

Annual Report

2010 - 2011

APEC Study Center

Columbia University



**Asia-Pacific
Economic Cooperation**

Letter from the Co-Directors

Columbia University's APEC Study Center (ASC) had an active 2010-2011 academic year in which we sponsored ten conferences and symposia as well as nine brown bag lunch seminars. In addition, the ASC core faculty participated in numerous high-level meetings and seminars in the United States and across the Asia-Pacific region. We made available three new Discussion Papers, and continued to encourage the study of topics relevant to the Asia-Pacific region by supporting courses at the Columbia Business School (CBS), the School of International and Public Affairs (SIPA), and elsewhere in the University.

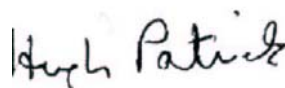
While the global economy stabilized somewhat this year, students were still very interested in hearing experts' opinions on economic forecasts; accordingly, the Center produced events such as "Prospects for the Global Economy," "Asia-Pacific Outlook: Short- and Medium-Term Policy Challenges," and "Development and Transition: Lessons from China." Indeed, China was again a popular topic, with two other programs about U.S.-China Economic Relations and contemporary issues involving the internet, censorship, and political participation in China. World trade, of course, was also high on the agenda, with three events on this subject: "The Future of the WTO and the International Trading System," "The U.S.-Korea Free Trade Agreement," and "The World Bank and Trade: Looking Ahead Ten Years." Furthermore, the Center once again collaborated with the Asia Society on a report on the November 2010 APEC Summit in Japan, as well as anticipated themes for the upcoming 2011 APEC Summit in the U.S. Finally, the ASC co-sponsored a graduate student panel and collaborated with the Weatherhead East Asian Institute (WEAI) on a series of brown bag seminars on topics ranging from economic and environmental issues in China to ASEAN and East Asian regionalism.

The ASC has an ongoing commitment to increasing understanding of the economies of the Asia-Pacific region in both global and regional contexts. The Center has maintained an active program calendar. In addition, we have supported coursework and training on regional economic arrangements and initiatives. Many of our activities have been undertaken in collaboration with CBS's Center on Japanese Economy and Business, WEAI, and SIPA's Program in International Finance and Economic Policy.

The ASC's accomplishments and activities are made possible by the commitment and energy of the faculty and staff involved as well as the support provided by corporations, foundations, and individuals. The Corporate Sponsorship Program of annual contributions has been crucial to ensuring the Center's ongoing momentum. In particular, the Lotte Group of Korea has been a steadfast supporter throughout the years, for which we are grateful.



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INTRODUCTION

A. APEC STUDY CENTER AT COLUMBIA

Columbia University established the APEC Study Center (ASC) in 1994 at the request of the U.S. Department of State in response to the APEC Leaders' Education Initiative. This Initiative was introduced by President Clinton and endorsed by the leaders of the other APEC member nations at their historic meetings on Blake Island and in Seattle in November 1993. It calls on institutions of higher education in the United States and throughout the Asia Pacific to collaborate on Asia Pacific policy research, and to help establish—through exchanges, joint research, conferences and other contacts—an emerging region-wide network of personal and institutional relationships for all member economies. The ASC is co-directed by Professors Merit E. Janow and Hugh Patrick.

Columbia University has long been a leading center for the study of China and Japan, with one of the oldest and most highly regarded programs of study in these areas, including one of the nation's largest concentrations of specialists in East Asian affairs. Over the years, the University has built upon its global reputation for academic excellence and policy relevance in these areas, adding the study of Korea, Southeast Asia, India, and U.S. relations with East Asian countries to its core expertise in Chinese and Japanese studies.

The ASC core faculty, representing a number of Columbia's 13 professional schools, is engaged in the study of business, economics, development, health, political science, security, law, and other matters that impact the Asia-Pacific region. Reflecting its broad mandate, the ASC is jointly administered under the School of International and Public Affairs and Columbia Business School. The ASC supports such activities where appropriate and requested, but many activities are highly decentralized. For example, Nobel Prize winner Professor Joseph E. Stiglitz, an ASC faculty member, has made major contributions to macroeconomics and monetary theory, to development economics and trade theory, to public and corporate finance, and to the theories of industrial organization and rural organization. He travels extensively and is actively involved in the Asia-Pacific region.

The ASC enhances the University's rich tradition of research, conferences, lecture programs, and teaching on the Asia-Pacific region by serving as the focal point of study on issues of business and economic importance for the region. The focus of the Center's activities are twofold: the institutional arrangements and public policy issues related to the APEC forum itself; and consideration of the economic, trade, legal and political dimensions of the APEC members and their efforts at increased regional integration and cooperation. In this way, the Center is focused on policy matters affecting the region as a whole and in a multidisciplinary fashion. The ASC works closely with CBS's Center on Japanese Economy and Business (CJEB), of which Professor Patrick is Director and Professor Janow is a core member of the faculty.

For more information, please see the ASC webpage at www.gsb.columbia.edu/apec.

B. APEC: A BACKGROUND

APEC was established in 1989 to further enhance economic growth and prosperity for the region and to strengthen the Asia-Pacific community.

APEC is the only government institution whose membership includes virtually all the economies bordering on the Pacific Ocean, namely in Asia, the South Pacific and the Western hemisphere. APEC's 21 Member Economies are: Australia; Brunei Darussalam; Canada; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; The Republic of the Philippines; Russia; Singapore; Chinese Taipei; Thailand; United States of America; and Viet Nam. They are home to more than 2.7 billion people and represent about 54 percent of world real GDP and 44 percent of world trade.

