

POLS 8270: The Politics of Trade and Security

Tuesdays, 12:30-15:15

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Course Description and Objectives

This course addresses the fundamental questions surrounding the intersection of *strategic* trade and national and international security. It is a course that draws upon both comparative and international politics; and, it addresses both the domestic and international dimensions of power, politics, economics and security.

The above dynamics and relationships are made complex by a host of factors. For example, there are tensions between the trade and security interests of states. These tensions are played out in the domestic as well as multilateral and international arenas. In addition, much of international trade today involves “dual-use” technology having both military and civilian applications. Dual-use, high technology trade complicates the trade and security interests of both states and businesses. Hi-tech trade can have both costs and benefits for states. In addition, contemporary trade relationships involving states and markets have implications for a range of security threats, including national competitiveness, conventional arms proliferation and the spread of weapons of mass destruction (WMD).

The course will address several themes, including: Economic and technological *globalization* – how is globalization, the rapid spread of science and technology, and issues of comparative advantage and commercial competition affecting state interests and policy? *Sovereignty* – who has power and what are the power relationships in these trade and security issues among states, businesses (e.g., multinational corporations), and international institutions? Politics, trade and security policy – how are the competing interests of groups and states played out in certain policy areas such as export controls and nonproliferation?

The course assumes an advanced level of theoretical background. That said, the thrust of the course is decidedly policy-relevant in nature. The student will be challenged to think of these complex issue more in terms of *praxis* than ontology. Overall, the course is intended to make you a better policy scientist. The training you receive here will prepare you for both the advanced research and teaching needed in the academy, as well as the advanced policy analysis and evaluation skills needed in governmental, nongovernmental and private sectors.

Requirements

Class Participation (30%): Each student is expected to complete the required reading and be prepared to participate, in an active and informed manner, in class discussions. Also, all students will be scheduled to make periodic presentations and lead class discussions. Students will be evaluated on the quality of their presentations and participation in the weekly seminars.

Depending on class size, one (or two-person team if numbers allow) student per week will select a topic based upon contemporary news items and canvas said items against the weekly theme. For example,

during the “Arms Trade” week, a student may select a current arms trade issue (e.g., the on-going UN conferences on the *Arms Trade Treaty*) and explain its policy relevance to any country or regional/international organization of the student’s choosing. The one-page policy memo will be presented in class. Presentation subjects and order will be established during weeks one and two.

There may be an occasional “pop quiz,” the result(s) of which contributes to class participation.

Finally, I cannot emphasize enough the importance of class discussion. This course is *NOT* a lecture series. Instead, the course is exclusively conversational wherein the course readings provides tone tenor and structure to class discussion. Students are expected, of course, to be prepared, doubly so with respect to interaction.

Research or Paper Project (70%): All students will undertake an independent research project on a selected issue related to the course. Most students will conduct background study and write a research design. This 15-20 page paper will design a future research project. Other students, who have previously designed a research project, may choose to write a 20-25 page research paper. In either case, students will present draft papers during weeks 14 and 15.

Absens Doctor

As part of my responsibilities at the Center for International Trade and Security (www.uga.edu/cits), I will have to miss some classes owing to foreign travel. In those events, I will arrange for a guest lecturer. While on the surface an inconvenience, I believe my continued involvement in related policy application work invariably enriches the policy-focused nature of this course and, for that matter, the overall tenor of the MIP program. That said, I will ensure that the class is covered by a colleague or, ideally, an outside speaker.

Required Readings

The “canonical” required book readings are as follows, as spaced around the corresponding weeks noted below:

Brooks, Stephen G., *Producing Security: Multinational Corporations, Globalization, and the Changing Calculus of Conflict* (Princeton: Princeton University Press, 2007)

The Brooks book is, to date, the best overall summary of the trade and security issues explored in the course. Of particular importance is Brook’s presentation of globalization as a function of the global diffusion of the means of production.

Cupitt, Richard T., *Reluctant Champions: Truman, Eisenhower, Bush, and Clinton : U.S. Presidential Policy and Strategic Export Controls* (New York: Routledge, 2000)

Cupitt provides a masterful analysis of the U.S. export control policy efforts to constrain Soviet military capabilities during the Cold War through export controls. The book highlights the central themes of national security and trade.

Brooks and Cupitt are to be read in their entirety in preparation for weeks 3 and 6 respectively. Beyond these two books, each course section outlines relevant required and recommended readings.

Week 1: Introduction (10 January)

- I Substance of this course
- II Expectations and requirements
- III Questions

What is the relationship between trade and security?

