

Dominant Conversations in Five Stages in Life

- 1st stage: “The life is disgusting.”
- 2nd: “I am miserable. (and others are good)”
- 3rd: “I am great. (and others are not)”
- 4th: “We are great. (and others are not)”
- 5th: “The life is great.”

- Leadership to “shift” into another stages.

Tribal Leadership by David Logan
<http://www.triballeadership.net/>

Northeast Asian Bank for Cooperation and Development (NEABCD)

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Four Questions

- What is “Northeast Asia” ?
- Why Northeast Asia ?
- Challenges for Development ?
- Why new bank ?

What is Northeast Asia?

- Less solid definition
- Including Japan, the Korean Peninsula, Northeastern China, Mongolia, Far Eastern Russia, Alaska

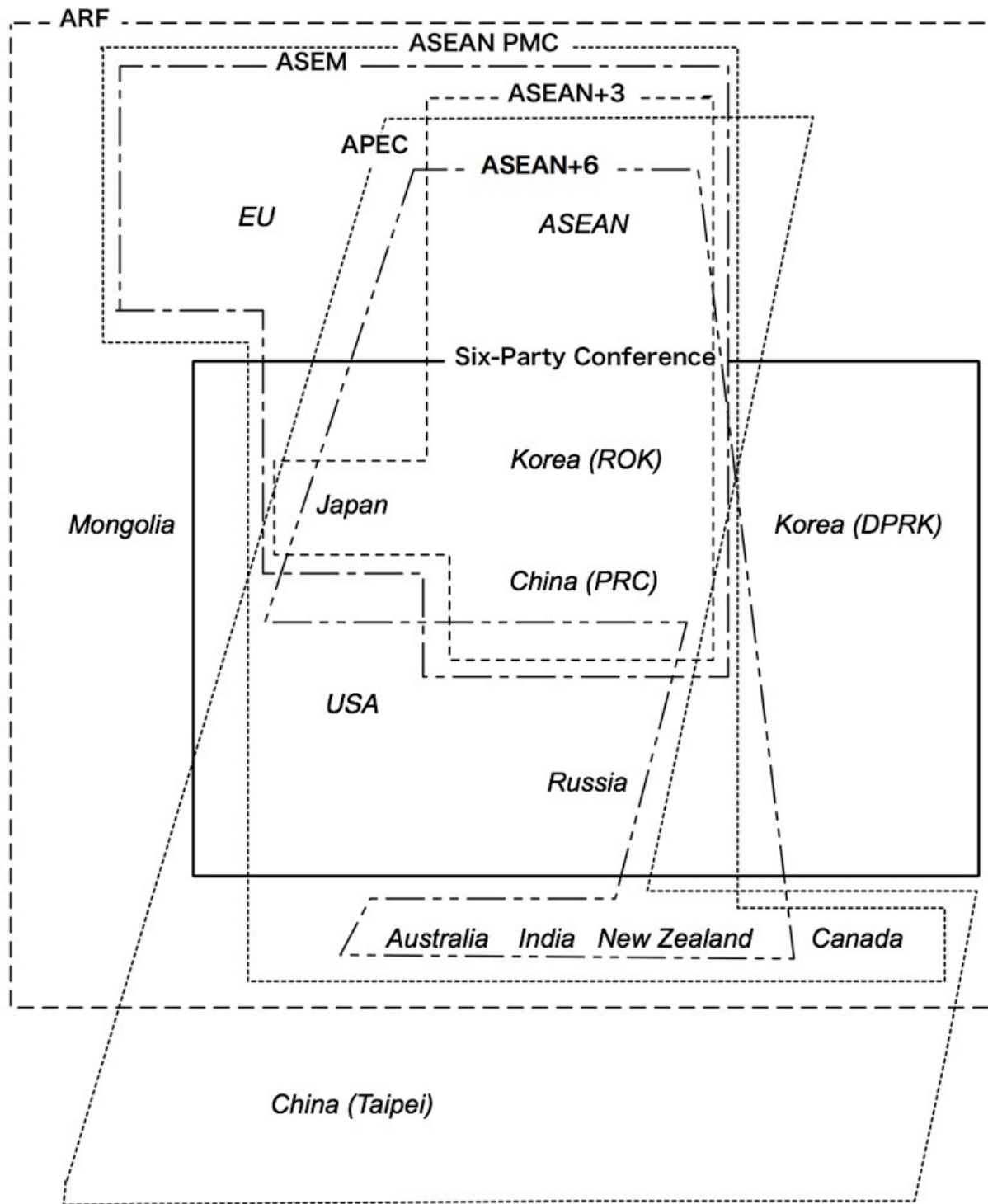


Why cooperation in NEA is important?

- Combination of matured economies and economies with vitality
- History of tension and conflicts
- international cooperation (liberalism) or economic nationalism (realism)

Challenges for Prosperity

