

The background of the cover is a photograph of a sunset over the ocean. The sky is filled with large, dark clouds, and the sun is low on the horizon, creating a bright, golden glow. The water is dark, and the silhouette of a large ship is visible in the lower half of the image. The overall color palette is dominated by warm, golden-brown tones.

Center on Emerging and Pacific Economies

EmPac

2010-2011 ANNUAL REPORT

at the School of International Relations and Pacific Studies



Gordon Hanson, PhD, MIT

DIRECTOR'S MESSAGE

We live in a world in which economic dynamism is shifting toward emerging nations. The institutions that have governed international business and diplomacy over the last half century are under strain, as the United States and other traditional powers welcome China, India, Brazil, and other new actors onto the world stage.

To comprehend the new global architecture, the mission and programs of the School of International Relations and Pacific Studies (IR/PS) have become more ambitious. Our mission at the Center on Emerging and Pacific Economies (EmPac) is more relevant than ever: to understand a world in which Asia and the Americas are interlocked, with their economic and political evolution shaping the global order.

Each year, EmPac provides startup funds for new research in economics and public policy. Current projects examine anti-corruption efforts in China and Vietnam, new methods to improve sewage treatment in China, how changes in agricultural policies have contributed to international migration in Indonesia, the efficacy of state-building programs in Somalia, and the impact of sending students abroad for PhD training on export growth in emerging economies.

The Pacific Leadership Fellows Program, the centerpiece of EmPac's activities, brings leaders to San Diego to exchange ideas about urgent challenges confronting the world. Since 2005, we have welcomed 40 Fellows. As scholars, public servants, policy experts, or entrepreneurs, our visiting Fellows share their knowledge with the UC San Diego community through public events, seminars, classroom lectures, and individual and group meetings—building ties that strengthen each year.

As EmPac moves forward, we will continue to nurture relationships and seek connections between UC San Diego and the countries of Asia and the Americas, fortifying IR/PS's capacity to provide cogent analysis and strategic thought about the dynamics of the Pacific region.

We offer our continued appreciation to Joan and Irwin Jacobs for their generous support. Their leadership gift enables IR/PS and UC San Diego to become recognized as centers for reflection and action by leaders from the Pacific region.

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ACKNOWLEDGEMENT



The Center on Emerging and Pacific Economies (EmPac)* and the Pacific Leadership Fellows Program began in 2006 with a gift from Joan and Irwin Jacobs. Dean Peter F. Cowhey communicated his vision for the School of International Relations and Pacific Studies and our university to contribute to initiatives that would achieve for the 21st century what the post-1945 institutions did for Europe and the world.

The recognition and support of his vision by Joan and Irwin Jacobs made the creation of EmPac possible. Their leadership gift enables IR/PS, UC San Diego, and the greater San Diego region to become a center for reflection and action by leaders from the Pacific. The outstanding faculty and substantial body of research knowledge at IR/PS make it the ideal parent institution for EmPac.

**EmPac was formerly known as the Center on Pacific Economies.*

Year at a glance : 2010-2011 HIGHLIGHTS

Welcomed Nine Pacific Leadership Fellows

from Mexico, Japan, China, South Korea, and Vietnam

Fellows included prominent public figures

such as the former Prime Minister of the Republic of South Korea, the former Mexican Ambassador to the UK, and the chairman of Vietnam's leading multimedia communications corporation

Collaborated with the 21st Century China Program

at IR/PS where Fellows played prominent roles in workshops and conferences to deepen public knowledge and understanding of contemporary China

Held the first Rise of the Middle Kingdoms Conference

featuring renowned panelists from institutions worldwide including Stanford, Columbia, Georgetown, and Tsinghua universities as well as the International Monetary Fund

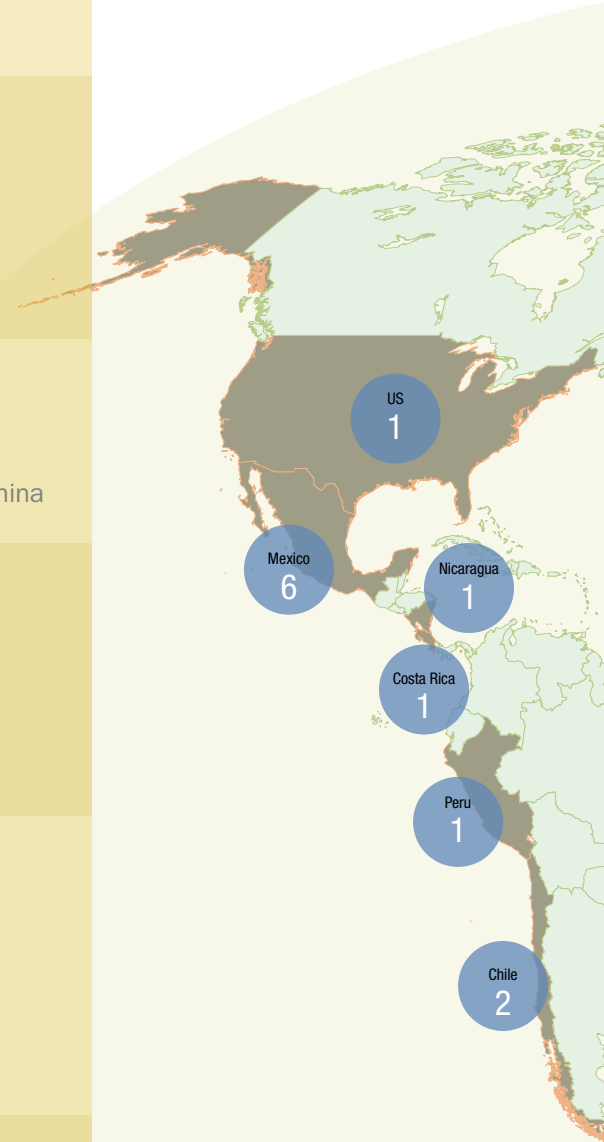
Hosted a conference on Scoring Economic Development in the Pacific Region

featured former alumni working for the World Bank, The Asia Foundation, and the Research Triangle Institute who discussed how their organizations currently take advantage of methodologies developed here at IR/PS

EmPac provided four grants to fund innovative research by IR/PS professors on issue areas in Mexico, China, Vietnam, and the U.S.