APEC is the only inter-governmental grouping in the world operating on the basis of non-binding commitments, open dialogue and equal respect for the views of all participants. Unlike the WTO or other multilateral trade bodies, APEC has no treaty obligations required of its participants. Decisions made within APEC are reached by consensus and commitments are undertaken on a voluntary basis. In addition, APEC has developed sets of basic, non-binding principles and standards to address a range of relevant policy issues.

Since its inception, APEC has worked to reduce tariffs and other trade barriers across the Asia-Pacific region, creating efficient domestic economies and dramatically increasing exports. Key to achieving APEC's vision are the "Bogor Goals," adopted by leaders at their 1994 meeting in Bogor, Indonesia, which advocate free and open trade and investment in the Asia-Pacific by 2010 for industrialized economies and 2020 for developing economies. Over 30 bilateral free trade agreements (FTAs) have been concluded between APEC member economies, and APEC is also pursuing trade and investment liberalization through a Regional Economic Integration agenda.

As a result of these initiatives, from 1994 to 2009, APEC economies' total trade in goods grew at 7.1 percent per year while intra-APEC trade tripled over the same period. Foreign direct investment into and out of the APEC region both grew at 13 percent per year from 1994 to 2008. The simple average applied tariff across the region fell from 10.8 percent in 1996 to 6.6 percent in 2008.

President Bill Clinton hosted the first Summit meeting of APEC member country leaders immediately following the APEC meeting in Seattle in 1993. This annual Summit Leaders Meeting provides an invaluable opportunity for all the leaders to discuss issues of mutual concern, as well as a well-utilized venue for "side-bar" bilateral meetings among major leaders as needed.

Academic support for APEC activities is provided through the APEC Study Center consortium, of which Columbia University is a member; by the tripartite Pacific Economic Cooperation Committee, in which Professors Merit E. Janow and Hugh Patrick have actively participated as U.S. members; and by the policy-oriented academic conferences and networking of PAFTAD (Pacific Trade and Development Program), of which Hugh Patrick was a founding member in 1968 and chair of its International Steering Committee until 2005. Both professors are also founding members of the U.S. Asia Pacific Council which, along with the East-West Center, now takes an active role in organizing these

academic, business and governmental activities, and serves as the U.S. member of the Pacific Economic Cooperation Council.

For more information about APEC, please see the APEC Secretariat's website at www.apecsec.org.sg.

C. INSTITUTIONAL COOPERATION

There are currently six other active university-affiliated APEC Study Centers in the U.S. They are: Brandeis/Brown University; University of California at Berkeley; University of California at San Diego; University of Hawaii/East-West Center; University of Washington; and Washington State University.

In order to improve interaction among U.S. APEC Consortium members and other individuals and groups concerned with APEC issues, Columbia's ASC collaborates in the development of a range of activities, including the organization of substantive conferences in connection with regular meetings of Consortium members; extending invitations to interested scholars at other APEC Study Centers to attend conferences; compiling information on academic classes on APEC-related subjects; and supporting faculty and student exchanges at universities and institutions that are Consortium members. None of the American ASCs receive direct funding from the U.S. government; their activities are thus constrained by budget limitations.

Internationally, most of the APEC member economies have established their own ASCs, typically funded by their governments and located at government-selected universities or research institutes. As in the United States, their broad purposes are to establish further economic cooperation and provide information to that country's officials, academics, business people, and the public. Columbia's ASC is a member of the international consortium of ASCs.

II. CORE FACULTY

The APEC Study Center draws upon a strong core faculty of Asia and discipline specialists within Columbia University: Columbia Business School (CBS); the School of International and Public Affairs (SIPA); Columbia Law School (CLS); Barnard College; and the Graduate School of Arts and Sciences (GSAS). Many are also affiliated with the Weatherhead East Asian Institute (WEAI).

The co-directors, **Merit E. Janow** and **Hugh Patrick**, lead the core faculty. Please see section VI for their biographical summaries. They are also members of the program committee of the U.S. Consortium of APEC Study Centers.

Other APEC Study Center core faculty members at Columbia University:

Charles Armstrong, Korea Foundation Professor of Korean Studies in the Social Sciences, Department of History; Director, Center for Korean Research, SIPA; Core Faculty, WEAI

David Beim, Professor of Professional Practice, Department of Finance and Economics, CBS

Jagdish Bhagwati, University Professor, Economics and Law; Senior Fellow in International Economics, Council on Foreign Relations

Gerald Curtis, Burgess Professor of Political Science and former Director of WEAI; Director of the Toyota Research Program, WEAI; Senior Research Fellow at the Tokyo Foundation; Core Faculty, WEAI and CJEB

Carol Gluck, George Sansom Professor of History, Department of History; Director, Publications Program and Core Faculty, WEAI

Glenn Hubbard, Dean, Russell L. Carson Professor of Finance and Economics, CBS

Robert Immerman, Senior Research Scholar, WEAI

Xiaobo Lü, Professor of Political Science, Barnard College; Core Faculty, WEAI

Curtis J. Milhaupt, Fuyo Professor of Japanese Law; Parker Professor of Comparative Corporate Law; Vice Dean; Director, Center for Japanese Legal Studies, CLS; Core Faculty, WEAI and CJEB

Ann Marie Murphy, Associate Professor, John C. Whitehead School of Diplomacy, Seton Hall University; Adjunct Research Scholar, WEAI

Andrew Nathan, Class of 1919 Professor of Political Science, SIPA; Core Faculty, WEAI

Joseph E. Stiglitz, University Professor of International Affairs, Economics and Finance, CBS, GSAS, and SIPA; Co-Founder and Co-President, Initiative for Policy Dialogue; Core Faculty, CJEB

