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**Foreign Direct Investments, Openness, and Economic Growth in Asia: Have We Found the Holy Grail**

With Asia’s poor constituting two-thirds of the world’s poor population, the search for the holy grail that will alleviate the plight of these 720 million people (ADB) is definitely a gigantic task. The solution offered in solving this problem has shifted its focus recently from export-led growth that has been successful for many East Asian countries to the role of Foreign Direct Investments (FDIs). The investment boom in several Asian countries in the last-quarter century, with FDIs increasing tremendously from the 1980s to the 1990s especially in the case of the East Asian economies is believed to be one of the main drivers of the so-called “Asian Growth Miracle”. In this paper, we inquire on the effectiveness of foreign direct investments (FDIs) in influencing economic growth in Asia using a sample of 13 countries and covering the years 1970-2002. The 13 Asian countries are Bangladesh, China, Hong Kong (China), India, Indonesia, Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, and Thailand. More importantly, we test Bhagwati’s hypothesis that export-promoting (EP) countries will generate greater benefits from foreign direct investments as opposed to import-substituting (IS) countries. Granger Causality tests are performed for each country to establish the causality between foreign direct investments and economic growth and to detect the potential problem of endogeneity in the panel data set. Ordinary Least Squares (OLS) and Two-Stage Least Squares (TSLS) estimation techniques are utilized to establish the relationship between foreign direct investments and economic growth, given varying conditioning sets to test for the robustness of our results. The TSLS estimation technique is used to correct for the presence of endogeneity bias. While we posit that FDI is likely to affect economic growth, it is also economically logical to assume that FDI flows to countries are caused by high economic growth because fast-growing economies may have enormous untapped investment potential as they move towards their long-run steady states. Two specifications are estimated, the second one is done to confirm the robustness of the results from the first specification. The first regression equation arises from a production function determination of economic growth where GDP per capita growth is determined by the growth of foreign capital, domestic capital, labor force, and exports. To contrast the effect of FDI on economic growth between the EP and IS countries, we run regressions for all the countries and separately for the two country categories. The second specification that we estimate follows that of Carkovic and Levine (2002). In this specification, we argue that GDP per capita growth is determined by other macroeconomic variables such as initial income, human capital stock, inflation, government size, openness, country risk, and FDI. Using these two specifications, the empirical evidence in this paper points toward the insignificance of FDIs in affecting the living standards in Asian economies, whether they are export-promoting or import-substituting countries. Furthermore, the export-led growth economy that many Asian countries have been adhering to seems to have not lost steam in generating growth.

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**Fighting Corruption in Bangladesh: How and to What Extent Can E-Government Help?**

Widespread corruption is a major hindrance to economic development, good governance and social stability in Bangladesh. The country has topped the list of corrupt countries for the fifth time consecutively from 2001. The Transparency International, Bangladesh Chapter has reported corruption to be widespread in almost all the sectors of the government, including political leaders, law enforcing agencies, judicial officials and bureaucrats. It is very difficult to detect and prevent corruption when the concerned agencies with the duty of fighting corruption themselves engage in it. Is there any way to reduce corruption? How
can the tendency of using public authority for private gains be curved down? In a country where growth of GDP might be higher, and the drive to reduce poverty would succeed more, searching effective ways to fight corruption is highly relevant to the development of Bangladesh in particular, and that of other developing countries in general. This paper explores whether and how introducing e-government can help curving corrupt practices and improving transparency of the authority. With access to computer and Internet only around 1%, it is a real doubt whether Bangladesh can establish e-government successfully. Keeping this limitation in mind, this article focuses on the prospect of using ICT against corruption in general. It particularly concentrates on what can be done with the limited ICT infrastructure and practices of the country. Though number of Internet users is very small, it is a positive sign that all of the ministries and important organizations have developed their own websites. A recent step of calling online application for mobile phone connection by the Ministry of Telecommunication, Government of Bangladesh, was very popular and could reduce the possibility of irregularities. Analysis and arguments presented here will show that, even if the country can not fully achieve the target of digital governance in the near future, armament against corruption can be stronger just by improving the quality of government websites. Placing particular type of information in the website would reduce the existing level of corruption. Dividing the society into four groups: 1) the authority, 2) customers to authority, 3) civil society including the media and 4) the citizens, the article has focused on placing what type of information would empower the last 3 groups so that they can have a strong voice, equipped with legal and procedural aspects of decision making while dealing with the authority. Providing the civil society and the media, the customers and the citizens with the information regarding legal and administrative procedures, clear description of rules of business and factors of consideration in decision making process may better equip them to fight against misuse of power, illegal actions and corrupt practices of the authority. The task of informing and educating the people can be done with the help of the well-planned, detailed governments websites. This article not only explores the existing government websites, but also compares some of the quality websites from developed countries to find out what government websites in Bangladesh are lacking and what can be added to strengthen the fight against corruption.

