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PRAXIS-ORIENTED PEDAGOGY: THE E-BOOK ON INTERNATIONAL FINANCE AND DEVELOPMENT

*Enrique R. Carrasco**

*Kristen J. Berg***

This essay captures the essence of a demonstration of the E-Book on International Finance and Development, a website intended to empower individuals and communities via global education. The E-Book, located at <http://www.uiowa.edu/ifdebook>, is a collaborative project among students at the University of Iowa College of Law and Professor Enrique Carrasco. Kristen Berg is the E-Book's Project Producer. Because Ms. Berg and Professor Carrasco delivered different parts of the demonstration, each section below will identify their respective contributions.

I. INTRODUCTION

Enrique R. Carrasco

Kristen Berg and I are very pleased that Professors Sumi Cho and Lisa Ikemoto have invited us to demonstrate the E-Book on International Finance and Development in the context of SALT's theme this year: Power, Pedagogy and Praxis: Moving Our Classroom to Action. We hope the demonstration will provide a concrete response to a very important question: How can we engage students in praxis-oriented projects that encourage creative and challenging

* Professor of Law, University of Iowa, College of Law. Portions of this essay are based on an essay I published on a website called, The Jurist, The Law Professors' Network. See Enrique Carrasco, *The Creation of the E-Book on International Finance and Development: A Journey into Cyberspace* (last modified Dec. 1, 1998) <<http://jurist.law.pitt.edu/lesnov98.htm>>.

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thinking, oriented towards community-based social justice? As you will see, the E-Book uses technology to pursue community-based social justice on a global scale. Its great potential, however, is not without limitations.

To illustrate these points as vividly as possible, we have arranged to use this demonstration as an opportunity to conduct a transnational "teach-in." In a few moments, we will use the Internet to link ourselves "live" with people in Iowa City, Iowa and Paris, France. In Iowa City, E-Book staff members Douglas Simkin, Jason Sawyer, Roman Terrill,¹ and Janet Jenson, all law students at the University of Iowa College of Law, are conducting a simultaneous presentation of the E-Book to a group of people who want to know more about development and international finance. After we and our fellow E-Book staff members in Iowa City have finished describing the background, features, and substance of the E-Book, we will enter the E-Book Discussion Room to talk to Mr. Thomas Coutrot, who is standing by in Paris. Mr. Coutrot will discuss with us the work of Association pour une Taxation des Transactions financières pour l'Aide aux Citoyens (ATTAC), a French non-governmental organization (NGO) that supports the Tobin Tax, among other things. After our discussion with Mr. Coutrot, Ms. Berg, also one of my students and the E-Book's Project Producer, will share with you her thoughts regarding the E-Book and praxis.

II. THE ORIGINS OF THE E-BOOK

Enrique R. Carrasco

I write and teach in the areas of law and development and international finance. Much of my work explores a paradox called "growth with marginalization," a term I coined recently to capture globalization's tendency to simultaneously enrich and impoverish communities throughout the world. The paradox, like the process of globalization itself, is extremely complex. This makes the search for solutions a daunting task, especially given the considerable disagreement among experts as to whether any particular paradox-breaking strategy will work.

1. Roman Terrill, one of the original authors of the E-Book, graduated last year. He graciously agreed to help coordinate the gathering in Iowa City.

A. *The Need for Radical Monitoring of Global Neoliberalism*

The idea of addressing the paradox via the E-Book arose from my on-going discussions with scholars and activists interested in Critical Race Theory (CRT), which has expanded tremendously over the past few years to encompass the study of many forms of marginalization—from race to sexual orientation. Given that most of us involved in CRT discussions typically address high theory, activism, and praxis with respect to any given issue, I soon found myself searching for ways to use my theoretical work in development to pursue social justice projects.

