales, whereas official development assistance stands at about $51 billion. Officially tallied remittances come largely through contract labor programs. The actual figure, because of sizeable informal flows that have not been measured, is far higher. Thus, international migration is a key element sustaining many nations’ economies.

Development policies that provide some measure of economic hope for individuals and nations without stimulating substantial new migrant flows are a threshold challenge for the international community.

- Foreign policies and international priorities that emphasize broad-based improvements in human rights conditions. Vast numbers of people do not enjoy the most fundamental protections. Combined with extreme poverty and information, through mass communications, about conditions elsewhere, widespread human rights deficiencies are a major reason for today’s migrations.

Past policies have tended to concentrate on individual, extreme cases of dissidents and groups that have been individually persecuted by enemy governments. Future policies must focus far more broadly on overall human rights conditions, regardless of whether particular governments are friend or foe, with the objective of changing conditions that deprive large numbers of people of basic rights and freedoms.

With tensions emanating from ethnic clashes and separatist movements on the rise, human rights imperatives may require re-drawing borders in some cases and developing concepts of group rights and protections, guaranteed by regional or international bodies, in others.

In addition, international humanitarian agencies and activities must command more resources, coordinate more effectively, and develop comprehensive emergency response capabilities that today reside only with military services. In that connection, the aftermath of the Cold War has brought with it political solutions, however tenuous, for countries like Afghanistan and Cambodia. Effective repatriation of refugees that have been in neighboring countries is considerably more expensive and complex than providing care in camps. If repatriation and reintegration of these populations fail, they

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1This estimate was developed by Michael S. Teitelbaum, another participant in the working group, and Sharon Stanton Russell. See their International Migration and International Trade, Work Bank Discussion Papers 160 (Washington, D.C.: 1992).
could become new sources of international migration, for people once moved are likely to move again.

- Effective conflict resolution mechanisms and interventions. The Kurdish exodus from Iraq after the Gulf war prompted the international community to take the unprecedented action of declaring this humanitarian emergency a threat to regional peace and stability. This opened the way for intervention, for humanitarian purposes, within a sovereign state. The circumstances were unique, yet the UN action signaled the changing parameters of sovereignty and the role of international bodies and consensus in redefining it.

Preventing ruinous migrations must be among a set of shared international political objectives. The task is to address emerging crises that could lead to protracted refugee or other artificial migration situations before they take firm hold and become irreversible. Important tests of this proposition are presently underway in the Organization of American States' effort to dislodge the coup in Haiti and in international efforts to avert further bloodshed in Yugoslavia.

- Dramatic reductions in arms sales, production and military spending. Not only have war and armed struggles victimized defenseless populations, the percentage of national budgets devoted to military spending has taken limited resources away from needed social spending in many countries in both the developed and developing world. However, the military/non-military balance has been particularly distorted in many high emigration countries. The International Monetary Fund states that a 1 percent reduction in defense spending internationally would free up $140 billion. This would more than compensate for shortages in capital to devote to development and human resources investments.

- Decisions on trade that expand access to the markets of advanced nations. Today's consensus models for economic development stress market-oriented frameworks and international trade as the routes to growth and prosperity in less developed countries. Yet the very products most likely to be competitively produced by less developed countries are often those which advanced countries continue to protect. Migration pressures are centrally affected by this standoff. The Caribbean Basin Initiative, for example, had as an explicit purpose to reduce migration pressures through trade and development. It has had only marginal, if any, success in that realm because the very products—sugar, apparel, leather—most likely to create jobs are barred from the U.S. market.

The nexus between trade policy and migration is poorly understood and represents an area of inquiry and policy-making that is key. Migration pressures will not be mitigated if large areas of Africa and Latin America and parts of Asia are excluded from emerging trade blocs and unable to make progress in the world economy.

These issues are broad, long-range and difficult. Movements of people over the next fifteen years may challenge certain fundamental concepts of the state which date back many centuries. The dilemma of international migration can no longer be seen as a problem for a few nations, nor can nations afford to act alone as individual gatekeepers trying to build higher and higher walls. Migration—along with trade, capital flows, economic restructuring, the creation of global economic systems and transnational societies—is a new fact of national and international life that requires cooperation of all kinds among all nations.

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Prospects for Survival of the Refugee System

There is reason to wonder whether the global refugee regime will continue to exist in its present form through the 1990s. The system faces many problems and is under severe challenge. Many issues threaten the widespread popular support that is essential to its existence. On the other hand, there is reason to believe that the system is beginning to adjust; and there are actions that can be taken to address if not to solve the problems. The next few years will determine in which direction the balance will swing.

The System

The existing system was established in the years after World War II. Many states realized in shock and horror that their failure to welcome refugees from Nazism had left thousands and perhaps millions to die. Perceiving a similar threat to human rights in Communism and especially Stalinism, the leading states of the Western industrialized world agreed in 1951 to welcome as refugees those who had a "well-founded fear of persecution." The refugees were even hailed as heroes of freedom who were "voting with their feet." Supporting them served not only a humanitarian principle but a foreign policy objective as well.

The system was founded upon the Refugee Convention agreed in 1951. This Convention contains the basic definition of a refugee as a person who, "owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his former habitual residence... is unable or, owing to such fear, unwilling to return to it." This definition, signed and accepted over the ensuing decades by over 100 governments all over the world, has been basic to refugee protection and assistance ever since.

There is, however, another refugee definition that is also widely accepted in the international community. It is in the African Refugee Convention agreed by the Organization of African Unity in 1969. It accepts the 1951 definition but adds persons compelled to flee because of "external aggression, occupation, foreign domination or events seriously disturbing public order in either part or the whole of his country of origin or nationality."

The difference between the two Conventions results from the different situations with which they were designed to deal—the 1951 Convention with the consequences of totalitarian governments like those of Hitler and Stalin, and the 1969 Convention with the consequences of decolonization and nation-building in Africa.

Most refugees in the Third World flee for reasons listed in the OAU definition. That definition may also prove to correspond more accurately to refugee movements during the decolonization process in the former Soviet Union and Eastern Europe.

The single most important organization for implementing the 1951 and 1969 Conventions is the United Nations High Commissioner for Refugees (UNHCR), an institution built around the person of the High Commissioner himself (or, now, herself). The High Commissioner, and the organization that she directs, was established in 1951—at the same time as the Convention—for the specific purpose of providing protection for refugees. Later, as more and more refugees arrived in countries where they needed support as well as protection, the High Commissioner was—at first somewhat reluctantly—asked also to undertake the assistance function.

UNHCR has grown into a large organiza-
tion, with 1,500 regular staff members, hundreds of temporary employees, and more than 80 offices around the world. It manages an annual program budget of almost $1 billion. Much of that money is for special projects but the bulk of it provides for the millions of refugees that have been in camps for years.

The High Commissioner is both the conscience and the agent of the world community. As the conscience, she must remind nations of the basic ethical importance of treating refugees in accordance with the Convention. As the agent, she must work with those same countries to provide assistance for refugees.

When the UNHCR was first established, it was essentially an organization of North American and West European states interested in helping refugees fleeing from Stalinism. Over time, however, more and more refugees have come from Asian, Latin American, and especially African countries. UNHCR has had to expand to meet the needs of those refugees and to work with the countries of those regions.

UNHCR has an Executive Committee with forty-one members representing the states that have long been most intimately involved in refugee protection and assistance. Although the largest single regional group in the Executive Committee remains the European group, the African group is the next largest and Asia is also heavily represented. Many countries not members of the Executive Committee attend its meetings as observers. Thus states from diverse areas with very different problems must find common ethical and political answers.