Trade and security, the central concepts:

- Means of production and “Globalization”
- Technology (role of)
- “Trade” as function of technology transfer/diffusion
 - Foreign direct investment (FDI) as corollary concept

Background Reading

- Chapter 2. Nuclear black markets: other countries and networks, in International Institute for Strategic Studies, Nuclear Black Market Dossier: A Net Assessment (London: IISS, 2007) <http://www.iiss.org/publications/strategic-dossiers/nbm/nuclear-black-market-dossier-a-net- assesment/nuclear-black-markets-other-countries-and-ne/>
 - See also, “Illicit Trade” section of ISIS web site: <http://www.isisnucleariran.org/illicit-trade/>

Week 2: International Trade Theory and Practice (17 January)

“The notion of a firm with a unique national identity is quickly fading.”
- M.A. Desai, 2008

In this section, we will define and examine the form and current content of “globalization,” focusing on, in particular, the de-territorialization and fragmentation of the *means of production*.

Required Reading

- Chapter 1: The Evolution of the International Trading System, in United Nations Conference on Trade and Development, Globalization for Development: The International Trade Perspective (United Nations 2008) http://unctad.org/en/docs/ditc20071_en.pdf
- Desai, Mihir A. “The Decentering of the Global Firm,” Harvard University and NBER, September 2008 <http://www.hbs.edu/research/pdf/09-054.pdf>
- Kirayama, Nobuo, [*Trade and Innovation: Synthesis Report*](#), OECD Trade Policy Papers No. 135 (2012)
- World Trade Report 2013: Factors Shaping the Future of World Trade, World Trade Organization (WTO), https://www.wto.org/english/res_e/publications_e/wtr13_e.htm

Recommended

- Athukorala, Prema-chandra, and Nobuaki Yamashita. "Production Fragmentation and Trade Integration: East Asia in a Global Context." *North American Journal of Economics and Finance* 17 (2006): 233-256
- Beattie, Alan. *False Economy: A Surprising Economic History of the World*, Riverhead, 2009.
- Bernstein, William J., *A Splendid Exchange: How Trade Shaped the World* (New York: Atlantic Monthly Press, 2008)
- Bhagwati, Jagdish. *In Defense of Globalization*, Oxford University Press, 2005
- DHL, Global Connectedness Index 2012: http://www.dhl.com/en/about_us/logistics_insights/studies_research/global_connectedness_index/global_connectedness_index_2012.html#Uf_CNZLmq88
- Michael D. Bordo, Barry Eichengreen, and Douglas A. Irwin, "Is Globalization Today Really Different Than Globalization a Hundred Years Ago?" *Brookings Trade Forum* (1999), The Brookings Institution
- Coe, Neil M., Peter Dicken, and Martin Hess. "Global production networks: realizing the potential," *Journal of Economic Geography*, Vol. 8, No. 3, 2008, pp. 271-295. <http://intl-joe.oxfordjournals.org/content/8/3/271.full>
- Cohen, Benjamin J. *International Political Economy: An Intellectual History*, Princeton University Press, 2008.
- Dicken, P. (2007) *Global Shift: Mapping the Changing Contours of the World Economy*, 5th Edition, London: Sage Publications
- Errico, Luca and Massara, Alexander, "Assessing Systemic Trade Interconnectedness: An Empirical Approach," *International Monetary Funds*, September 2011
- Ferguson, Niall. *The Ascent of Money: A Financial History of the World*, Penguin, 2009.
- Gilpin, Robert. *The Political Economy of International Relations*. Princeton University Press, Princeton, N.J. 1987.
- Global Shift series: <http://www.sagepub.com/dicken6/politonline.htm#Chap1>
- Goldstein, Judith L., Douglas Rivers, and Michael Tomz. "Institutions in International Relations: Understanding the Effects of the GATT and the WTO on World Trade." *International Organization* 61.1 (2007) 37-67.
- Goldstein, Timothy E. Josling, and Richard H. Steinberg, *The Evolution of the Trade Regime: Politics, Law, and Economics of the GATT and the WTO*. (2006)
- Levi-Faur, David. "The Global Diffusion of Regulatory Capitalism." *The Annals of the American Academy of Political & Social Science* 598: 12-32
- Marchick, David and Matthew Slaughter, *Global FDI Policy: Correcting a Protectionist Drift*, Council on Foreign Relations, June 2008
- Palmisano, Samuel J. "The Globally Integrated Enterprise," *Foreign Affairs*, May/June 2006
- Maurer, Andreas, and Christophe Degain. "Globalization and trade flows: what you see is not what you get!" Staff Working Paper ERSD-2010-12, Economic Research and Statistics Division, World Trade Organization, June 2010 http://www.wto.org/english/res_e/reser_e/ersd201012_e.pdf