Shang-Jin Wei, N.T. Wang Professor of Chinese Business and Economy, Department of Finance and Economics; Director, the Jerome A. Chazen Institute of International Business, CBS

David E. Weinstein, Carl S. Shoup Professor of the Japanese Economy, Department of Economics; Associate Director for Research, CJEB; Core Faculty, WEAI and CJEB

Madeleine Zelin, Dean Lung Professor of Chinese Studies, Departments of History and East Asian Languages and Cultures, WEAI; Director, Columbia East Asian National Resource Center

III. PROGRAMS AND ACTIVITIES

The APEC Study Center organized and sponsored the following conferences, workshops, and lectures in 2010-11. Reports are available for some of these events at www.gsb.columbia.edu/apec. Many Columbia faculty members are actively involved throughout the year in various dimensions of Asia-Pacific relations; since those activities are highly decentralized, no effort is made to describe them here.

A. CONFERENCES AND WORKSHOPS

1. ***Development and Transition: Lessons from China***, held September 23, 2010 at Columbia University's Faculty House. Justin Lin, Chief Economist and Senior Vice President of Development Economics at the World Bank, delivered the inaugural N.T. Wang lecture. Focusing on lessons that China's growth can offer to other nations, Dr. Lin emphasized the importance of each country developing its comparative advantage in order to compete in the world economy. He noted that China's comparative advantage is its labor force and that China has learned to focus on this advantage while also utilizing technological advancements from other countries. Dr. Lin also drew attention to China's "dual-track" economy which joins together a free market system with central planning and noted that China must move away from this inefficient model. Shang-Jin Wei, N. T. Wang Professor of Chinese Business and Economy and Director of the Jerome A. Chazen Institute of International Business ("Chazen Institute") at Columbia Business School (CBS), moderated this lecture, which was cosponsored by the Weatherhead East Asian Institute (WEAI), the Center on Japanese Economy and Business (CJEB), and the Chazen Institute.
2. ***Managing U.S.-China Economic Relations***, held September 30, 2010 at Columbia Law School. Timothy Stratford, partner at Covington & Burling LLP and former Assistant U.S. Trade Representative for China, gave a dynamic presentation to an overflow room of students and professionals discussing the upsides and concerns of current U.S.-China economic relations. Selecting newspaper headlines from recent months as well as anecdotes from his own experience, he demonstrated the complex dynamics and ever-changing nature of these relations, exploring the underlying causes of friction in macroeconomic policy, microeconomic policy, institutional weakness, and political systems. He also highlighted tools available to both the public and private sectors to improve economic relations with China and its industries. Mr. Stratford then answered student questions, and remained for a more in-depth discussion with students in the course, "Law and Legal Institutions in China." This lecture was cosponsored by the Columbia Law School Center for Chinese Legal Studies (CCLS) and the Program in International Finance and Economic Policy of the School of International and Public Affairs (SIPA).
3. ***Internet, Censorship, and Political Participation in China***, held October 18, 2010 at Columbia Law School in conjunction with the National Committee on U.S.-China Relations (NCUSCR) as part of the CHINA Town Hall. Xiaobo Lü, Professor of Political Science at Barnard College; Xiao Qiang, Professor at the Berkeley Graduate School of Journalism and Founder of the China Digital Times; and Guobin Yang, Associate Professor of Sociology at Barnard College participated in this panel discussion and webcast, discussing the interplay between the government and 420 million Internet users in China. Professor Lü argued that the Internet generates discussion about government policy by allowing people to express their opinions. 88 percent of Chinese internet activists have written blogs to express opinions while only 32 percent of American users have done so. Professor Xiao believes the Internet is opening the door to political change in China, and that the Chinese government uses the Internet to test out citizen opinions. Professor Yang agreed with that and said he believes the power of the Internet is growing because of persistent political injustice. Professor Lü noted an "amazing" occurrence in which the government invited three internet activist delegates to a local government council

meeting. During the intermission, Jon Huntsman, the United States Ambassador to China, joined the event via live webcast. He stressed that the next generations of Chinese and Americans must keep global communication open and flowing. This event was moderated by Columbia Journalism School Professor Howard French and cosponsored by WEAI, NCUSCR, CCLS, and Columbia Journalism School.