EmPac Director Gordon Hanson

received the 2011 Chancellor's Associates Faculty Excellence Award for excellence in research in humanities and social sciences

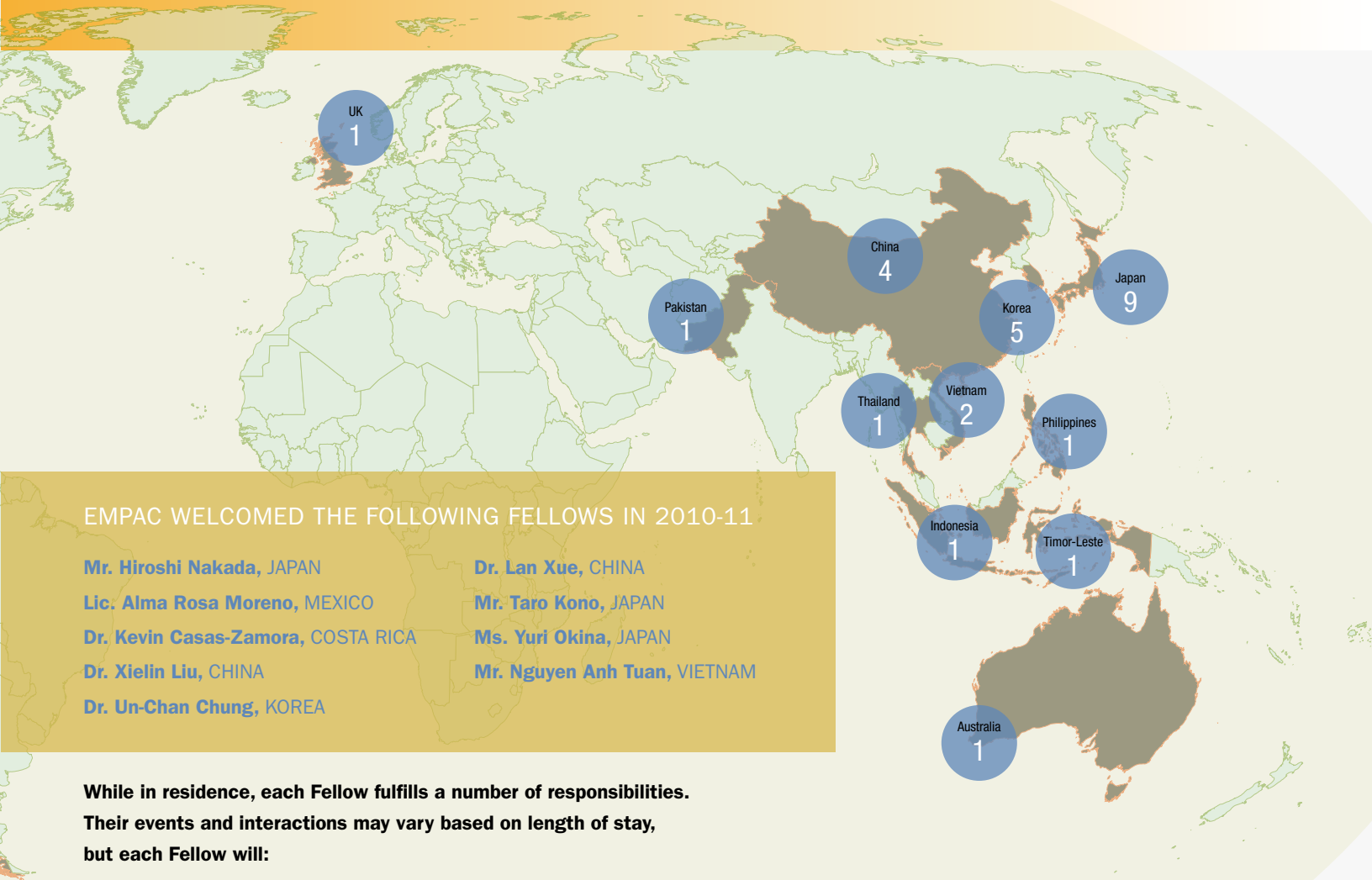


PACIFIC LEADERSHIP FELLOWS Program

The Pacific Leadership Fellows Program at EmPac brings leaders to UC San Diego from around the Pacific region to engage in dialogue, research, and teaching with students, faculty, and the San Diego community.

Fellows are drawn from remarkable scholars, entrepreneurs, and policy makers who shape strategy in their own countries in government, the private sector, and academia, and provide valuable insights into how economic and political systems are evolving.

Having completed its fifth year, the program has now hosted 40 Fellows from 17 different countries. Each Fellow has brought a wealth of diverse knowledge to the San Diego community.



EMPAC WELCOMED THE FOLLOWING FELLOWS IN 2010-11

- | | |
|---|-------------------------------------|
| Mr. Hiroshi Nakada, JAPAN | Dr. Lan Xue, CHINA |
| Lic. Alma Rosa Moreno, MEXICO | Mr. Taro Kono, JAPAN |
| Dr. Kevin Casas-Zamora, COSTA RICA | Ms. Yuri Okina, JAPAN |
| Dr. Xielin Liu, CHINA | Mr. Nguyen Anh Tuan, VIETNAM |
| Dr. Un-Chan Chung, KOREA | |

While in residence, each Fellow fulfills a number of responsibilities. Their events and interactions may vary based on length of stay, but each Fellow will:

- Collaborate with a faculty partner on a project or initiative
- Meet and mentor IR/PS and UCSD students informally and/or in a classroom setting
- Speak at a public program or guest lecture at community events
- Engage with other UC San Diego departments as applicable
- Spend time interacting with the broader San Diego regional community and appropriate business, government, and/or non-profit leaders
- Spend time getting to know our San Diego community supporters and local community

Diplomacy

Interurban Diplomacy Proposal in Japan

MR. HIROSHI NAKADA

October 18-28, 2010

Faculty Host: Prof. Takeo Hoshi

Community Host: Jeff and Gail Donahue



Hiroshi Nakada is the former mayor of the city of Yokohama, Japan. When elected in April of 2002, he became the youngest person ever to head one of Japan's major cities. He served for two terms, implementing the Yokohama Revival Plan, actively worked to increase transparency, and created an open policy of information disclosure in the government.

As a Fellow, Hiroshi Nakada presented a public lecture on "Interurban Diplomacy Proposal in Japan" as well as guest lectured in classes and met with student leaders. Additionally he engaged with local Japanese San Diego leaders and community groups. While at UC San Diego, Nakada had the opportunity to run in the Chancellor's annual 5K run supporting scholarships on campus.

Nakada holds a degree in economics from Aoyama Gakuin University. Nakada was nominated as the Global Leader of Tomorrow in 2003 and Young Global Leader in 2005 by the World Economic Forum.



Petroleum

PEMEX: A National Oil Company

LIC. ALMA ROSA MORENO

October 18-29, 2010

Faculty Host: Prof. Alberto Díaz-Cayeros

Community Host: Javade Chaudhri and Gail Kee

Alma Rosa Moreno Razo is the former Ambassador of Mexico to the United Kingdom, serving from 2001 - 2004 under President Vicente Fox's administration. Following her time as Ambassador, Moreno served as a financial adviser to Grupo Financiero Banorte, one of Mexico's largest and oldest financial institutions. She is currently an adviser to the director-general of the petroleum company PEMEX, based in Mexico City.

During her residency, Ambassador Moreno spoke on her experience with Mexico's state-owned petroleum company in her public lecture, "Pemex: A National Oil Company." She also gave a talk at an Institute of the Americas forum on tax policy in Mexico. During her stay she guest lectured in classes, met with student leaders, and engaged with local Mexican San Diego leaders and community groups. Moreno had the opportunity to participate in a ride-along with the San Diego Police Department, and met with U.S. Immigration and Customs and Enforcement Administration officials.

Prior to her term as Ambassador, Moreno served Mexico's Secretariat of Finance and Public Credit in several capacities, including Director General of Income Policy, Advisor to the Secretary of the Treasury, and President of the Tax Administration System. Moreno holds a bachelor's degree in economics from Instituto Tecnológico Autónomo de México, a master's degree from Colegio de México, and she completed her doctoral studies at New York University.