- Organization for Economic Cooperation and Development (OECD), *Interconnected Economies: Benefiting from Global Value Chains*, May 2013: http://www.keepeek.com/Digital-Asset-Management/oecd/science-and-technology/interconnected-economies_9789264189560-en
- World Economic Forum (WEF), *The Shifting Geography of Global Value Chains: Implications for Developing Countries and Trade Policy*, 2013: http://www3.weforum.org/docs/WEF_GAC_GlobalTradeSystem_Report_2012.pdf
- World Trade Organization, *World Trade Report 2008: Trade in a Globalizing World*, pp. 15-144 http://www.wto.org/english/res_e/booksp_e/anrep_e/world_trade_report08_e.pdf

Week 3: The Sinews of National Security (24 January)

Sovereignty, Statecraft and the meaning of Article 51

In this section we will explore traditional and contemporary understandings of power and the state. Moreover, we will focus on the sovereign right to produce and trade in the (or one) means of power: military equipment. As enshrined in the UN Charter, the state is beyond reproach in securing its sovereign integrity: “Nothing in the present Charter shall impair the inherent right of individual or collective self-defence if an armed attack occurs against a Member of the United Nations, until the Security Council has taken measures necessary to maintain international peace and security. Measures taken by Members in the exercise of this right of self-defence shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under the present Charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security.”

- What does this mean for the practice of statecraft and trade in strategic items?
 - Why isn’t strategic trade subject to free market forces? If they are, how so?
 - Can states really control “their” strategic technology any longer?

Required Reading

- Brooks, *Producing Security*: entire

Background Reading

- Andreas, Peter. “Redrawing the Line: Borders and Security in the Twenty-First Century.” *International Security* 28.2 (2003): 78-111.
- Bailey, Michael, Judith Goldstein, and Barry Weingast. “The Institutional Roots of American Trade Policy: Politics, Coalitions, and International Trade.” *World Politics* 49, no. 3 (1997): 309-38.
- Baldwin, David, *Economic Statecraft* (Princeton: Princeton University Press, 1985)
- Defense Science Board, *Creating an Effective National Security Industrial Base for the 21st Century: An Action Plan to Address the Coming Crisis*, U.S. Department of Defense (2008) <http://www.acq.osd.mil/dsb/reports2000s.htm>
- Director of National Intelligence, “Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions,

Covering 1 January to 31 December 2011,” web-site of the Federation of American Scientists, available at <<http://www.fas.org/irp/threat/wmd-acq2011.pdf>>.

- Feffer, John. “Gunboat Globalization: The Intersection of Economics and Security in East Asia,” *Social Justice* , Vol. 27, No. 4 (82), Neoliberalism, Militarism, And Armed Conflict (Winter 2000), pp. 45-62
- Klare, M.T. (2001) *Resource Wars: The New Landscape of Global Conflict*, New York: Henry Holt and Company.
- Krasner, Stephen. “State Power and the Structure of Foreign Trade,” *World Politics* 28:3 (1976), 317-347.
- Long, Andrew G. “Defense Pacts and International Trade.” *Journal of Peace Research* 40.5 (2003): 537-552.
- Paarlberg, Robert L., “Knowledge as Power: Science, Military Dominance, and U.S. Security,” *International Security*, Volume 29, Number 1, Summer 2004, pp. 122-151 http://muse.jhu.edu/journals/international_security/v029/29.1paarlberg.pdf
- Rogowski, Ronald. “Commerce and Coalitions: How Trade Affects Domestic Political Alignments.” (In Frieden & Lake.) (8 pp)
- Russett, Bruce. *Controlling the Sword: The Democratic Governance of National Security* (Cambridge, MA: Harvard University Press, 1990), pp. 20-51. (31 pp)
- Sekhar, Varaprasad. “Technology Transfer in Sino-Japanese Relations: The Context, Conflict and Cooperation.” *China Report* 44.2 (2008): 153-174.
- Tilly, Charles. “War Making and State Making as Organized Crime,” in *Bringing the State Back In* edited by Peter Evans, Dietrich Rueschemeyer, and Theda Skocpol (Cambridge: Cambridge University Press, 1985) <https://netfiles.uiuc.edu/rohloff/www/war%20making%20and%20state%20making.pdf>
- Tiron, Roxanna. “Buy American creates hurdles for Pentagon’s business plans.” *The Hill* 29 Nov. 2006.
- Wander, W. T., Arnett, E. and Bracken, P. (eds), *The Diffusion of Advanced Weaponry: Technologies, Regional Implications, and Responses* (American Association for the Advancement of Science: Washington, DC, 1994);
- Wayne, Leslie. “Pentagon Defends Its Growing Reliance on Foreign Contractors.” *International Herald Tribune* 23 Sept. 2005.
- Wayne, Leslie. “Pentagon Looks outside Borders to Equip the Troops.” *New York Times*, 27 September, 2005.
- World Economic Forum, “Geo-economics: Seven Challenges to Globalization,” February 2015, <https://www.weforum.org/reports/geo-economics-seven-challenges-globalization>

Week 4: Arms and Dual-Use Trade I (31 January)

In this two-part section, we will investigate the means and scope of strategic trade, defining the concept as the transfer of military and dual-use items and technologies. Moreover, we will likewise examine the impact on policy of how (and why) states manage military imports and exports, as well as explore the role of an increasingly de-nationalized private sector in shaping the terms of global production and trade.