After some thought, I concluded that given the spread of neoliberalism worldwide, critical scholars had to think of ways to “radically monitor” key institutions that help maintain the world order.² This type of monitoring could be achieved in part by educating people worldwide about the complex realm of international finance and development. If more people understand what “development” means, how law affects the development process, and how international finance and international financial institutions operate in the era of globalization, communities around the world will be in a better position to question, assess, and resist policies and decisions that might adversely affect them. Put another way, widespread and basic education regarding international finance and development can assist us in achieving what the United Nations has called an “enabling environment for social development.”³

B. *From Handbook to E-Book*

When I initially considered how I could pursue this educational mission, I surveyed the traditional means—teaching, publishing in law reviews, and writing books. These methods are useful, of

2. See Enrique R. Carrasco, *Opposition, Justice, Structuralism, and Particularity: Intersections Between LatCrit Theory and Law and Development Studies*, 28 U. MIAMI INTER-AM. L. REV. 313, 335 (1997).

3. Enrique R. Carrasco, *Critical Issues Facing the Bretton Woods System: Can the IMF, World Bank, and the GATT/WTO Promote an Enabling Environment for Social Development?*, 6 TRANSNAT'L L. & CONTEMP. PROBS. i, v (Spring 1996) (quoting *World Summit for Social Development: An Overview, Report of the Secretary-General*, U.N. Preparatory Committee for the World Summit for Social Development, 1st Sess., Agenda Item 4, U.N. Doc. A/CONF/166/PC/6 45-48 (1994)).

course, and I continue to employ them. But they have their limits. Relatively few people read law review articles and academic books. And seminars run the risk of becoming dull exercises where students write papers knowing their work product will never see the light of day.

For these reasons, I began to conceptualize a practical “handbook” for lay people that could be distributed widely to communities around the world. I thought about holding workshops or “teach-ins” in interested communities, using the handbook as a teaching tool. During the summer of 1997, as I thought about my 1997-98 seminar on the role of international financial institutions in the era of globalization, I considered the possibility of having students contribute substantively to such a handbook and join me, if possible, in the workshops.

I broached this idea in the fall when I initially met with my seven seminar students, Saladin Al-Jurf, Sandra Blanco, Ricardo Contreras, Eric Dorkin, Roman Terrill, Nicole Wendt, and James Woepking. They responded with cautious enthusiasm. All of them were very eager to learn and to write something other than the typical research paper. But some had little background in the seminar’s subject matter, and they all faced a mountain of challenging reading I had selected for the course. Moreover, none of us at that time knew exactly what the handbook would look like. The workshops seemed even more vague conceptually. The students were nonetheless intrigued with this unique opportunity.

So, throughout the fall semester they read heavily and wrote “concept papers” indicating what they thought would be the best format and subject matter for the handbook.

Meanwhile I had numerous conversations about computer technology and the Web with Kristen Berg, a research assistant I hired in May, 1997. Our conversations led me to believe that we could post the handbook in cyberspace. I was nevertheless careful to temper my excitement with a good deal of caution. Although I use the Web to obtain information for my research and teaching, I am not a Web or computer expert. Ms. Berg could fill that deficit, but I was not sure a full-time law student would have the time to assist me with the project. Even if we could post the handbook on the Web, I did not want to slap together a set of superficial seminar papers and proclaim we

had created an integrated resource on international finance and development. When weighed against the advantages of a high-tech approach to the handbook, these possible complications and pitfalls seemed to balance the scales evenly.

The students' concept papers, however, helped tip the scales in favor of the Web. Their submissions were creative yet realistic in scope. They clearly wanted to write a handbook that could help others learn more about international finance and development. I took advantage of their enthusiasm and popped the question: Did they want to take the handbook one step further and post it on the Web by the end of the year, for all the world to see?

Having agreed to create the handbook, all of us at that point felt like first-time climbers of Mount Everest who would be satisfied reaching Camp I at 19,500 feet. Suggesting that we put the handbook in cyberspace was like asking the group whether they wanted to continue to the summit some 10,000 feet higher. After shivering a bit with a mixture of apprehension and exhilaration, we decided to go for the summit. Based on the concept papers, I assigned students to various topics with the understanding that we would create an integrated handbook devoted to law and development, international finance, globalization, and the operations of the International Monetary Fund (IMF) and the World Bank.

