Number 10 June 1998

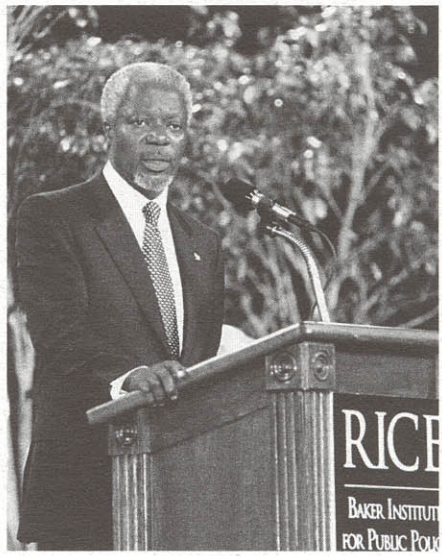
BAKER INSTITUTE REPORT

NOTES FROM THE JAMES A. BAKER III INSTITUTE FOR PUBLIC POLICY OF RICE UNIVERSITY

UN SECRETARY-GENERAL KOFI ANNAN SPEAKS AT RICE

On April 23, United Nations secretary-general Kofi Annan spoke to an audience of 3,500 in an event sponsored by the Baker Institute. Baker Institute director Edward Djerejian welcomed the audience to Autry Court. James A. Baker, III, who is serving as the secretary-general's personal envoy on the Western Sahara issue, introduced Secretary-General Annan.

The main theme of the secretary-general's speech was the challenge of conflict prevention. He commented that "the prevention of conflict begins and ends with the protection of human life and the promotion of human development." He also noted that human security is the cardinal mission of the UN.



In the post-Cold War era, intrastate wars have become all too common, and increasingly the goals of these wars are to destroy civilians and even entire ethnic groups, Annan said. Thus, preventing these wars is a matter of defending humanity itself. Unfortunately, he said, we have often been unable to intervene until simmering conflicts develop into deadly ones.

The secretary-general noted three reasons for the failure of prevention:

- The reluctance of one or more of the parties in a conflict to accept external intervention of any kind.
- The lack of political will at the highest levels of the international community; this is the most important problem.
- The lack of integrated conflict-prevention strategies within the UN system and the international community.

Prevention should be seen not as infringing upon sovereignty, Annan

continued on page 3

BAKER INSTITUTE RELEASES NEW ENERGY STUDY ON CENTRAL ASIA AND THE CAUCASUS

The Baker Institute held a public presentation in the International Conference Facility on April 28, 1998, on its newly-released study, "Unlocking the Assets: Energy and the Future of Central Asia and the Caucasus—A Political, Cultural and Economic Analysis."

Senior oil industry executives, diplomats, U.S. government officials, and local businessmen and consultants attended the presentation.

Baker Institute director Edward Djerejian discussed the complex social, religious, political, and cultural factors that will impact on Caspian Sea energy supply and security as well as the region's economic development in the coming years. He then presented an overview of the findings and policy recommendations for the region, including:

- Geological and logistical difficulties in amassing large oil export volumes from Central Asia and the Caucasus region argue in favor of a multiparty negotiation regime where inclusivity rather than competition is encouraged.
- Expected regional oil production constraints for the next several

continued on page 5

Letter from the Director

With the successful completion of the Baker Institute's initial capital campaign, the establishment of research programs in the domestic and foreign policy fields, and the construction and dedication of James A. Baker III Hall, which houses the institute, we are now well positioned to maximize the institute's outreach to a wider audience, especially students and future generations of leaders in both the public and private sectors.

The Baker Institute's third annual conference in October 1997, which featured former U.S. president Bush and Soviet Union president Gorbachev and U.S. secretaries of state Kissinger, Baker, and Christopher, was a unique opportunity for a broad audience to learn the views of these statesmen on the foreign policy challenges the United States faces on the eve of the next century.

More than 6,000 individuals came to the Rice campus to attend the event. Most were students from Rice University and students from local universities and high schools. We specifically invited senior high school students in the Houston Independent School District to assure that the diverse school population in the nation's fourth-largest city could participate in this event and ask questions of these statesmen.

During Madeleine Albright's first public foreign policy address as secretary of state, which she delivered at the Baker Institute in February 1997, she made a point of fielding questions from the students only. Most recently, 4,000 persons attended United Nations secretary-general Kofi Annan's presentation on the United Nation's role in peacekeeping, peacemaking, and conflict resolution. More than 600 written questions, mostly from high school and university students, were submitted, which reflected a high level of interest in the secretary-general's views and in the United Nations.

On a continuing basis, the research agenda of the institute is attracting highly qualified academicians, experts, and executives from the private and public sectors who are taking part in seminars, working groups, and research projects, the results of which are published in Baker Institute reports and studies. Beyond the publication and distribution of these reports and studies to a wide national and international readership, the institute has state-of-the-art telebroadcasting, audiovisual, and teleconferencing equipment, thanks to the generosity of EDS, which greatly enhances the institute's communications capabilities.

We are now well positioned to maximize the institute's outreach to a wider audience, especially students and future generations of leaders in both the public and private sectors.

We will be working with other public policy institutes and universities to organize interactive teleconferences that will enable us to include key academicians, private sector executives, and government officials in our programs from remote sites in and outside the United States.

Many of the institute's events have been covered on network, cable, and public television channels, including CNN, C-SPAN, and PBS. Further, our programs have been put live on the Internet and in an interactive mode that allows a national and international audience to participate in the institute's events.

We are currently discussing a collaborative effort with Channel 8 in Houston (KUHT), which is the local Public Broadcasting Service affiliate, whereby certain public Baker Institute events will be broadcast in a special format to allow a larger number of households in the Houston area (approximately 40,000) and in Texas and the nation to see these public policy programs.

In sum, the Baker Institute is now well positioned to contribute in a significant way not only to the internationalization of Rice University, but to the expansion of its research and programs on domestic and foreign policy issues to local, national, and international audiences.