The Global Arms Trade

Required Reading

- Bitzinger, Richard A. “The Globalization of the Arms Industry: The Next Proliferation Challenge,” *International Security*, vol. 19, no. 2, Fall 1994, pp. 170-198
- Neuman, Stephanie. “Power, Influence and Hierarchy: Defense Industries in a Unipolar World,” *Defence and Peace Economics*, February 2010
- Rachel Stohl and Suzette Grillot, *The International Arms Trade* (Cambridge: Polity Press, 2010)

Background Reading

- Bitzinger, Richard A. The Globalization of the Arms Industry: The Next Proliferation Challenge, *International Security*, Volume 19, Number 2, Fall 1994, pp. 170-198
- Bitzinger, Richard A., *The Modern Defense Industry: Political, Economic, and Technological Issues* (New York: Praeger Security International, 2009)
- Keller, William W., *Arm in Arm: The Political Economy of the Global Arms Trade* (New York: Basic Books, 1995)
- Catherine A. Theohary, “Conventional Arms Transfers to Developing Nations, 2004-2015,” Congressional Research Service, 19 December 2016 <https://fas.org/sgp/crs/weapons/R44716.pdf>

Data Resources

- The Arms Sales Monitoring Project (ASMP) at the Federation of American Scientists (FAS): <http://www.fas.org/programs/ssp/asmp/index.html>
- Stockholm International Peace Research Institute (SIPRI) Arms Transfers Project and Related Databases: <http://www.sipri.org/research/armaments/transfers/>
 - Trends in international arms transfers, 2015 (SIPRI) <https://www.sipri.org/publications/2016/sipri-fact-sheets/trends-international-arms-transfers-2015>

Week 5: Arms and Dual-Use Trade II (7 February)

The Trade in Dual-Use Items and Technologies

Most states that have acquired weapons of mass destruction (WMD) have purchased the component technologies and materials for such weapons. The technologies and components for such weapons include commercially available items – or “dual-use” – like machine tools and materials like graphite, which can be used for moderating nuclear reactions in a power generation facility or in the enrichment of nuclear fuel for bombs. This suggests that policy makers need to give more attention to strengthening strategic trade controls in order to impede acquisition efforts. However, the trade in dual-use items, in contrast to defense products, is complicated precisely by this dual nature. In this section, we will begin our examination of the dual-use world, highlighting the national, regional, and international security and economic dimensions in subsequent weeks.

Required Reading

- Dr Sibylle Bauer, Mark Bromley, “The dual-use export control policy review: balancing security, trade and academic freedom in a changing world,” EU Non-proliferation Paper No. 48, Publisher: SIPRI (March, 2016) <https://www.sipri.org/publications/2016/eu-non-proliferation-papers/dual-use-export-control-policy-review-balancing-security-trade-and-academic-freedom-changing-world>
- Fuhrmann, Matthew. “Spreading Temptation: Proliferation and Peaceful Nuclear Cooperation Agreements,” *International Security*, Volume 34, Number 1, Summer 2009, pp. 7-41 http://muse.jhu.edu/journals/international_security/v034/34.1.fuhrmann.pdf
- Mallik, Amitav. *Technology and Security in the 21st Century: A Demand-side Perspective*, SIPRI Research Reports 20 (Oxford: Oxford University Press, 2004) <http://books.sipri.org/files/FS/files/RR/SIPRIIR20.pdf>