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Beyond the Straits and into the Ocean: Implications of the Taiwan-China Rivalry in the South Pacific

For nearly three decades, Taiwan and China have been embroiled in extraterritorial rivalries within several Pacific Island countries—countries whose geopolitical significance overshadows their comparatively miniscule land masses. Now, with hostility between the two swelling to a near boiling point in light of recent cross-Strait developments—including the recent passing of anti-secessionist laws by China sanctioning the use of violence against its self-governing territory, and a vocal protest in Taipei opposing those laws—their struggle for dominance in the region is especially pronounced. Within many of these tiny island countries, a real-life match of Go is being played out between China and Taiwan—a game of geostrategic one-upmanship that exposes the friction looming latently, but impatiently, between the archrivals. This paper examines the significance and implications of the Taiwan-China rivalry in the South Pacific. By critically investigating the more recent diplomatic clashes, it outlines what the current interests are for both countries and relates the implications of their conflicting interests—for China, for Taiwan, for the Pacific Island countries involved, and for the region as a whole. It argues that while a shift in the regional balance of power is certainly a conceivable consequence of the Taiwan-China rivalry in Oceania, it is but a distant one; a more pressing and immediate concern is the possibility of heightened regional instability actuated by the impulsive and often misinformed diplomatic decisions of island statesmen, who appear increasingly willing to buy into the corruptive checkbook politics of both countries. Ultimately, the current stakes are highest not for the bigger players—China, Taiwan, the U.S., Australia, and Japan—but for the vulnerable island nations themselves, who have both the most to gain and the most to lose from their diplomatic engagements with the “two Chinas.”

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The Energy-Water Nexus in Industries – A Case Study of a Software Industry in India

Water resources are unsustainably being exploited to meet the growing needs of agriculture, industry and human settlements. In India, water availability per capita is predicted to decline to water stressed levels (less than 1000 cubic meters) in 2027 from about 6000 cubic meters in 1947. There is thus a pressing need for water conservation by both, increasing user efficiency as well as by decreasing demand. The growth in the services sector, propelled largely by the growth in software industries, has been phenomenal during the past decade in India. These industries, initially small in size and dispersed spatially within an urban region, have gradually been consolidating their positions by establishing their own campuses. The water requirements for
these campuses are enormous to meet the needs of air conditioning services, landscaping and domestic use. Integrating the water needs of these industries and augmenting water sources through rainwater harvesting is increasingly viewed as a potential for water conservation reducing water demand from conventional sources. The benefits that accrue from such practices are likely to result in result in energy savings as well, sometimes even more significant than the water savings. This paper provides an example of a software industry in Hyderabad, India that plans to reuse treated effluent and rainwater to meet its landscaping and air conditioning needs to a large extent. The paper demonstrates how such measures were incorporated in the phased development of the campus located in the city with moderately low rainfall (764 mm annual average). Design alternatives were developed and considered based on various rainfall scenarios and project development scenarios. The water and infrastructure systems for each alternative were optimized using a simple computer model to maximize efficiencies. Each of the alternatives was evaluated using a cost-benefit analysis that included the water and energy savings possible. The analysis shows that though investments ranging from 0.15 to 1.0 million USD for the alternatives are required in investments, the paybacks are within 0.3 to 7.0 years for most cases. Water conservation in such facilities are shown to thus be both environmentally and economically feasible making a strong case for policies that encourage rainwater harvesting and water reuse in software industries in India.

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The Dance of Ugyhur Women in Modern China: Body Lingua and Discourse

This paper examines the dances of Uyghur women from Xinjiang province to determine where, how and why these women express themselves in this artful embodiment of communication, the altered dance patterns in current years that reflect new trends in culture and folklore, and the increase of development in that region. A further analysis was conducted on the significance of the dance to these Uyghur women, and the impact the dancing has had on interpersonal relationships within the Uyghur family and community. In face of globalization, traditional cultures in China have been losing influence. There is concern that new generations will not have the benefit of that indigenous and cultural knowledge. This study will benefit future generations by promoting cultural diversity and to demonstrate that Uyghur culture is one of great pride and dignity. The research reflected my interest in female Uyghurs dancers, the meanings and forms of traditional dance, the costumes and space in which the dance is performed, and with the surge of development in the region, the effect or manifestation the cultural and traditional form has embodied to reflect these changes. The author interviewed female Uyghur dancers in order to assess the traditional meaning behind their unique dance form and the significance to Uyghur women. The methodology used to collect data included interviews, formal and informal, personal observations, and research from books and the internet. The mosaic of movements are not limited to women solely, however structurally speaking they are more complicated and diverse and reflect social and cultural issues that are attributed to the current trend in the Han Chinese “Develop the West” policies, the modification of Uyghur dance, power structures between the dancer and the observer, and the social and poetic dimensions of dance embodiment that will be explored in this paper. The request of the Uyghur to dance for the Han has changed a cultural discourse that was once reserved and produced for “us”, the Uyghurs, is now being utilized for and by ”them”, meaning the Han. By creating meaning within the dance, and negotiating spaces through their own perspectives and bodies, these women incorporate their own messages which result in more flexible modes of empowerment (Law 1997).