—Edward P. Djerejian
May 21, 1998

KOFI ANNAN

continued from page 1

said, but an activity whose goal is to restore legitimate authority and global order.

The operational prevention strategy of the United Nations involves four fundamental activities. The first is early warning; the UN must gather information and recognize when a conflict is likely to arise so that it can act before the fighting begins. The second is preventive diplomacy; the active engagement by the United Nations or other parties to negotiate an end to a conflict before there are outbreaks of violence. The third is preventive deployment; the insertion of a "thin blue line" of military forces under UN auspices to provide a significant barrier between contending parties. The fourth is early humanitarian action to reduce the suffering—and the dying—of civilians who have been swept up in these conflicts.

The United Nations also has a structural prevention strategy that is designed to prevent conflicts from reaching—or returning to—the level of hostilities. Preventive disarmament is one component of the prevention strategy. By getting combatants to disarm, the UN can not only reduce the potential for violence, but the act of disarmament may also stimulate progress in resolving the issues that led to the conflict. This is also part of a broader effort by the United Nations to curtail the flow of conventional weapons.

Secretary-General Annan and James A. Baker, III, during introductions at the program in Autry Court.

As noted by the secretary-general when discussing the work of the UN Special Commission in Iraq, "Destroying yesterday's weapons prevents them from being used tomorrow." He stressed that the efforts of the UN since the Gulf War had destroyed more weapons of mass destruction than were eliminated during the course of that war.

But all of these strategies, both operational and structural, will succeed only if the root causes of conflict are addressed, Annan told the Autry Court audience. These causes are often economic and social. The remainder of the UN's structural prevention strategy, development and peace building, is designed to address these root causes.

The secretary-general also discussed his mission to Iraq to secure compliance with the demands of the international community. The results were that the mandate of the Security Council was reaffirmed; the access of the UN inspectors has not only been restored but expanded to include all sites, and the authority of the executive chairman of the UN Special Commission has been acknowledged and strengthened.

Long-term conflict prevention, Secretary-General Annan stated, can be facilitated by many elements of the international community. Many times, the United Nations, mandated with unique universal legitimacy, is the obvious choice to lead. There will be other cases where regional or sub-regional organizations are more appropriate.

continued on next page

Kofi Annan

continued from previous page

The secretary-general called the agreement "a victory for peace, for reason, for the resolution of conflict by diplomacy." He underscored that the agreement demonstrated that if diplomacy is to succeed, it must be backed by both force and fairness.

The agreement was also a reminder of why the United Nations was created: to prevent the outbreak of unnecessary conflict, to find international solutions for international problems, and to obtain respect for international law and agreements while not destroying the dignity and willingness to cooperate of the nations of the world.

Long-term conflict prevention, Secretary-General Annan stated, can be facilitated by many elements of the international community. Many times, the United Nations, mandated with unique universal legitimacy, is the obvious choice to lead. There will be other cases where regional or subregional organizations are more appropriate.

But the United Nations should be poised to support all efforts at conflict prevention and to coordinate multilateral assistance programs, he said.

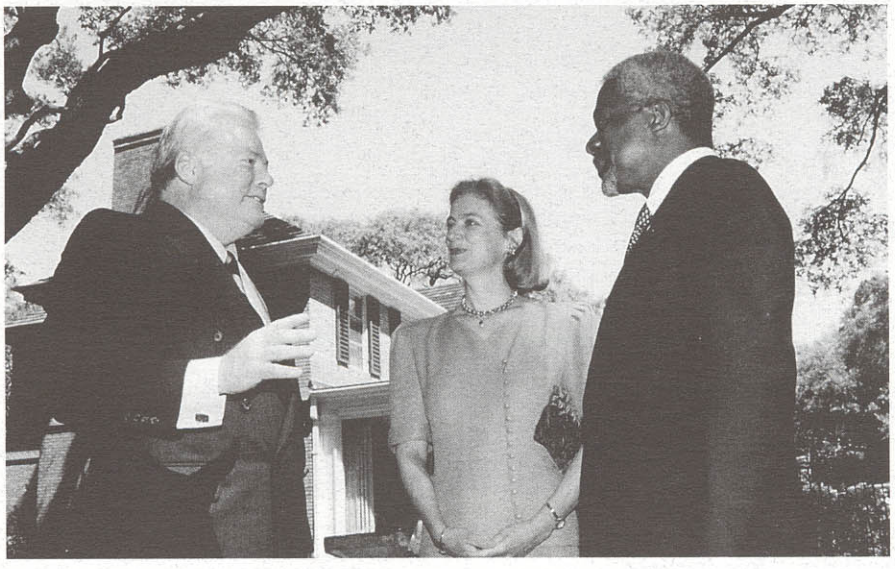
The secretary-general stressed that a "long, quiet process of sustainable economic development, based on respect for human rights and legitimate government, is essential to preventing conflict." The achievement of human security in all its aspects—economic, political, and social—will be the achievement of effective prevention.

In the question and answer period, Secretary-General Annan dealt with a number of different matters:

- With regards to the U.S. debt to the United Nations, he noted that he was dealing with one of the main complaints by introducing extensive reforms to make the UN a more effective organization. However, he noted, the United Nations can do nothing unless members pay their assessments. The budgetary shortfall was creating some serious problems. For example, some smaller nations that have contributed peacekeeping forces have not been paid for their contributions. This was creating severe hardships for those countries and might prevent the United Nations from raising new peacekeeping forces.
- He noted that there was no conflict between UN efforts to enforce human rights and violating the sovereignty of countries. The UN Human Rights Convention was written by scholars from all over the world who embraced the same things. It was not a Western concept imposed on the rest of the world.
- He ended with an appeal to the young people of the world to become informed and involved in public policy issues and in helping to solve global problems.

Following the question-and-answer session, Rice president Malcolm Gillis presented Secretary-General Annan with the President's Award for Distinguished Achievement.