4. ***The Future of the World Trade Organization and the International Trading System***, held November 4, 2010 at CBS. Keith Rockwell, Director of the Information and Media Relations Division at the WTO, discussed the state of the international trading system and the WTO's role within it. Professor Merit E. Janow moderated the lecture. According to Mr. Rockwell, the multilateral trading system has worked; governments haven't resorted to protectionism, even in the face of the worst economic crisis since the Great Depression. Stimulus packages adopted in response to the crisis prevented world trade from contracting by an estimated 12%, and by the time the 2010 figures come in, trade is expected to have increased by 11% from 2009. However, the Doha Round of trade negotiations has stalled, and was being replaced by ever-increasing amounts of bilateral trade agreements. Professor Janow added that protectionist pressures were indeed increasing, and that advocates of free trade should not be too optimistic yet. Rockwell agreed, saying it is necessary to be vigilant about free trade policies, especially within our own government; we should avoid the temptation to just blame protectionist pressures on other governments. In the following question and answer period, a student asked about the effect of bilateral agreements on international trade. Rockwell said they shouldn't be regarded as much of a threat at this point, and could sometimes in fact be beneficial to the process; for instance, introducing bilaterals in Africa has allowed people to get accustomed to the exchange of ideas and goods. Rockwell closed by noting that the WTO power structure has shifted toward developing countries in recent years. They have very skilled negotiators who make good use of the dispute settlement system to their benefit. This event was cosponsored by the International Finance and Economic Program (IFEP) at SIPA.
5. ***APEC 2010 Summit: "Seeking Prosperity After Crisis,"*** held November 30, 2010 at Asia Society. Wendy Cutler, Assistant U.S. Trade Representative for Japan, Korea and APEC Affairs; Robert Hormats, Under Secretary of State for Economic, Energy and Agricultural Affairs; and Kurt Tong, U.S. Senior Official at APEC reviewed the themes and outcomes of the annual APEC Summit, which took place November 12-13 in Yokohama, Japan. Themes included accelerating regional economic integration and promoting a new, sustainable growth model for the Asia-Pacific region. The speakers also explored how these issues will be carried forward during the U.S. hosting of APEC in September 2011. Several business executives also discussed key private sector initiatives being developed to support the upcoming U.S. meeting. Monica Whaley, President of the National Center for APEC, moderated the discussion, which was cosponsored by the U.S. National Center for APEC and the U.S. APEC Business Coalition in addition to the Asia Society.
6. ***20th Annual Graduate Student Conference on East Asia***, held February 4-5, 2011 at Columbia University. This conference provided a forum for graduate students from institutions around the world to meet and present their research for discussion with other students and Columbia faculty. Nearly a hundred students presented

papers, including “Investing the Lessons of East Asia: A ‘Market-Enhancing’ View of Dynamic Export Promotion,” “China: Catching Up or Falling Behind?,” and “Legal Aid NGOs and the Rule of Law in China.” This event was cosponsored by the Department of East Asian Languages and Cultures, as well as several other organizations at Columbia. Details can be found at www.columbia.edu/cu/ealac/gradconf.

7. ***The U.S.-Korea Free Trade Agreement***, held April 4, 2011 at Columbia University. Jose Fernandez, Assistant Secretary for Economic, Energy, and Business Affairs at the U.S. Department of State spoke on the importance and mutual benefits of the U.S. – Korea Free Trade Agreement (KORUS). Mr. Fernandez started by noting that the 2010 KORUS renegotiations were put in place to ensure that U.S. companies can compete in a fair and free method and to provide everyone with greater transparency to the agreement. Although the KORUS was first signed on June 30, 2007, it cannot take effect until it gains U.S. Congressional approval in the House and the Senate. To prevent a ratification stalemate from occurring again, the team responsible for the KORUS consulted different stakeholders, adjusted terms, and went back to the table with South Korea to discuss controversial issues. By November 2010, the United States was able to create a pact that not only gained bipartisan support but was also more advantageous for automakers. Fernandez urged the United States to quickly ratify the KORUS and show that it can compete in the global market. Charles K. Armstrong, Korea Foundation Professor of Korean Studies in the Social Sciences in the Department of History at Columbia University and Director of the Center for Korean Research (CKR) at WEAL, moderated the event, which was cosponsored by CKR.
8. ***The World Bank and Trade: Looking Ahead Ten Years***, held April 25, 2011 at Columbia University. John Wilson, Lead Economist of the Development Economics Research Group at the World Bank, assessed the unique challenges and new opportunities available in shaping the global development agenda through the lens of the World Bank, particularly in the area of trade facilitation and high trade-related transactions costs. Mr. Wilson noted that the recent global economic crisis of 2008 has presented the World Bank with the opportunity to advance an international trade agenda anchored in reform and the research of aid effectiveness for the next 10 years. In particular, the World Bank found that every \$1 invested in trade policy and regulatory reform has resulted in \$697 in trade. However, the highest rate of marginal return was found in the area where the least amount of official development assistance is flowing. Wilson addressed these issues, the Bank’s research and operational agenda on trade, and discussed important platforms for advancing trade reform within the G-20, UN LDC IV Conference in Istanbul, Turkey, and the WTO’s July Aid for Trade Review. Sara Calvo, Lecturer in the Discipline of International and Public Affairs and a member of the Center for International Business Education and Research (CIBER) at Columbia University, moderated this event, which was cosponsored by IFEP and the Economic and Political Development Concentration at SIPA.
9. ***Prospects for the Global Economy***, held April 28, 2011 at Columbia University. Jacob A. Frenkel, Chairman of JPMorgan Chase International and Member of the Executive Committee at JPMorgan Chase & Co. and the JPMorgan International

Council; Joseph E. Stiglitz, University Professor at Columbia University and President of the Initiative for Policy Dialogue (IPD); and Min Zhu, Special Advisor to the Managing Director of the International Monetary Fund, presented their views on the challenges and prospects of today's global economy as part of the 2011 Distinguished Speakers in International Finance and Economic Policy series. Dr. Frenkel noted the growing importance of emerging markets, stating that not only are equity flows moving to emerging markets, but their gross domestic product (GDP) growth rates significantly surpass those of advanced economies. Professor Stiglitz discussed the growth of emerging markets as well as the failure of monetary and fiscal policies in the United States. He believes that the United States's prospects for a rapid recovery remain bleak. Lastly, Dr. Zhu remarked on the changes occurring in commodity and energy demand, the global trade pattern, and the world financial map—with everything moving in the direction of emerging markets. Despite this growth, these economies will face daunting challenges in maintaining sustainable growth. Professor Janow moderated this event, which was cosponsored by IFEP.