- Cross-border infrastructure underdeveloped
- Absence of cooperative regional system
- Frontier with weak political power
- Short of capital



Northeast Asian Bank for Cooperation and Development

- Northeast Asian version of the EBRD
- Loans and investment for cross-border infrastructure projects
- Capital for “sub-sovereign” governments
- Funded by CJK, Mongolia, Russia, US, EU....

NEABCD proposal met criticism

- *NEABCD is not necessary because*
 - *“Another int’l organization is a waste of national resources.”*
 - *“Private sector can bring funds.”*
 - *“Resources more needed in such areas as poverty reduction in Africa and post-conflict development in the Middle East.”*
- *And we kept discussing for 20 years.*

Characteristics of NEABCD

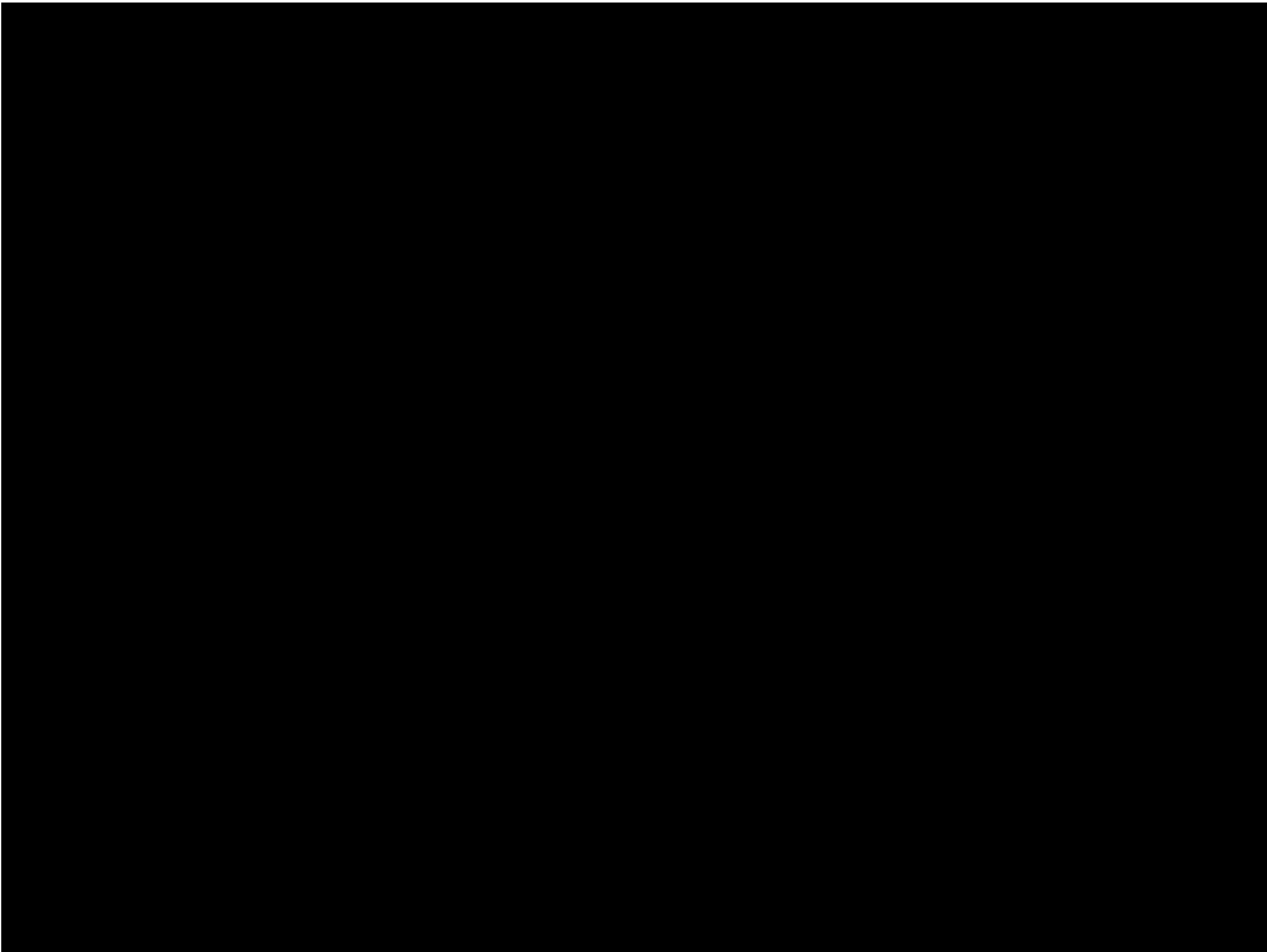
- Number of members is limited and not large: **not multilateral**
- Out-of-region members: **not regional**
- Focusing on specific and mutually shared problems: **not universal**
- need to be explained in the context of **Functional Minilateralism**