Moreno with IR/PS Dean Peter Cowhey



Drug Trade



Realities and Misperceptions of the War on Drugs in Mexico and Central America

DR. KEVIN CASAS-ZAMORA

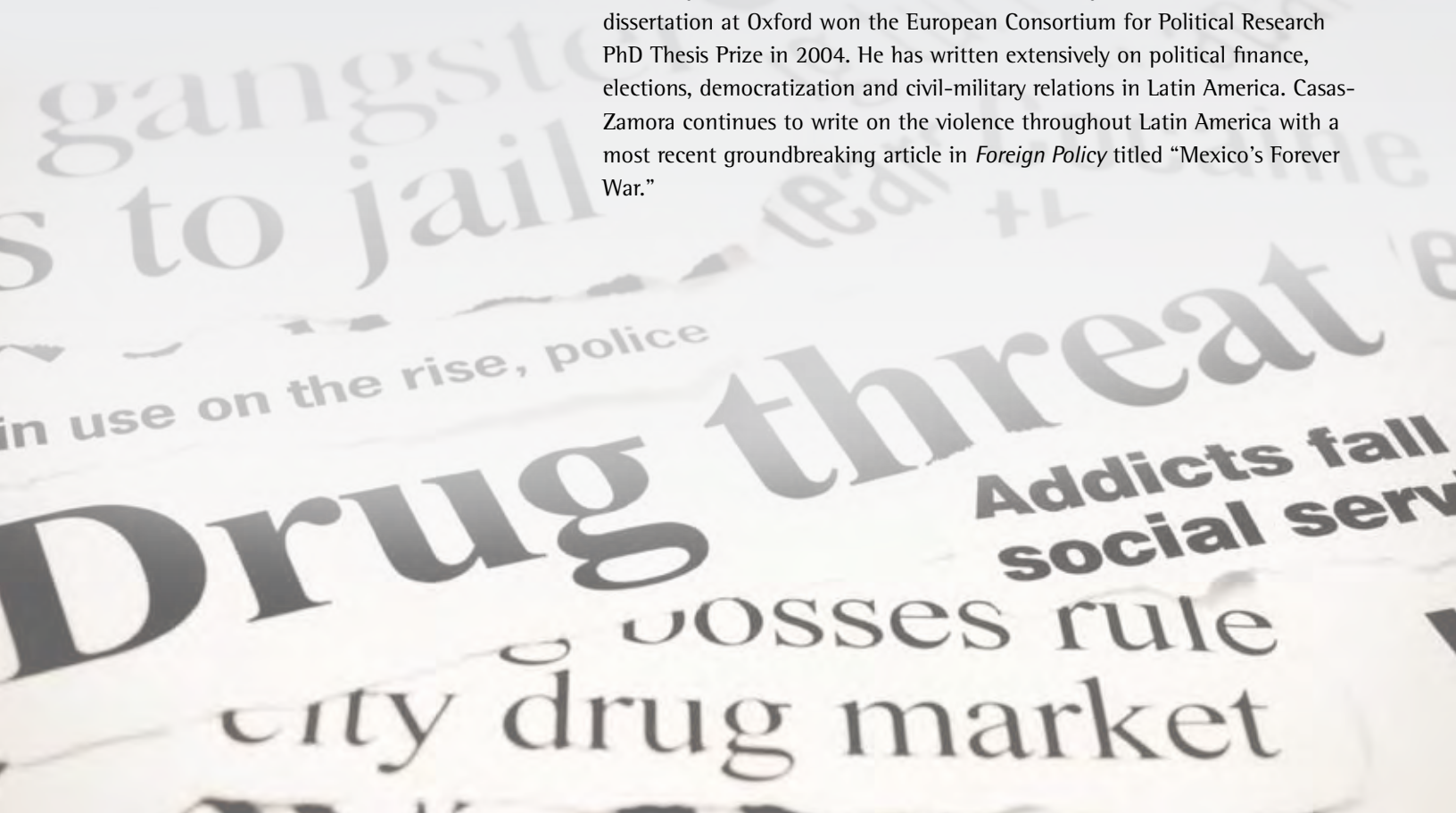
November 1-12, 2010

Faculty Host: Prof. Richard Feinberg

Dr. Kevin Casas-Zamora is the former vice president of Costa Rica where he has also served as minister of national planning and economic policy. He is currently a senior fellow in Foreign Policy and in the Latin America Initiative at the Brookings Institution in Washington, D.C.

As a Fellow, Casas-Zamora presented a public lecture on “Realities and Misperceptions of the War on Drugs in Mexico and Central America” and hosted a luncheon with IR/PS students on “The Travails of Democratic Governance in Central America.” PROSPECT Journal of International Affairs at UCSD had the opportunity to sit down with Casas-Zamora during his stay to discuss flaws in U.S. drug policy and future prospects for Latin American nations. See page 15 for the interview.

Casas-Zamora holds a JD from the University of Costa Rica, an MA from the University of Essex, and a DPhil from the University of Oxford. His doctoral dissertation at Oxford won the European Consortium for Political Research PhD Thesis Prize in 2004. He has written extensively on political finance, elections, democratization and civil-military relations in Latin America. Casas-Zamora continues to write on the violence throughout Latin America with a most recent groundbreaking article in *Foreign Policy* titled “Mexico’s Forever War.”



Innovation

Innovation Policy in China

DR. XIELIN LIU

November 19-December 6, 2010

Faculty Host: Prof. Barry Naughton

Community host: Javade Chaudhri and Gail Kee

Dr. Xielin Liu is a Professor and Associate Dean of the School of Management and Director of Research at the Center of Management of Information and Innovation at the Chinese Academy of Sciences, the country's foremost institution for scientific research. He also played a prominent role in advising the Chinese government on the making of its technology development strategies.

During his residency, Dr. Liu spoke on "Innovation Policy in China" shedding insights into some of the most pivotal aspects of China's global rise at a public lecture. While in San Diego, Liu met with local San Diego leaders as he served as a guest speaker at IR/PS's new 21st Century China research program at a salon event. Dr. Liu also guest lectured for student classes and met with various IR/PS student leaders.

Dr. Xielin Liu is one of the most respected and original thinkers in China studying technology policy, innovation and entrepreneurship. How China approaches these issues will have a far-reaching impact on its aspirations to become a world-class economic, technological and strategic power. Liu received his BS from Peking University, his MS from the Chinese Academy of Sciences, and his PhD from Tsinghua University.