The achievement of human security in all its aspects—economic, political, and social—will be the achievement of effective prevention.



Rice president Malcolm Gillis welcomes Secretary-General Kofi Annan and his wife, Nane, to campus during a reception at O'Connor House.

Energy Study

continued from page 1

years and economies of scale analysis suggest there might be a basis for reassessment of multiple routing as the key principle in the Caspian region's development.

- American interest in stability in the Caspian region is likely to be case-specific and part of a broader focus related to stability in Russia, China, Turkey, and the Persian Gulf. U.S. diplomacy in the region should clearly articulate these realities and be developed in a more comprehensive fashion.
- Government-sponsored social equity funds should be established in the countries of the region to enhance equitable distribution of energy income. Such funds should be directed at economic development and social services.
- The United States should reassess the impact of Iranian sanctions on the timely, efficient development of Caspian energy resources as part of an overall review of U.S. policy toward Iran. Consideration should be given to the pros and cons of licensing activities of U.S. companies, including transit of drilling equipment that could help give an early boost to Caspian production.

Baker Institute energy research coordinator Amy Jaffe elaborated on economic issues, explaining that Central Asian and Azerbaijani oil reserves, while significant, would not come close to replacing the extensive reserves of the Persian Gulf.

"Logistical, economic, and transport difficulties will likely prevent the region from supplying more than 3 to 4 percent of world oil demand by the middle of the next decade," Jaffe explained. By contrast, Persian Gulf oil could still account for 25 to 35 percent of world oil use.

The Baker Institute energy study, which includes fifteen working papers by Rice University faculty and other regional experts from the United States, Russia, China, and Japan, was also presented at the Asia Society Conference on "Energy in Asia in the Twenty First Century," held in Houston on May 1, 1998, and at the Offshore Technology Conference, held at the Astroarena in Houston the following week.

The study was also the subject for a breakfast meeting in Washington, D.C., at the Council on Foreign Relations.

The executive summary and working papers are available upon request.

The Baker Institute will continue to investigate energy security issues and will shift its focus to Asia and Latin America in future research projects. The study was funded by the Center for International Political Economy (CIPE).

Alexander Lebed Speaks on the Future of Russia

On March 16, General Alexander Lebed, a career military officer in the Soviet and Russian army, spoke at the Baker Institute on the future of Russia.

In 1991, Lebed commanded a group of tanks defending the Russian "White House" and President Boris Yeltsin during an attempted communist coup. He has also served as President Yeltsin's national security advisor. After leaving that post, he founded a political party, and in the 1996 Russian presidential elections, he won 15 percent of the vote in the first round of the elections. He is widely viewed as a major political figure in Russia and a viable candidate in the next Russian presidential election, especially after his election in May 1998 as the governor of Siberia's vast and resource-rich Krasnoyarsk region.

Lebed began by discussing the necessity for Russia to develop what he termed as a "National Idea," a concept of the Russian national identity. The end of the Cold War and the

continued on next page

Alexander Lebed

LEBED

continued from previous page

vast changes that have taken place in Russia since then have created a need to assess the place of Russia in the world community. The "National Idea" should be clear to both the elites and the rank and file of Russia, he said. It will give them a sense of direction and identity.

There are a number of important issues connected with the "National Idea" that need to be resolved. Although the breakup of the Soviet Union saw the emergence of a whole new set of states created out of its parts, Russia remains a country of diverse cultures.

The task is to mold these into a common vision of a "Greater Russia," Lebed said. Such a vision would evoke a positive response among Russians, but it is a challenge.

There are vast differences on what groups are implied by a greater Russia, as well as the ways and means by which it could be achieved. Russians must begin by looking for what is common to most Russians. Russian history—both its evils and good things—is one source of this common base. This can help to overcome the tendency of each group in Russia to see itself as its own block.

The "National Idea" should also provide a description of Russia's place in fast-paced world of change. New times need new ideas. Russia must resolve its sense of a national purpose in the wake of the Cold War. Russia must also be able to adapt to a world in which rapid technological change is common place. A new, stronger Russia is needed, but one that is not revanchist, he said.

In the construction of the new "National Idea," Russia must recognize that its future lies in the hands of a new generation. It is vital that this new generation have a strong sense of purpose. The "National Idea" can help form this sense of purpose, Lebed said, but we must recognize that it must have a spiritual dimension as well.

There are vast differences on what groups are implied by a greater Russia, as well as the ways and means by which it could be achieved. Russians must begin by looking for what is common to most Russians. Russian history—both its evils and good things—is one source of this common base. This can help to overcome the tendency of each group in Russia to see itself as its own block.

After discussing the concept of the "National Idea," Lebed turned to a discussion of the situation in Russia today. He expressed deep concerns about the present leadership and what he sees as its accumulation of personal power. The accumulation and narrowing of power extends to the Russian economy. He sees the continuing emergence of a financial oligarchy that exercises a great deal of control. Privatization has led to a concentration of capital in the hands of a few.

What is needed is a leader who is trusted by the elites, the people, and the opposition. It is a mistake to rule by trying to divide and conquer, as is the case today. A leader must bring all the people together. Stability should not be equated with power in the hands of the few.

Lebed sees a high level of corruption in the Russia of today. He also expressed frustration at the system of checks and balances that is part of the new Russia. He feels that, contrary to how most Americans view our system, such a system simply facilitates the ability of each individual group to prevent what needs to be done.

In regards to foreign policy, unlike most Russians, he is not afraid of NATO expansion. He says that he "takes it calmly." He did not take seriously President Yeltsin's comment that the situation in Iraq over the issue of sanctions compliance and the threat of possible U.S. military action might lead to World War III.

However, he did say that he did not see any constructive opposition in Iraq that could take over if Saddam should leave. Consequently, he feels that the downfall of Saddam will lead to a large and bloody regional war between rival religious groups.