10. ***Asia-Pacific Economic Outlook: Short- and Medium-Term Policy Challenges***, held May 26, 2011 at Columbia University. Dr. Vivek Arora, Assistant Director of the International Monetary Fund's Asia and Pacific Department, outlined the global economic recovery, the growth outlook in Asia, risks of overheating, and policy challenges. He stated his belief that the growth outlook for Asia looks strong, though there are new risks from exuberant credit and property markets, higher commodity prices, and the effects of Japan's earthquake. Professor David E. Weinstein, Carl S. Shoup Professor of the Japanese Economy and Associate Director of CJEB, served as a discussant for this lecture, and noted the many countries which are in danger of default: Japan, Ireland, Greece, Spain, the United States, and Portugal. Professor Wei moderated this lecture, which was cosponsored by the Chazen Institute and CJEB.

B. BROWN BAG LUNCH LECTURE SERIES

The APEC Study Center co-sponsors and actively supports and promotes "Brown Bag" luncheon seminars, which are organized with and held at the Weatherhead East Asian Institute (WEAI). These highly informative, informal gatherings usually run from 12:00-1:30 pm, including a question-and-answer session. These and other collaborations resulted in a total of ten seminars in 2010-11:

1. ***Climate Change and the Mekong River: Implications for Regional Stability***, October 5, 2010. *Workshop Series: "Environmental Flashpoints on China's Frontiers."* Featuring: *Kevin Anchukaitis*, Lamont Assistant Research Professor, Lamont-Doherty Earth Observatory; *Brendan Buckley*, Lamont Associate Research Professor, Lamont-Doherty Earth Observatory; *Mark Levy*, Deputy Director, Center for International Earth Science Information Network (CIESIN), Lamont-Doherty Observatory. Cosponsored by WEAI and the Earth Institute China 2049.
2. ***Social Welfare in China: Policy and Practice***, November 9, 2010. Featuring: *Catherine Keyser*, Associate Professor, Department of Political Science, Drew University; *Arthur Kleinman*, Ester and Sidney Rabb Professor, Department of Anthropology, Harvard University; *David Roye*, St. Giles Professor of Pediatric

Orthopaedic Surgery, Columbia University. Moderated by *Myron L. Cohen*, Professor of Anthropology and Director, WEAI. Cosponsored by WEAI.

3. ***When A Billion Chinese Jump: Why the World's Worst Environmental Crisis is Forcing Beijing onto a New Path of Development***, November 11, 2010.
Featuring: *Jonathan Watts*, Asia Environment Correspondent, The Guardian and Former President, Foreign Correspondents' Club of China. Moderated by *Yao Lu*, Assistant Professor, Department of Sociology, Columbia University. Cosponsored by WEAI.
4. ***Upstream and Downstream on the Mighty Amur: Environmental and Political Challenges for China, Mongolia and Russia***, February 7, 2011. *Workshop Series: Environmental Flashpoints on China's Frontiers*.
Featuring: *Darron Collins*, Director of Creative Assets and Managing Director for the Amur, World Wildlife Fund; *Elizabeth Wishnick*, Adjunct Associate Research Scholar, WEAI, and Professor of Political Science, Montclair State University. Cosponsored by WEAI, the Harriman Institute, and the Center for International Earth Science Information Network.
5. ***Is China Evolving Into a Mafia State?*** March 2, 2011.
Featuring: *John Garnaut*, China Correspondent, *The Sydney Morning Herald and The Age*. Moderated by *Xiaobo Lü*, Professor of Political Science, Barnard College. Cosponsored by WEAI.
6. ***Sino-Indian Relations: Reality and Prosperity***, March 3, 2011.
Featuring: *Hu Shisheng*, Deputy Director, Senior Researcher, Institute of South and Southeast Asian Studies, China Institutes for Contemporary International Relations. Moderated by *Robert Barnett*, Assistant Professor, Contemporary Tibetan Studies and Director, Modern Tibetan Studies Program. Cosponsored by WEAI and The New School's India China Institute.
7. ***The Australian Miracle: Abandoning and Overtaking the U.S. As It Joins the China Club***, April 11, 2011.
Featuring: *Robert Gregory*, Professor of Economics, Research School of the Social Sciences, the Australian National University. Moderated by *Shang-jin Wei*, N. T. Wang Professor of Chinese Business and Economy; Director, the Jerome A. Chazen Institute of International Business ("Chazen Institute"), CBS. Cosponsored by WEAI and the Chazen Institute.
8. ***Process Driven or Process Challenged? ASEAN and East Asian Regionalism***, April 25, 2011.
Featuring: *Alice Ba*, Associate Professor, Political Science & International Relations, University of Delaware. Moderated by *Elizabeth Wishnick*, Adjunct Associate Research Scholar, WEAI. Cosponsored by WEAI.
9. ***China's Foreign Policy: The Return of 'Great Powers'? A European View***, April 27, 2011.
Featuring: *François Godement*, Professor, Sciences Po; Senior Policy Fellow, European Council on Foreign Relations. Moderated by *Andy Nathan*, Class of 1919 Professor of Political Science, SIPA. Cosponsored by WEAI and the European Institute.

C. OTHER PROGRAMS AND MEETINGS

The APEC Study Center faculty members participate in a wide range of Asia-Pacific academic activities, including meetings and conferences, which are too numerous to list in detail. Some of those events that involved the APEC Study Center specifically and/or its co-directors or core faculty are listed below.