Background Reading

- Albright, David. *Peddling Peril: How the Secret Nuclear Trade Arms America's Enemies* (New York: Free Press, 2010)
- *Biosecurity, and the Future of the Life Sciences*, Committee on Advances in Technology and the Prevention of Their Application to Next Generation Biowarfare Threats, The National Academies Press, Washington, D.C., available at http://www.nap.edu/openbook.php?record_id=11567&page=R1
- Chestnut, Sheena, “Illicit Activity and Proliferation: North Korean Smuggling Networks,” *International Security*, Vol. 32, No. 1, Summer 2007, pp. 80-111
- David Albright and Corey Hinderstein, “Unraveling the A. Q. Khan and Future Proliferation Networks,” *The Washington Quarterly*, Volume 28:2 pp. 111–128
- Braun, Chaim, and Christopher F. Chyba, “Nuclear Proliferation Rings: New Challenges to the Nuclear Nonproliferation Regime,” *International Security*, Vol. 29 no. 2, Fall 2004, pp. 5-49,
- Fuhrmann, Matthew. “Exporting Mass Destruction? The Determinants of Dual-Use Trade,” *Journal of Peace Research*, Vol. 45, No. 5 (Sep., 2008), pp. 633-652
- Kendall, Hoyt, and Stephen G. Brooks, “A Double-Edged Sword: Globalization and Biosecurity,” *International Security*, vol. 28, no. 3, Winter 2003/04, pp. 123-148
- Klaus, Michael D. “Dual-Use Free Trade Agreements: The Contemporary Alternative to High-Tech Export Controls.” *Denver Journal of International Law and Policy* 32 (2003): 105-137.
- Klaus, Michael D. “Red Chips: Implications of the Semiconductor Industry's Relocation to China,” *Asian Affairs*, Vol. 29, No. 4 (Winter, 2003), pp. 237-253
- Langewiesche, William. *The Atomic Bazaar: Dispatches from the Underground World of Nuclear Trafficking* (New York: Farrar, Straus and Giroux, 2008)
- Montgomery, Alexander H. “Ring in Proliferation: How to Dismantle an Atomic Bomb Network,” *International Security*, Vol. 30, No. 2 (Fall 2005), pp. 153–187
- Tucker, Jonathan B. and Danzig, Robert, *Innovation, Dual Use, and Security: Managing the Risks of Emerging Biological and Chemical Technologies*, (Cambridge: MIT Press, 2012)

Week 6: U.S. Case: Cold War Trade and Security Policy (14 February)

“The efforts of men are utilized in two different ways: they are directed to the production or transformation of economic goods, or else to the appropriation of goods produced by others.”

- Vilfredo Pareto

Since mercantilism became a term of art in international relations, it is well understood that states compete, in varying degrees, militarily *and* economically. During the Cold War, the non-military proxy war was waged through technology controls, an effort hegemonically lead by the United States. In this section, we will survey U.S. efforts, in concert with its NATO allies, to manage the flow of strategic commodities away from Communist Bloc military consumption. The U.S. case serves as a contemporary example of a long-standing feature of modern international statecraft: the dilemma of technology control, economic development and security.

Required Reading

- Cupitt, *Reluctant Champions*: entire

Background Reading

- Bertsch, Gary K., ed., *Controlling East-West Trade and Technology Transfer: Power, Politics and Policies* (Durham: Duke University Press, 1988)
- Bertsch, Gary K. and John R. McIntyre, eds., *National Security and Technology Transfer: The Strategic Dimensions of East-West Trade* (Boulder: Westview, 1983)
- Dobson, Alan P., “From Instrumental to Expressive: The Changing Goals of the U.S. Cold War Strategic Embargo,” *Journal of Cold War Studies*, Vol. 12, No 1, Winter 2010, pp. 98-119
- Michael Mastanduno, *Economic Containment: CoCom and the Politics of East-West Trade* (Ithaca: Cornell University Press, 1992)
- Michael Mastanduno, “Trade as a Strategic Weapon: American and Alliance Export Control Policy in the Early Postwar Period,” *International Organization*, Vol. 42, No. 1, Winter, 1988, pp. 121-150
- Office of Technology Assessment, *Technology and East-West Trade* (Washington: OTA, 1979)
- Tor Egil Førland, “ ‘Economic Warfare’ and ‘Strategic Goods’: A Conceptual Framework for Analyzing COCOM,” *Journal of Peace Research*, Vol. 28, No. 2, May 1991

Week 7: U.S. Case: Post-Cold War Trade and Security Policy (21 February)

“The national security controls that regulate access to and export of science and technology are broken. As currently structured, many of these controls undermine our national and homeland security and stifle American engagement in the global economy, and in science and technology.”

- Executive Summary, *Beyond 'Fortress America': National Security Controls on Science and Technology in a Globalized World*, National Academy of Sciences

Required Reading

- Beyond 'Fortress America': National Security Controls on Science and Technology in a Globalized World, Committee on Science, Security, and Prosperity; Committee on Scientific Communication and National Security; National Research Council (2009)
- Fergusson, Ian F., and Paul K. Kerr, The U.S. Export Control System and the President's Reform Initiative, Congressional Research Service, R41916, May <https://fas.org/sgp/crs/natsec/R41916.pdf>
- Secretary of Defense Robert M. Gates, "Export-Control Reform," remarks to Business Executives for National Security, Washington, DC, April 20, 2010 <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4613>

Background Reading

- Jones, Scott A. "Trade Controls and International Security," in Daniel Joyner and Nathan Busch, eds., *Combating Weapons of Mass Destruction: the Future of International Non-Proliferation Policy*, (University of Georgia Press, 2008) with Michael Beck and Seema Gahlaut.