Other organizations also help refugees internationally. The Intergovernmental Organization for Migration, originally established to arrange refugee travel across Europe and the Atlantic, now helps refugees and other migrants travel everywhere. The World Food Program helps provide food. The UN Volunteers provide international volunteers.

Most important are the voluntary agencies. They represent the main arms and legs of the refugee care and support structure. As UNHCR is not an operational agency, the work of helping refugees in the field is often carried out by voluntary agencies such as CARE, Church World Service, Oxfam, the International Rescue Committee, or others, with UNHCR acting as coordinator and as the principal source of funds.

Some agencies are religious and some are secular. Many are North American or European, but there are also organizations like Sudan Aid or the Malaysian Red Crescent. Without these agencies, and the experienced specialists and volunteers they provide to do the actual work in the field, it would be impossible to help refugees.

The countries that provide refugee care have often been grouped loosely into “donor” and “asylum” countries. The donor countries provide most of the funds to support refugee assistance. Many of them helped establish the original system of global refugee protection and assistance. They include the United States, Japan, Germany, the Scandinavian states, Australia, France, Great Britain, and others.

The asylum countries accept the presence of refugees in the first moments when flight occurs and then all too often find that the refugees remain with them for much longer than either the refugees or the asylum state originally expected or wanted. Unlike the donor countries, which are mainly in the developed world, the asylum countries are now mainly in the developing world. They include countries like Pakistan, which accepted three million Afghan refugees, and Sudan, which accepted over a million from Ethiopia, Chad, Uganda, and elsewhere. They include countries like Thailand, Honduras, Zaire, Malawi, and others, who have found themselves keeping refugees in “temporary” custody for over a dozen years. In a very real sense, the asylum countries are also donors. They are giving their land (often land that had been tilled or used for grazing), their sparse natural resources (such as trees that are chopped down by refugees), and often their precious water. No sum has ever been made of that contribution, but it is very real.
The countries of origin sometimes complain that refugees have been induced to leave or that they are counter-revolutionaries who should be forcibly repatriated. Such complaints, of course, only reinforced the determination of the Western nations to receive and help the refugees. The countries of origin—such as the Soviet Union, Vietnam, Ethiopia, or Uganda—were outside the system. They were not members of the High Commissioner's Executive Committee.

This system functioned well from the 1940s until the 1980s. It helped relocate millions of refugees fleeing from the Soviet Union and Eastern Europe, enabling them to establish themselves in Western Europe or (in most cases) in the United States. The system also helped refugees outside Europe and the Americas. It saved countless millions displaced by wars of liberation in Africa and other colonial areas or by the civil wars that all too often followed independence.

Created to deal with one situation, the refugee system has had to adjust over the years as situations have changed. As noted, assistance has been added to protection as a principal UNHCR function and the definition of a refugee was expanded in the 1969 OAU Convention. The adjustments have helped more persons, but they have also expanded the dimensions of the refugee care responsibility. Meeting refugee needs has become ever more difficult and demanding.

Intense Pressures

The global refugee system has come under such intense pressure during the last several years that a question about its capacity for survival is not out of place.

• Sympathy for refugees is rapidly eroding in many countries, especially in the Western states in which the system originated. Refugees long drew sympathy as victims of Communist oppression, of Communist-sponsored or Communist-supported guerrilla actions or proxy wars, or of the upheavals caused by decolonization. Now, the Cold War is over and decol-

onization virtually complete, yet refugees continue to appear.

• There is a growing belief that, with the earlier causes of refugee displacement fading, persons who claim to be refugees are not truly in need but are merely claiming refugee status in order to gain acceptance to a better life in the West. They are often described by the oxymoron “economic refugees.”

• There are now reportedly over 17 million refugees in the world. Many have lived in camps for ten years or longer. They create immense problems for the countries of first asylum, usually developing countries, despite help from the West. The numbers of refugees, and the long time that they have been in camps, are seen as signs that the problem is beyond solution.

• The cost of caring for refugees is staggering. The UNHCR budget of $1 billion already represents genuine sacrifice for all the states concerned. If one adds the costs of Western asylum programs and the additional resources provided by private voluntary agencies, the total cost is well over $2 billion and perhaps over $3 billion. The cost to the countries of first asylum, many of whom have few resources to spare, is even greater although rarely calculated or considered.

• Technology has made the world much smaller. "Jet people" who can leave from one continent and arrive within hours in the middle of another are a novel and—for many—a frightening phenomenon. Technology has made it possible for people of very different cultures, races, and economic backgrounds to be thrown together—sometimes brutally—in defiance of traditional habits and attitudes. Modern communications tell potential refugees what is happening elsewhere, luring and guiding them.

• The situation is becoming ever more politically explosive in the West. There have been anti-asylum-seeker demonstrations and riots in several West European states. The United
States is rejecting Haitians fleeing from a regime that the United States itself has accused of violating human rights. A number of draconian proposals have been made, some by powerful politicians.

- The dilemma of functioning under both the 1951 UN definition and the 1969 OAU definition, one significantly broader than the other, has begun to tell. The court systems of Western states generally will grant asylum only to persons who qualify under the 1951 definition, but the broader OAU definition more fully covers the reasons why persons take flight and are afraid to return home. Western governments often do not return persons to their countries of origin when those countries are in turmoil, even if these asylum-seekers do not qualify as refugees under the 1951 Convention.

**Western Europe and North America**

As the above listing indicates, pressures have intensified dramatically in those Trilateral countries in Western Europe and North America which are the traditional large donors and countries of long-term resettlement.

Most industrialized states regard themselves, rather proudly, as countries that welcome refugees—and together have millions of former refugees permanently resettled on their soil. But these countries have usually been able to select whom they would accept and to keep the numbers under control. They prefer sending official migration teams to countries of first asylum to interview applicants rather than to have asylum-seekers appear at the door uninvited. For those who do appear at the door uninvited there are elaborate procedures to decide whether or not to grant refugee status.

Now, however, the sense of control is breaking down. The West European states (and the United States) have millions of illegal aliens living—sometimes in squalor—in the migrant quarters of the big cities, where it is possible to find low-paying work with false papers or none. Many of these illegal aliens have bypassed official entry channels. Most of the dramatically larger number of persons seeking asylum in recent years do not qualify as refugees under the 1951 Convention but are not expelled, either because they would be returning to areas of danger or because it is hard to trace them and harder to face the ordeal of actually putting them on an airplane or some other means of transportation to send them home. States also do not like to deal with demonstrators who protest forcible repatriation. The persons thus "denied" asylum then disappear as illegal aliens into communities of their fellow ethnics in the cities or in another Western country.

Virtually every European country has different criteria for granting asylum and for permitting those denied asylum to stay. The criteria are quickly known to asylum applicants, who understand the rules and practices as well as, if not better than, many migration officials, because they have more at stake.

The laws regarding asylum were written at the time when the flight of refugees from Nazism was still very much on the minds of all Western governments and when flight from Communism was also an act of desperation and necessity. Current laws and procedures, therefore, give the benefit of the doubt to asylum applicants at many turns. The applicants are permitted to enter and often to receive assistance while their applications are being processed. They are given the right to appeal negative judgments. Those procedures are now perceived as excessively generous and even foolhardy.

The West Europeans now see that many states on their eastern doorstep again represent areas of potential upheaval. They had generously contributed to helping refugees from other crisis areas, either by sending help or by permitting resettlement of selected persons. They now fear that they will not be able to exercise any control or choice over those who come to them from so close.