Lectures on the Nature of the Russian Transformation

On Thursday, March 26, James H. Billington, the Librarian of Congress and noted Russian scholar, discussed the transformation of Russia. He began by stressing that the current crisis was not really one of economics or politics, but rather a crisis of legitimacy.

In his remarks, Billington disputed the idea that Russia was simply limping along with a Third World economy that would suffer no big success or failure, and that it would be decades before stability emerged. He believes that this is a time of great risk, but also great opportunity for Russia and Russian–American relations. He also repeatedly challenged what he views as the conventional wisdom on Russia, presenting his challenges as a series of five propositions then refuting the arguments against each.

His first proposition was that the United States is now the model that Russia is seeking to emulate. It is true that the histories of the United States and Russia differ in many ways, and that many in the United States have difficulty seeing how the two countries could be viewed as being similar. But Billington noted that, historically, when Russia has gone through periods of sudden and great change, it has always taken its principal opponent as its model for the future. That continues to be the case today, he stated.

With his second proposition, Billington argued that, at the same time, Russians see the United States and Russia today in a "master–slave" relationship. This view has not emerged from polling of the general public nor in dialog with Russian elites. However, Russians generally do not easily reveal their intense feelings. Historically, the pattern is to put up with negative feelings until there is an eventual explosion. He believes that we are on this path. He also cautioned that the Russians we deal with on a regular basis are not good guides to the feelings of most Russians.

The Russian image of the United States is of a country of big deeds. U.S. actions since the end of the Cold War serve to deepen the feeling that the United States is out to "get" Russia and seeks to carve it up. This is seen as particularly troublesome since the Russians have allowed fifteen republics to become independent countries.

Billington's third proposition was that the compensatory gestures that have been made by the United States toward Russia serve only to deepen the Russian sense of humiliation acquired in the aftermath of the Cold War. The United States is seen as speaking big words but only doing small deeds. It is true that in a variety of small groups, Russians are grateful for particular gestures by the United States.

But overall, the United States is not doing much for Russia. In the eyes of many Russians, they overthrew the Communist system by themselves and selected as their model the only continental-wide, multicultural democracy (the United States). But there has been no reward or recognition for these achievements.

The Russian image of the United States is of a country of big deeds. U.S. actions since the end of the Cold War serve to deepen the feeling that the United States is out to "get" Russia and seeks to carve it up. This is seen as particularly troublesome since the Russians have allowed fifteen republics to become independent countries.

Billington's fourth proposition is that there is a real risk Russia will produce an authoritarian regime and that the establishment of such a regime or movement toward it could result in a giant version of the violent disintegration of Yugoslavia. There is a whole new generation of leadership that is rising in Russia. This new gen-

continued on next page

TRANSFORMATION

continued from previous page

eration is strongly against authoritarianism. But the rise of this new generation is beginning to panic those who profited under the Communist system. Currently there is no well-organized fascist group, but there is an informal "Red/Brown" alliance between the old guard of the Communist party and new nationalists. This group dominates the lower Russian house and influences mass politics.

In Billington's opinion, any further drift toward nationalism is likely to be accompanied by violence. Unfortunately, the expansion of NATO only serves to increase the credibility of Russian nationalists. The result is a precarious balance. If this balance can be preserved there will be time for the new generation of leadership to prevail. This balance may also collapse and ignite a gigantic civil conflict.

Billington's final proposition is that an extraordinary opportunity exists at the same time as the risk of an authoritarian regime and mass violence. Historically, when there have been times of trouble in Russia, the outcome has been a more extreme authoritarianism.

There are several features that distinguish this period from the past. First, Russia has no real external enemy. Second, the younger generation has a different vision, thanks to the influence of modern communications. Third, the fundamental vehicle for institutionalizing democracy has already been created. Finally, privatization has laid the foundations for a true free market economic system.

There are two things missing to take advantage of this extraordinary opportunity: a system of rule of law and capital investment. Billington believes that the United States can be an enormous help in creating both these missing components. What is necessary is a major and substantive U.S. commitment to Russia. This involves, first of all, putting Russian relations on the front burner of U.S. foreign policy. Second, the United States ought to repeat a program that was a small but critical part of the Marshall Plan to rebuild Europe after World War II. In that era, the United States brought over thousands of young Germans to see a functionally civil society. They then returned to Germany to plant the seeds of the same society. We should do the same with younger Russians, perhaps bringing over as many as 25,000 to participate in a similar program, Billington said.

Third, the vast disparity between U.S. investment in China, which is making no move toward developing a democratic political system, and Russia should be reversed. Currently, American investment in China is about twelve times its investment in Russia. Billington proposed a major U.S.–Russian effort to develop Siberia as the primary vehicle to increase American investment in Russia. He believes there is a dramatic opportunity in this effort to provide the needed capital, while spurring development of critical resources for both Russia and the world.

What is necessary is a major and substantive U.S. commitment to Russia. This involves, first of all, putting Russian relations on the front burner of U.S. foreign policy. Second, the United States ought to repeat a program that was a small but critical part of the Marshall Plan to rebuild Europe after World War II. In that era, the United States brought over thousands of young Germans to see a functionally civil society. They then returned to Germany to plant the seeds of the same society. We should do the same with younger Russians, perhaps bringing over as many as 25,000 to participate in a similar program, Billington said.