Foreign Policy



The Future of South Korea and the United States in Times of Uncertainty

DR. UN-CHAN CHUNG

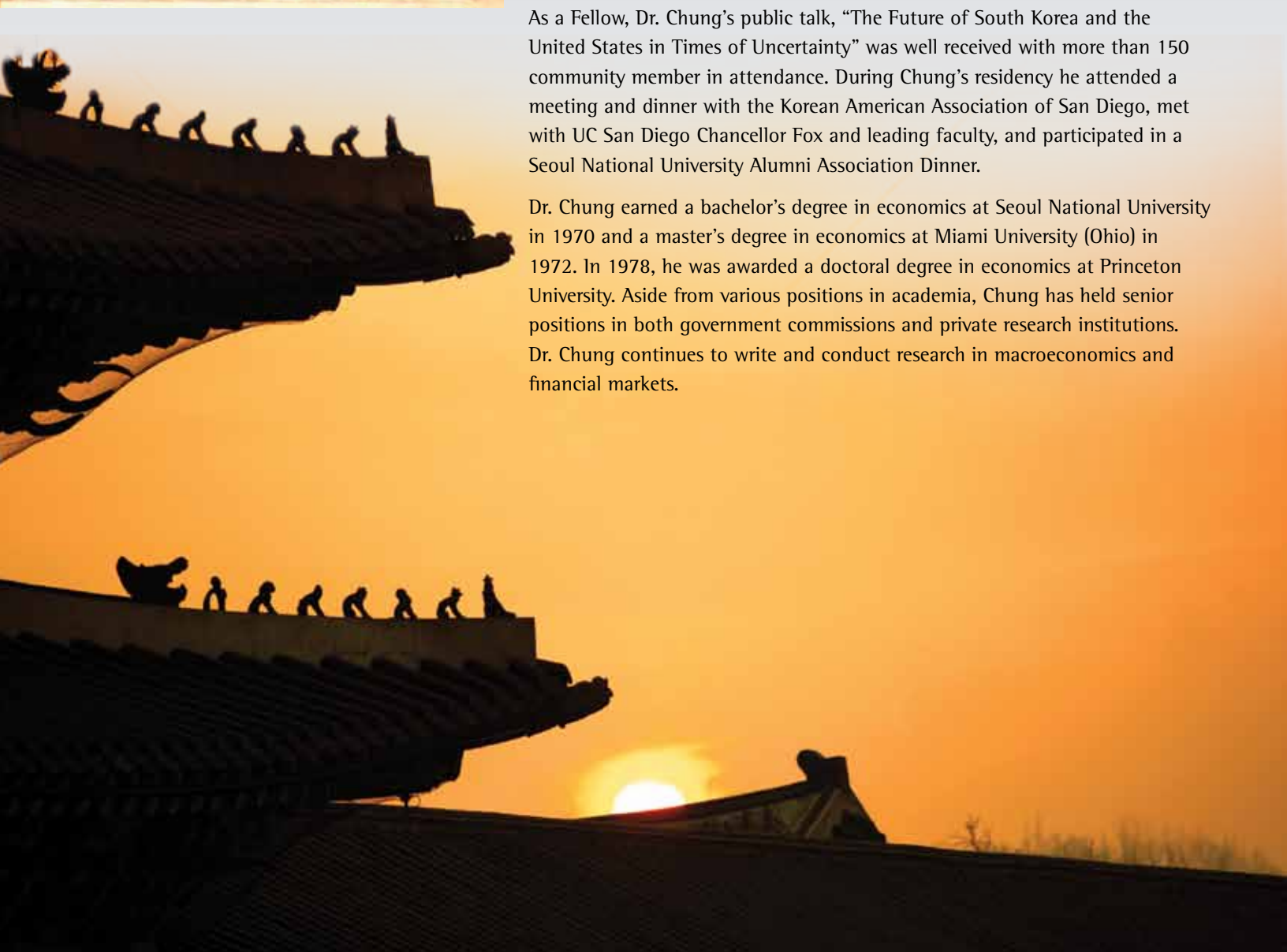
January 20-26, 2011

Faculty Host: Prof. Jong-sung You

Dr. Un-Chan Chung is the former Prime Minister of the Republic of Korea (South Korea). He was a professor of economics at Seoul National University from 1978 to 2009, serving as the president of the university from 2002 to 2006 until he was designated to the Prime Minister. He has served as a member of the President's Council of the University of Tokyo since 2006.

As a Fellow, Dr. Chung's public talk, "The Future of South Korea and the United States in Times of Uncertainty" was well received with more than 150 community member in attendance. During Chung's residency he attended a meeting and dinner with the Korean American Association of San Diego, met with UC San Diego Chancellor Fox and leading faculty, and participated in a Seoul National University Alumni Association Dinner.

Dr. Chung earned a bachelor's degree in economics at Seoul National University in 1970 and a master's degree in economics at Miami University (Ohio) in 1972. In 1978, he was awarded a doctoral degree in economics at Princeton University. Aside from various positions in academia, Chung has held senior positions in both government commissions and private research institutions. Dr. Chung continues to write and conduct research in macroeconomics and financial markets.