A number of European countries are especially exposed and fearful. Germany and Austria...
fear floods of asylum-seekers from the Soviet Union's successor states and from Eastern Europe. Italy and France fear floods of asylum-seekers from across the Mediterranean (as does Spain from Morocco), especially if Islamic fundamentalism triumphs in North Africa. Italy also fears asylum-seekers from across the Adriatic. All fear more refugees from further east and south.

Borders have become porous. Most European borders are too long to check all entry points continually. Many countries have only sporadic and cursory inspections because they do not want to slow the border-crossing crowds. Foreigners can often enter by car, boat, or even aircraft without inspection. Persons who want to apply for asylum are sent to appropriate offices but not kept under supervision.

Member states of the European Community fear that illegal migration will be facilitated when intra-EC border controls are even further eased and perhaps abolished after the Single Market is established by the end of 1992. Although refugee and migration matters are not part of the Treaty of Rome, EC states have already taken some measures to coordinate their actions. Two examples are the Dublin Convention and the Schengen Agreement, but those agreements still leave many questions, uncertainties, and potential openings for abuse.

The United States faces a similar problem. Haitian boats land in Florida, despite Coast Guard efforts. Mexicans walk across the Rio Grande or the California desert, especially in one border strip near San Diego, and they keep coming no matter how often they are returned.

Much of the Canadian border is unsupervised. Japan has less of a problem, attempting to achieve its controls through long waiting lines at Narita and through an active coast guard. But it also finds itself invaded by thousands of illegal immigrants. Australia uses a very sophisticated computer record system—which does not solve the problem, but helps.

What is certain is that countries with porous controls will attract large numbers of illegal entrants, but that countries with strict societal restrictions on foreigners (such as Japan or Switzerland) will normally attract few even if persons are confident of getting in. Border controls are often not the whole or even the main problem.

**Countries of First Asylum**

While pressures on Trilateral countries have greatly intensified in recent years, especially in Europe, the countries of first asylum continue to bear the main burden of refugee protection and care. They are for the most part in the Third World, although some European states (such as Austria) have long had their share. Mostly, refugees live in large camps, cared for by international (as well as local) agencies and by international funds, but still exhausting local resources and patience.

The camps were originally established for temporary emergency use, but in many countries they have since become almost permanent installations with numerous ancillary facilities. Although most refugees want to return home, many prefer the camp to a risky repatriation. Many have, to all intents and purposes, settled in their new countries, but they and the countries of asylum do not like to acknowledge this reality for political and economic reasons, in some cases linked to the prospects for continued foreign assistance.

Many refugees (especially the men) leave the camps for employment or enterprise, competing with natives but not reducing the camp's need for assistance because their income is usually not spent in the camp. Prolonged first

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1 These fears may be exaggerated. Russian peasants do not have an emigration tradition. Many of the minorities in the Soviet Union were shifted about during the Stalin era and might prefer to move not to the West but to their traditional homes. Although groups with Western connections, such as Jews and Germans, may well want to leave the Soviet Union, it is by no means clear that others will want to do so in large numbers unless they face genuine persecution, death in a civil war, and/or economic disaster. A great deal depends on how the dismantling of the Soviet central apparatus proceeds, and what ethnic tensions may flare as new sovereignties begin to establish themselves.
asylum stays risk fomenting more migration to the West, especially if hopes for repatriation are minimal.

Summary of Issues
Some issues are as old as the problem of asylum itself; others are very new. They emerge in different form now than when the current international refugee and asylum regime was established. Any international policy must address the following issues:

• **Protection.** Who is a refugee? Can we, should we, must we continue to apply different definitions of refugee status for different purposes? How can we assure recognition as a refugee for those asylum-seekers who would qualify under the stricter test of the 1951 Convention?

• **Assistance.** How can we provide enough aid so that recognized refugees can be kept alive and, where possible, functioning as members of society?

• **Emergencies.** We need to make certain that the system can deal adequately with the kinds of refugee emergencies that are likely to arise, especially in areas where international agencies have not been functioning.

• **Harmonization of Asylum Rules and Criteria.** This is an issue in Europe especially, but might also include the United States, Canada, and Japan.

• **Harmonization of Border Controls.**

• **Exchange of Information.** Sharing of information about individuals will help state authorities determine who deserves help and who does not.

• **Root Causes.** The international community must address root causes of refugee outflows as well as protect and assist the refugees themselves.

• **Origin State Responsibility.** To what extent can the international community insist that states which create refugee problems help in their solution?

• **Origin State Cooperation.** To what extent might a real or potential state of origin be prepared to permit refugees to be assisted on that state’s own territory?

• Are we being disingenuous when we officially reject most asylum-seekers but allow them to remain, in a legal limbo, to perform certain demeaning jobs in our society?

• To what extent are real or potential refugee flows so linked to other issues that they must be addressed in connection with them?

• **Burden-sharing.** Can the challenges we face best be addressed by having all states do the same things or by having each do the things it does best or needs most to do?

• **Refugees and Migration.** Must refugee flows and wider migration issues henceforth be addressed together because they can only be solved together?

Reasons for Hope,
Directions for Reform
Although problems abound, there are also real reasons for hope:

• The end of the Cold War provides potential opportunities for refugees to return. In Afghanistan, Ethiopia, Mozambique, Central America and Indo-China, for instance, the loss of Soviet aid has persuaded some parties to a civil war to settle. Although many such conflicts were not originally caused by Soviet intervention, and cannot therefore be expected to end with Moscow’s decision to curtail its aid, we can legitimately hope that the prospects for refugee repatriation to those areas are now greater than before.

• There are growing indications that some large refugee populations can be assisted at home. Many of the Kurds who fled Iraq in 1991 were able to return and to be taken care of in Iraq. Some CIS governments have indicated that they would be ready to tolerate the functioning of Western refugee assistance programs on their territory, perhaps making it unnecessary

THE END OF THE COLD WAR PROVIDES POTENTIAL OPPORTUNITIES FOR REFUGEES TO RETURN.
for any but the most seriously jeopardized persons to flee to the West. Vietnam has accepted the return of asylum seekers from Hong Kong, although the conditions of that return cannot perhaps be duplicated elsewhere.

Western Europe and North America
The most important thing that reformed internal controls in Trilateral countries must do is change the incentives, i.e. convince potential asylum claimants that it is not worth trying to come unless they really need to. These reforms, best undertaken on a cooperative basis, should include:

- **Better control over asylum-seekers**, without subjecting them to harassment or creating a police state. They should not be able to travel from country to country, filing multiple applications, and they should not be able to escape from the asylum process before their claims are judged.

- **The consistent carrying out of asylum decisions.** If a person is deemed ineligible for asylum, he or she should be obliged to leave the country, not permitted to remain illegally or in another status.

- **The speedy carrying out of asylum decisions.** Many migrants apply for refugee status because they know they will have a long stay while their papers are processed. During that time, they can find housing, perhaps a job, and other societal connections.

- **Better international and domestic information exchange**, perhaps by systematic computer records exchange, so that asylum applicants cannot cheat the system.

Such reformed controls can be very difficult to administer sensitively, but they can establish a sound basis for long-term solutions because they directly affect the estimates of potential applicants about their prospects. This cannot be achieved by firm speeches but only by judicious measures and by long-term consistency. In all this, an absolute determination to continue to accept those who genuinely need asylum must be sustained.

“Getting control of our borders” is a popular slogan everywhere. This is the most tempting area for controls. They can be applied most quickly and most forcefully. But the persons who want stricter border controls may not be prepared to endure the long waits or the other inconveniences that such controls may create. There are a number of steps that can be taken at borders or at such other entry points as ports and airports:

- **Tighter entry controls.** Instead of permitting most automobiles to pass freely through a border, inspect most or all of them. At international airports, carefully check documentation on all passengers coming from abroad.