Minilateralism?

- Not multilateralism, not a set of bilateral agreements, not subregionalism
 - Minilateralism: not clearly defined in political science literature
- International political economy of minilateralism not much studied
 - Six-Party Talks?

NEABDC and Minilateralism

- Minilateralism: useful as a birds-eye view on **political and economic environment** for NEABCD
 - New framework for post-globalizing economy
- NEABCD: unique example to be analyzed by minilateralism
 - Process and procedures on structural details of the NEABCD



Explaining Political Economy (State-Market Relationship)

- Economic Nationalism / Realism
- Economic Liberalism / Neo-Liberalism
- Marxism-Leninism and Dependency Theory
- Constructivism

Economic Nationalism / Realism

- State as the unit of action and analysis
- Goal of states: security, prosperity, pride
 - States in zero-sum competition
 - Use of soft power and hard power
 - Dependency as strategic vulnerability

Economic Liberalism / Neo-Liberalism

- Rational individual choices can serve the best interest of society
 - Distribution through market mechanism
 - Minimal role of state in economic affairs
- Positive to economic globalization for higher productivity and positive-sum for market participants (producers and consumers).

Marxism-Leninism

- Structure of economy and society conditions / determines the outcome.
- Structural conflicts between
 - “haves” and “have-nots”
 - “advantaged” and “disadvantaged”
- Useful in explaining dark side of globalization

Constructivism

- Values, ideas, beliefs → Actions of institution
- State reflect society's values and beliefs
- Ideas having causal power
- Transformation of ideas → political, economic, and social changes

IPE of Minilateralism

Example: **Six-Party Talks**

- **Realist: Another competition for sphere of influence?**
- Neo-Liberalist: paying little attention
- M-L: paying little attention
- **Constructivist: Dialogues make new rules?**

IPE of Minilateralism

Example: NEABCD

- Realist: Who gains, who loses?
- Neo-Liberalist: Does it contribute to global financial efficiency?
- M-L: Good for the disadvantaged?
- Constructivist: Dialogues make new rules?