

up-to-date links at <http://www.exorcising-ghosts.co.uk/> as is the list at the dmoz open directory project (http://dmoz.org/Arts/Literature/Authors/M/Murakami,_Haruki/).

SAKAMOTO RYUICHI: The official web site for Sakamoto Ryuichi is sitesakamoto located at <http://www.sitesakamoto.com/index-main.html> (run your cursor over the page and read the headings listed at the bottom of your browser screen to access the various parts of the site).

IWAI SHUNJI: *Undo* (1994). The final sequence, open to multiple interpretations, or the entire short film (about forty-five minutes in length), is acceptable for mature audiences. *Mouboshi* (1997). This music video commissioned by the Japanese group Moon Rider incorporates an homage to the film director Ozu Yasujiro and the Japanese long distance runner who won the gold medal at the 1964 Olympic Games held in Tokyo. Yen Town Report (<http://www.swallowtail-web.com/en/>) is the official Shunji Iwai web site on the Internet and includes a current chronology of the director's various projects.

YOSHIMOTO BANANA: Three useful fan sites: Monica Hubenette's Bananamania (<http://abyss.hubbe.net/banana/>), Chris Moxey's Bananamania (<http://www.cix.co.uk/~mfaller/fuschia.htm>), Shinichi Evan's Shockingly Beautiful (<http://www.aznet.net/~shinichi/banana/>). *Kitchen* (1993) is the most accessible of this author's novels.

The discussion of postmodernism discussed above has been integrated into the two following course web sites accessible at the following URL addresses:

HIS 373, 573, Contemporary Japan in Historical Perspective<http://academic.csuohio.edu/makelaa/history/courses/his373/index.html>; **HIS 227, Power and Authority in Nonwestern Societies** <http://academic.csuohio.edu/makelaa/history/courses/his227/index.html>

¹The gathering resulted in the eventual publication of *Japan Pop! Inside The World Of Japanese Popular Culture*, Timothy J. Craig, editor; Armonk, N.Y.: M.E. Sharpe, 2000.

²Marilyn Gell Mason, "The Yin and Yang of Knowing," *Sunday Magazine, The Plain Dealer*. Cleveland, Ohio, February 2, 1997, p. 7.

³LiseSkov, "Fashion Trends, Japonisme and Postmodernism" in John Whittier Treat, *Contemporary Japan and Popular Culture*. Richmond, Surrey, England: Curzon Press, 1996, p. 159.

⁴See the discussion in Marilyn Ivy, *Discourses of the Vanishing: Modernity, Phantasm, Japan*. Chicago: University of Chicago Press, 1995, pp. 56-58.

⁵John Whittier Treat, "Yoshimoto Banana Writes Home: The *Shojo* in Japanese Popular Culture," in John Whittier Treat, *Contemporary Japan and Popular Culture*. Richmond, Surrey, England: Curzon Press, 1996, p. 298.

⁶See the discussion in John Whittier Treat, "Yoshimoto Banana Writes Home: The *Shojo* in Japanese Popular

Culture," in John Whittier Treat, *Contemporary Japan and Popular Culture*. Richmond, Surrey, England: Curzon Press, 1996, pp. 284-285.

⁷See Miyoshi, Masao and H. D. Harootunian, editors, *Postmodernism and Japan*. (Durham, NC: Duke University Press, 1989; and John Whittier Treat, *Contemporary Japan and Popular Culture*. Richmond, Surrey, England: Curzon Press, 1996, particularly the articles in the latter volume by Aoki Taotsu "Murakami Haruki and Japan Today," John Whittier Treat "Yoshimoto Banana Writes Home: The *Shojo* in Japanese Popular Culture," and Brian Currid "Finally, I Reach to Africa: Ryuichi Sakamoto and Sounding Japan(ese)." The categorization of "Evangelion" as a postmodern *anime* is by Daisuke Onitsuka, a film critic whose reviews are frequently featured in *Kinema Jumbo*, a leading journal devoted to Japanese cinema.

⁸Leah Kohlenberg, "Letters from the Dead," *Time*. web edition of vol. 149, no. 3: January 20, 1997.

⁹*Slant Magazine* at <http://www.slantmagazine.com/film/archive/allaboutlilychouchou.html>, accessed April 16, 2002.

¹⁰John Whittier Treat, "Yoshimoto Banana Writes Home: The *Shojo* in Japanese Popular Culture," in John Whittier Treat, *Contemporary Japan and Popular Culture*. Richmond, Surrey, England: Curzon Press, 1996, p. 290.