- **Preliminary surveillance.** Ask foreigners why they are coming before they arrive. Select for further verification those that appear not to be ordinary tourists or business travelers. Here a centralized data system is not only useful but probably essential to avoid charges of police harassment or of racism.

- **Summary asylum decisions.** This is the most extreme step, in which officials at the border decide immediately whether or not persons merit asylum status or a further review. Most would be expelled immediately. Facilities would be built to house persons proceeding through the summary reviews.

The advantages of all such controls are their clear, unambiguous, and demonstrative character. They project a sense of “control over our borders” and have a very powerful deterrent effect. Although at first more expensive, they might provide long-term cost savings because fewer camps and less extensive domestic control mechanisms would be needed.

The main disadvantage is that legitimate refugees may not be admitted or given the opportunity to state their case adequately. And what is to be done with the persons who are rejected? A person may not be able to go back to a neighboring state, and intercontinental repatriation is expensive and politically embarrass
ing. Rejected applicants may have to be held at the border if immediate arrangements cannot be made.

The third disadvantage is that border controls give a false sense of security. In the present world, especially in a Europe where so many persons travel constantly, no border can be effectively sealed at reasonable financial and social cost. Persons can and do slip past controls. They have every incentive to remain illegal once they have entered illegally (or escaped from supervision). By themselves, border controls do not work over the long run although they may need to be a part of any solution. They are more popular as slogans than when actually enforced.

*Countries of First Asylum*

Now that the Cold War is over, repatriation in large numbers should be more possible, for instance in Afghanistan and some African countries. It is being tried in Indochina. UNHCR is trying hard to advance repatriation as a principal solution.

Large-scale repatriation would send a signal that the refugee problem can perhaps be scaled back. That is important for countries of asylum and even for refugees themselves, as it shows that refugee problems are not unsolvable. Where repatriation is not possible, and numbers not excessive, a camp clearance program might be in order, with each resettlement state agreeing to take a certain quota of camp residents.

In that context, a more accurate refugee count would be desirable. Now, for example, the UNHCR statistics on the number of refugees in the world routinely include one million “refugees” in the United States, although it is well-known that they are no longer truly homeless wanderers. Organizations that attempt to make the most precise possible counts find that persons who are already settled or are in the process of settling are still listed as refugees, but it is politically difficult for any single state to admit the over-count because it would curtail international aid. Some effort to trim those counts would help make the world realize that this is not an eternal nightmare and that the West need not fear that there are millions of camp persons waiting only to come to Europe or America. At one time, refugee authorities and countries of first asylum deliberately exaggerated figures because they thought those figures would generate more assistance. Now, the reverse may be true, and the numbers deserve another look.

Another important step for countries of first asylum and for refugees is operational. It is to continue to improve the emergency response of the international agencies. This can be an essential measure if persons begin to move in Europe. The closer to their point of origin they can be adequately taken care of, and the sooner, the less likely they are to travel on. This requires careful coordination between UNHCR, the World Food Program, and the United Nation Disaster Relief Organization.

Another area that requires careful cooperation is the shifting of assistance from “refugees” and refugee organizations to “settlers” and aid organizations. If it appears that a group of refugees will remain in a country of first asylum, and continues to need support, it will be necessary to shift programs from UNHCR to, perhaps, UNDP. This is very delicate, but the potential should be explored.

*Countries of Origin*

Governments can be made to recognize that the creation of refugees may work to their disadvantage. They can also be helped to overcome conditions that might lead to flight.

This is the most novel area for reform. In the past, refugee problems were rarely discussed with the governments of countries of origin. When such discussions were undertaken, most governments of origin insisted that refugees were being enticed to leave, that they were “counter-revolutionaries,” and that they should be returned immediately, forcibly, and unconditionally. Dealing with countries of origin represents the most important conceptual breakthrough for any combined effort to solve refugee problems.
A number of possibilities can be considered:

- When a regime pursues repressive policies that may foment resistance and flight, the international community—through the UN General Assembly, the Security Council, or other international institutions—would insist that such a state take responsibility for the human consequences of those policies. This would mean a cutoff in any form of international assistance as well as other sanctions if the policies are not discontinued. But this reform requires common standards of behavior and enforcement (whether a particular regime is friendly or unfriendly), a common political judgment among Western industrialized states, and also agreement by major non-Western powers. It smacks of interference in a state’s internal affairs, which is not only illegal under the Charter of the United Nations but also distasteful to many UN members.

- When the flow of refugees exceeds the numbers that can be easily helped in countries of asylum, the international community would insist that the country of origin make space available within its own territory for protection and assistance to refugees, or take back those refugees under conditions where their future safety can be internationally supervised. These steps represent a limited but still significant erosion of sovereignty, and not all states would accede to them. Two recent cases cited above—Kurds returned in Iraq and Vietnamese returned from Hong Kong to camps in Vietnam—may be unique but still warrant careful examination. The UNHCR should be given appropriate protection functions.

- If a regime is not deliberately creating refugees but is suffering from economic deprivation, ethnic disturbances, or other upheavals that encourage flight, the international community would negotiate with that government for arrangements that would permit nationals to be taken care of within the country itself, either in camps or in their own areas. This would avoid the need for camps abroad, would leave the potential refugees in their homelands, and would significantly reduce not only the cost to the international community but also the pain for the potential refugees. Moreover, if and when the crisis is over, there would be no need for repatriation. Again, some abandonment of sovereignty and a high degree of national cooperation would be necessary.

- States with potential refugee problems could be helped to improve their economic (and thus political) conditions through development aid and through trade openings. Such steps would require more time than other measures, but they could be much more important and helpful in the long term. This is an area where UNDP should coordinate with the donor states and with UNHCR so that states recognize that the aid being given to potential refugees is properly coordinated and that other nationals are not disadvantaged.

The main advantage of dealing with countries of origin is that one can make it unnecessary for persons to enter the dangerous and precarious state of refugee existence in the first place. The main disadvantage is that national governments may believe it interferes in their internal affairs.

Summary of Directions for Reform

- Donor and asylum states have to work together openly in the United Nations General Assembly, in the UNHCR Executive Committee, and in other institutions where they can make collective decisions.

- An asylum state that is prepared to accept refugees for permanent resettlement should be given additional development assistance.

- There must be greater concentration on finding long-term solutions for refugees. It should be required that each year a certain (and preferably expanding) portion of the UNHCR program be devoted to permanent solutions.

- Costs must be cut wherever possible, and camps monitored with that in mind.

- In some instances, as in Indochina, camps
must be cleared and then closed as soon as
the protection need permits. Resettlement
states should accept refugees in agreed pro-
tions in order to clear the camps, and
should then set strict conditions for further
resettlement to forestall the pull effect of that
clearance.

• Where there is confusion on refugee sta-
tus, more precise definitions are needed. When
everybody is a refugee, nobody is a refugee.
• The spirit of reform efforts must be at once
practical and generous.

Principles and Purposes
The concept of refuge remains one of the truly
noble achievements of the human spirit, one
that has saved countless lives and enriched the
common experience of mankind. It can con-
tinue to function, but it is so deeply under
challenge that the system for providing refuge
can probably be preserved only if certain changes
and adjustments are made.

Whatever actions are taken must follow cer-
tain principles and have certain purposes. The
single most important purpose and principle
must be that true refugees can continue to
count on protection and assistance. The right
to take refuge is an internationally recognized
human right, one which is fundamental to any
system of freedom, and it must not be
destroyed. A refugee is a human being in des-
perate, often mortal, need, and nothing must
be done to jeopardize his or her chances to
obtain needed protection and help.