Week 8: European Union Case (28 February)

EU member states have traditionally retained almost total sovereignty in defense policy matters, including arms export controls. However, significant developments in the 1990s led to the elaboration of two outline frameworks or EU regulatory regimes for governing arms and dual-use exports. The EU began as a customs union, evolving into a quasi-political trade organization. As noted earlier regarding Article 51 of the UN Charter, the founding treaty of the EU includes similar caveats regarding institutional competencies. What accounts for the emergence of an EU strategic trade control regime?

Required Reading

- Wetter, Anna. "Enforcing European Union Law on Exports of Dual-use Goods," SIPRI Research Report no. 24 (Oxford: Oxford University Press, 2009) <http://books.sipri.org/files/RR/SIPRIRR24.pdf>
- "European Union Strategy against the Proliferation of Weapons of Mass Destruction," The Council of the European Union Document no. 15708/3, 2003 (Brussels: Council of the European Union, 2003) <http://register.consilium.europa.eu/pdf/en/03/st15/st15708.en03.pdf>

Background Reading

- European Commission, DG Enterprise and Industry, Development of a European Defence Technological and Industrial Base: Main report (2009) http://ec.europa.eu/enterprise/sectors/defence/files/edem_final_report_en.pdf
- Mark Bromley, *The Impact on Domestic Policy of the EU Code of Conduct on Arms Exports: The Czech Republic, the Netherlands and Spain*, SIPRI Policy Paper No. 21 (Stockholm: Stockholm International Peace Research Institute, 2008)
- Hartley, Keith, "Creating a European Defence Industrial Base," *Security Challenges*, Volume 7, Number 3 (Spring 2011), pp. 95-111

- Jones, Scott A. "EU Enlargement: Implications for EU and Multilateral Export Controls," *Nonproliferation Review*, Vol. 10, No. 2, Summer 2003, pp. 80-89

Week 9: International Responses to Strategic Trade Issues (7 March)

Required Reading

- Beck, Michael, and Seema Gahlaut, "Creating a New Multilateral Export Control Regime," *Arms Control Today*, April 2003
- Jones, Scott A., Resolution 1540: Universalizing Export Control Standards? *Arms Control Today*, April 2006

Background Reading

- Anthony, Ian, et al., "Controls on Security-Related International Transfers," in Ian Anthony, ed., *SIPRI Yearbook, 2009: Armaments, Disarmament, and International Security* (Stockholm: Stockholm International Peace Research Institute, 2008).
- Beck, Michael, Seema Gahlaut, Scott Jones and Dan Joyner, *Roadmap to Reform: Creating a New Multilateral Export Control Regime*, CITS Working Paper, Center for International Trade and Security (Athens: University of Georgia, 2004).
- Bertsch, Gary K., *East-West Strategic Trade, COCOM and the Atlantic Alliance* (Paris: Atlantic Institute for International Affairs, 1983).
- Gahlaut, Seema. "Multilateral Export Control Regimes: Operations, Successes, Failures and the Challenges Ahead," in Daniel J. Joyner, ed., *Non-Proliferation Export Controls Origins, Challenges, and Proposals for Strengthening* (London: Ashgate Press, 2006), pp. 7-29
- Chapter 7. Global efforts to stop illicit nuclear trade, in International Institute for Strategic Studies, *Nuclear Black Market Dossier: A Net Assessment* (London: IISS, 2007) <http://www.iiss.org/publications/strategic-dossiers/nbm/nuclear-black-market-dossier-a-net-assesment/global-efforts-to-stop-illicit-nuclear-trade/>
- Karp, Aaron. "Stemming the Spread of Missiles: Hits, Misses, and Hard Cases" *Arms Control Today*, April 2012
- Jones, Scott A. "Trade Controls and International Security," in Nathan E. Busch and Daniel H. Joyner, eds., *Combating Weapons of Mass Destruction: The Future of International Nonproliferation Policy* (Athens: University of Georgia Press, 2009)

Week 10: International Response to Nuclear Trade and Security (14 March)

Nuclear proliferation networks have been considered as one of the biggest concerns to international safeguards. Even though several well-known players in these networks have been revealed and stopped, there are no indications that covert nuclear trade in proliferation sensitive goods, software and technology is decreasing. In this section, we will continue our review of the multilateral export control arrangements by examining nuclear strategic trade control efforts.