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Challenges and Solutions in Improving Tuberculosis Care among Indigenous People in Taiwan

Indigenous Taiwanese, the minority population in Taiwan, have one third the annual income of, and a lifespan ten years shorter than, other Taiwanese populations. Despite three decades of government support including free vaccinations, screening, and treatment, implementation of Directly Observed Therapy, and worker’s compensation for patients during treatment, TB remains the ninth leading cause of death among indigenous Taiwanese with an incidence rate ten folds higher than other Taiwanese. While most efforts to improve TB control for indigenous Taiwanese continue to focus on medical services, this study identified socio-cultural impediments to TB care and proposes potential strategies to overcome these obstacles. Objectives This study aimed to discover the cultural and socioeconomic challenges of implementing tuberculosis (TB) control plans within a minority Taiwanese population and several strategies to address these challenges. Method From a review of the literature, the authors constructed a causal model of both individual and system-level factors, and their interaction, to understand their influence on successful TB screening and treatment. The main causal pathway considered the probability of being detected as a TB case, adherence to TB treatment and treatment response. The authors conducted anticipation observations and interviewed with 8 local medical professionals and 10 educated community members to identify obstacles to
the control of TB among Indigenous Taiwanese. **Result** Transportation and financial difficulties have forced indigenous Taiwanese to ignore early symptoms of TB and have deterred them from seeking medical care, resulting in prolonged infectious periods and significant disease progression by the time of diagnosis. Information barriers, resulting from the high turnover of local health staffs and lack of health education, have led to difficulties conveying the important aspects of TB prevention, treatment, and the availability of ancillary treatment support. Alcohol dependence is a common problem interfering with medication adherence. Additionally, churches have played an important role distributing public health information in aboriginal communities. **Conclusion** Unique cultural and socioeconomic factors should be considered in order to create TB control programs sensitive to aboriginal needs. Since 75% of aborigines accept Christianity or Catholicism as their religious belief and churches are located in every aboriginal community, utilizing the long-term harmonious relationship between aborigines and missionaries could be a feasible way to enhance aboriginal awareness and acceptability of TB control measures. In addition to reimbursement for hospitalization, supplementary measures, such as free day-care, should be considered to eliminate the obstacles of affected Indigenous Taiwanese in seeking TB care.

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**America, ASEAN, and International Pressure for Reform in Burma/Myanmar**

Since the military seized power in 1988, Burma/Myanmar has been subject to persistent international pressure for domestic reforms. This paper analyzes US and ASEAN policy toward Burma/Myanmar and the limitations of international influence attempts. The paper assumes the SLORC/SPDC leadership is broadly rational, and considers international demands for reform within the context of the regime’s core interests and expectations. Although some observers suggest that the US has no significant leverage over Rangoon/Yangon, evidence indicates that Washington’s policies have had a considerable impact on Burma/Myanmar’s access to international aid and investment. On the other hand, many write off ASEAN’s ‘constructive engagement’ strategy as a ‘non-policy,’ allowing individual members to make money at the expense of the Burmese people. While ASEAN’s strategy may have been implemented poorly, such judgments discount any role for positive inducements as pressure for reform. To understand why Rangoon/Yangon has shown so little response to international pressure, I focus on US and ASEAN policies as two applications of the theory of coercive diplomacy. I find that current American strategy has made noncompliance with US demands difficult for the regime, but has failed to make compliance more appealing. Conversely, ASEAN has made compliance somewhat easier for Rangoon/Yangon, but has done almost nothing to make noncompliance more difficult. Yet ASEAN has enticed Burma/Myanmar into a set of commitments which may make noncompliance even more difficult in the future. In addition to some failures of implementation by both actors, however, the interaction of policies has been a more significant obstacle to progress. Statecraft, including coercive diplomacy, does not take place in a single-issue, bilateral vacuum; how other states interact with the target state can have a significant impact on the target’s cost/benefit/risk calculations and subsequent behavior. Though unsurprising, this point has often been obscured in both policy and analysis. I find that US pressure may have goaded ASEAN to more vigorous efforts at some points, but more often the two have undermined each other. Moreover, neither the US nor ASEAN has adequately considered the role of Burma/Myanmar’s most important ally: China. The paper concludes with suggestions for a more coordinated approach between the US and ASEAN that would not only allow the two policies to be mutually reinforcing but also help bring China’s influence to bear.