Technology

The Changing Role of Chinese Universities in China's National Innovation System

DR. LAN XUE

January 31 - February 11, 2011

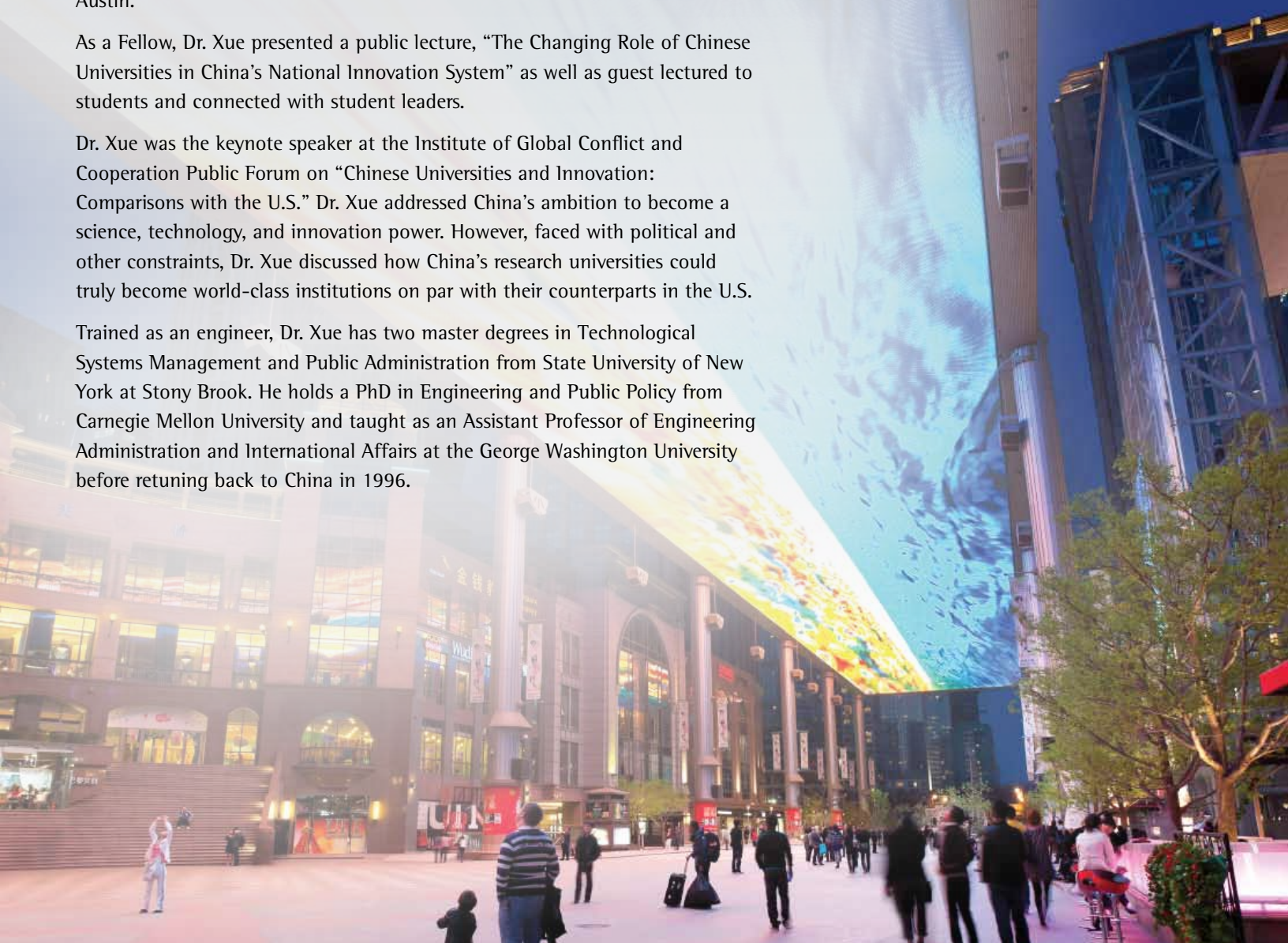
Faculty Host: Prof. Barry Naughton

Dr. Lan Xue is a professor and Dean of the School of Public Policy and Management, Executive Vice President of the Development Research Academy for the 21st Century, and Director of China Institute for Science and Technology Policy at Tsinghua University. He is also an adjunct professor at Carnegie Mellon University and a Fellow of IC2 Institute at University of Texas, Austin.

As a Fellow, Dr. Xue presented a public lecture, "The Changing Role of Chinese Universities in China's National Innovation System" as well as guest lectured to students and connected with student leaders.

Dr. Xue was the keynote speaker at the Institute of Global Conflict and Cooperation Public Forum on "Chinese Universities and Innovation: Comparisons with the U.S." Dr. Xue addressed China's ambition to become a science, technology, and innovation power. However, faced with political and other constraints, Dr. Xue discussed how China's research universities could truly become world-class institutions on par with their counterparts in the U.S.

Trained as an engineer, Dr. Xue has two master degrees in Technological Systems Management and Public Administration from State University of New York at Stony Brook. He holds a PhD in Engineering and Public Policy from Carnegie Mellon University and taught as an Assistant Professor of Engineering Administration and International Affairs at the George Washington University before returning back to China in 1996.



Economy



Securing Japan's Future: How the Liberal Democratic Party (LDP) Can Meet the Economic and Security Challenges.

MR. TARO KONO

February 7- 10, 2011

Faculty Host: Prof. Ellis Krauss

Mr. Taro Kono is a Japanese politician in the Liberal Democratic Party. He is a fifth term member of the House of Representatives (DIET) and he is currently serving as Director General of the Liberal Democratic Party's International bureau. Kono represents the 15th District of the Kanagawa Prefecture, which encompasses the cities of Chigasaki, Hiratsuka, Oiso and Ninomiya on the Sagami Bay.

During his stay, Taro Kono presented a public lecture entitled "Securing Japan's Future: How the Liberal Democratic Party (LDP) Can Meet the Economic and Security Challenges." In addition, Kono guest lectured in a masters level course on Japanese politics for IR/PS students. He also met with the Japanese Consul General and leaders of the San Diego Japanese community. Kono also took part in tours and meetings on San Diego military bases where he gained insight into finding ways to make the relations between military bases and local communities more harmonious.

Kono was born in Hiratsuka, Odawara, Kanagawa and he is a graduate from KEIO Senior High School in Japan and the Suffield Academy in Suffield, Connecticut. He then went on to graduate from Georgetown University with a Bachelor of Science in Foreign Service. He also attended the Central School of Planning and Statistics in Warsaw, Poland.

Governance

Transforming Japanese Governance: Evaluation of the Impact of IRCJ and ETIC

MS. YURI OKINA

May 3-10, 2011

Faculty Host: Prof. Ulrike Schaede

Ms. Yuri Okina is Research Director and Chief Senior Economist of the Japan Research Institute, Ltd. (JRI). She is also Director at Japan's National Institute for Research Advancement and Director of Enterprise Turnaround Initiative Commission.

As a Fellow, Ms. Okina spoke on "Transforming Japanese Governance: Evaluation of the Impact of IRCJ and ETIC" and she addressed students at a luncheon about "Labor Issues for Professional Women in Japan." Ms. Okina participated in the IR/PS-sponsored Immigration on the National and Local Level in Japan Conference as well as took part in an IR/PS Town Hall meeting following the devastating earthquake and Tsunami in Japan.

Ms. Okina is also a member at the Financial Services Agency Council on Financial Services, the Government Tax Research Specialists Commission, the Regulatory Reform Subcommittee, and the Science Council of Japan. She has been an invited Professor at Keio University and Waseda University. She obtained her BA and MBA in Economic Management Research from Keio University.