¹¹Frederic Jameson, "Nostalgia for the Present," *South Atlantic Quarterly* 88 (2), p. 569 as quoted in John Whittier Treat, "Yoshimoto Banana Writes Home," in John Whittier Treat, *Contemporary Japan and Popular Culture*. Richmond, Surrey, England: Curzon Press, 1996, pp. 306-307.

Asian Economic Issues: James Gillam, Chair;
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Impacts and Issues Associated With China's Three Gorges Dam Project

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In the summer of 1999, I attended a two-week traveling seminar along the central and southern portion of the Yangzi River Valley. The seminar was sponsored and facilitated by the Council for International Educational Exchange in the United States and various agencies of China's national, provincial, and even county governments. The main focus of our activities was for my colleagues and me to acquaint ourselves with the issues related to the building of the world's largest dam, the Three Gorges Dam. Time and space prevent a comprehensive re-telling of my findings here, so after providing a brief historical context for the project, I will limit my observations here to six areas of concern associated with this project. They are: a summary of construction, cost and finance issues, ecological policy and problems, flaws in the government's resettlement policy, compensation and employment issues, and finally, the

government's response to protest about the project, its work standards and charges of graft and embezzlement.

HISTORICAL CONTEXT

There have been 214 major floods on the middle section of the Yangzi River where the Three Gorges Dam is being built. The floods have come on an average of every ten years since the historians of the Han dynasty, circa third century BC began keeping records. There were a number of spectacular inundations throughout the twentieth century. They came in 1931, 1935, 1949, and again in 1954. The deaths associated with those floods were 145,000, 142,000, and 30,000, respectively. A primary cause for the high number of fatalities is that over the centuries, dike construction along the banks meant that the average land elevation on the central Yangzi averaged ten meters (thirty-nine feet) below the channel of the river. There were also proposals to dam the river in the twentieth century. The first was made in 1917 by Sun Jongshan, (Sun Yatsen). In 1949, Mao Zedong made a similar proposal in the wake of the floods of that year. Then, between 1958 and 1991, two Premiers, (Zhou Enlai and Li Peng), and the estimable Senior Leader, Deng Xiaoping all weighed in with statements of support for such a dam.¹

It was Li Peng who moved from proposals to substantive action. During his tenure as Premier, Li Peng used his influence to convince the National People's Congress to build a dam at the historic gorges in the middle Yangzi valley, thus the name Three Gorges Dam. Under Li, the Three Gorges Project went from proposal to a priority political task with major institutional and financial support. There appear to be three elements that influenced the People's Congress support. First, there are Beijing's "claims" that the project is fully supported by the population as a means to alleviate poverty and control floods. Second, the dam is considered by Li and his cohorts to be a monument of second-generation CCP leaders to the first generation triumvirate of Mao Zedong, Deng Xiaoping, and Zhou Enlai. Finally, the Three Gorges Project is a matter of national pride for Li and the technocrats that comprise the central party leadership of his generation. In this sense, the dam is also a reflection of the makeup of the seven-member Standing Committee of the Politburo. This Committee is China's supreme decision-making body and six are engineers, while the other is an architect.² Li Peng, one of the hydroelectric engineers on the Committee, was presumably speaking for both the Congress and the Standing Committee when he championed funding for the project. It was in that context that he has been quoted as saying that "the Three Gorges Dam will show the rest of the world that the Chinese people have high aspirations and the capabilities to successfully build the world's largest water conservancy and hydroelectric power project."³ Li's determination has given birth to the Yangzi River Water Resources Commission. It is an organization of 7,000 professionals who have been assigned the task of planning all aspects of the project. Construction began in 1993, and the Commission and its budget grew as rapidly as the construction project itself. For example, in just three years,

the Commission was overseeing the activities of a work force of 40,000 workers and engineers. Its annual budget grew from seventeen to thirty billion dollars per year.