C. Producing the E-Book

We established several guiding principles for the writing phase of our project, which we decided would be completed by mid-April of 1998 for a public workshop at the University of Iowa College of Law. First, because we wanted to target lay readers, the handbook would be written in "plain English." I warned the group that this would not be easy given the technical language and legalese in most of the research material we had explored. The group would essentially have to translate the jargon into easily accessible language. Second, even though we would write in simple and direct language, we could not approach substance simplistically, inaccurately, or superficially. Third, we happily agreed to banish law review type footnotes from the handbook. Instead, we would create hyper-links in the text allowing the reader to read in more depth about a particular matter by simply clicking on the highlighted passage.

While the students went to work writing their sections, Ms. Berg tackled the many technical issues relating to the creation of the handbook. As the Project Producer, she established uniform word processing specifications that would enable her to convert the papers efficiently to HTML code. She then began to design and create a framework to provide a cohesive and easily navigable electronic environment for the handbook. Early in the spring semester, she posted a draft section of the handbook on a test site and impressively demonstrated its use in class to the students. This gave all of us a much needed boost in morale, which had started to sag as the authors worked under the strain of producing sections for what, until then, was a vague, disembodied cyberspace project.

Thanks to the authors' very hard work, Ms. Berg's skills, determination, and stamina, and the support of our Dean, William Hines, we debuted the "E-Book on International Finance and Development" on the 17th of April in Iowa City. Using a live hook-up to the Internet, we projected the E-Book on a large screen in the law school's auditorium. During the three-hour workshop, each exhausted, but proud, participant in this project ably explained and demonstrated the features and substance of the electronic handbook to a mixed audience of students, faculty, and Iowa City residents. The local reaction was very positive, and soon thereafter people around the world began "hitting" the site—over eighty countries have been registered thus far—offering their congratulations and making inquiries.

We had reached the summit after all—and on schedule!

III. E-BOOK FEATURES

Kristen J. Berg

The E-Book is an integrated suite of Internet features that contains different types of information in different modes of presentation. One reason for using the Web as a multi-feature production site is to avoid a static collection of papers that no one reads. For the most part, students find and edit the information for each feature and then submit their work to Professor Carrasco. After he has approved the content, I convert the information into documents suitable for the Internet and post them.

The website's principal feature, of course, is the E-Book, which is comprised mostly of student papers (the Papers). As Professor Carrasco noted, the Papers aim to explain the concepts of international finance in a very down-to-earth fashion. The target audience are lay people who, whether they know it or not, are affected by globalization and international finance every day.

While the Papers are the heart of the E-Book, the Monitor feature adds greatly to the site environment by relating key events, summarized on a day-by-day basis. The descriptions of events are followed by possible reasons and explanations. The Monitor aims to provide our readers with succinct references on *recent* and *significant* events around the world that are relevant to the E-Book's themes.

The News feature provides E-Book users with abstracts of largely non-academic articles relating to international finance and development. Students are encouraged to find a broad mix of articles illustrating differing viewpoints.

The Perspectives feature is a forum for commentary on issues and problems in international finance and development. The pieces vary from opinion-editorial articles to transcripts of press conferences. E-Book users can use the Perspectives archives, which contain all previous Perspectives postings. For instance, with a few clicks of the mouse, a user can read the first posting addressing globalization and the Asian financial crisis, written by Jeffrey Garten, Dean of the Yale School of Management. Professor Garten kindly gave us permission to reprint one of his newspaper opinion editorial pieces. Another archived Perspective is the United States Congressional testimony of Ms. Aryati, a human rights activist in Indonesia. In this piece, she presents her critical view of the situation in Indonesia, relative to Indonesia's financial crises and the IMF's involvement.