Media



10 Years of the Media in Vietnam (2000 - 2010) and its Role in Reform

MR. NGUYEN ANH TUAN

May 16-27, 2011

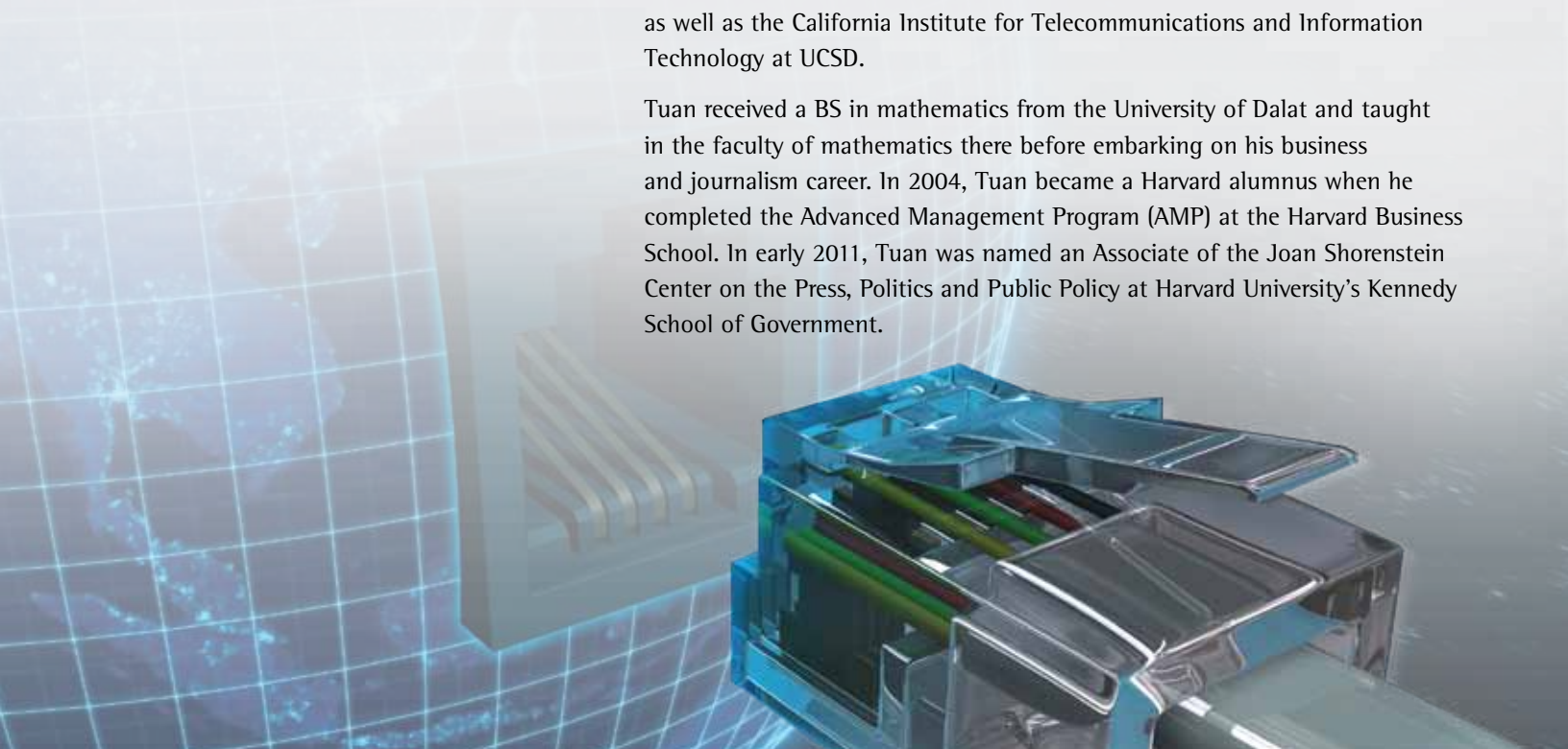
Faculty Host: Prof. Edmund Malesky

Community Host: Jeff and Gail Donahue

Mr. Nguyen Anh Tuan is chairman of VietNamNet Media Company, one of Vietnam's leading multimedia communications corporations. Tuan is also the editor in chief of VietNamNet, Vietnam's most popular online news publication. Tuan founded VietNet, the first internet service provider in Vietnam to provide email and web access, an achievement for which he was selected one of the ten outstanding young Vietnamese by the Prime Minister in 1996. He has been at the forefront of Internet entrepreneurship and online journalism ever since.

While in residence, Mr. Tuan gave two powerful presentations, one public talk on "10 Years of the Media in Vietnam (2000 - 2010) and its Role in Reforming Vietnam" and one specifically for students on "Restructuring the Vietnamese Economy: Viewpoints from the Media Perspective." Mr. Tuan participated in the Scoring Economic Development in the Pacific Region conference in which seminal research on Vietnam was highlighted. While in residence he was able to tour both Qualcomm, the world leader in next generation mobile technologies, as well as the California Institute for Telecommunications and Information Technology at UCSD.

Tuan received a BS in mathematics from the University of Dalat and taught in the faculty of mathematics there before embarking on his business and journalism career. In 2004, Tuan became a Harvard alumnus when he completed the Advanced Management Program (AMP) at the Harvard Business School. In early 2011, Tuan was named an Associate of the Joan Shorenstein Center on the Press, Politics and Public Policy at Harvard University's Kennedy School of Government.



Prospect

PROSPECT Journal is an international affairs organization at the University of California, San Diego. EmPac has partnered with the journal to interview Pacific Leadership Fellows during their residency and additional interviews may be found at <http://empac.ucsd.edu/media-center/>.



Casas-Zamora with students

Revisiting the Drug Trade and Prospects for Latin America and The Caribbean: Interview With Former VP of Costa Rica

Dr. Casas-Zamora is the former Vice President of Costa Rica and current senior fellow at the Washington, D.C.-based nonprofit research organization Brookings Institution. During his residency, PROSPECT had the opportunity to sit down with Casas-Zamora to discuss flaws in U.S. drug policy and future prospects for Latin American nations.

PROSPECT: U.S. foreign policy towards Central America is often described as a failed status quo. How would you define this term in relation to preventing drug trade?

CZ: The failed status quo refers to the White House's emphasis on stopping supply rather than curbing demand. Washington's reaction to the drug trade has consistently been: eradicate cultivation, prevent drugs from entering the U.S. and incarcerate those who are caught in possession of narcotics.

This approach has caused immense collateral damage. The number of people sent to jail for minor offenses relating to drugs is staggering—in the last ten years this number has more than doubled. Drug trade has had a negative impact on Central America and the current policies have exasperated the harmful effects. The production, trade and policy measures have increased violence, corrupted political systems and most importantly eroded the work ethic of an entire generation.

PROSPECT: You mentioned that Washington has always focused on reducing drug supply. How can a government reduce demand?

CZ: This country has been successful in reducing the demand of tobacco. However, reducing demand requires a different approach. U.S. politicians need to accept that drugs are available and always will be. Therefore the aim of policies should be on diminishing the social and criminal harm that drugs create. It is imperative that one takes the drug debate away from the moral debate. If drug trade remains a moral issue there will be little room for healthy debate or innovative policy strategies.

PROSPECT: Drug trade is heavily financed by black money. How should local governments go about limiting illicit cash flows?

CZ: Latin American nations have made major strides in regulating campaign finances. They have increased regulation to stem the flow of money. The problem is

implementing the laws that have been created. From a legal standpoint most nations have free and fair elections. There is freedom of press, which is more important than any legal framework. Over time the press and the legal system will gain strength, which will eventually limit and stop the flow of illicit money.

PROSPECT: A survey was recently conducted in Latin America. The findings reported that the public has little faith in their local governments. Can you comment on this?

CZ: The surveys show that over 60 percent of people support democracy and the political system. The problem is that people do not support specific institutions. Corruption scandals reduce what little trust people have in the political systems. It also does immense damage by destabilizing democratic institutions. Once we can address corruption, people will respond more positively to local governments.

PROSPECT: How does one address the weak legal system and how does it affect drug trade?

CZ: Law enforcement is crucial. Currently over 80 percent of crimes are not reported. This is because people believe that law enforcement is either useless or counterproductive. This number is staggering and creates an incentive to commit crimes.

Latin America does not have failed states. However, there are areas within the state where state writ does not operate. These places are not villages or remote areas. The state has lost control in multiple parts of urban areas. The state needs to recuperate these areas. They need to invest in these areas and work on integration. This must come from the state not from the police.

PROSPECT: What are your thoughts on Brazil and Venezuela?

CZ: Brazil is on the right track. Their macroeconomic policy is responsible. [Brazilian President Luiz Inácio da Silva] has created a foundation to help other aspects of the society flourish and aid the poor in very tangible ways. Brazil is finally living up to its potential.

Venezuela, on the other hand, is on the wrong track. Any positive change made in Venezuela has come with large negative externalities. There are no checks and balances or freedom of press. All the elements needed for a normal democracy to flourish have been destroyed. It will be difficult for Venezuela to rebuild its democracy. The economy is currently in shambles; it is the only country in Latin America to have negative growth for a second year in a row. Furthermore, the security situation is terrible. Homicide rates

have tripled in the last ten years. In 2000, the per-capita homicide rate was around 20 per 100,000 citizens. Today the figure is closer to 50 per 100,000. There has been an erosion of the political culture in Venezuela. The country is terribly polarized. I believe that [President Hugo] Chavez's legacy will be similar to [that of Juan] Perón.