CONSTRUCTION SUMMARY

There are three major components to the project: the dam, the power plant, and a series of navigation aids that will recreate the historical city of Chongqing into an ocean port located 1,800 miles from the coast. The primary navigation aids that will accomplish this are the five-stage ship lock and massive single-stage ship hoist at the dam site. Each of the ship locks is 110 meters deep, making them capable of servicing ocean-going size ships. The ship hoist, when completed, will be capable of lifting 500,000-ton ships over the dam in a single forty-five-minute operation. The dam project has four temporal phases. Construction began in 1993. The second stage began in 1997 when the main course of the river was partially diverted by constructing a coffer-dam. First power generation is to start in 2003. The final phase should be completed by 2009. It will entail raising the water level behind the dam to full capacity of 175 meters.⁴

The size and generating capacity of the project dwarfs America's Hoover Dam. The Three Gorges Dam is 610 feet high, which makes it lower than the Hoover, which is 726 feet. But it will be 6,864 feet wide. Hoover is only 1,244 feet wide. The dam will be built of concrete, using the gravity method for filling the forms. The crest elevation (top of the dam) will be 185 meters above sea level. It is estimated that 297,000,000 cubic yards of concrete will be needed to reach this height. (An average concrete truck holds twelve cubic yards of concrete.) The Dam axis is 2,309.47 meters, and the thickness of the face is roughly 200 meters. The spillway is located in the center. Intake and overflow dams are on the sides. This dam will also produce fifty-three percent of China's hydroelectric power when it is finished.⁵ It will have twenty-six turbines that produce 700 megawatts of power each. That will give Three Gorges the capacity to generate 18,200 megawatts of electricity. That is fifteen times as much as a standard 1,200-megawatt nuclear powered station produces and twice the wattage produced by the Hoover Dam.⁶

COSTS AND FINANCING

Although Beijing was determined to build this project, funding for it has been a continual problem, both on the international level as well as the national and local levels. Initial direct construction costs were estimated at twenty-five billion dollars. However, as the project has moved toward completion, the estimates have continually risen. For example, in 1996, three years after it began, the estimated cost was twenty-eight billion dollars. In 1997, the cost overruns had taken the estimate up to an astounding seventy-five billion. So, this is going to be the single most expensive construction project in history.⁷

As the Beijing technocrats sought international finance for Three Gorges, they faced many closed doors. For example, neither the World Bank nor the Export-Import

Bank of America would invest in the Three Gorges Project because of concern over environmental and socio-economic impacts.⁸ Interestingly, the Export-Import Bank of America actually found no fault with China's creditworthiness or technical ability to build the dam. Their concerns were in other areas. First among them were environmental issues; for example, they feared that the project would not provide adequate water quality in the reservoir, that it would not protect ecological resources and endangered species of fish. A second area of concern for Ex-Im was the socio-economic impact of the project.⁹ It will require the removal and resettlement of 1.3 million peasants. The bank felt that would make too large an impact on the Yangzi River valley. And finally, they were also concerned about the impending loss of certain cultural resources such as cities, temples, and archeological sites from the prehistoric era in China. Those concerns buttressed by the opinion of Samuel Berger, Deputy National Security Advisor to President Clinton who felt it "unwise for the U.S. Government to align itself with a project that raises environmental and human rights issues on the scale of Three Gorges" shut off the Ex-Im Bank as a major source of finance for Three Gorges.¹⁰

The Chinese found money abroad for their project, a good portion of it from Japan. Since Deng Xiaoping opened the economy of the People's Republic to foreign investment in the mid 1970's, the Japanese have been China's primary investor in joint international projects. Also, there have been a few American and European banks that have taken the gamble and invested in the project. Some of the foreign investment firms are Lehman Brothers, Bank of America, and Credit Suisse who are underwriting securities for China's State Development Bank. It is the State Development Bank that channels the money to the Three Gorges Project Development Corporation for dispersal.¹¹

ECOLOGICAL POLICY AND PROBLEMS

Although China has secured the necessary financing for the project, there remain a number of ecological concerns. And, due to the size of the project, those concerns have international, national, and local repercussions. Among the international concerns is the threat that it will cause an oceanic warming trend far beyond China's coast. Doron Norf, a Florida State oceanographer, says the dam could cause a regional warming trend that could affect parts of the Pacific basin as far away as Japan. He says this is because the dam will divert ten trillion gallons of fresh water from entering the ocean. Fresh water floats on top of seawater and impedes heat transfer from warm ocean water to the air through the process of convection. Norf says dams in Labrador, Norway and the Weddel Seas have been documented as the cause of warming trends of several degrees Celsius.¹²

