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### Message from the President

The September 19, 2000, vote by Congress to extend permanent normal trade relations (PNTR) to China—a prelude to China's entry into the World Trade Organization (WTO)—was an expression of support for America's post-Cold War grand strategy. Often imperfectly executed, that strategy is based on the notion that the United States must take the lead in advancing international free trade and encouraging the development of democracies worldwide while, most importantly, providing stability in key areas that could otherwise erupt into global or regional conflict. Upon these three pillars America hopes to build a world that is more peaceful, prosperous, and politically free—a far better environment in which to raise future generations than currently exists.

Arguably the major challenge to this strategy lies in the heart of Asia, in a growing, still undemocratic, and unsatisfied China. China is embarking on what promises at best to be a long journey of aligning its laws and practices with WTO standards. Chinese opponents of western-style capital markets and democracy, as well as firmly entrenched bureaucracies, will resist for many years. Should China fail to integrate into the world economy, its development would be impacted adversely; the forces for democratic change in China would be weakened; and China would have fewer stakes in working constructively with the United States, Japan, and others.

The vote in Congress was thus a further investment in long-term U.S. strategy. WTO accession will broaden the basis for constructive ties between the two largest Asia-Pacific powers and bolster the development of rule of law in China. It is not, however, a panacea.

See *President's Message* pg. 4 ▶

## Kenneth Pyle Receives Jackson Award

On May 22, 2000, NBR Founding President Dr. Kenneth B. Pyle was awarded The Henry M. Jackson Award for Distinguished Public Service. The annual award from the Henry M. Jackson Foundation goes to "individuals who have made important contributions to the nation through public service and who share the extraordinary qualities of leadership personified by the late Senator." Helen H. Jackson, Chairman of the Henry M. Jackson Foundation, presented the award.

Professor Pyle was honored for "his service and leadership in U.S.-Japanese affairs for more than a quarter century." He has served in both the academic and public sectors while building a career focused on the study and advancement of Asian affairs and U.S.-Asia relations. Professor Pyle, who has been a professor of history and East Asian studies at the University of Washington's



Jackson Foundation Chairman Helen Jackson congratulates Professor Kenneth Pyle on his award. Mary Levin

Jackson School of International Studies for the past 25 years, founded the *Journal of Japanese Studies* and has written extensively on Japan. Previously, he was Chairman of both the American Advisory Committee of the Japan Foundation and the Japan-U.S. Friendship Commission. In spring 1999, Professor Pyle was awarded the Order of the Rising Sun imperial decoration by the Emperor of Japan for his work in advancing U.S.-Japanese relations. NBR

## Powerful Search Engine Introduced

*NBR Launches the Asia Research Organization Search Engine (AROSE)*

In July NBR completed development of a powerful new internet tool, the Asia Research Organization Search Engine (AROSE). Researchers can search on any topic in Asian affairs, and AROSE will quickly retrieve, organize, and provide links to the relevant web sites of Asia research organizations worldwide. AROSE is available from the AccessAsia web site

([www.accessasia.org](http://www.accessasia.org)) and adds to the already impressive number of resources available there, including an online searchable database of Asia experts and comprehensive links to online news sources and electronic publications. NBR is grateful to the Henry M. Jackson Foundation, whose generous support made this project possible. NBR

# Security Implications of Economic and Political Development in the Russian Far East

On May 7–8, 2000, the concluding conference of *Security Implications of Economic and Political Development in the Russian Far East* was held at the Radisson Barcelo Hotel in Washington, D.C. Led by principal investigators Judith Thornton and Charles Ziegler, project specialists presented original research papers to an impressive group of scholars, government officials, and corporate executives. The high level of expertise of the participating specialists and audience contrib-



*Jack Matlock, former Ambassador to the Soviet Union, delivers the keynote address at the Russian Far East conference in Washington, D.C.*

Grant Wernick

uted to a stimulating discussion on the relationship among: (1) the economic collapse of the Russian Far East; (2) the role of Asia in Russia's post-Cold War security policy; (3) trends in Russia's center-regional relations; (4) Russia's ability to manage potential areas of conflict like migration from China, the maintenance of the nuclear fleet, and nuclear dumping in the Sea of Japan;

and (5) the shifting balance of power in Asia. Presentations and discussion by a broad range of area specialists, foreign policy experts, and security analysts resulted in important new insights about economics, politics, and security in the Russian Far East and Northeast Asia. The project findings will be published as an edited volume next summer.