Eizenstat Discusses Energy, Sanctions Issues

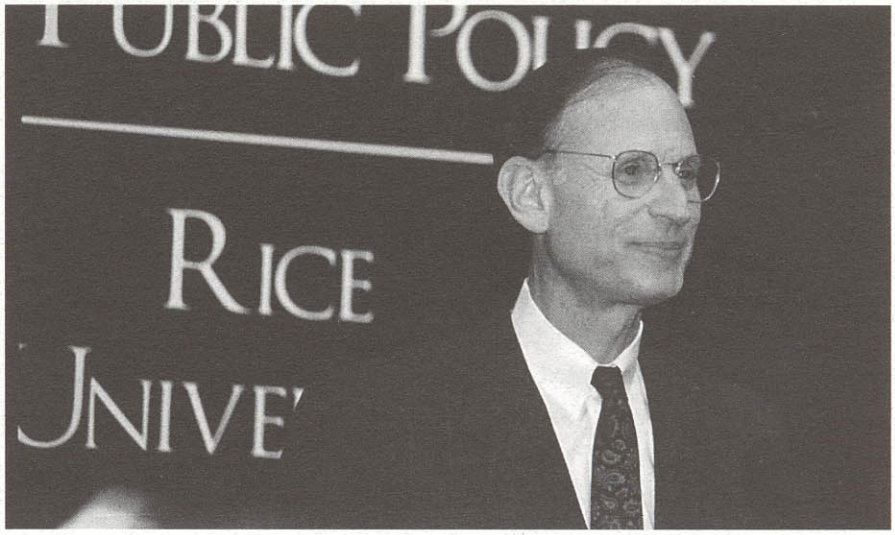
Stuart E. Eizenstat, under secretary of state for economic, business and agricultural affairs and the senior economic policy official at the U.S. Department of State, spoke on energy and sanctions issues at the Baker Institute on April 2, 1998. The audience included 200 students, faculty, and guests from local industry.

On energy issues, Eizenstat noted that the United States should promote and encourage the discovery of new oil reserves in U.S. territory as well as lending support to efforts to spread out the international sources of supply. "We must not let the present situation—energy prices at their lowest levels in years—lead us to public complacency and the danger of the loss of political interest in pursuing diversification of energy sources," he said.

He noted that future stability in the oil market depends on two main factors: (1) the extent to which "continuing discovery and development of new production can offset the growth in worldwide demand and the depletion of existing developed fields," and (2) the extent to which we can minimize supply disruptions.

The United States would be well served by developing additional sources for oil. Unfortunately, the bulk of the world's supply of oil is in countries and regions that are subject to instability. For the global economy, there is little slack in oil supplies. "A cut-off of more than one Persian Gulf supplier would have devastating consequences to the global economy," he said.

Although the United States draws most of its oil imports from the Western Hemisphere, "the world oil market is truly global, and disruptions anywhere in the world cause instantaneous price increases in all markets, including ours." United States and world energy security are therefore best served by maximizing the diversification of both supply sources and supply routes.



Under Secretary of State Stuart Eizenstat

The Caspian region's importance to the world oil supply is "potentially at least as great as that of the North Sea." Exploration of the region is still in the early stages, but the major problem in exploiting these resources will lie in developing economically feasible and politically reliable routes for bringing these resources to market, Eizenstat said.

The United States advocates the construction of multiple pipelines in an East–West (Eurasian) transit corridor. Other alternatives have significant drawbacks. It "makes no sense whatsoever from an energy security standpoint" to send oil from the Caspian through the Straits of Hormuz, Eizenstat said.

There are significant limitations to the amount of oil that can be safely shipped through the Bosporus Straits. The best option is a combination of a Baku/Ceyhan and Trans-Caspian pipelines, he said.

In addition to the Caspian as a new source of oil, there have been dramatic increases in oil and gas production from Latin America, particularly Venezuela, Colombia, and Trinidad. Mexico also has a considerable potential for expanding its production. Advances in technology for deep-water exploration, drilling, and production have increased U.S. production from the Gulf of Mexico. Finally, improving energy efficiency will aid the United States in stretching its energy supplies.

After outlining the broad focus of the Clinton administration's perspective on energy policy, Eizenstat discussed the role of sanctions. He noted a growing—and healthy—concern with the effectiveness of sanctions, particularly unilateral sanctions and said the Clinton administration is trying to develop a more coherent strat-

continued on next page

EIZENSTAT

continued from previous page

egy for the use of economic sanctions as a foreign policy tool.

He began by noting that sanctions can be applied for a variety of purposes: to change the behavior of a target country, to signal disapproval of a government's behavior, to serve as a warning that harsher (even military) measures could follow, to limit a target state's freedom of action, and to increase the cost of engaging in unacceptable behavior. These purposes serve a range of policy objectives: support for human rights (including worker and religious rights), promotion of democracy, antiterrorism, narcotics enforcement, nuclear nonproliferation, and environmental protection.

Eizenstat noted that the challenge to sanctions policy is "to improve the way we make sanctions decisions, to ensure that sanctions are part of a coherent strategy, to accurately measure the costs and effects of sanctions measures, to seek multilateral support where possible, and to improve coordination between the administration and Congress." He offered the following as principles to guide sanctions policy:

- We should resort to sanctions only after other diplomatic options have failed.
- We should seek international support for, and participation in, any sanctions regime before taking unilateral measures.
- We must recognize that, while our preference will be to act multilaterally, there are times when the stakes are high, when important national interests or core values are at issue, and we must be prepared to act unilaterally. Such actions must be considered, and sometimes applied, if the United States is to play a leadership role. Otherwise, our ability to influence or respond to international threats will always be subject to someone else's veto.
- We should design sanctions carefully so that the target feels the pain without forcing unnecessary hardships upon the innocent. Sanctions should be constructed so as to minimize the cost to the United States and its allies while extracting maximum leverage.
- Whether we act alone or in concert with others, we should analyze before we penalize, studying in advance the specific purpose, enforceability, cost, and likely effect of any decision to impose sanctions.

Sanctions can be applied for a variety of purposes: to change the behavior of a target country, to signal disapproval of a government's behavior, to serve as a warning that harsher (even military) measures could follow, to limit a target state's freedom of action, and to increase the cost of engaging in unacceptable behavior. These purposes serve a range of policy objectives: support for human rights (including worker and religious rights), promotion of democracy, antiterrorism, narcotics enforcement, nuclear nonproliferation, and environmental protection.

Eizenstat's visit to the Baker Institute was timely on two counts. First, it complemented current research programs on worldwide energy issues and U.S. sanctions policy discussions. Second, the Baker Institute released its second major study on energy issues, specifically in the Caspian Basin region, later in the month. That study was funded by the Center for International Political Economy (CIPE).