In addition to the Papers, Monitor, and News features, the E-Book offers several interactive features, such as the Poll, Bulletin Board, Quiz, and Discussion Room. These features allow, and sometimes require, the reader's participation. For example, the Poll and Quiz features allow the readers to register their votes on a particular question, or test their knowledge about E-Book topics. The Bulletin Board and Discussion Room provide fora for readers to ask

questions, present their own views, and generally become part of the E-Book "community." On the Bulletin Board, for example, individuals have asked for assistance with research, announced "action alerts" to inform others of upcoming events, and presented their own views on human rights issues. The Board, then, encourages E-Book users to be active rather than passive readers.

Another interactive element is the direct link to the E-Book e-mail. The e-mail is not meant to be a quick way to contact us for "hello"-type correspondence. Instead, we encourage lay persons to share their stories with us. We hope to incorporate some of their unique histories and circumstances in future features.

We also have a clinic-like feature called the E-Book Help Desk. This feature's objective is to provide a modest research resource for people and local groups. E-Book staffers, the students, can help with research or information gathering, limited, of course, by student resources and ability.⁴

IV. HOT MONEY

Enrique R. Carrasco

In a few minutes, we are going to enter the E-Book Discussion Room to discuss the activities of ATTAC with Mr. Coutrot. The Tobin Tax is intended to alleviate serious economic problems caused by "hot money," a popular reference to short-term capital that moves in and out of countries very rapidly. Before the discussion, it might be useful to describe very briefly some of the dangers that arise when so-called hot money combines with excessive short-term lending to banks and companies in relatively small economies. I will use the

4. Other features of the E-Book include the Links, HotDocs and Calendar. The Links section provides a gateway to both primary (e.g., the IMF <<http://www.imf.org>>) and secondary (e.g., Andy's Link List <<http://www.econstrat.org/andylink.htm>>) Internet resources. The HotDocs feature provides readers access to documents that are relevant to current events in the world, while the Calendar provides a central forum for individuals to post and gather information about symposia and events relating to international finance and development.

current global crisis as an example.⁵ Ms. Berg will then give us a nutshell description of the Tobin Tax proposal.

Very generally speaking, prior to the outbreak of the Asian Crisis in the summer of 1997, the countries involved, Thailand, Indonesia, Malaysia, the Philippines, and Korea (Crisis Countries), experienced rapid, market-friendly economic growth. Fiscally speaking, their budgets were either balanced or in a surplus. Inflation was under control. Not surprisingly, large inflows of foreign investment helped feed these booming economies.

Much of this investment was short-term, however. For example, thanks to financial liberalization in the Crisis Countries during the late 1980s and early 1990s, and because international interest rates were lower than domestic rates, domestic banks and firms borrowed heavily from foreign banks on a short-term basis. Short-term capital also poured into the Crisis Countries from foreign institutional investors such as mutual funds, hedge funds, and pension funds seeking higher yields via the local stock and bond markets. The latter type of investment is called "portfolio investment." Portfolio investment is volatile, meaning that it can move in and out of countries very quickly.⁶

Another very important factor relating to hot money is exchange rate systems. The Crisis Countries, like many other developing countries, pegged their exchange rates to the dollar. In other words, in one form or another, most of these countries essentially promised publicly that people could exchange, say, one dollar for ten Thai bhat, and that this rate would remain unchanged. This differs from a "floating" exchange rate, whereby the markets, not the government, determine the exchange rate based on the laws of supply and demand.

The rapid and large capital inflows into these liberalized economies created several problems. For one, capital inflows resulted in a highly leveraged corporate sector. Moreover, many domestic banks

5. A number of studies of the Asian financial crisis are now published in hardcopy or on the Internet. In addition to the E-Book's explanation, you can access some of the major studies from the IMF and World Bank websites, which can be accessed via the E-Book Links feature.

6. By contrast, foreign direct investment, e.g., when a foreign investor establishes a joint venture to own and operate a business, is considered less volatile because it is a longer-term investment.

and finance companies made loans to borrowers who invested in real estate and stocks. Consequently, domestic asset prices, real estate and stocks, increased to unrealistically high levels. Eventually, players in the financial markets concluded that the pegged domestic currencies were “overvalued,” meaning that most people felt the pegged rate was unrealistic, that the bhat/dollar rate should have been, 20/1 rather than 10/1. The pegged rates also reduced the Crisis Countries’ exports because their goods became relatively expensive. This contributed to a widening of the current account deficit because these countries were importing more goods and services than they were exporting.