The Three Gorges Project has also raised many domestic ecological concerns. Perhaps the foremost of them is the massive silt buildup that is expected. The

original plan was for the water depth to go to 156 meters (516 ft) for the first ten years while silt and other factors were monitored. Then, over the next seven to ten years, the level was to be raised to 175 meters. However, in 1997, project managers decided to go to 175 meters in just six years. Lu Qinkan, an 87-year-old retired engineer says the rapid filling will bring too much silt into the lake and the hydroelectric plant. The silt is a serious threat to various forms of aquatic life, and it is also likely to clog the turbines in the power plant. Additionally, there are expectations that silt will also enter and clog drainage systems along the lake and river. Wang Rushu, a Senior Engineer associated with the project, has admitted in interviews and published articles that at Yichang alone, the annual sediment buildup will be 526 million tons.¹³ Yet despite these forewarnings, the project managers insist on raising the level quickly to produce the extra electrical power that they anticipate will be needed in the resettlement areas above the water level.¹⁴

There have also been longstanding concerns about the pollution in the lake that will begin almost simultaneously with the rise of the water. As early as January 1996, Guo Chengmo, a Senior Engineer in Chongqing's Environmental Bureau, made a statement that was highly critical and very revealing about the central government's plans. He said:

Wastewater processing facilities are not even on the agenda of the city government, and I don't think that even for the next ten years these facilities are going to be on the priority list. There is also no money to remove the 1,000 year-old landfills of solid wastes, garbage and toxic materials like mercury and arsenic in the vast dumping grounds on the river banks that will be flooded...even if Chongqing raised the 500 million needed to build...the twenty-four wastewater treatment plants, the operational costs...would amount to tens of millions per day.¹⁵

Guo also complained that neither national nor local leaders have money to treat the 265 billion gallons a year of raw sewage and industrial waste that will flow into the lake each year. The local engineers accuse the central government of misleading the public about the dangers of this pollution, especially the industrial type, to the lake and surrounding environment. Guo and his colleagues say an environmental impact statement given to the U.S. Embassy in Beijing glosses over fundamental concerns on this issue. They argue that further studies are needed that include the use of models to show how the sewage flows will affect fresh water supplies to those who live around the lake.¹⁶ Dai Qing, an influential journalist who has been jailed and expelled from the Chinese Communist Party for her opposition to the project has said that "The Government doesn't have a single penny to control waste water discharge from these cities...and there are several hundred pollution sources along the river from Chongqing to Sandouping" where the dam will be built.¹⁷

RESETTLEMENT POLICY AND PROBLEMS

Although the ecological problems associated with the Three Gorges Project go well beyond the borders of China, the problems that have arisen from the project's impact on millions of people inside China have given rise to the project's most complex issues. Perhaps the reason for that is the sheer scope of the task to be accomplished. Thirteen large cities, 140 towns and 326 villages will be flooded. Projections for the construction time and scope of the project means that 300,000 children not born when the project began will also have to be accounted for in the resettlement plans.¹⁸ Among the thirteen large cities to be inundated, the downtown area of Chongqing City is the densest urban area to be affected. There are fifteen million people in this area. The flooding will also affect 1,700 towns, 1,711 villages, and 6,530 agricultural units.¹⁹ The dam will submerge 23,800 hectares of farmland. One and a third million peasants on that land will be immediately displaced, and fifty million others throughout the Yangzi valley will ultimately be affected. Twenty million of them above the dam will have to move, while the other thirty million below it will be affected because of faulty flood protection and the deprivation of fertile silt to downstream farming areas, and all fifty million will be affected by the water quality issues mentioned above.²⁰ Above the dam, 300,000 farmers must move to *poorer* soil. The Yangzi Valley is very crowded. There are an average of 350 persons per square kilometer, so there is very little suitable space for an acre-for-acre trade off. This means that only sixty percent of the farmers, who account for forty percent of the displaced persons are going to receive land for land.²¹

The decision-making apparatus and evaluation of the resettlement policy is a bureaucratic maze of multiple layers and competing interests. Shi Guoqing, a Hydropower Engineer and founder of the Research Center for Reservoir Resettlement in Hubei Province, described the bureaucratic structure and summarized the basic policy for resettlement in an interview and published paper in June 1999. Shi said that, ultimately, it is the State Council's Three Gorges Displaced Persons Development and Administration Organization that is responsible for resettling people. Below the central government office are the provincial and county branches that have direct responsibility in Hubei and Sichuan Provinces. The provinces are authorized to set up their own organizations, and cities and counties within those provinces can do the same. The provinces have created an organization called the Water Conservancy Committee of the Ministry of Water Resources and Provincial Governments of Hubei and Sichuan.²² What Shi described is basically a multi-layered bureaucracy that many discontented citizens claim intentionally obscures lines of responsibility and accountability.