Required Reading

- Anthony, Ian, Christer Ahlström, and Vitaly Fedchenko, *Reforming Nuclear Export Controls: The Future of the Nuclear Suppliers Group*, Stockholm International Peace Research Institute (SIPRI), 2007
- Kimbal, Daryl. "Indian Membership in the NSG? A Bad Idea Whose Time Has Not Come," *Arms Control Today*, June 2011

Background Reading

- McCombie, Charles, and Thomas Isaacs. *Multinational Approaches to the Nuclear Fuel Cycle*. Cambridge: American Academy of Arts & Sciences, 2010
- Tarvainen, Matti, "UnfairTrade: Nuclear trade analysis may provide early indications of proliferation," *International Atomic Energy Agency (IAEA) Bulletin*, Volume 50, Number 2, May 2009

Week 11: Supply and Demand Distinctions: China, India, Iran (21 March)

The proliferation world is often bifurcated into supply and demand camps, the latter representing the ostensible threat against which the supply is managed. In this section, we will explore and challenge these distinctions by highlighting the mechanics of proliferation, of how unconventional weapon systems are developed and the role of procurement networks in this process. We will likewise continue to juxtapose issues of development against ostensible security concerns.

Required Reading

- Bowman, Bradley L. "The 'Demand-Side': Avoiding a Nuclear-Armed Iran." *Orbis* 52 (2008): 627-642.
- Forden, Geoffrey. "How the World's Most Underdeveloped Nations Get the World's Most Dangerous Weapons." *Technology & Culture* 48.1 (2007): 92-103.
- Srivastava, Anupam, and Seema Gahlaut. "India and the NPT: Separating Substantive Facts from Normative Fiction." *Strategic Analysis* 34.2 (2010): 282-294.
- Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions (2011)
http://www.dni.gov/reports/2011_report_to_congress_wmd.pdf

Background Reading

- David Albright and Corey Hinderstein, 'The A.Q. Khan Illicit Nuclear Trade Network and Implications for Non-Proliferation Efforts,' in *Globalization and WMD Proliferation*, ed. James A. Russell and James S. Wirtz (New York: Routledge, 2008), pp. 49-62.
- Boureston, Jack; Russell, James A., "Illicit Nuclear Procurement Networks and Nuclear Proliferation: Challenges for Intelligence, Detection, and Interdiction," *St Antony's International Review*, Volume 4, Number 2, February 2009, pp. 24-50(27)
<http://www.nps.edu/Academics/centers/CCC/faculty/biolinks/russell/russellApr09.pdf>

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- Representative case of illegal procurement: “Illegal Pump Exports to DPRK Reflect Wider Problem,” *The Daily Yomiuri*, 12 June 2008

Week 12: The Economics of Trade and Security (28 March)

In developing strategic trade controls, states often face an apparent dilemma: security at the expense of economic development. Some states only began to examine this seeming dilemma following the adoption of UN Security Council Resolution 1540, which requires states, in part, to “establish, develop, review and maintain appropriate effective national export and trans-shipment controls” over materials related to nuclear, chemical, and biological weapons and their means of delivery. Most of these materials are so-called “dual-use” items and technologies and have mainly legitimate and economically vital commercial uses. Therefore, the mere suggestion of control implies economic limitations. To some degree, the Resolution itself anticipates these anxieties, affirming in the preamble that the “prevention of proliferation of nuclear, chemical and biological weapons should not hamper international cooperation in materials, equipment and technology for peaceful purposes.”

Now that all nations are expected to impose similar types of trade controls, new questions are being asked about whether the apparent economic trade-off is real and how it will impact national development objectives. Remarkably, the exact nature of the relation between trade controls and economic vitality has not been rigorously examined to date. In order to address concerns that economic development is negatively affected by adopting controls, we must examine *how* trade controls impact a national economy

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- "Impacts of U.S. Export Control Policies on Science and Technology Activities and Competitiveness," Hearing before the Committee on Science and Technology, House of Representatives, 111th Congress, First Session, 25 February 2009
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Week 13: CITS Security & Strategic Trade Management Academy (3-7 April)

Students will choose two or three presentations to attend during week 2 of the CITS SSTMA program. The SSTMA agenda will be posted in late August. Week 2 of the SSTMA is geared towards security and export control policy application, with courses taught by U.S. and foreign government officials. Students will also be encouraged to interact with the SSTMA students, who are mostly foreign government officials.

Week 14: Securing the Supply Chain: Form and Content of World Trade (11 April)

The topic of security for supply chains and logistics functions has risen in importance both in practice as well as in the research and has emerged as its own area of research within the business and policy communities. Because of the perceived security risks associated with the transport industry, numerous regulations were put in place to combat security threats and enable interdiction of terrorist attacks involving transport and logistics systems, the effects being both physical and financial. As we have established in earlier sections, the global economy, of which trade is a vital component, is built increasingly upon tightly interconnected systems of production. As such, even minor disruptions (e.g., Fukushima), can result in severe economic consequences.