PROSPECT: Which country will be the Latin American story?

CZ: Brazil will be the Latin American story. Brazil, alongside Chile, has managed something, which has eluded all the other countries in the region. They have proven that it is possible to reach a consensus with the elite about the country's future. Lula proved that a politician can be on the left, nurture social change, and still be economically responsible.

PROSPECT: What about Ecuador and Colombia?

CZ: Both countries will face the challenge of creating more inclusive political systems. They need to figure out how to integrate the society without destroying democracy in the process. Brazil has accomplished this and will, therefore, serve as a good role model. Ecuador, because of [Rafael] Correa, is showing signs of stability. The destructive part of Correa's revolution is over and the future looks optimistic. Likewise, [Álvaro] Uribe brought positive changes to Colombia. He re-established effective government control over national territory. Some of his methods were violent. However, there was enough democratic maturity in Colombia to prevent Uribe from running for a third term. The achievements of Uribe were preserved and the political maturity has led to a healthier environment. I am optimistic about both these countries.

Read More . . .

Additional Pacific Leadership Fellows have been interviewed, including Dr. Un Chan Chung and Dr. Xielin Liu.

*To read their complete interviews visit:
<http://empac.ucsd.edu/media-center/>*

Research Grants

Every year EmPac participates in academic inquiry by offering grants to fund innovative research by IR/PS professors. This year, funding supported research on issues revolving in or around Mexico, China, Vietnam, and the U.S.

Research topics included the impact of climate change and worker productivity in developing countries compared to the U.S. conducted by Prof. Josh Graff Zivin; testing the impact of transparency on delegate performance in Vietnam conducted by Prof. Edmund Malesky; a unique dataweb research series on China conducted by Prof. Craig McIntosh; and the evaluation of the Clean Development Mechanism in China conducted by Prof. Junjie Zhang.

JOSHUA GRAFF ZIVIN : ASSOCIATE PROFESSOR OF ECONOMICS

Climate Change and Agriculture Worker Productivity

The exact effect of pollution on public health and by extension worker productivity is poorly understood. “The Impact of Pollution on Worker Productivity” investigates this connection. In the paper, Graff Zivin and coauthor Matthew J. Neidell of Columbia University begin to examine the daily productivity of agricultural workers in California’s central valley and find evidence that even moderate pollution levels appear to significantly reduce worker output.

Since less developed countries are often more polluted than the U.S. and climate change will increase these pollution levels disproportionately in more tropical regions, they are expanding through this grant their analysis to examine impacts in Latin America. This will also increase the ability to assess whether the results obtained using data from U.S. workers generalize to other settings.

This research is already attracting considerable media attention. Leading public policy blogger Matt Yglesias is enthusiastic about its implications for economic development. “Most of the conventional examination of pollution controls adopts a costs versus benefits framework in which the benefits are balanced against economic costs,” Yglesias comments. “But across some margins, pollution reduction is pure economic benefit from a social point of view (albeit not from the point of view of individual polluters) which of course would tend to change the calculus.”

If Dr. Graff Zivin’s research encourages a rise in environmental protection in developing economies it could have a significant impact on world economic development and the welfare of the world’s outdoor workers.

MEET JOSHUA GRAFF ZIVIN

- Prior to joining IR/PS in 2008, Graff Zivin was an Associate Professor of Economics in the Mailman School of Public Health and the School of International and Public Affairs at Columbia University.
- Graff Zivin’s research spans three fields of economics – health, environment, and international development. He focuses on how uncertainty and heterogeneity affect both individual and societal decision-making.



The Adverse Effects of Sunshine: A Field Experiment in Vietnam

While our previous research on the Vietnamese National Assembly was fruitful, a final test was necessary before we can be absolutely certain of the relationship between transparency and delegate behavior in an Authoritarian parliament.

Our first randomized experiment eliminated the incentive hypothesis, which suggests that legislators respond positively to transparency, because they seek reelection. We found no evidence for such behavior. Alternatively, however, Humphreys and Weinstein (2009) and Besley (2005) describe the selection hypothesis, whereby better informed voters toss-out under-performing politicians and replace them with voters who they suspect will do a better job in office.

Because the first experiment took place outside of an election year, we do not know how voters responded to the treatment in practice. This past May 2011, Vietnam held elections for the 13th National Assembly. We repeated our experiment to see how voters would respond to transparent information about delegate performance.

This experiment replicated the first treatment on a new group of 147 delegates directly before the 2011 election, so we could determine how Vietnamese voters respond to information about their incumbent delegate's performance.

We are currently in the process of following this second experiment with a survey of voters after the 2011 election, analyzing their knowledge of query session performance and testing the correlation with voting choices.

Research



MEET EDMUND MALESKY

- Malesky completed his PhD in Political Science from Duke University in 2004 and prior to joining IR/PS in 2005 he was an Academy Scholar at the Harvard Weatherhead Center of International Affairs.
- Malesky's research focuses on comparative politics and political economy. His current projects include the construction of a provincial economic governance index to rank Vietnam's 64 provinces.

China Dataweb and Student Working Papers

This unique project combines collecting quality data on China and supporting practical training for students. “Our goal through the EmPac grant is to put IR/PS at the cutting edge of technical training for masters students,” IR/PS Professor McIntosh explains, “and the purpose of this China Dataweb Project is to showcase the amazing work our students are able to do.”

Additionally, by showcasing these exceptional research papers online, EmPac would be a significant contributor to academic research about China on a global level. Quality data on China, especially from the local level, is often rare, and IR/PS students’ research efforts have created a number of unique datasets.

Making this work publically available would enable other researchers to avoid wasting effort recreating these datasets and stimulate academic China research.

Additionally, McIntosh hopes to encourage better use of academic research by Chinese government officials. In his view, China is a country that undertakes massive policy experiments, and often does not engage in much neutral technocratic research to understand whether they’ve been effective.

Grants

MEET CRAIG MCINTOSH

- McIntosh completed his PhD in Agricultural and Resource Economics from UC Berkeley in 2003 and then joined IR/PS. He currently serves as Associate Dean.
- McIntosh is a development economist who specializes in evaluating the impact of interventions in financial markets in developing countries.



Evaluate the Impact of Clean Development Mechanism in China

Professor Zhang's research is on the cutting edge of challenging environmental integrity in not only industrialized countries, but also laying the groundwork needed for setting, controlling, and reviewing emerging carbon markets in developing countries.

The Clean Development Mechanism (CDM) is a project-based carbon market, which enables industrialized countries to reduce costs of compliance with the Kyoto Protocol by implementing climate mitigation projects in developing countries. The CDM has been successful in mobilizing the investment of public and private sectors from both developed and developing countries for reducing greenhouse gas (GHG) emissions.

Since there are no emission caps for developing countries, the usefulness of the CDM hinges on whether the proposed project would have occurred in its absence. Lack of rigorous criteria may result in some projects receiving an excess of carbon credits. Even worse, some "business-as-usual" activities might be wrongly registered as CDM projects. In this case, the credit buyers' increased emissions may not be fully offset by real emission reductions in the CDM activity. This may jeopardize on the effectiveness of the international emission trading system.