Regarding the actual policy emanating from this labyrinth, Shi's publication goes on to say that the Ministry feels that resettlement must be founded on the development of agricultural projects, in which persons will be properly

resettled through the development of useable land, the improvement of medium and low yield fields, and the development of fisheries and other sideline occupations.²³

There is a major flaw in their policy. Provincial and city governments which represent people who must move must pay the corresponding unit of government that takes in the displaced people. They also have to make arrangements for these peoples' livelihoods. In addition to this expensive clause in the regulations, there is another one that basically absolves the central government from responsibility for much of the expense of relocation. The clause states, "The removal and construction compensation given to move cities and towns...shall be posted to accounts as displaced persons' expenses. In cases where increase in scale and raising standards exceeds the compensation payable for removal and construction, the excess portion shall be taken care of by the local people's government."²⁴ The practical result of this clause is devastating to the hopes of farmers who must resettle. Much of the farmland in the central Yangzi valley is terraced because of the steepness of the valley. The land above the 175-meter waterline is steeper than what has already been terraced, and it has not been terraced. What this policy means is that the central government assumes no responsibility for the preparation of new terraced fields on the steepest land in the valley.

Wang Rushu summarized and, thankfully, simplified the government's policy in another interview in June of 1999. He said in part that a "...development-oriented resettlement policy should be adopted; that it should not be merely a compensation operation, but should be actively in charge of the relocatees living and production ability and promote economic development of the reservoir region to the benefit of both the relocatees and their hosts." Finally, Wang said that resettlement policy should maintain the relocatees' living standard and provide a chance to improve upon it while preventing adverse effects on the lives of the host communities.²⁵ It is all too often found that there is a large gap between the idealism of policies and what actually happened to people who have moved.

Wu Ming, a Chinese sociologist, disputes the government figure of 1.3 million people to be moved. He says 1.6-1.9 million is a more accurate estimate. Half of them, according to Wu, will be urban residents, half will be farmers, and all will need new jobs or new land. Wu's report is based on projections from a January 1998 survey of five of the counties affected. He claims that not only are the resettlement numbers of the central government underestimated, but that the reported successes have been inflated. For example, journalists assigned for full-time reporting on the Resettlement Bureau's work told Wu that 200,000 people were successfully resettled in Sichuan and Hubei Provinces. He says that in reality, only half that number have new homes. Upon closer inspection, it seems that by mid-1999, only 8,737 people have actually been moved, and very few of them are successful moves.

The Resettlement Bureau has created three categories of resettlement to evaluate and document their progress. First,

there are the **Productively Resettled** (*Shengchan anzhi*). These are people that have a new farm or factory job. Wu Ming says 5,940 people are in this category. Next, there are the **Residually Resettled** (*shenghuo anzhi*). This means a place has been found for their new homes, but the process of moving has not been completed. Wu Ming says 2,610 people are in this category. Third, there are the **Accounts Closed** (*Xiaohao yimen*) people. These people have received their share of moving expenses and the government accepts no more responsibility for them. Wu Ming says there are only 187 of these people. Finally, there are the **Model Resettlers** (*Yimen Dianxin*), a category of people largely created to enhance public relations.²⁶ In addition to these categories of resettlement, I found that some officials and documents spoke of success in terms of individual people, and others counted families. This could create serious difficulties since the average urban family is three to five individuals, but since the relaxation of the one child per family rule for rural families, average numbers could climb as high as six people per family.

Wu Ming met six of the Model Resettlers families in two Hubei counties. The offices of local government and the homes of the model resettlers rival the quality of offices and homes in the well-developed coastal metropolis of Shanghai. This, according to Wu, is because they have received four times the average of what a family gets to cover moving expenses. However, there is the undercurrent of fear even among these lucky few that Premier Zhu Rongji, who is worried about cost overruns, will force them to move to accommodations of lesser quality.²⁷

Although Wu Ming's investigation has shown that 8,737 people have been moved, and that only 187 of them have had a successful experience, there are officials associated with the Resettlement Bureau who give cause to doubt the overall figures in general, and they bring specific concerns about the accuracy of the 187 Account Closed families. In a private interview, Qi Lin, head of the Yunyang county Resettlement Bureau said that the 187 Account Closed people were persuaded to move to Hainan Island which is off the mainland of China. Then upon arrival, they found that their site was uninhabitable. They came home broke, but their status as account-closed people meant that they will receive no more help from the bureau. They are effectively homeless.²⁸