As a special feature, Jack Matlock, George F. Kennan Professor at the Institute for Advanced Study and former Ambassador to the Soviet

Union, delivered a keynote address, "U.S.-Russian Relations and the Prospects for Economic Reform in Russia," at dinner on May 7. The address was very provocative and was followed by a lively question-and-answer session.

Just prior to the Washington, D.C., conference, and in conjunction with the Russian, East European and Central Asian Stud-

ies Center at the Henry M. Jackson School of International Studies and Pacific Northwest National Laboratories, NBR held a symposium on May 5 at the University of Washington to discuss the findings of the Russian Far East project. Approximately 50 scholars, business representatives, and students from the Seattle area attended the event.

NBR is grateful to the Carnegie Corporation of New York, the Center for Nonproliferation Studies at the Monterey Institute of International Studies, and the United States-Japan Foundation for their support of the project. (NBR)

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## NBR Welcomes New Board Member

Clark S. Kinlin recently replaced Larry Aiello, Jr., as the Corning Incorporated representative on NBR's board of directors. Mr. Kinlin serves as division vice president, international, of Corning Incorporated and president of Corning International Corporation. In these roles he is responsible for sales, marketing, and business development operations around the world. Previously, Mr. Kinlin was senior vice president for sales and marketing for World Kitchen, Inc. (the former Corning Consumer Products Company). Prior to that, he spent ten years in Corning's Telecommunications Products Division, where he was responsible for business development in Asia and Latin America, and was also the sales and marketing manager for North American Fiber. Mr. Kinlin holds a BS from Kenyon College and an MBA from Harvard University. (NBR)



*Clark S. Kinlin.*  
Williams & Williams

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## Pacific Storm

After collaborating on the highly successful *Messengers from Moscow* PBS documentary series and more recently the documentary film *Yeltsin*, Pacem Productions and The National Bureau of Asian Research are working on a new film project entitled *Pacific Storm*. This television series will objectively assess the political and economic affects of globalization, as judged by the recent experiences of East Asian countries.

*Pacific Storm* aims to transcend the rhetoric and mystique of globalization by using richly contextual interviews, reports, and analyses to give the public a broader view of events and trends in East Asia, just as the *Messengers* series did for the former Soviet Union. Eugene Shirley, independent documentary producer/director and presi-

dent of Pacem Productions, is the series producer. William N. Goetzmann, director of the International Center for Finance at the Yale School of Management, serves as executive producer. James Younger, a freelance journalist for many newspapers and magazines including *The Economist*, will serve as writer, and Jane Bryant Quinn, currently a personal finance columnist for the *Washington Post*, has agreed to host the series.

*Pacific Storm* is currently in the research and development phase while funds are being raised and details of the series worked out. A team of leading national scholars in economics, political science, and international studies has been assembled to provide consultative support. (NBR)

## Colleagues and Friends

Former NBR board of directors member **Larry Aiello, Jr.**, was recently appointed senior vice president of Opto-Electronics at Corning International. He was previously senior vice president international and president of the Corning International Corporation.

**Kurt Campbell** is now senior vice president and director of the International Security Program at the Center for Strategic and International Studies (CSIS). He formerly served as deputy assistant secretary of defense for Asian and Pacific affairs at the Pentagon. Dr. Campbell previously held positions at the White House, National Security Council staff, Harvard University, and the International Institute of Strategic Studies in London.

**Lawrence W. Clarkson**, vice chairman of the NBR board of directors and former

senior vice president at The Boeing Company, is now senior vice president of Projects International in Washington, D.C.

Former NBR board member **Richard Donaldson** has retired from his position as senior vice president and general patent counsel for Texas Instruments. He will now be serving as a consultant in Dallas and teaching intellectual property management at George Washington University Law School beginning in fall 2001.