An important and necessary adjustment is
to bring asylum principles and practices fully
into line with the new realities of communi-
cations, transport, and politics—and the increas-
ing globalization of labor markets. A right exer-
cised and applied in certain ways between the
1940s and 1980s may need to be differently
exercised and applied during the 1990s.

Solving the refugee dilemma requires actions
in a number of different areas and by a vari-
y of different means, and those have been
listed. Beyond specific measures, it remains

essential to preserve the legal system that pro-
tects refugees, and important to protect the
system of international collaboration that pro-
vides food and other forms of assistance to
refugees. But it is perhaps most important to
preserve the credibility of the refugees them-
selves and the credibility of the process that
helps them. Thus, the adjustments must be
made in order to preserve the system, not to
undermine it.

It is also important to know what not to
change. It would be a major mistake to reopen
the question of the refugee definition, espe-
cially at this time. The 1951 definition would
not be improved. It is best to live with the cur-
rent inadequacies and ambiguities, for the def-
inition is only a part of the problem. It is
important that any analysis of the system
addresses the problem of definition even if it
cannot be resolved.

In combination, the steps that need to be
taken require political, economic, and diplo-
matic competencies and authorities that go
well beyond the traditional humanitarian func-
tion of the UN High Commissioner for Refugees.
Therefore, they require a careful look at the
linkages of the international refugee regime
with other international regimes, including the United
Nations as a whole. The High Commissioner
can take only humanitarian actions, but politi-
cal actions (such as reallocating aid to coun-
tries of origin or carving out refugee areas in
countries of origin) can only be taken by the
United Nations as a whole.

Such steps should not be undertaken light-
ly. The authority and even the success of the
High Commissioner has been based in impor-
tant measure on the ability of the person and
the office to remain free of political entangle-
ments while concentrating on a universally rec-
ognized humanitarian task. The High
Commissioner cannot become a political instru-
ment. Political as well as economic aid actions
must be undertaken in cooperation with the
High Commissioner, not by her.

The organization—UNHCR—that cares for
refugees has no authority beyond that func-

THE SINGLE MOST
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tion, and should not have such authority. The other steps that may need to be taken to advance solutions must be taken through or within other institutions, but must be done in ways that do not undercut the immediate functions of the High Commissioner. The system must be preserved and improved, not dismantled or jeopardized.

The concept of refugee asylum, which has descended to us from the ancient Greek concept of asylum, is based on the noblest ethical tradition. The concept has remained with Western civilization since that time. But it is not only a Western concept. It has been part of virtually every civilized tradition, and even today it is a concept that unites almost all nations.

Nonetheless, we dare not forget the Latin phrase leges sine moribus vanae, or "laws without customs are vain." The most beautiful refugee laws and regulations will not help a single person if they are perverted and abandoned because the world has lost faith in them and has come to regard them as burdens and unwelcome obligations rather than as acts of inspired generosity. It is in that context, and on the basis of the honored principle of asylum, that solutions must be found, and that the system must be adjusted in order to be preserved.

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PIERO BASSETTI

Migration and Asymmetric Interdependence: Italy’s Albanian Episode

1.

Migration flows from the East and the South towards the developed North are one of the crucial problems of this century’s end. In some cases, the “refugee emergencies” we have known of late have been caused by discrimination, persecution or sheer war; and the resulting “emergency” may concern a given individual, just as it may affect entire communities which can no longer rely on their native states for adequate protection. In most cases, however, these occurrences are caused ultimately by underdevelopment, poverty, drought or ecological decay; and they have been compounded by the demand for manpower on the part of the advanced economies—and, often, by the mere image of wealth and well-being in our countries as it is being spread around the world by modern means of mass communication.

All existing forecasts concur: The phenomenon of mass migrations towards the North’s high-income countries is one that will last and intensify—and can thus be expected to modify significantly the national, cultural and religious profile of the European Community’s member-countries and of the West in general. As a phenomenon, emigration cannot be dissociated from other major contemporary "flows"—in communication, in goods and services, in "models," in tourism, etc. Notwithstanding the current increase of emigration from East to West in Europe, it remains that in the medium term the brunt of the migratory pressure will come from the South, spurred by the twin causes of economic imbal-
ance and demographic discrepancy.

Because of its principally economic motivations, today's migration process must be viewed as part and parcel of a larger issue which is so familiar to our Trilateral agendas: the issue of "interdependence," in conditions of extreme disparity among the regions and the populations involved. As in the fields of capital or technology, what we are dealing with here is truly a transfer of resources. In many ways, we in the North provoke and actually "run" this transfer; in other ways, we also merely "suffer" it. But it is one that is particularly sensitive for us—more so, perhaps, than all other points of contention in North-South relations save oil. The strong emotional charge attached to the migration issue does not help solutions to be found; its many facets, indeed its "multi-disciplinary" character, even seem to defy at times our intellectual grasp.

As far as demographics are concerned, current estimates are probably exaggerated on the up side: The trend in population growth in the developing countries has begun to abate, and the "boom" curve as we know it in the South could soon be somewhat corrected downwards. Yet, a net disproportion remains. In the Europe-Mediterranean relationship, for instance, the decade of the 1990s should see a 1.5 percent population increase within the EC, and a 0.7 percent increase in EFTA countries (i.e., an overall increase of 5 to 6 million individuals), as against a 23.6 percent growth in non-EC countries bordering the Mediterranean basin.

At the moment one could say that never in the history of mankind did there exist so high a potential for massive transfers of populations across countries and continents. These transfers are made all the easier not just by existing discrepancies in development, but also by the revolution in the means of transportation and information flows, which eliminates borders as an effective obstacle or deterrent.

One possibility for projecting potential migration is of course to take a quantitative approach and try to "measure" migratory dynamics as a function of economic activity. In such a frame-

work, the minimum level of migration should be that which is sufficient to equalize population growth rates among receiving and "supplying" countries, while the maximum level corresponds to the migration flows needed to reduce to zero the rate of population growth in the poor countries. If such an assessment seems a bit too coarse, the calculation could also be done on the basis of a tendency toward equalization, within a given number of years, among the income levels of both categories of countries, even though such an approach involves analyses that still contain too many unknowns.

Since it is likely that the attraction of the North is a stronger factor than mere rejection on the part of the South, the study of future migration flows could legitimately start from the requirements of the host countries: demographic decline and manpower shortages. Migrations have always been an essentially political issue, and an approach that ignores the political implications is simply unthinkable. As a rule, changes in regime or alliances immediately open new channels which are then very difficult to close again—save through repression and the use of force to contain the exodus or reverse the flows in question with decisive intervention programs.

Given the configuration of its territory, Italy is especially vulnerable to clandestine or uncontrolled immigration. Only recently did Italy pass a law—the so-called Martelli Act of 1990—which puts an end to the old "emergency regime," whose provisions were merely administrative and regulatory in nature. With this law, among other things, Italy has abolished the geographic criteria that once conditioned the acceptance of political refugees (even our approval of the provisions of the 1951 Geneva Convention was limited for some time to those who came from the countries of Eastern Europe).

The figures on the presence of extra-EC citizens in Italy are uncertain: 600,000 according to official statistics, as against well over a million according to other estimates. Within the Italian economy, those immigrants from
In some ways, the massive inflow of workers... signaled the definitive entry of Italy as a full-fledged member of the rich and industrialized North.