1. ***The WTO and the Rule of Law***, Beijing, China, July 14, 2010. Professor Janow gave a presentation to the treaties bureau of China's Ministry of Commerce.
2. ***Annual meeting of the China Investment Corporation***, Beijing, China, July 15-18, 2010. Professor Janow participated in this meeting as a member of the international advisory council of the CIC, which is China's sovereign wealth fund.
3. ***Summer Palace Dialogue***, Beijing, China, September 13-14, 2010. Professor Janow participated in this high level exchange among U.S. and Chinese economists and experts. Panels were held on macroeconomics, finance, investment, employment, and "Major Strategic Issues in U.S.-China Economic Cooperation."
4. ***Guest Lecture at Carnegie Mellon University***, Pittsburgh, PA and New York, NY, September 21, 2010. Professor Patrick gave a lecture on via videoconference to Associate Professor Lee Branstetter's class, "Rise of the Asian Economies." He discussed the Japan's historical economic performance, it's "So-called Lost Decade," and similar problems that have persisted to the present.
5. ***Building the Financial System for the 21st Century: An Agenda for Japan and the United States***, Hakone, Japan, October 22-24, 2010. Professor Patrick attended this meeting, which included panels on "New Banking Regulations and Their Implications for International Banking," "Macro-Prudential Control and a New Regulatory Regime," and "Desirable Macro-Economic Policy Mix."
6. ***Financial Development in East Asia***, Seoul, Korea, December 2-3, 2011. Professor Patrick made welcoming remarks at this conference, which discussed papers on "The Japanese Experience since 1990," "The Chinese Experience since 1968," "The Korean Experience Since 1987," "Current Account Liberalization and Banking Integration in ASEAN," "Monetary and Financial Cooperation in East Asia," and a group of papers on China, Japan and Korea in a global context.
7. ***Warren S. Hunsberger Lecture***, Washington, DC, February 23, 2011. Professor Patrick gave the 14th Annual Hunsberger Lecture, "A Conversation on the Japanese Economy," at American University honoring the founding director of the University's Center for Asian Studies.
8. ***Meetings***, Tokyo, Japan, March 10 – April 4, 2011. Professor Patrick met with Japanese business leaders, policy makers, and academics. He originally planned to host CJEB's 25th anniversary conference, "Japan, U.S., China and the Future of the World Economy," but it was postponed due to the March 11 Tohoku earthquake.
9. ***Meetings***, Seoul, Korea, April 4-9, 2011. On behalf of the APEC Study Center, Professor Patrick met individually and jointly with Korean business leaders, policy makers, and academics, and met with students at Seoul National University.

10. **Harvard Asia Vision 21**, Cambridge, MA, April 28-30, 2011. Professor Patrick gave a keynote lecture on “The Implications of the Multiple Disasters in Japan” at this conference, whose theme was “Adaptability and Resilience.” Session topics included “Regional Powers, Maritime Politics, and Asian Security,” “Values in Business and the Professions,” “Power and Leadership in Asia in the 21st Century,” “Power and Leadership in Asia in the 21st Century,” and “Intra-Asia Economic Cooperation.”
11. **China Development Conference**, Beijing, China, May 2011. Professor Janow participated in this senior discussion among experts and Chinese officials on the 12th Five-Year Plan.
12. **Korea Economic Institute Advisory Council Meeting**, Washington, DC, May 18, 2011. Professor Patrick attended this meeting, which included sessions on “The Cheonan, Yeonpyeong and North Korea’s Second Hereditary Succession: Containment vs. Engagement,” “Post-Crisis Korea: Challenges and Tasks Ahead,” and the “Korea-U.S. Free Trade Agreement.”
13. **East-West Center / U.S. Asia Pacific Council 8th Annual Conference**, Washington, DC, May 23, 2011. Professor Patrick attended this conference, which included panels on “Asia-Pacific Perspectives on the Future of the World Trade System” and “Crises, Conflicts, Confrontations, and Catastrophes: Impacts of Recent Events on Regional Cooperation and U.S. Strategy.”
14. **The Performance Theatre Foundation**, Beijing, PRC, June 16-17, 2011. Professor Janow gave the keynote speech on the international impact of China's new economic plan at the Great Hall of the People.

D. GRADUATE STUDENT FELLOW PROGRAM

The ASC continued its successful Graduate Student Fellow (GSF) program. GSFs attend and report on various events throughout the year, and help promote events to their fellow students. Two graduate students served as GSFs this year: Jennifer Su and Joyelle Lee, students at the School of International and Public Affairs (SIPA) with a concentration in International Finance and Economic Policy.

IV. DISCUSSION PAPERS

The APEC Study Center added three Discussion Papers to its series during 2010-11:

68. **Some Impressions of Korea Today** by Hugh Patrick, Co-Director, APEC Study Center, Columbia University; R.D. Calkins Professor of International Business Emeritus and Director, Center on Japanese Economy and Business, Columbia Business School, August 2010
69. **The Future of Chinese Growth** by David Beim, Professor of Professional Practice, Bernstein Faculty Leader, Sanford C. Bernstein & Co. Center for Leadership and Ethics, Columbia Business School, February 2011

70. **Will the World Bank's Vision Materialize? Relocating China's Factories to Sub-Saharan African, Flying-Geese Style** by Terutomo Ozawa, Professor Emeritus of Economics, Colorado State University and Christian Bellak, Associate Professor of Economics, Vienna University of Economics and Business, May 2011

V. ACADEMIC COURSES

There are a substantial number of courses taught at Columbia Business School (CBS), Columbia Law School (CLS), and the School of International and Public Affairs (SIPA) that are directly relevant to the APEC Study Center through the combinations of their substantive and country specific or regional focus. In addition to courses in history and political science, the following graduate courses, offered during the 2010-11 academic year, were particularly relevant for students interested in APEC.