COMPENSATION AND RE-EMPLOYMENT

The foregoing examples point to the central issue of how people are compensated for their resettlement. Here again, we find a gap between policy goals and implementation. For example, former Premier Li Peng and Qian Zhengying, the Minister of Water Resources, let it be known in 1992 that compensation was a critical part of the project, and that failure was not allowed.²⁹ Yet there is a gap between the implied impartiality in this policy and the way it is implemented. For example, there is a pattern of urban-rural discrimination in the way people have been compensated for the cost of moving. Wu Ming has discovered

that rural families get less money to move even though material for their houses costs the same as that of an urban family. His example is from Yunyang County. There, compensation for a square meter of brick or concrete housing in urban areas is 300 *yuan* for families who live in the county seat. It is 225 *yuan* for those in township centers, and only 180 *yuan* for those who live on farms in the county. In Zigui County, the rates are 480, 200 and 150, respectively.³⁰

There are also complex problems associated with land holding and employment opportunities. In Yunyang County, the dam will flood about 450,000 *mu* of farmland, most of which is on steep hillsides and is irrigated by rainfall. Thirty percent of the new farmland is even steeper than the old land. A twenty-five degree grade is the average incline in the new farming areas. Soil erosion is expected to have a drastic effect on eighty percent of these new farms, and the people will have to move again in a few years. So, the central government had plans for what they call "Developmental Resettlement" in state-owned enterprises. Unfortunately, unemployment in the area has risen dramatically between 1997 and 1999. For example, in Chongqing municipality two million state enterprise workers were laid off in this two-year period. In Yunyang county, twenty percent, or 8,000 state enterprise workers lost their jobs in 1997. So, mobility prospects for farm workers who seek industrial employment in a state-owned enterprise is extremely bleak. In 1997, only four of the eighty state enterprises in Fengjie County were operating at a profit. There too, the Developmental Resettlement plans have been cancelled.³¹

In Wanxian, a city of 300,000 just a few miles upstream from Yunyang, there are similar problems with Developmental Resettlement. The resettlement of 100,000 people began in 1994 with bulldozed homes and promises of new houses and jobs in a new chemical plant. The most obvious problem was the fact that the plant could only employ 20,000 people. Moreover, three years later, most of those 100,000 people were still living in tents, plans for the chemical plant were cancelled due to lack of construction funds, and the people were living on \$7.22 per month subsidies from the government. In a region where the average annual income is the equivalent of \$132, the average government compensation is just under \$96 per year. Among those who have moved out of tents and into apartments, there is still a high level of dissatisfaction. Liu Jianming, who lives in Wanxian's apartment block 38, complained that he and his wife and child receive the equivalent of \$14.44 per month in subsidies. Because he has no other job, he has become a street vendor of dumplings.³²

PROTESTS AND GRAFT

When the Three Gorges Project was begun, there were many who objected to it, including scientists, writers, scholars, and even some statesmen who took up the cause of the refugees-to-be. There are several facets to the opposition case. First, the engineers among them feel that China can get an equal amount of power and flood control by making several smaller dams on tributaries that are sparsely

populated. They favor the Dadu, Jinsha, and Wujian Rivers. They note that all of these tributaries are above Chongqing. They also point out that failure of one or more of these dams will not lead to the catastrophic flood that would be associated with the Three Gorges Dam if it fails. In addition, those who opposed the dam for technical reasons also pointed out that the need to lower the reservoir in the summer flood season would hinder navigation downstream. The release of those waters into the channel would mean that vessels of 10,000 tons or more would not be able to clear bridges at major cities like Wuhan or Nanjing. Finally, the technical objections to the dam also include problems with the ship locks on the dam. They claim that the locks do not meet current international safety standards.³³

The Chinese who publicly opposed the project have risked much with their pleas for caution, fairness and justice. For example, in May of 1992, 179 members of the Democratic Youth Party in Kai County were arrested and charged as counterrevolutionaries for protesting the project. These students have disappeared.³⁴ Students are not the only ones Li Peng and his Beijing supporters were willing to silence. For example, Dai Qing, an influential Chinese journalist, has also drawn negative attention from the government, and party. She was expelled from the Chinese Communist Party and imprisoned, partly because of her efforts to organize scientists and engineers to oppose the project. Both she and Guo Chengmo, a Senior Engineer and technical advisor to Chongqing's Environmental Bureau, have been labeled counter-revolutionaries for their efforts to block the project. Guo's main offense has been to state publicly that in his opinion, as an engineer, the government's environmental impact report was very roughly done and lacked in-depth analysis.³⁵