Arab and Israeli Ambassadors Debate Peace Process

Egypt's ambassador to the United States, Ahmed Maher al-Sayed, and Israel's permanent representative to the United Nations, Ambassador Dore Gold, participated on February 5, 1998, in a lively debate at the Baker Institute on the problems and prospects concerning the Arab–Israeli peace process.

Former secretary of state James A. Baker, III, welcomed the ambassadors and made concluding remarks. Baker Institute director Edward Djerejian moderated the debate.

Ambassador al-Sayed urged both Arabs and Israelis to work to find common ground to resurrect the peace talks on all fronts between Israel and the Palestinians, the Syrians, and the Lebanese. He pointed out that the Israeli–Syrian negotiations have been moribund since February 1996 and that "we need to reestablish the spirit of partnership, and we need to talk and understand what the other side is saying."

He called on Israel to lessen its "siege" of Israeli-occupied Arab territories and said that building more Israeli settlements only aggravates Arab frustrations.

"We need to stop, examine our swords, and decide that Israel and Palestine will live side by side," he added.

He claimed that 52 percent to 60 percent of Palestinian territory is under Israeli sovereignty and the continuation of this occupation is leading to despair. While the Oslo Accords have many flaws, both sides have agreed to them. However, the Likud government in Israel does not really believe in the Oslo Accords and seeks excuses to avoid carrying them out, he said.

On Israel's security requirements of the Palestinian National Authority, Maher commented that Israel cannot have it both ways: namely, asking that the Palestinians constitute a democratic entity and, at the same time, pressuring them to forgo due process of law and arbitrarily arrest suspects accused of security violations and acts of violence.

"We need to stop, examine our swords, and decide that Israel and Palestine will live side by side."

Ambassador al-Sayed concluded by making the following recommendations:

- Israelis and Palestinians must reestablish the spirit of partnership.
- Reciprocity means both sides have to carry out their commitments.
- Both Israelis and Palestinians should be able to live in peace and security in their own respective nation-states.

Israeli ambassador Gold pointed out that the consequences of the two fundamental factors that led to the creation of the Madrid Peace Process are still prevalent today—the breakup of the Soviet Union and Desert Storm's weakening of Saddam Hussein's Iraq. The peace process has gone wrong, he stated, because Israelis expected more security as an integral part of that process.

Instead, there has been an expansion of Hamas infrastructure during negotiations and a rise in terrorist incidents, with 250 Israelis killed and hundreds wounded since 1996 alone. The peace process must deliver more security for Israelis, not less, and reciprocity is key, Gold said.

"When children cannot get on a bus to go to school, then what have you achieved?" he asked.

Gold asserted that the Israeli government is taking an "impaired peace process" and trying to make it work. Gold said Israel has lived up to its commitments in the "Note For the Record" signed by the United States, Israel, and the Palestinians at the time of the Hebron Accord. He specified certain issues that must be resolved by the Palestinians:

- The PLO Charter
- The Palestinian National Authority's Offices in Jerusalem
- Possession of illegal firearms
- Dismantlement of terrorist networks

On the issue of Israeli redeployments from the West Bank, Gold said that the Oslo Accords do not stipulate the amount of land to be withdrawn from. He expressed the hope that negotiations could be resumed with the removal of violence as a negotiating tool and that the Israeli–Palestinian talks could move as soon as possible to final status negotiations.

James Baker thanked the ambassadors for participating in the debate and stated, "I think it is good when you can get these gentlemen on the same platform, each being vigorously an advocate of his particular position."

NSF Director Lane Speaks on Science, Technology and Human Interest

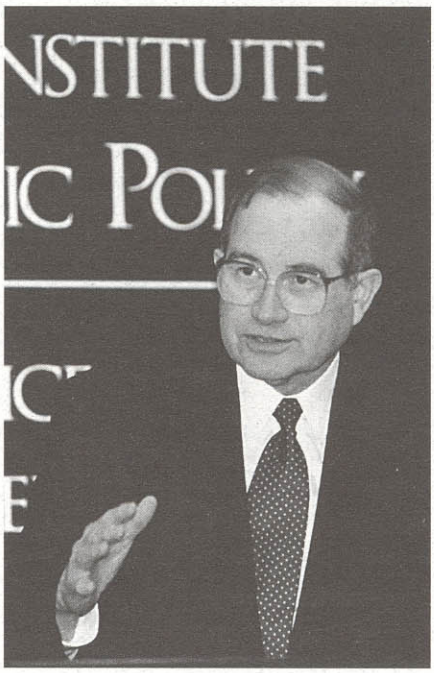
On April 29, 1998, Neal Lane, director of the National Science Foundation, presidential science advisor nominee, and former Rice University provost, spoke at the Baker Institute. His appearance came just one day before Rice dedicated its new building for the Center for Nanoscale Science and Technology, symbolizing the Baker Institute's commitment to engaging science and technology policy issues. The theme of his speech was "Science, Technology, and Human Interest: Our Greatest Challenge."

Lane began his remarks by defining science, which he meant to apply to both science and engineering, as "not so much a collection of traditional disciplines, but rather a way of knowing about nature, including humans and human-made devices, methodologies, and systems."

He urged scientists and engineers to take on an additional role—that of the "civic scientist." They must, he added, step beyond their campuses, laboratories, ministries, and institutes into the center of their communities to engage in active dialogue with their fellow citizens.

Civic scientists must communicate the nature of science to the public, but even more important, civic scientists must develop a better understanding of the public. They must understand the physical, moral, and social problems that hold our civilization in the grip of numerous contradictions.

Lane emphasized this duty by quoting a 1931 address by Albert Einstein: "Concern for man himself and his fate must always form the chief interest of all technical endeavors, concern for the great unsolved problems of the organization of labor and the distribution of goods—in order that the creations of our mind shall be a blessing and not a curse to mankind. Never forget this in the midst of your diagrams and equations."