**Mark W. Frazier**, assistant professor of political science at the University of Louisville and senior advisor at NBR, has written a new book, *The Evolution of the Chinese Industrial Workplace, 1927–1966*, to be published by Cambridge University Press early next year.

Former U.S. Deputy Secretary of Defense **John J. Hamre** began his new post as president and CEO of CSIS in April. Pre-

viously Dr. Hamre served as comptroller at the Department of Defense, deputy assistant director for national security and international affairs in the Congressional Budget Office, and professional staff member of the Senate Armed Services Committee.

NBR board member **John M. Shalikhvili** has been appointed by Secretary of State Madeleine Albright as a presidential advisor to lead the Comprehensive Test Ban Treaty ratification effort. From 1993–97 General Shalikhvili was President Clinton's Chairman of the Joint Chiefs of Staff. He has also played an important role in NATO and in a variety of strategic operations around the globe.

**Richard Woo** was named executive director of the Russell Family Foundation in April 2000. Mr. Woo worked many years in the nonprofit and foundation world before moving to Seattle from California. <sup>(NBR)</sup>

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## Intellectual Property Rights and Economic Development in China

On May 11–12, 2000, NBR held the third and final conference for its "Intellectual Property Rights and Economic Development in China" program. NBR, Peking University's School of Intellectual Property and Center for the Study of Rule of Law, and the European Union-China Intellectual Property Rights Cooperation Programme co-hosted this successful international seminar at Peking University in Beijing, where over 250 key government officials, business leaders, scholars, practitioners, and administrators from China, Europe, and the United States examined the most pressing issues facing the protection of intellectual property rights (IPR) in China.

Speakers included Endymion Wilkinson, European Union ambassador to China; Lauren Moriarty, economic minister-counselor, U.S. Embassy Beijing; Jiang Ying, director-general of China's State Intellectual Property Office; Professor Shen Guoming, vice president, Shanghai Academy of Social Sciences; Professor

Zheng Chengsi, director of intellectual property, Chinese Academy of Social Sciences; Randall R. Rader, circuit judge, U.S. Court of Appeals for the Federal Circuit; Dee Benson, chief judge, U.S. District Court for Utah; Jiang Zhipei, judge, Supreme People's Court of the People's Republic of China; Cheng Yongshun, judge, Beijing High People's Court; Duan Ruichun, secretary general, Ministry of Science and Technology, China; and NBR board mem-



*NBR board member David Tang thanks a Haidian District host.*

bers David Tang, partner at Preston Gates & Ellis LLP, and Richard Donaldson, then senior vice president at Texas Instruments.

In addition to five panels comprising over thirty presenters, the seminar also included a visit to Haidian District People's Court, where participants and attendees witnessed a trial on intellectual property infringement. That the trial was opened to foreigners was quite historic: this was the first time Chinese courts, which are normally closed to the public, had been opened to visitors. Many Chinese judges, senior government officials, respected scholars, and business leaders also attended the trial as part of their training in intellectual property rights issues.

NBR's five-year program on intellectual property rights was designed to enhance China's commitment to international standards of IPR protection and to improve the administrative capability of Chinese involved in IPR issues in

*See IPR in China pg. 4 ▶*

## NBR at a Glance

### The Many Faces of Asian Security: Beyond 2000

Dr. Richard Solomon, president of the United States Institute of Peace and former assistant secretary of state, provided the keynote address at NBR's "The Many Faces of Asian Security: Beyond 2000" conference, held at Arizona State University (ASU) on April 27, 2000. Leading Asia scholars discussed a broad range of security issues that the region faces in the post-Cold War era, including military alliances, multi-lateral security diplomacy, financial and economic security, environmental issues, human rights, and transnational crime. Over 80 Asia specialists, students, and government officials attended the event. The results of the conference will be published in an edited book for both policymakers and the academic community. Dr.


Sheldon Simon, director of NBR's Southeast Asia Studies Program and professor of political science at ASU, will edit the volume. The conference and book project are funded by The Goldwater Chair of American Institutions, the Program for Southeast Asian Studies at ASU, and the Henry M. Jackson Foundation.