2.
The Albanian episode is well known. The vanguard of the Albanian refugees' "invasion" of the Italian shore between Bari and Brindisi arrived between August 6 and 7, 1991. It made for an amazing spectacle of rafts, fishing boats and makeshift crafts of all sorts.

Boat-people—in the middle of the Mediterranean! It is all over again the mass exodus which had emptied East Germany, some felt—only Albania did not have the same sort of "Wall." At sea, this exodus took on even more dramatic tones. The landing of so many desperate people on the beaches of tourist towns precisely during the weeks Italy traditionally devotes to summer vacations also had unintentionally comical results. All of a sudden, here were disembarking young, often very young, men for the most part, who only knew Italy from the rosy, opulent pictures of advertising, and who identified life in the West with the wealth and glitz of soap operas à la "Dynasty." Commensurate to the warmth of the welcome of the people on the spot and the spontaneous "first-help" efforts of a number of organizations was the chilliness of the government's reaction, and the open hostility of those in the media and politics who went on stigmatizing this immigration of "extra-communitarians" (i.e., for all practical purposes, citizens from developing countries). Some go so far as to criticize the authorities in Tirana for insufficient vigilance in stemming the escape, by force if need be—so much so that the "militarization" of the ports of Valona and Durazzo is one of Italy's official requests to Albania. And then, there is the widespread suspicion that the exodus has been encouraged or instigated somehow for political ends by the secret services.

At that point, the Italian government has decided to stop a phenomenon which is tending to become chronic, and does all in its power to make this understood. (28,000 Albanians had already landed in the first week of March 1991 on the Puglia coast, half of whom, disappointed by the squalid life in the refugee camps, had returned home; and in June, another crisis, the "crisis of the rafts," had already occurred, even though almost all refugees then had been immediately repulsed.)

Convinced that the inflow is somehow the product of a "mirage" engineered by the lure of television, the government chooses to respond in kind, confident that the mass media's message will have this time a deterrent effect. The refugees are associated with images of deprivation, police control and downright confinement. Their main gathering site is a stadium—the old Bari arena, fatedly named "Victory Stadium," which has been out of commission since an ultra-modern facility was built for the World Cup soccer tournament in 1990. The media campaign is not afraid to evoke Santiago and the concentration camps, since the point is now squarely to exploit the impact of certain memories. The violent deeds of the refugees are swollen to give the impression of a state of siege in which the police are having trouble controlling thousands of rioters. In no time the Albanians are presented as common criminals, provocateurs, or else as deserters and "wanted" politicians with nothing to lose.
After negotiations interspersed with urban guerrilla operations around the stadium and the port, a number of Albanians are seized, often out of sheer fatigue or need; these refugees are forced to leave and return home in exchange for a pair of jeans and a few thousand Lire—almost a parody of the consumerism they had dreamed about when they had set sail towards Italy. For this reverse exodus all possible means are mobilized: ships, ferries, cargo planes. A study, case by case, of the situation of those who might be eligible for political asylum is promised. Of the 20,000 Albanian citizens who arrived in August, 17,000 are thus effectively sent back within a week. There remains the problem of those “irreducibles” corralled into the stadium.

After another feverish round of negotiations, the government announces on August 14 that it has agreed to allow those Albanians who have remained to stay in Italy. At first, they would seem to number some 1,500 people, spread around nine regions; but all in all, perhaps because of the refugees from previous waves, they will amount to 3,000. The newspapers scream “surrender,” accusing the government of having shown strength towards the weak and appeasement towards the violent. But the government's approach is only a shrewd stratagem. The “irreducibles” are divided, taken to separate and remote places in order to prevent any possibility of organized resistance. Then, on August 17, in a Blitz-like operation involving 3,000 soldiers and policemen, they are brought back to Bari and placed aboard military aircraft, under the strictest surveillance, bound for Albania. Thus repatriated are even those 788 military men who had grounds to fear reprisals on the part of the authorities in Tirana. The official explanation is that the credibility of the Albanian government and integrity of the Albanian state had to be buttressed, thereby discouraging other Albanian citizens—military or otherwise—who might have been tempted by expatriation. The fact is that other isolated individual or group attempts to leave did occur; but on the whole, the escape route towards Italy was effectively blocked.

The dispatch of substantial aid immediately follows the end of the crisis. Italy frees 157 billion Lire for food and other basic necessities, as well as some raw materials needed for a resumption of industrial activity, school books, etc. Albania enjoys in effect special treatment, even by the established standards of cooperation with Eastern Europe.

For the first time in the experience of Italian aid efforts, the aid program to Albania—code-named “Operation Pelican”—explicitly subjects this aid to the acceptance of conditions which come close to establishing a relationship of “limited sovereignty.” The August 26, 1991 memorandum of understanding between Italy and Albania entrusts the implementation of the project, on the Italian side, to the Defense Ministry. The aid will be distributed by the Italian military: some 800 soldiers and officers under the command of a general, with logistical assistance from the navy and the air force. Officially, the armed forces are supposed to make up for Albania’s deficient distribution system. The real objective, however, is to ward off any new wave of escapes through systematic patrolling of Albanian’s ports and coasts. Italian military aircraft are given the greatest latitude to fly in Albanian air space. In its statement of purposes, the program expressly states that it must contribute to “hold down” manpower in Albania.

As can be seen from the very beginning of the crisis and in all its stages, Italy has pursued a policy of “containment,” reserving cooperation for actions within Albania and in order to prevent the transfer of population. Whenever necessary, it has not hesitated to resort to military or paramilitary methods, and in any case to military-like scenarios, thus actually choosing to behave in a way which had already been envisaged, though not adopted in practice, towards refugees coming from North Africa.

3.

At the root of large streams of immigration towards the North and towards Western Europe...
in particular lies one phenomenon: interdependence. As such, it is irreversible, it works on all fronts, and over time the growing adoption and spread of "liberal," free-market solutions is doomed to compound itself, and to promote migrations.

If it were neutral, interdependence would merely be a mutual relationship among peoples, states and economies. Its key feature would be reciprocity. In practice, however, interdependence (and the negative concept of "dependence" it also implies) runs into the existence of a basic asymmetry which apportions both its costs and its benefits. It is the very hierarchy built within the system which triggers migrations in search of better living standards.

Migrations respond to individual and family choices and impulses as well as transient conditions. But they do not occur in some sort of social or political vacuum; in fact, they appear to be largely predetermined by overarching structural variables. If one is to follow an interpretation based on the "center versus periphery" model for the study of conflicts, then migrations are clearly a consequence, if not an intrinsic facet, of the dominance of the center. Thus, the displacement of manpower from the countries of the periphery towards the center prolongs the exodus from the countryside to the cities, and the built-in costs of colonialism continue under different guises to drain resources towards the "stronger" poles for capital accumulation. In such an interpretation, the use of the work force of the weakest countries takes place in conditions of exploitation, with a system that seeks ever lower wages and social expenditures while limiting political expression on the part of the immigrants (paradoxically, the more clandestine immigration is, the greater the exploitation). Such an interpretation may be useful to understand the incorporation of external countries into the capitalist market of the world economy; but it lacks sophistication and does not fully explain horizontal migrations among countries which already belong to the system. Those classical interpretations which presuppose a rational, "objective" calculation of both sides in a relationship of rough parity cannot ignore the position of substantial inferiority of those who provide cheap manpower in a system of ever-greater specialization in production.

One possible avenue for research could then be to try to draw the typical "profile" of the migrant. However, social as well as psychological factors clearly appear to be less relevant than structural ones. Hence the need to address interdependence itself, and especially its asymmetries.

4.