NSF director Neal Lane

In the post-Cold War world, North–South issues and relationships have taken on a new level of importance. There are new challenges, responsibilities, and opportunities. One of the most critical is to close the widening gap between the haves and have-nots. This gap is present both in the global system, with some countries having vastly more wealth than others, as well as within individual countries.

With a world population that will double from three billion in 1960 to six billion at the turn of the century, we face an increasing problem of poverty that will have far reaching implications for all the world's citizens, no matter where they live, Lane said.

We must meet the challenge of saving both humanity and humanity's habitat. Sustainable development cannot mean sustaining poverty, he added.

These major problems that face the whole global society are human problems that will require more than technical solutions; they emerge from complex patterns of overlapping consequences. For example, we have

Civic scientists must communicate the nature of science to the public, but even more important, civic scientists must develop a better understanding of the public. They must understand the physical, moral, and social problems that hold our civilization in the grip of numerous contradictions.

made tremendous strides in increasing life expectancy throughout the world. But this remarkable advance has created a burden for many nations who now must support a growing elderly population.

Energy, environment, and economics form the triumviral challenge of the coming century. All three are tightly bound together. Making progress on any one will effect the others and create cultural changes. We must be aware and, if necessary, take advantage of these interconnections, Lane said.

To solve our problems and meet our needs, we will require intelligent public policy, a policy that is based not only on scientific achievement, but also on cultural and institutional change, he said.

The civic scientists are a key component in making progress, but they cannot do it alone. They must reach out beyond their scholarly communities to both the public and policy makers and work together to achieve common goals. Scientists must be open to new research challenges and to unprecedented partnerships among diverse fields and interests. There must be a clear connection between discovery and the use of new knowledge in service to society. Critical to this is placing a high priority on education and learning for all youngsters wherever they begin their lives.

Working together we can not only solve existing problems but prevent future ones. If we take on this task with passion and commitment, Lane concluded, we can also inspire future generations to do the same.

Transnational China Project

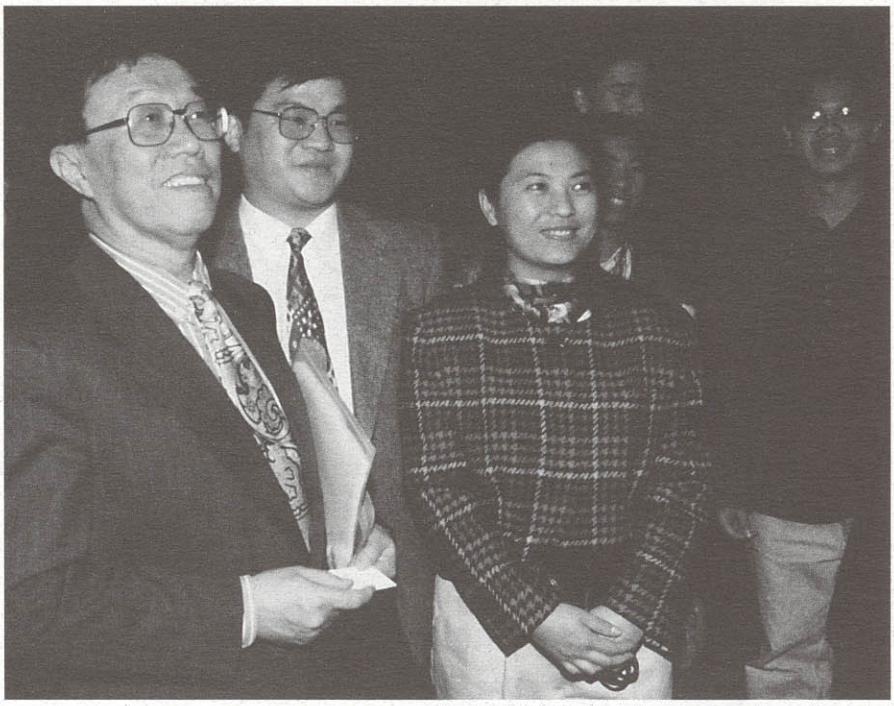
Now more than ever Chinese culture is being shaped by a myriad array of economic, political, and social forces coming from beyond its borders, said Wang Meng, novelist and former minister of culture in the Chinese government, during a speech at the Baker Institute on March 11, 1998.

Wang's talk, "Diverging Cultural Values in Contemporary China," was the first in a series of events and research projects hosted by the new Transnational China Project (TCP) at the Baker Institute. The project is investigating the effects on Chinese culture caused by the transnational circulation of people, ideas, commodities, and technologies, and was formed last year with the sponsorship of the Ford Motor Company and the accounting firm of Coopers & Lybrand.

This new "transnationalization" of Chinese culture is both natural and inevitable, said Wang, but it is creating a split in the ranks of China's writers and intellectuals. They are divided over the benefits of "opening up" and marketization with some younger writers blaming "capitalism" for the commercialization of literature and the creation of "rascal" writers who portray sex and violence in their works. Some have even gone so far as to call for a return to some of the institutions of state socialism that existed during the radically leftist Cultural Revolution period.

Ironically, as Wang pointed out, this criticism of modernity is both a reaction to the globalization of China's culture and a product of exposure to critical, Western intellectual trends, particularly post-modern-

continued on next page



In March, Chinese novelist Wang Meng, left, was the guest speaker at the first in a series of events to be hosted by the Baker Institute's Transnational China Project.

China

continued from previous page

ism. Wang said these views come from the uncritical "mixing" of ideas. He compared China's intellectual situation with the mediocre Chinese stir-fry food served at American university cafeterias: "For the American cook of Chinese food, mixing substances used by Chinese chefs but without the rules makes a dish Chinese. In China, we face a similar situation as many things, Western and Chinese, are also mixed together in a random way. Political forms and economic models, ideologies and commercial interests, socialism and capitalism, and even feudalism are all blended and mixed together in China."