*Richard Solomon, president of the United States Institute of Peace, gives a luncheon address at the Many Faces of Asian Security conference at ASU. Erlend Aas*

### Social Cohesion in Russia Study Group


As part of the Russia Initiative at the Carnegie Corporation of New York, NBR has sponsored the Social Cohesion in Russia Study Group. The project, directed by Kate Schecter, program officer at American International Health Alliance and former consultant to the World Bank, and Judy Twigg, professor at Virginia Commonwealth University, involves an interdisciplinary study group of Russian and American specialists with expertise in epidemiology, public health, demographics, social welfare, public policy, public finance, and journalism. Throughout the past year the group has assembled for three meetings in Washington, D.C., and one meeting in Moscow to examine: (1) the Russian mortality crisis; (2) the loss of social capital; and (3) the implications of these conditions for the future of Russia's children.

An important goal of the project is not only to identify problems, but also to help identify and create policies in Russia and the United States that will improve Russia's social cohesion. In addition to study group members, other Russian and American specialists have made special presentations at the meetings. 

### ▶ IPR in China (cont.)

both the public and private sectors. Throughout the program the issues were framed as a set of identifiable Chinese interests that were likely to attract support throughout Chinese society. The program, comprised of research, training seminars, and conferences in Chinese regional centers as well as Beijing, garnered such attention and rave reviews from scholars and corporate legal counsels alike that NBR is now developing a follow-on project that will examine intellectual property rights as they relate to e-commerce and software in

both China and Taiwan. Professor Paul Liu of the University of Washington and the Asia Pacific Legal Institute (APLI) and Dr. Andy Sun of APLI will continue to lead the effort.


NBR is extremely grateful to the following funders for their support throughout the program: Microsoft Corporation, Sun Microsystems, Compaq Computer Corporation, Dell Computer Corporation, The Asia Foundation, Legend Group, Iomega Corporation, Novell Corporation, Founder Group, and Preston Gates & Ellis LLP. 

## Yeltsin

The documentary film *Yeltsin* was broadcast as a national PBS Special from 9:00–10:30 p.m. on August 28, 2000. Completed as former Russian president Boris Yeltsin's career drew to a close, the film gives a vivid portrait of what Yeltsin achieved and how he did it.

Boris Yeltsin is one of the most significant figures of the twentieth century. While many people perceive him as an impulsive, drunken, autocratic, and erratic leader, this film tells a different story, highlighting Yeltsin's role as one of the principal figures behind the huge changes in Russia over the past fifteen years.

Including rare archival footage of Yeltsin in action and interviews with almost all the key movers and shakers of his time—plus a unique and fascinating interview with Yeltsin's wife, Naina—*Yeltsin* offers new insights into Yeltsin's role both in dismantling the Soviet communist system and in building the new Russian economic and political system. This exciting political biography was produced by the same award-winning team that produced *Messengers from Moscow*—with series producer Daniel Wolf of First Circle Films (London) and executive producers Professor Herbert Ellison of the University of Washington and Eugene Shirley of Pacem Productions (Los Angeles).

For information on obtaining a video-recording of the film, please contact NBR. 

### ▶ President's Message (cont.)

U.S. policymakers must be realistic about the prospects for closer Sino-U.S. relations, for serious differences remain on trade, human rights, democracy, and regional military issues. A firm and consistent U.S. policy toward China is needed over the long term.

Hence PNTR is an important but single step on a very difficult and long road ahead.

Richard J. Ellings  
President

## Recent NBR Publications

### *NBR Analysis*

- *China's PNTR Status and Accession to the WTO*, essays by Nancy Bernkopf Tucker and Joseph Fewsmith, vol. 11, no. 2 (July 2000).
- *Asian Reactions to U.S. Missile Defense*, Michael J. Green and Toby F. Dalton, vol. 11, no. 3 (November 2000).