In 1998, Zhu Rongji replaced Li Peng as Premier. It was under his administration that government admissions to shoddy work and graft on the Three Gorges Project were publicly aired. In fact, Zhu himself said the work was shoddy and that scores of officials had been arrested for fiscal irregularities.³⁶ Since then, Beijing has made examples of a few people involved in graft or embezzlement of funds. For example, in March 2000, Huang Faxiang, on trial in Chongqing, the major city to be inundated by the dam, received a death sentence for embezzlement of relocation funds. Wan Sumei, another official, received a prison sentence, and others suspected of diverting relocation funds are also to be tried.³⁷

There have also been revelations of graft at the county level where people are directly affected by the dam. For example, in Yunyang County where the sociologist Wu Ming has focused his attention, there seems to have been a prevailing attitude among the cadre that they should appropriate the money available through corruption or bribes while they can, then use it to disappear.³⁸ This example is also to be found downstream in the city of Maoping, very close to where the backwater of the dam will begin. There, Mrs. Wang Zuozhu said "...the village committee leaders used part of the relocation money to buy a big transport boat, but only a few people are benefiting from the profits of that business. Since

we moved to the city, no one can find those village leaders or the money the village was paid for enterprises and common property. We don't know where they are."³⁹

For many people, incidents in the city of Maoping have been seen as symptomatic of the manner in which the central and local government has dealt with embezzlement and poor construction under the administration of Zhu Rongji. The case of Mrs. Cui Bangfen is instructive. She has had a hard three years since the project claimed her home and orange grove. She was compensated \$1,100 for her land, house, and trees. She was moved into an apartment that her neighbors say has the dimensions of a toilet, and within a year, the foundation and load bearing walls were cracked. She and her neighbors blocked the road in protest when a central government inspection team arrived. When the police threatened to shoot them, they were forcefully removed, and Mrs. Cui was fined twenty-four dollars, the equivalent of three months removal subsidy.⁴⁰

¹Interview of Wang Rushu by the author in the city of Wuhan, China, June 13, 1999. (Hereafter cited as Interview With Wang Rushu), and Wang Rushu, "China's Sustainable Development Strategy and International Cooperation on Environment," in Jiangsu Environmental Protection Agency, *Environment and Development, Papers from the Third Annual Seminar on Environmental Issues in China*, (People's Republic of China, 1999), p.30. (Hereafter cited as Wang, "Sustainable Development").

²Cheng Li, *China's Leaders, the New Generation* (New York, 2001), pp. 1-2.

³Simon Winchester, *The River at the Center of the World: a Journey up the Yangzi* (New York, 1996), p. 227.

⁴Interview with Wang Rushu, June 15, 1999, and Wang, "Sustainable Development," p. 30.

⁵"Cracks in the Dam," *New York Times*, January 15, 1996, p. A4. (Hereafter cited as "Cracks in the Dam")

⁶Wang, "Sustainable Development," p. 30 and p. 36.

⁷Adrian Sleigh and Sukhan Jackson, "Public Health and Public Choice: Dammed off at China's Three Gorges," in *Lancet*, Vol. 351, Issue 9114, pp. 49-51. (Hereafter cited as Sleigh and Sukhan, "Dammed Off"), and Kate Kearns and Greg O'Malley, "International Financial Institutions and the Three Gorges Hydro-Electric Power Scheme," in *Greener Management International*, Autumn 1999, Issue 27, pp. 85-97. (Hereafter cited as Kerns and O'Malley, "Finance and Power Scheme").

⁸Adrian Sleigh and Sukhan Jackson, "Dammed Off," pp. 49-51.

⁹Kate Kearns and Greg O'Malley, "International Financial Institutions and the Three Gorges Hydroelectric Power Scheme," in *Greener Management International*, Autumn 1999, Issue 27, pp. 85-97.

¹⁰Kerns and O'Malley, "Finance and Power Scheme," and "Cracks in the Dam," *New York Times*, p. A4.