Once we recognize the existence of a basic contradiction which neither cooperation nor the spread of capitalism have resolved, the question becomes: Which is more important—the antinomy between capital and labor in any given country (especially in those on the periphery where migratory flows originate) or rather the very antinomy between Center and Periphery? The North-South dialogue has traditionally tended to emphasize the latter, under the illusion that negotiations and international agreements would eventually influence the course of the world's economy. Yet the coming of age of pluralistic states in the South itself, with dynamics that reflect the interests of readily identifiable elites, would seem to indicate that the first antinomy is the more important.

Emigration then would appear to be a safety valve, lowering social tensions in the countries of the South. Thus, the local "establishment" is made more secure (note for instance how a country like Algeria, when it was building its planned socialist economy, chose to emphasize capital-intensive industry while virtually letting its working class go and get trained in France), and it reinforces as well the capacity for self-preservation of the global system. The growing polarization between the world's strong and weak areas, however, greatly reduces whatever "softening" effect emigration might have for the developing
countries. The net “returns” of emigration for these countries are small since beyond such passive advantages as the reduction of unemployment pressures and even the money sent back home by those who have left, emigration by and large has not led to a genuine and lasting domestic momentum for development that would replace foreign investments and other financial contributions.

The transfer of manpower adapts to the evolution of a system which is based on the freedom of movement of goods and capital and seeks naturally the best possible geographic allocation of productive activities. Thus the North is ever more dependent on the migrant work force, and migrations increasingly elude purely short-term or momentary contingencies.

The impact of immigration would in fact seem to be beneficial for the economy of the industrialized countries, creating more jobs than those that are filled by “aliens” and promoting growth through an added demand for goods and services. Joining hands with the local work force, the immigrants actually increase the national wealth. But then, as is often pointed out, there is a downside too: greater unemployment, slower technological innovation, and the resulting loss in global competitiveness. Finally, immigration has a definite impact on the host society; though difficult to measure precisely, when combined with an economic crisis and a gradual loss of “values,” it can feed a dangerous spiral of resentment, insecurity, discrimination and downright racism.

5.

The impact upon the host countries is all the more violent as the immigration itself differs in geographic, religious and cultural origins. This problem of “otherness” seems especially acute in the case of Islamic immigrants in both Italy and France. Italy is more vulnerable than others since it has only recently become a country of immigration, after having been one of emigration for almost a century.

In the framework of the “new world order,” Islam could well prove to be the area of greatest resistance against the consecration of the market through the generalization of liberal-democratic regimes pursued by the United States. America tends to rely on the availability of local elites (as we saw too during the preparation of the war against Saddam Hussein), on geographic distance, and on the massive presence of military force. The Europeans, for their part, are more interested in finding a modus vivendi (possibly including development agreements or “contracts” tailored to help and manage immigration) rather than antagonizing their neighbors. For Italy and for the EC, the Mediterranean area remains the most obvious place to put interdependence into practice, and Europe needs therefore to enrich and deepen its relations with the nations of the Balkans on the one hand, and those of North Africa on the other, in a spirit of mutual understanding and without putting them in competition among themselves.

6.

Political refugees tend as a rule to enjoy a greater degree of protection than economic immigrants, often de-legitimized as “false refugees” whose movements are deterred or kept under control through various strategies—food assistance, birth control plans, and development policies at the source. Within international organizations, the trend has been to establish a discipline which penalizes those countries which unload masses of refugees on neighboring nations, yet provides for humanitarian solutions for the refugees themselves, individually as well as collectively.

Forced repatriation has also been used more and more frequently of late (Albania, Hong Kong/Vietnam, Haiti, etc.), combined at times with military intervention on the spot, as happened in Iraq after the Gulf war to protect the Kurds.

On matters of migration, experience shows that restrictive policies, however vigorous, have not succeeded in stopping the flow, and have
at most simply altered the typology of the immigrants.

7.
The international system, and the North as such, which embodies the "winning" model in the East-West contest as well as indirectly in the North-South one, are now grappling with the problem of inserting in a virtually limitless market those countries which the collapse of collectivism as well as the various imbalances of the world economy have left bankrupt or severely impaired.

In such a framework, the role of emigration is ambiguous. On the one hand, it could appear to be a contribution from the North to the development of the South, or at least to relief from some of the more glaring consequences of underdevelopment (poverty, unemployment, underemployment...). On the other hand, emigration would also seem to confirm the marginal status of the Third World.

In the end, the answer to the North-South problem in all its dimensions (including, therefore, migrations) is predicated on the capacity of the system to propel the South as a whole to a more equitable stage of development and integration. In conditions of imbalance, one could even fancy the possible interest of the center in not getting out of recession, in order not to have to revalue the resources of the Third World with the added disadvantage of giving back to the South, as in the 1970s, an effective measure of contractual power.

The stability of the system, and in the end the very fate of the post-bipolar and post-colonial "new world order," hinge one way or the other on themes which we might call "themes of cooperation." But then, cooperation itself has taken a new meaning in the "neo-liberal" climate now prevalent in the bigger countries of the West and in international financial organizations. According to the principle of "mutual" or "reciprocal advantage" which many governments in the donor countries have adopted, cooperation—and therefore the toleration of Third World emigration—simply becomes an essentially political instrument for the "security" of the donor nation. It would be much more in line with the original idea of cooperation to envisage public programs of assistance in the host countries; bilateral or multilateral programs to encourage the return of workers after they have completed their training in the economies of the North; and programs for a better use of the resources they send back home while they are abroad.

No authoritarian or repressive shortcut can resolve the dilemmas of the North-South imbalance and the expectations and resentments it breeds. The temptation to resort to military force—the greatest expression of the Western world's technological supremacy—is a recurrent one; it has in fact been acted upon, though at low levels of intensity, in our recent "refugee emergencies." But "aping" war in various shapes, and pretending that certain economic, political and cultural disparities cannot be mediated save through force, will only generate conflict, never integration.

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Refugee Determination: The Canadian Experience

Pressures for Change

Canada's Immigration and Refugee Board, which I chair, began operation January 1, 1989. The legislative changes which culminated in the creation of the Board were a result of a number of factors which brought the problems of the present Canadian immigration system—in particular the refugee determination process—to the attention of the Canadian public.

The number of people making refugee claims in Canada under the 1951 Convention rose dramatically in the 1980s. At the start of the decade, refugee claims numbered about 1,000 per year. In 1987, some 27,000 refugee claims were initiated. Over this same period, about 70 per cent of claims were rejected after examination.

The old process of refugee determination was not designed to handle the large volume of claims Canada was receiving. As a result, the backlog of people awaiting the final outcome of their claims grew and so did the incentive for non-genuine claimants to come to Canada—because these people could remain in Canada for many years until their claims were resolved. At the same time, legitimate refugees were forced to endure long delays before receiving confirmation of their protection by Canada as Convention refugees. By the end of November 1988, an estimated backlog of 85,000 claims awaited final determination.

In 1985, the report Refugee Determination in Canada (by Rabbi Gunther Plaut to the Minister of Employment and Immigration) recommended wholesale reform of the refugee determination process. At the same time the Supreme Court of Canada (in the Singh case) established that all people physically present in Canada, regardless of their status, were entitled to benefit from the protection of the Canadian Charter of Rights and Freedoms. The Court concluded that the principles of fundamental justice required that a Convention refugee claimant be given an oral hearing where a threat to that person's life, liberty or security existed.

The arrival of boatloads of Tamil and Indian asylum-seekers in the late 1980s reinforced the perception that Canada was becoming a target for unfounded claims. The need for a system which balanced the procedural requirements of fundamental justice and tighter control of the process was apparent.