### *AccessAsia Review*

- *China-India Relations Since Pokhran II: Assessing Sources of Conflict and Cooperation*, by Mark W. Frazier, and *China-India Strategic Relations Annotated Bibliography: Chinese Sources*, compiled by Xue Litai, and *Indian Sources*, compiled by Anupam Srivastava, vol. 3, no. 2 (July 2000).

### *NBR Book Series*


- *Energy and Conflict in Central Asia and the Caucasus*, edited by Robert Ebel and Rajan Menon, Latham, MD: Rowman & Littlefield, Fall 2000.

## Staff Changes

**Katherine Yocom** joined NBR this June as office manager and executive assistant. She is a recent graduate of Pacific Lutheran University, where she earned a BA in both Chinese Studies and Religion. Katie is responsible for providing administrative support for NBR staff and projects. She also oversees interns, assists with grant administration, and organizes NBR board meetings. Previously, Katie served as an intern for the Washington State China Relations Council and was program associate for Chinese Studies at PLU.

**Erick Thompson**, who had been a part-time member of the NBR staff, is now the full-time manager of information systems and web/database programmer. His duties at NBR include web site development, database/application development, network administration, system administration, and technical support. He will be working closely with Information Systems Director Karolos Karnikis. Erick recently graduated

from the University of Washington with a BS in Applied and Computational Mathematical Sciences. Formerly, he worked at the Tsuu T'ina Nation elementary school on an Indian reservation outside of Calgary installing a computer network for students and administration. Erick also worked as a computer technician at the retail systems center of ComputerPro in Bellevue.

Congratulations to NBR intern **Eric Thompson**, who earned a PhD in anthropology from the University of Washington this June. After conducting extensive field research in the Malaysian countryside, Eric wrote his dissertation on migration and urbanization in Malaysia. Dr. Thompson, who has been with NBR for just over a year, also holds an MA from the University of Washington and a BA from Macalester College in St. Paul, Minnesota. In October Eric began a post-doctoral fellowship at the Southeast Asia Studies Center at the University of California, Los Angeles. 

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# The Politics of State Enterprise Reform and China's Economic Development

With funding from the Henry Luce Foundation and in cooperation with the National Science Foundation, NBR is currently conducting a survey of 800 firms in China to determine how they have adjusted to the economic changes of the past decade. Professors Barry Naughton of the University of California-San Diego and Lisa Keister of Ohio State University lead the study, a follow-on to a project involving a similar survey conducted in 1990 and again in 1995. The 2000 survey will seek out the same public and newly-privatized firms interviewed previously and replace those that no longer exist with private firms where possible.

The survey consists of both a qualitative and quantitative questionnaire. The qualitative questionnaire, administered to the highest-ranking manager available by a thoroughly trained interviewer from the

Chinese Academy of Social Sciences, will gather information about the enterprise's basic characteristics, industry affiliation, organizational structure, management, labor issues, and relations with customers and suppliers. The quantitative questionnaire, to be completed by a financial officer or a manager familiar with enterprise finances, is a comprehensive set of questions about the firm's size, inputs, outputs, financial performance, and related issues between 1994 and 1999. Researchers from NBR will participate in the fieldwork and oversee data entry.

Survey results and analysis will be disseminated to U.S. policymakers and businesses in the form of an *NBR Analysis*. A multi-authored monograph by the principal investigators and core researchers will be published at the conclusion of the project in fall 2001. <sup>(NBR)</sup>

## NBR Executive Briefing Program

For U.S. businesses operating in Asia and the former Soviet Union, NBR's Executive Briefing Program provides an excellent opportunity to learn about the critical issues affecting business operations, both in specific countries and in a regional context. Customized presentations provide corporate executives with useful insights and detailed assessments of the political, economic, strategic, and business environment in Asia.

Briefings can be tailored to suit a company's particular needs, time frame, and area of interest. With years of experience enlisting Asia specialists for its programs, NBR has the ability to pull in leading experts from around the world to provide up-to-date, cutting-edge analysis on a wide range of topics. NBR's Director of Corporate Relations and Development, Brigitte Allen, coordinates the Executive Briefing Program. <sup>(NBR)</sup>



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