CHINA IN THE WORLD TRADE ORGANIZATION

This two-credit seminar is offered in the fall by CLS, and deals with particular topics raised by China's integration into the world trading system. Last year it was co-taught by Professors Benjamin Liebman, Robert L. Lieff Professor of Law and Director of the Center for Chinese Legal Studies, Petros Mavroidis, Edwin B. Parker Professor of Foreign and Comparative Law, and Professor Merit E. Janow (see section VI for bio), and is open to students from the School of Law, SIPA and the Department of Economics. The seminar took up a number of key issues facing the international trading system by China's entry into the WTO, the disputes that have arisen between China and its trading partners, and certain cutting edge legal issues having to do with China as an important global player in international trade and investment. The seminar will pay particular attention to areas such as the following: cases before the WTO, China's internal market distribution, intellectual property issues, competition law, currency matters, and investment law and policy matters. Other key areas such as climate and bilateral U.S.-China issues were also examined. In each such area, the seminar brought leading experts and practitioners to participate, discuss select papers with the faculty and students and critically examine the existing international legal regime as well as national and regional legal and policy issues. The course is inter-disciplinary but centered on legal analysis.

CHINA'S NEW MARKET PLACE

This seminar has been offered at SIPA in the fall semester since 2001, and will continue in the fall of 2011. It is taught by Daniel Rosen, who is an adjunct associate professor at SIPA, visiting fellow at the Peterson Institute for International Economics in Washington and Founder of Rhodium Group, a macro-strategic advisory firm focused on China, India and climate policy based in New York. Students examine the most pressing economic and commercial policy issues affecting China today, and develop applied commercial and economic insights for the real world.

ECONOMIC DEVELOPMENT OF JAPAN

This lecture course is offered by the Department of Economics in the fall semester, and is taught by Professor Weinstein. Professor Weinstein focuses on the growth and structural changes of the post-World War II economy; its historical roots; interactions with cultural, social, and political institutions; and its economic relations with the rest of the world.

ECONOMIC ORGANIZATION AND DEVELOPMENT OF CHINA

This lecture course is offered by the Department of Economics in the spring semester, and is taught by Carl Riskin, Senior Research Scholar and adjunct professor of Economics. Professor Riskin conducts an analytical survey of the economic history of China since 1949, with some initial discussion of major issues in China's pre-Communist economic history. Principal themes of the course include the evaluation of the development record of the Maoist period and exploration of China's unique approach to the transition from central planning to a market economy.

FROM TRANSITION REFORMS TO GLOBALIZATION AND FINANCIAL CRISIS

This lecture course is offered by the Economics Department in the spring semester, and is taught by Padma Desai, Gladys and Roland Harriman Professor of Comparative Economic Systems. The first section deals with several transition issues in the post-Soviet, East Central European, and the East Asian economies (of China and Vietnam) as they moved from a planned to a market system. These issues relate to price liberalization and inflation control, currency reform, and asset privatization in these countries. The second section deals with the opening up of these emerging markets to a global economy via capital flows and exchange rate movements with a potentially destabilizing impact. The final section deals with the causes and consequences of the Asian financial crisis of 1997-1999 and of the current global crisis which originated in the US toward the end of 2007.

INTERNATIONAL SEMINAR – HONG KONG

This seminar is offered by CBS in the summer and fall semesters, and is taught by Shang-Jin Wei, N.T. Wang Professor of Chinese Business and Economy and director of the Jerome A. Chazen Institute of International Business. This case study of China will discuss how the Chinese economy has gotten to where it is by managing three transitions simultaneously: from Marx to market, from an inward-looking Middle Kingdom to an externally-oriented world factory, and from farming to industrialization. It will focus particularly on the role of Hong Kong for international business in China. Finally, it will consider factors that could influence the chance of success/failure of doing business in China, including the history that lives in the Chinese psyche, laws and regulations toward foreign investors, local financial and macroeconomic environment, corruption, and negotiation style.

JAPANESE LAW AND LEGAL INSTITUTIONS

This course is offered by CLS in the spring semester, and is taught by Curtis Milhaupt, Fuyo Professor of Japanese Law, Parker Professor of Comparative Corporate Law, Law School Vice Dean, and director of the Center for Japanese Legal Studies. The course provides a critical introduction to the institutions and actors that comprise the Japanese legal system. Topics covered include the legal profession, formal and informal dispute resolution mechanisms, employment law, corporate law and governance, and economic regulation. Major theoretical debates about the role of law in Japan are examined in connection with each substantive topic. Throughout the course, law is placed within the context of Japanese social, political, and economic institutions.

LAW AND LEGAL INSTITUTIONS IN CHINA

This lecture course is offered by CLS in the fall, and is taught by Professor Benjamin Liebman (see above). This course surveys contemporary Chinese legal attitudes and institutions in historical and comparative perspective. The course begins with a brief examination of certain

key themes and practices in China's traditional legal order and an appraisal of China's early-twentieth-century effort to import a Western legal model. The major portion of the term is devoted to a study of formal and informal legal institutions and procedures in the criminal and civil processes of the People's Republic of China and China's contemporary legal reform efforts. Topics will include an examination of the roles of the legal profession and the judiciary, the sources of law in contemporary China, efforts to use law to address China's growing environmental problems, and the development of China's legal framework governing financial markets.

THE IMPLICATIONS OF THE BASEL III PROPOSALS

This capstone seminar is offered by SIPA in the spring, and is taught by Professor Janow (see section VI for bio). Basel III capital proposals are new requirements which will fundamentally change the international banking system. It broadly asks banks to hold more and better quality capital as well as more liquid assets. It also proposes to limit banks' leverage while mandating the building up of capital buffers in good times for use during periods of high stress. Standard & Poor's believes that Basel III will likely cause significant changes for wholesale-funded institutions or large loan books and securities holdings. This course asks the following questions: Is Basel III a healthy development for the banking industry? Should banks hold more capital even if it means that banking activity, including lending, could be constrained? Do you think that this capital regime has the potential to limit credit crises in the future? Are the international regulators over-reacting to the financial crisis and hampering the banks' ability to lend and create liquidity to the market?