The overvalued exchange rates combined with the widening current account deficits led international investors such as hedge funds, commercial banks, and investment banks, along with domestic investors to conclude that the Crisis Countries could not continue to defend their pegged exchange rates. Starting with Thailand, some of these investors began a “speculative attack” on the domestic currencies, essentially betting that the countries would eventually have to “devalue,” or cheapen their currencies. Moreover, in some cases domestic banks and companies that held dollar debt put increased downward pressure on the domestic currencies by hedging, that is, by entering into forward contracts to sell the domestic currency for dollars.

Initially, the Crisis Countries tried to defend their exchange rates by using and ultimately depleting foreign reserves in the Central Banks. They also raised interest rates. But the government authorities could not withstand the tremendous downward pressure that domestic and foreign actors alike placed on their pegged currencies.

One by one, the Crisis Countries were forced to abandon their pegged rates. The value of their currencies plummeted thereafter. This led to domestic banking crises and eventually to debt crises, as domestic banks and firms could no longer repay short-term, dollar-denominated loans, which after the devaluation had become very expensive to service. The stock and bond markets also plunged after portfolio investors quickly pulled their money out. We are not talking about small change here. Between 1996 and 1997, the net swing from inflows to outflows amounted to more than 100 billion dollars or eleven percent of their gross domestic product before the crisis.

The desperate situation led the IMF to spearhead a multilateral rescue effort. In exchange for loan commitments of about 118 billion dollars to Thailand, Indonesia and Korea, these countries agreed to short-term fiscal and monetary measures, such as reduced spending and higher interest rates. They also agreed to long-term efficiency-enhancing measures ranging from improved regulation of the financial and corporate sector to privatization of state enterprises.

In addition to the severe impact of domestic banks and firms, many of which have gone bankrupt, the crisis has had a staggering social cost. The riots and rapes in Indonesia have sickened all of us. Unemployment has skyrocketed, real wages have fallen, and poverty, of course, has increased significantly.

As we all know, the crisis has spread globally. Hot money combined with problematic domestic economic policies have wreaked havoc in Russia. And Latin America, particularly Brazil, is currently experiencing the financial "contagion."

What to do? Pundits and policymakers have made all sorts of proposals, ranging from abolishing the IMF to promoting further liberalization and transparency in developing countries. Ms. Berg will now explain an interesting proposal intended to "cool off" hot money.

V. TOBIN TAX

Kristen J. Berg

Professor Carrasco has just introduced you to the concept of hot money and its dangers. What can be done to counteract or inhibit the effects of these volatile flows of money? Some suggest that we tax them along the lines proposed by Yale Professor James Tobin.

A. History and Basic Mechanics

In 1972, James Tobin suggested putting sand in the gears of the markets.⁷ This "sand" takes the form of a tax on foreign currency exchanges in the spot market. While initially Tobin suggested a one percent rate, he has since reduced the rate to two tenths of one percent.⁸

Basically, the tax would raise the transaction costs of foreign currency exchanges. A rise in cost would result in a decrease in the already slim profit margin of currency traders. This seemingly innocuous tax would fall most heavily on the short-term investor. This is significant since most transactions in the spot markets are measured, most often, in hours.⁹ So, a built-in effect of this idea is to encourage the "rational person" to invest for the long-term by minimizing the impact of the tax in that case. The primary impact would be on the short-term speculator who uses hedge funds in hopes of turning a quick profit.

B. Objectives and Benefits

The Tobin Tax is intended: (1) to help foreign exchange rates reflect the country's long-term market fundamentals rather than short-term distortions caused by sudden movements of capital; and (2) to provide developing countries with more autonomy to set macroeconomic policy by enabling them to control capital flows more effectively. An incidental beneficial by-product of this tax is that it could raise a significant amount of revenue.