Reformed System

The purpose of the new legislation which followed was to streamline the process of Convention refugee determination and restore national and international credibility to the manner in which Canada treats people claiming to be Convention refugees. The Immigration and Refugee Board faces the challenge of adjudicating fairly and quickly all refugee claims so that Canada can offer protection to genuine refugees while discouraging those who are making refugee claims in order to avoid the regular Canadian immigration process.

The Immigration and Refugee Board consists of two distinct divisions. The Convention Refugee Determination Division (CRDD) deals exclusively with issues involved in the determination of whether an individual is a Convention refugee. It is responsible for ensuring that all refugee claimants are dealt with fairly and expeditiously and in a manner consistent with Canada's humanitarian traditions and international obligations. The Immigration Appeal Division (IAD) deals mostly with immigration matters, such as appeals from sponsored applications for permanent residence or appeals of deportation orders. The IAD is an independent appellate

1 Re Singh and M.E.I. [1985] 1 S.C.R. 177
The most important issue currently faced is the CRDD’s ability to determine claims for refugee status in an expeditious and fair manner given the large number of claimants that continue to enter the country.

Refugee determination in Canada is a two-stage process consisting of an initial hearing and a full hearing. At the initial hearing a two-member panel consisting of a Canada Immigration Adjudicator and a CRDD Member consider the eligibility of the refugee claimant and whether or not the claim has a credible basis.

Ineligible claimants are those recognized as Convention refugees in another country (and who have a valid and subsisting travel document under the Convention), previously rejected claimants who have not been out of the country for more than 90 days, persons convicted of serious crimes, known war criminals and security risks.

Once a person is deemed eligible for consideration as a refugee, the panel examines the evidence supporting the claim. Using a low threshold test, only one of the two panelists need decide that there is a credible basis for the claim to be referred to the full hearing. Both panelists must agree that there is no credible basis for the claim to be rejected. At the full hearing, the CRDD alone is responsible for determining the validity of the claim. During this hearing, a two-Member panel considers the evidence presented by the claimant in relation to known conditions in the country in which the claimant experienced a “well-founded fear of persecution.” Again, both members must agree to reject the claim, whereas only one member need find that the claimant’s circumstances fit the definition of the claim to be allowed.

Throughout the refugee determination process, claimants are entitled to be represented by counsel, enjoy the protection of the Canadian Charter of Rights and Freedoms, and may apply for leave to appeal adverse decisions to the Federal Court of Canada. Interpreters are provided for all hearings in which they are required.

Continuing Challenge
The most important issue currently faced by Canada’s refugee determination system is the CRDD’s ability to determine claims for refugee status in an expeditious and fair manner given the large number of claimants that continue to enter the country.

The figures for 1991 indicate that the CRDD heard 28,181 claims to completion in 1991. The major source countries are Sri Lanka, Somalia, China, Iran, Lebanon, the former Soviet Union and El Salvador. The overall acceptance rate for 1991 was 64 per cent, a drop from the 70 per cent acceptance rate in 1990. One third of all claims are made along the Canada-United States border.2

Canada’s Five-Year Immigration Plan,3 announced in October 1990, provides for a moderate increase in overall immigration levels. The planned level for 1992 to 1995 is 250,000 immigrants annually. The immigration plan recognizes three sources of immigration: family immigration, refugees, and economic immigration. The plan includes a figure of 50,000 refugees for 1992. These refugees include 13,000 government-assisted refugees and members of designated classes (selected abroad), 17,000 privately sponsored refugees and members of designated classes (selected abroad), and 20,000 refugees landed in Canada.

2 Editor’s note: In June 1992, the Canadian Government proposed further major changes in the system. The initial hearing would be eliminated. For a claimant without satisfactory documentation to be accepted as a Convention refugee, both hearing panelists would have to find for the claimant. Refugee claimants entering from “safe” countries (such as the United States) would be returned to that country, significantly reducing the number of claims that would otherwise need to be heard. International agreements are proposed with the United States and European countries to share responsibility for examining refugee claims.

The Minister of Employment and Immigration states in the 1991 Annual Report: “Canadians can take pride in an immigration policy that remains one of the most open and generous in the world. However, Canadians will not tolerate those who would abuse our openness and generosity.”

**SHIJURO OGATA**

**Japanese Experience**

...after World War II, Japan was an emigration country. Japanese emigrants settled before the war in Hawaii, the West Coast of the United States, Latin America, South East Asia and Manchuria, and after the war in Latin America. But after Japan survived the very difficult immediate postwar period, it did not face migration problems for many years. An island country with ethnic homogeneity (with the exception of mainly Korean minorities), Japan was densely populated, and its low standard of living did not attract foreign workers.

2. During the past two decades, however, the situation began to change. (1) The total number of foreigners entering Japan increased. (2) The arrival of Vietnamese and Cambodian refugees presented a new problem to the Japanese. (3) The arrival in 1989 of Chinese “boat people,” disguised as political refugees from Vietnam, alarmed the Japanese about the possibility of massive migration from their giant neighbor in case of political or economic instability there. (4) Legally or illegally, foreign workers started to arrive (estimated to be 150-200 thousand as of spring 1990), due to (a) the rise of the Japanese standard of living, the sharp appreciation of the Japanese yen, and the consequent widening of income gaps between Japan and its neighbors; (b) the emergence of a labor shortage in Japan and the growing reluctance of young Japanese to take up dirty, difficult and dangerous jobs; (c) the rising aspiration of ambitious young people in developing countries to come to work in developed countries such as Japan; and (d) the weakening of oil economies in the Middle East...
plus the Gulf crisis, which diverted job opportunities from the Middle East to the growing economies in East Asia including Japan. Major countries of origin of foreign workers in Japan are the Philippines, Bangladesh, Pakistan, Korea, Malaysia and Iran.

3. There is opposition in Japan to a too rapid increase of foreign workers. Some warn that it would damage Japan's homogeneity, would transform Japan from a classless society to a class society, would lower Japan's standard of education, and would undermine the safety of Japanese society. Some others argue that the need to overcome the labor shortage without too easily depending upon foreign labor is an important impetus for Japan's further economic growth, and that too easy employment of foreign labor in big cities would widen the already existing regional disparities in Japan.

4. In view of the aging of the Japanese population and the possible continuation of the labor shortage, however, it will be unavoidable to rely upon foreign labor to some extent. The problem is how to control the inflow of foreign labor. The Government's policy is to be liberal to foreign skilled labor but to be restrictive to unskilled labor. The new law, which came into effect on June 1, 1990 (1) has expanded the scope of purposes for which foreigners are admitted, (2) while introducing more severe punishments for promotion of the illegal inflow of foreign workers, but (3) has eased the entry of foreigners of Japanese origin. As a result of this last focus, the inflow of Latin Americans of Japanese descent, particularly from Brazil, has increased (estimated to be 150 thousand as of August 1991).

5. There are a number of proposals for more organized importation of foreign workers for a limited period under the responsibility of their Japanese employers in order to meet the problem of Japan's labor shortage and at the same time to facilitate the transfer of skills and technologies to the workers' home countries. But such proposals have not yet been officially approved by the authorities.

6. Japanese attention to refugee problems was heightened from the late 1970s in connection with Cambodian refugees in Thailand and again since 1991 after the prospects for repatriation of Cambodian refugees brightened. Though the number of refugees admitted to Japan has been small (about 7,000 as of the end of 1990) and most refugees want to settle in other countries rather than Japan, financial support from both public and private sources and the number of voluntary workers for refugees have been rising.

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