Zhang proposes a new econometric approach to assess whether these CDM projects are additional. To address the challenge that CO₂

emissions are not reported at the sub-national level, Zhang utilized the fact that SO₂ is a co-pollutant of GHGs in fossil-fuel use. The rationale is that if fossil-fuel power generation is replaced by renewable energy, both carbon dioxide (CO₂) and SO₂ emissions will be reduced. If there is no observed change in SO₂ emissions, the efficacy of the CDM to reduce CO₂ would be called into question. The empirical result finds no evidence that these CDM projects lead to lower SO₂ emissions. This result casts doubt on additional CDM activities, that is, they would have happened anyway.

Zhang is acquiring very unique data that has never been used before.

MEET JUNJIE ZHANG

- Zhang completed his PhD in Environmental and Resource Economics from Duke University in 2008 and then joined IR/PS.
- Zhang's research centers on empirical issues in environmental and resource economics with topics covering climate change, water resources, and fisheries. He is particularly interested in the interdisciplinary studies that involve both social sciences and natural sciences.



Academic Conferences

EmPac engages with other research based centers, universities, corporations, and government agencies to provide a forum for dialogue.

The Rise of The Middle Kingdoms Conference

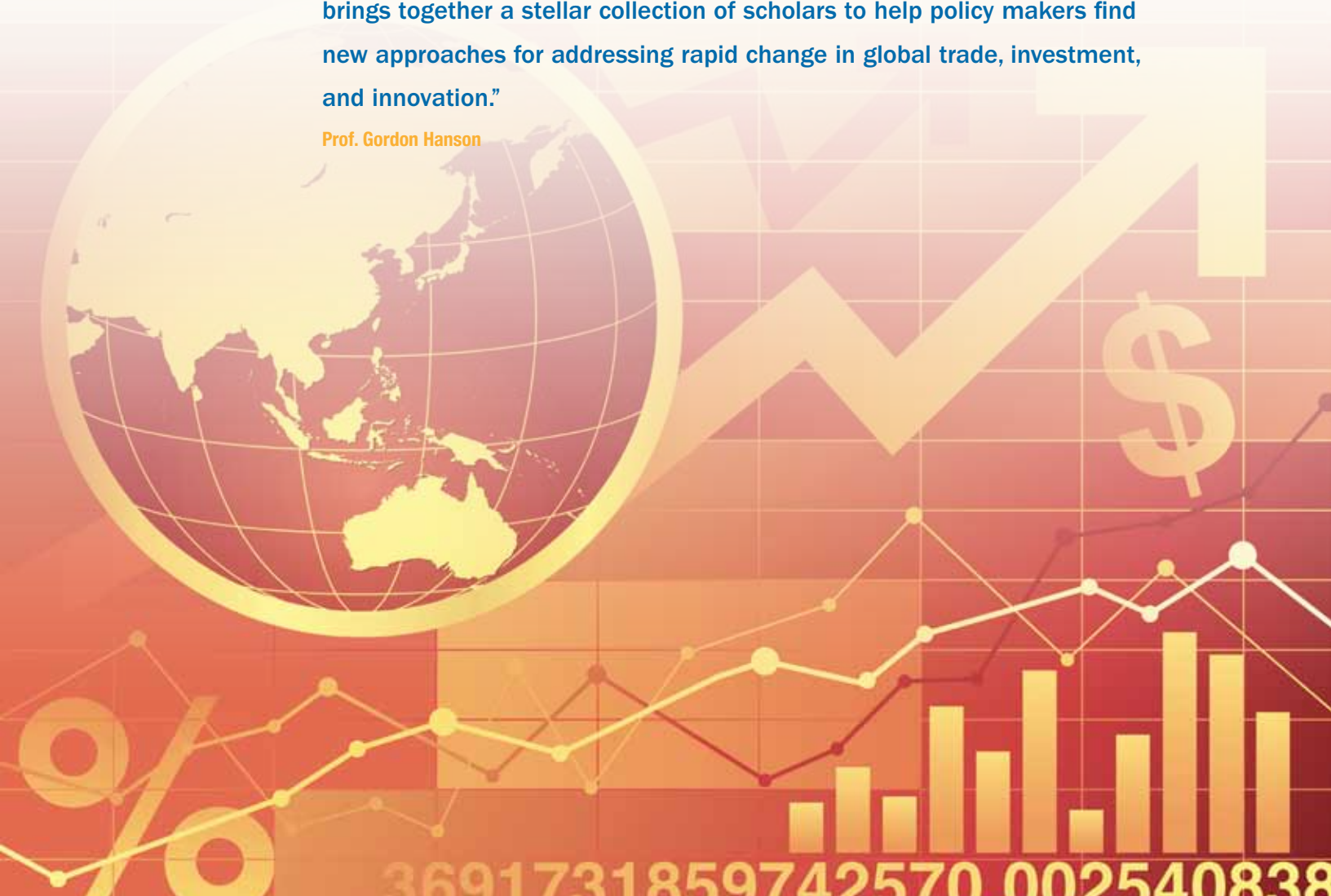
What does rapid economic growth in China and other middle income nations mean for global bilateral trade and investment, the international specialization pattern and macroeconomic imbalances?

Hosted by EmPac, this conference provided leading scholars an opportunity to discuss the ongoing transformation of global trade and capital flows in an increasingly diverse world economy, and to encourage original conversations that advances individual and collective research efforts.

The conference kick-started a multi-year interdisciplinary project by leading faculty intended to produce influential research and shape future policy discussions.

“The growth of China, India, Brazil, and other ‘middle kingdoms’ creates new challenges for how to manage the world economy. This conference brings together a stellar collection of scholars to help policy makers find new approaches for addressing rapid change in global trade, investment, and innovation.”

Prof. Gordon Hanson



Scoring Economic Development in the Pacific Region

This conference demonstrated the practical applicability of two ongoing IR/PS research agendas, which seek to rigorously document and compare economic development in the Pacific Region.

At the national level, Professor Gordon Hanson has developed a measure of the “export capability” of countries in Asia and Latin America, which is derived from the gravity model of trade. At the subnational level, Edmund Malesky discussed his creation of indices that measure the economic governance of regional and national governments from the perspective of domestic and foreign investors.

In addition to presentations by Professors Hanson and Malesky, the conference also included discussions with former IR/PS alumni working for the World Bank, US-AID, The Asia Foundation, and the Research Triangle Institute, who discussed how their organizations are currently taking advantage of the methodologies developed here at IR/PS.

“For me, the most exciting part of the conference was seeing our former students at the vanguard of the movement for more rigorous approaches to research in development. The education they received at IR/PS was visible in their careful research designs, complex statistical work, and ability to manage large-scale projects in diverse cultural environments. In short, their entire IR/PS toolkits were on vivid display.”

Prof. Edmund Malesky



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Center on Emerging
and Pacific Economies

at the School of International Relations and Pacific Studies

University of California, San Diego

9500 Gilman Drive, MC 0519

La Jolla, California 92093-0519

(858) 822-3103

empac.ucsd.edu



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