In the early 1990s, Canadian Finance Minister Paul Martin suggested a Tobin-like tax could raise money to help the poor in

7. In 1972, James Tobin presented the first Janeway Lectures at the Woodrow Wilson School at Princeton University. These speeches are published in, JAMES TOBIN, *THE NEW ECONOMICS ONE DECADE OLDER* (1974). In the last of these lectures, Professor Tobin unveiled what has come to be known as the "Tobin Tax." See *Prospects For Macro-Economic Policy*, in *id.* at 88.

8. JAMES TOBIN, *THE TOBIN TAX: COPING WITH FINANCIAL VOLATILITY* xi (Mahbub ul Haq et al. eds., 1996).

9. See Jeffrey Frankel, *How Well Do Foreign Exchange Markets Work?*, in *THE TOBIN TAX: COPING WITH FINANCIAL VOLATILITY* 58 (Mahbub ul Haq et al. eds., 1996). "A 0.2% tax on a round trip to another currency costs 48% a year if transacted every business day, 10% if every week, 2.4% if every month." TOBIN, *supra* note 8, at xi.

developing countries. This could be a strong incentive for governments to implement the tax.

C. Criticisms

There are, however, three primary criticisms that non-believers in the Tobin Tax consistently raise.¹⁰ First, the tax would require global implementation in order to be effective, and that level of cooperation between all nations is not likely. Second, if the tax is not implemented globally, investors would easily avoid the tax by moving their business to other financial centers or by substituting financial instruments. Third, the tax introduces inefficiencies and does not distinguish between “good” speculation and “bad” speculation.¹¹

While economists and other experts continue to debate its merits, the financial crises continue. The Tobin Tax, in one form or another, continues to be raised as a possible solution. Yet twenty-seven years have elapsed since it was first introduced. This suggests that if this idea is to go anywhere, it will most likely be at the insistence of citizen groups.

Today, many citizen groups have resorted to the Internet to pursue various initiatives. Through use of the Web, individuals and groups can reach many more people, and share ideas and concerns across national borders in an accessible way, to place pressure upon government policymakers.¹² Thanks to the excellent work of Mr. Laurent Jesover, the French NGO, ATTAC, has taken advantage of cyberspace to push for implementation of the Tobin Tax, among

10. In Professor Tobin's own words the idea initially “sank like a rock.” TOBIN, *supra* note 8, at x.

11. Professor Kunibert Raffer has suggested that continued resistance to implementation of a Tobin Tax has been due to governmental and political censorship. As an example, he cites to a bill introduced in the U.S. Congress in 1994 by Senator Bob Dole. The bill would have prohibited the United States from funding the United Nations if that institution developed, or promoted study of, any global tax—with a specific parenthetical reference to a Tobin Tax as an example. See Kunibert Raffer, *The Tobin Tax: Reviving A Discussion*, 26 *WORLD DEV.* 529, 529 (1998). See also UNITED NATIONS DEVELOPMENT PROGRAMME, *HUMAN DEVELOPMENT REPORT 1994* (1994) at 69-89.

12. The cyberspace campaign against the Multilateral Agreement on Investment is a good example. See Paul Valley, *How the Web Saved the World*, *THE INDEPENDENT* (London), Jan. 10, 1999, at 1, available in 1999 WL 5974500.

other things. We will now enter the E-Book's Discussion Room to discuss the work of ATTAC with Mr. Thomas Coutrot, who is standing by in Paris.

VI. CONVERSATION WITH MR. COUTROT OF ATTAC¹³

Q: Mr. Coutrot, what is your affiliation with ATTAC?

A: I am a member of the newly formed "Scientific Council" of ATTAC, as an economist.

Q: When was ATTAC formed?

A: In April, 1998.

Q: How is ATTAC organized, or funded? What is its structure? What are the purposes of ATTAC?

A: There are some fifteen personalities, founding individuals, and a lot of NGOs and unions, and also newspapers. Now there are more than 3,000 individual members throughout France. We want to animate a citizen's debate about the political control of the financial sphere.

Q: Why has ATTAC chosen to focus on the Tobin Tax?