The result is a society so dynamic and so contradictory it cannot be clearly explained, even by one of China's most famous writers. Wang noted: "The Chinese society of 1998 is a mixture of elements; some are static while others shift in swift currents of change. In the past, I could generalize about Chinese life with some confidence. Today that confidence has been shattered. You can make any number of statements about China and they are all true: Things are good, things are bad; China is quite developed, and yet also underdeveloped."

"The Chinese society of 1998 is a mixture of elements; some are static while others shift in swift currents of change. In the past, I could generalize about Chinese life with some confidence. Today that confidence has been shattered. You can make any number of statements about China and they are all true: Things are good, things are bad; China is quite developed, and yet also underdeveloped."

Wang's life is a reflection of the radical changes in Chinese society during the past four decades. As a young writer, he was purged in the late 1950s, rehabilitated, and allowed to write again in the 1970s, and then appointed minister of culture by a pre-1989 reformist leadership. He is currently an officer of the Chinese Writer's Association and frequently travels abroad to give talks and discuss his novels and short stories.

Wang also met with Rice Asian Studies students and faculty and the Rice University Chinese Alumni Association. He joined novelist Liu Sola and literary critic Zha Jianying (a TCP consultant) in a free-ranging, two-hour roundtable discussion, "Issues in Contemporary Chinese Literature."

In addition to helping students of Chinese literature better "feel" the style of their writing, Wang and Liu read excerpts from their works for re-

Harry Gee, president of the Rice Chinese Alumni Association, visits with audience members who attended the Wang Meng lecture.

continued on next page

BIPP Conference Explores Iran's Role in the Persian Gulf and Caspian Basin

On April 2, 1998, the Baker Institute held a seminar on "Iran and Its Strategic Role in the Persian Gulf and Caspian Basin." The seminar was planned in response to dramatic new developments that have been taking place inside Iran.

Institute director Edward Djerejian moderated the session with six expert panelists who discussed changes in Iran and what those changes might mean for Iran and its external relations, especially in terms of U.S.–Iranian relations.

The panelists were: Bruce Riedel, special assistant to the president and senior director for Near East and South Asian affairs, National Security Council; Chris Kojm, International Relations Committee, U.S. House of Representatives; Joseph LeBaron, deputy director for Northern Gulf affairs, U.S. Department of State; Hooshang Amirahmadi, professor, Bloustein School of Public Policy, Rutgers University, and president, American–Iranian Council, Inc.; R. K. Ramazani, professor, University of Virginia; and Vahan Zanoyan, president, the Petroleum Finance Co.

The discussion focused on the election of President Mohammad Khatami as a manifestation of critical underlying changes in Iranian society and as a demonstration that these changes may be accelerating faster than previously understood. The Iranian leadership is taking a more pragmatic approach to world affairs, and civil society in Iran is moving toward a more pluralistic and open framework.

As a result, a window of opportunity may be created for improving U.S.–Iranian relations and relations between Iran and its Gulf Arab neighbors.

The Baker Institute will be publishing a special study based on the seminar in June.

China

continued from previous page

corded sound files. All of these materials, including the text of Wang's talk and the roundtable discussion (in English and Chinese) are available on the project's website: <http://www.ruf.rice.edu/~tnchina/>.

The Transnational China Project will continue to sponsor more original commentary and analysis as well as to support networks of scholars who are studying the effects on Chinese culture caused by the transnationalization of Chinese societies. One group, the Transcultural Studies Network, has gathered together the expertise of Chinese print culture scholars from the Mainland, Taiwan, Hong Kong, and such American universities as Rice, Harvard, UCLA, Berkeley, and Duke, to develop original pedagogical plans and materials to help students understand these radical changes in Chinese societies. Another group, comprising political-economy scholars from all over Asia, North America, Latin America, and Eastern Europe will hold a research workshop exploring the cultural foundations of property rights in these transition societies in March 1999.

Baker Institute Report

Editor - Michael Cinelli

Photographers - Tommy LaVergne
Jeff Fitlow

For further inquiries and address changes, we may be reached by phone (713) 527-4683, fax (713) 285-5993, or e-mail <bipp@ruf.rice.edu>.

The Baker Institute Report is printed on recycled paper.

Stoltenberg Speaks on U.S.–European Relations

Dr. Gerhard Stoltenberg, a member of the German Committee on the Economy, spoke at the Baker Institute on March 10, 1998, on the subject, "Europe and the United States: Common Interests and Potential Conflicts after the Cold War."

Stoltenberg has been a member of the German Parliament for almost thirty years. He has also served as federal minister of research and science from 1965 to 1969, as federal minister of finance from 1982 to 1989, and as federal minister of defense from 1989 to 1992.

Stoltenberg began by noting that although there have been many world changes for the better since the end of the Cold War, many problems have also developed. The number and intensity of these problems surprised many observers who expected the post-Cold War world to be free of significant troubles. United States–European relations and cooperation will play a key role in the management and resolution of those problems.

Initially, after the end of the Cold War, support for the continuation of NATO declined in Europe. About 75 percent of the German population supported NATO until 1988. This figure dipped to 52 percent in 1991, but since 1993, support for NATO has climbed back to its Cold War level. This same trend is seen in most other NATO countries.

Since 1991, NATO has been working to redefine its political objectives and military strategy. Although this redefinition is not complete, there are several principles that have received widespread agreement.

Stoltenberg finished his presentation with three major recommendations. First, there is a need for the European members of NATO to take a greater share of responsibility for regional conflicts on the European continent. Second, there is the continuing need for the United States to play a major role in NATO. Finally, in the next century, Atlantic cooperation has a role to play beyond security policy, he said.

James A. Baker III
Institute for Public Policy—MS 40
Rice University
P.O Box 1892
Houston, Texas 77251-1892

Return Postage Guaranteed

Nonprofit Org.
U.S. Postage
PAID
Houston, Texas
Permit No. 7549