As a subject of security study and policy, supply chain security studies have proliferated. In this section, we will focus our discussions on the form rather than the content of global commerce, highlighting the pre-designated and, perhaps, emerging threats to the global supply chain(s)

Required Reading

- National Strategy for Global Supply Chain Security, Office of the President of the United States, January 2012
http://www.whitehouse.gov/sites/default/files/national_strategy_for_global_supply_chain_security.pdf
- Michael Burt, "Tighter Border Security and Its Effect on Canadian Exports," *Canadian Public Policy*, Vol. 35, No. 2, June 2009
http://muse.jhu.edu/journals/canadian_public_policy/v035/35.2.burt.pdf
- Kunio Mikuriya, "Supply chain security: the Customs community's response," *World Customs Journal*, Vol. 1, No. 2, September 2007 http://www.worldcustomsjournal.org/media/wcj/-2007/2/supply_chain_security_the_customs_communitys_response.pdf

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- General Accountability Office (GAO), *CBP Needs to Conduct Regular Assessments of Its Cargo Targeting System*, GAO-13-9, 25 October 2012 <http://www.gao.gov/assets/650/649695.pdf>
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- CSI: Container Security Initiative, U.S. Department of Homeland Security
http://www.cbp.gov/xp/cgov/trade/cargo_security/csi/
- Jones, Scott A., Counterproliferation good practice for freight forwarders (SIPRI: September 2016)
<https://www.sipri.org/publications/2016/freight-forwarders-good-practice-guide>
- Jennifer E. Lake, et al., *Border and Transportation Security: The Complexity of the Challenge*, Congressional Research Service, March 2005 <http://www.fas.org/sgp/crs/homsec/RL32839.pdf>
- [Supply Chain Resilience](#): A Risk Intelligent approach to managing global supply chains, Deloitte (2011)

- SAFE Framework of Standards to Secure and Facilitate Global Trade (SAFE Framework), World Customs Organisation (WCO) http://www.wcoomd.org/en/topics/facilitation/instrument-and-tools/tools/safe_package.aspx

Week 15: Economic Statecraft and Foreign Direct Investment (18 April)

As von Clausewitz famously noted, “ War is the extension of politics by other means.”¹ Given our course trajectory thus far, it’s clear that foreign policy is hardly compartmentalized to the extent that we can disaggregate politics from economics. Indeed, we have focused heavily on the dynamic relationship between trade and (national/international) security. Consistent with our reading of Brooks, it appears that the strategic calculus of conflict is evolving from its earlier manifestations of mass bludgeonings and resource and related land-grabs. From our review of mercantilism and sanctions in Week 6, the state has always used economic means to execute foreign policy objectives. An emerging thread in both policy and our discipline suggests that “economic statecraft” will increasingly inform and complicate our respective foreign and economic policies. In this section, we will review of these emergent themes.

Required Reading

- Jackson, James K., “Foreign Investment and National Security: Economic Considerations,” 4 April 2013 Congressional Research Service RL34561 <https://fas.org/sgp/crs/natsec/RL34561.pdf>
- Eric Lorber, and Peter Feaver, “Diminishing Returns? The Future of Economic Coercion,” 19 November 2015, Center for a New American Security https://s3.amazonaws.com/files.cnas.org/documents/CNAS-Economic-Statecraft-3_151116.pdf
- Robert D. Blackwill and Jennifer M. Harris, “The Lost Art of Economic Statecraft: Restoring an American Tradition, *Foreign Affairs*, March/April 2016

Background Reading

- Edward M. Graham and David M. Marchick, “National Security Issues Related to Investment from China,” in *US National Security and Foreign Direct Investment*, Peterson International Economics Institute (May 2006) https://piie.com/publications/chapters_preview/3918/04ie3918.pdf
- James K. Jackson, “The Committee on Foreign Investment in the United States (CFIUS),” 12 August 2016, Congressional Research Service RL33388 <https://fas.org/sgp/crs/natsec/RL33388.pdf>
- World Investment Report, 2016: Investor Nationality and Policy Challenges, UNCTAD, pp. 94-101 http://unctad.org/en/Pages/DIAE/World%20Investment%20Report/World_Investment_Report.aspx

¹ Just as famously, a colleague recently noted that our understanding of the phrase is flawed owing to an errant translation from the original German. If so inclined, see James Holmes, “Everything You Know About Clausewitz Is Wrong,” *The Diplomat*, 12 November 2014 < <http://thediplomat.com/2014/11/everything-you-know-about-clausewitz-is-wrong/>>

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Week 16: The Economics of Trade and Security (25 April): Student Presentations