A: We thought it would be a good starting point because it is a well known proposition, but we want to go further. The Tobin Tax would be a useful tool, but not a miracle.

Q: Where would further be? Where might it go ultimately?

A: I think we need to discuss an agenda of tight international cooperation on development policies and sustainable growth.

Q: Who are your main constituencies of support at the grassroots level, in France and elsewhere? Is there an international movement that ATTAC is coordinating?

A: We would be part of an international movement in favor of re-taking control by the civil society over the global speculative capital.

Q: Thomas, we've described the Tobin Tax here in Los Angeles and in Iowa City. As you know, it is a small tax on foreign exchange transactions in the spot market. One of its purposes is to deter short-term capital. But there are problems with the Tobin Tax, ranging from economic inefficiencies to enforcement issues.

13. The text of our transnational discussion has been edited for style.

- A: Well, we think the very purpose of the tax would be to impede the harmful movement of free speculative capital.
- Q: What kind of support is there in France for the Tobin Tax?
- A: There is wide support, but not yet a majority. Many political leaders, including our Prime Minister Jospin, are in favor of the tax, but do not dare say it
- Q: ATTAC states that the Tobin Tax is a way to reclaim sovereignty in the era of globalization. Is sovereignty worth protecting or preserving for its own sake? Or, should we be more concerned about solidarity among people of the Earth?
- A: There cannot be any effective solidarity if we do not regain some sovereignty on economic policies.
- Q: What are your views about Internet activism? Is it effective or practical?
- A: As you can see, it is not yet easy to exchange complex ideas but we have to improve ourselves. The Internet is not yet very familiar to us here in France, but I think it will be a powerful tool for solidarity.
- Q: Secretary Rubin has come out against the Tobin Tax. Is his opposition fatal?
- A: For the moment yes, but I think he might change his mind if things worsen after Brazil enters the crisis.
- Q: Thank you, Thomas, for your time and insights. We, in Los Angeles, are signing off to continue our presentation here.
- A: It has been a pleasure; hope we can meet for real some other time. Bye-bye!

VII. THE E-BOOK'S POTENTIAL: A STUDENT'S PERSPECTIVE

Kristen J. Berg

One objective of this electronic project is to provide a readily available resource to communities and to help people learn about globalization and how it affects them on a daily basis. It is also meant to involve students in real-world problem solving. On the Web you can see the result of the initial effort and on-going work. What you do not see there is the experience of a student involved with the E-Book project.

I will share with you a part of my personal narrative. I will briefly describe where I was before law school, some of my initial experiences in my first year, and I hope to show how my experience with the E-Book project has had a positive impact on my law school career, my goals and perspective in general. It is worth noting here that, while this is my *personal* narrative, I know that many other law students share my feelings. Through the traditional first-year “bull” sessions and serious discussions held throughout these past two and a half years, I know that most of my classmates and fellow students have had similar experiences.

A. My Perspectives Upon Entering Law School

I was both excited and scared when I began law school, yet I felt prepared. I knew that I fit the profile of someone whom law schools seek because I had been accepted at one. I also knew that my nine years in the Army had given me an uncommon breadth of experience and had helped me develop the discipline, drive, and competitive nature also necessary for success in law school. Besides, I had made it through basic training, so how much worse could law school be? The instructors could not make me do push-ups or yell at me during meals.

I only felt hesitant, and not a little embarrassed, about one thing. I had inglorious reasons for going to law school. I had decided on this path in order to further my career opportunities and maximize my profit-earning potential. In essence, I wanted to improve myself. I had no aspirations to help the communities around me, whether locally or globally.¹⁴

Although I felt prepared for law school, the first year was a shock. I remember how, after a couple of months, I compared this experience to basic training. I quickly decided that in comparison, basic training had been a cake-walk. It was not particularly the subject matter that I found difficult; it was the volume of work and high expectation to critically analyze and parse cases. I felt that I did not yet have the tools necessary to participate at this level. I felt like I

14. Over time and through discussions with students and professors, I have found out, much to my surprise, that many law students share this viewpoint. Law school is perceived more as a spring board for a career rather than as a vehicle for social responsibility and change.

was drowning, not in a raging river but in a calm, deep sea that singled me out—it seemed like everyone else was “getting it.”