THEORY OF INTERNATIONAL TRADE

This lecture course is offered by the Department of Economics in the fall semester, and is taught by Donald Davis, Kathryn & Shelby Cullom Davis Professor of Economics & International Affairs. Professor Davis discusses the theory of comparative advantage, the gains from trade, trade and income distribution, international factor mobility, and growth and trade.

WORLD TRADE ORGANIZATION LAW

This course is offered by CLS in the fall semester, and is open to law, SIPA and economics students. It was taught this past year by Jagdish Bhagwati, University Professor, Economics and Law, and Professor Mavroidis (see above). It offers a detailed introduction into the law and economics of the WTO, divided into three parts: trade in goods, services and dispute settlement. Students are also made aware of the criticism against the legal regime as it stands, and/or as it has been interpreted by WTO adjudicating bodies.

VI. CO-DIRECTORS AND PROGRAM OFFICER

MERIT E. JANOW is Professor of International Economic Law and International Affairs and director of the Program in International Finance and Economic Policy at Columbia University's School of International and Public Affairs (SIPA). Professor Janow teaches graduate courses in international economic and trade policy at SIPA and international trade law and comparative and international antitrust at Columbia Law School. She serves on the faculty of Columbia's Weatherhead East Asian Institute and the Center on Japanese Economy and Business at Columbia Business School. In December 2007,

Professor Janow completed a four-year term as the North American member of the Appellate Body of the World Trade Organization (WTO). The Appellate Body hears final appeals on issues of law and legal interpretation in international trade disputes between countries that are members of the WTO. For two years, ending in March 2000, Professor Janow served as Executive Director of a new International Competition Policy Advisory Committee to the Attorney General and Assistant Attorney General for Antitrust at the Department of Justice, Washington D.C. This was the first such committee established by the Department of Justice to consider international antitrust matters. Before joining Columbia University, from 1989 to 1993, Professor Janow served as the Deputy Assistant U.S. Trade Representative for Japan and China at the Office of the U.S. Trade Representative, Executive Office of the President in Washington D.C. She was responsible for developing, coordinating and implementing U.S. trade policies and negotiating strategies towards Japan and China. Prior to her tenure in government, she was an Associate at Skadden, Arps, Slate, Meagher & Flom, specializing in corporate mergers and acquisitions. She is a member of the Board of Directors of Japan Society, Chairman of the Nasdaq Exchange LLC, a board member of the fund in the American Funds family and Trimble Navigation, and a member of the International Advisory Board of the China Investment Corporation, China's sovereign wealth fund. Professor Janow received a B.A. in Asian Studies from the University of Michigan and a J.D. from Columbia Law School. She is the author of three books and numerous articles, and is fluent in Japanese.

HUGH PATRICK is Director of the Center on Japanese Economy and Business and R.D. Calkins Professor of International Business Emeritus at Columbia Business School, and Co-Director of Columbia's APEC Study Center. He joined the Columbia faculty in 1984 after some years as Professor of Economics and Director of the Economic Growth Center at Yale University. He completed his B.A. at Yale University in 1951, earned M.A. degrees in Japanese Studies (1955) and Economics (1957) and a Ph.D. in Economics at the University of Michigan in 1960. He has been a visiting professor at Hitotsubashi University, University of Tokyo and University of Bombay. Professor Patrick has been awarded Guggenheim and Fulbright fellowships and the Ohira Prize. His professional publications include sixteen books and some sixty articles and essays. His major fields of published research on Japan include macroeconomic performance and policy, banking and financial markets, government-business relations, and Japan-United States economic relations. His most recent book, co-authored and co-edited with Takatoshi Ito and David Weinstein, is *Reviving Japan's Economy: Problems and Prescriptions* (MIT Press, September 2005). Patrick is actively involved in professional and public service. He served as one of the four American members of the binational Japan-United States Economic Relations Group appointed by President Carter and Prime Minister Ohira, 1979-1981. He has testified before Congressional committees on numerous occasions. He has been a member of the Council on Foreign Relations since 1974. He is on the Board of Directors of the United States National Committee for Pacific Economic Cooperation, and the U.S. Asia Pacific Council. He succeeded Dr. Saburo Okita and served as chairman of the International Steering Committee for the conference series on Pacific Trade and Development (PAFTAD) between 1985-2005, having served on the Committee since PAFTAD's inception in 1968. He was on the Board of the Social Science Research Council, 1982-88, and served as its chairman 1985-88. He was a member of the Board of Directors of the Japan Society for seven three-year terms. In

November 1994 the Government of Japan awarded him the Order of the Sacred Treasure, Gold and Silver Star (Kunnitō Zuihōshō). He was awarded an honorary doctorate of Social Sciences by Lingnan University, Hong Kong in 2000. He also received an Eagle on the World award by the Japan Chamber of Commerce and Industry of New York in 2010.

ANDY WANNING is the ASC's Senior Program Officer, and has been with the Center since 2001. He is currently pursuing an M.S. in Sustainability Management at Columbia's Earth Institute. He completed his B.A. in Anthropology & Sociology at Lafayette College, and has been active with non-governmental organizations at the United Nations. He spent a year teaching English in Costa Rica with WorldTeach, a non-profit organization based at the Center for International Development at Harvard University.

VII. PROGRAM SUPPORT

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