B. Combining “Doing” with Theory

A rational person with this drowning feeling will look for a life raft, so I began to look for mine. I needed an outlet for my creativity, something to which I could apply concepts. I know now that I needed a concrete object I could experiment on, a project that would enable me to apply the abstract concepts I was learning. I did not find that in classroom instruction, and I felt confined within the traditional law school paradigm.

Admittedly, after the first two semesters students have many more choices and many more opportunities to control their lives. Some of these alternatives include selecting course material and professors. I appreciated this empowerment, but I still had no object upon which to work. I still felt locked in a static environment where the only “objects” were hypotheticals and, more significantly, I only answered to myself. Only *I* faced the consequences of my dedication, or lack thereof, to study, prepare for class, and take tests.

I did consider enrolling in a clinic. Feedback from my classmates told me that a clinic can be a rewarding experience and a very fulfilling way to take a break from the grind of classes. However, at that time, I was wary to wander into yet another traditional law school structure.

In retrospect, I see now that I was searching for something truly different that would help me look beyond myself. The E-Book project has helped me fill that need. The original seminar students worked at making the material substantively accessible, and Professor Carrasco and I worked at making it technically accessible. The project engages my creativity in a real and present way with its use of computers and the Internet. It makes me think outside of myself by requiring that I learn substance so that I can help other people understand the same concepts with which I struggle.

While I was initially responsible for only the technical aspects of the E-Book, I am currently studying the substantive material with Professor Carrasco. I would not have gotten to this point without first being able to work on the technical aspects of this project. I am now very interested in international issues relating to finance and

development. I read about the events in Russia. I read the postings on the E-Book Bulletin Board about rape and human rights abuses in Indonesia. As I watch the time-line in the Monitor lengthen and patterns of financial crises repeat themselves, I cannot help but feel the need to do something. It is this “hands-on” approach that is so different from my classroom experiences: the ideas, sharing opinions, and learning from ideas of others. But these ideas and understandings cannot stay in our heads or on paper-tests.

I find myself grappling with the information so that I can help others understand these complex concepts. How I present these ideas may affect how others see the world. I now have a sense of responsibility to others. This project has taken me outside myself and has shown me that it *is* important to think of global issues.

VIII CONCLUSION

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We conclude by posing and only preliminarily answering two questions. First, will the E-Book contribute effectively to the type of widespread education we need to create an enabling environment for development? It is hard to say. On the one hand, many of the people we really want to reach do not have computers and even if they do, their hardware may be too old to support efficient access to the E-Book, and their electricity and telephone lines may not work reliably. Put another way, those who currently have reliable access to the E-Book are relatively privileged. Thus, we may unwittingly be helping widen the gap between the “haves” and the “have-nots,” thereby perpetuating the very thing we are trying to stop—growth with marginalization.

On the other hand, the E-Book is involving students in praxis-oriented projects that encourage creative and challenging thinking oriented towards community-based social justice. Students involved in the project believe their learning regarding international finance and development, embodied in the E-Book, will enable citizens around the world to improve their understanding of the subject matter in question.

Secondly, should others interested in progressive teaching try to replicate this type of project? Our answer is an enthusiastic yet cautious, "yes." While the students and I are thrilled to be involved in an exciting project, others should keep in mind the many risks involved in empowering students through something like the E-Book. For the student and teacher, the E-Book has demanded an extremely high commitment of time and energy, both of which are scarce resources. Thus, both student and teacher must weigh the benefits of engaging in this type of activity against the costs of foregoing other educational or research opportunities. And if the project is on the cutting-edge, both the student and teacher have to be able to live with the risk of failure.

Considering the benefits of an E-Book-type project as well as the significant risks, teachers must work with students to develop an institutional structure that will encourage us to try new ways of combining reflection with action in order to change the world for the better. We need to develop institutional support for praxis.