¹¹*Ibid.*

¹²Doron Norf, "Putting the Heat on Japan," in *Environment*, July/August 2001, Vol. 43, Issue 6, p.4.

¹³Interview with the author, and Wang, "Sustainable Development," p.36.

¹⁴*Economist*, May 13, 2000, Vol. 355, Issue 8170, pp. 43-44.

¹⁵"Cracks in the Dam," p. A4.

¹⁶"Cracks in the Dam," pp. A1 and A4.

¹⁷"Cracks in the Dam," p. A4.

¹⁸"Cracks in the Dam," p. A4.

¹⁹Shi Guoqing, "The Three Gorges Project and Resettlement," in *Environment and Development, Papers From the Third Annual Seminar on Environmental Issues in China* (People's Republic of China, 1999), p. 94. (Hereafter cited as Shi, "Resettlement.")

²⁰Sleigh and Sukhan, "Dammed Off," pp. 49-51.

²¹Sleigh and Sukhan, "Dammed Off," pp. 49-51.

²²Shi, Interview with the author, June 16, 1999, and "Resettlement," p. 97.

²³Shi, Interview with the author, June 16, 1999, and "Resettlement," p. 97.

²⁴Shi, Interview with the author, June 16, 1999, and "Resettlement," p. 97.

²⁵Wang, Interview with the author, June 15, 1999, and Wang, "Sustainable Development," pp. 39-40.

²⁶Wu Ming, *Joint Report on International Issues in China* (People's Republic of China, 1999) p. 3. (Hereafter cited as Wu, *Joint Report*).

²⁷Wu, *Joint Report*, p.8, and p.2.

²⁸Wu, *Joint Report*, p. 3.

²⁹Cheng Li, *China's Leaders, the New Generation* (New York, 2001), and p.4.

³⁰Wu, *Joint Report*, p. 5.

³¹Wu, *Joint Report*, pp. 5-7.

³²Sleigh and Sukhan, "Dammed Off," pp. 49-51.

³³Audrey Topping, "Ecological Roulette: Damming the Yangtze," in *Foreign Affairs, Volume 74*, Issue No. 5, p. 146. (Hereafter cited as Topping, "Ecological Roulette").

³⁴Audrey Topping, "Ecological Roulette," p. 134.

³⁵"Cracks in the Dam," p. A4.

³⁶*Economist*, May 13, 2000, Vol. 355, Issue 8170, pp. 43-44.

³⁷*Beijing Review*, "Officials Sentenced for Embezzlement," March 27, 2000.

³⁸Ming, *Joint Report*, p. 5.

Banking Crisis in Japan **Anne R. Hornsby, Spelman College**

Japan is facing a banking crisis that surpasses the one the U.S. faced in the 1980s. Her estimated \$600 billion in problem loans is three times the amount of bad loans involved in the U.S. S&L crisis (Burton and Lombra, p. 352). This banking crisis is partially a result of an institutional arrangement between the two major banking regulatory agencies (Ministry of Finance and Bank of Japan), which has rendered one subordinate to the other. The institutional practice, resulting in the Ministry of Finance acquiring major control over financial issues and policies, has operated to curb the authority and independence of the Bank of Japan. Therefore, these two financial regulatory agencies, especially the Bank of Japan (the nation's central bank), have been slow to react and at times overreacted to crises impacting the financial sector and the economy.

The basic fundamental relationship between these two financial institutions goes as far back as the 1942 "war-time" Bank of Japan Law which stressed dependence of the Bank of Japan on the Ministry of Finance. The following quotes from the 1942 Law emphasize the point: Article 25 states "the Bank of Japan may, with the permission of the competent Minister, undertake such businesses as are necessary for the maintenance and fostering of the credit system." Article 43 says, "the Bank of Japan shall be under the supervision of the competent Minister." Even with the gradual, administratively directed process of financial liberalization beginning in the late 1940s that sought to give more independence to the Bank of Japan, the resulting mixed signals left the ongoing supremacy of the Ministry of Finance unchallenged. In 1949, a Monetary Policy Board was established, ostensibly to give the Bank of Japan some discretion to operate outside the constraints of the 1942 Law. However, the creation of this board merely served to widen the influence of the Ministry of Finance over the Bank of Japan. The Monetary Policy Board in essence operated to curb the Bank of Japan's potential for using monetary policy to finance government deficits (Cargill, p. 149). Thus, the addition of the Monetary Policy Board did not significantly change the legal relationship between the Bank of Japan and the Ministry of Finance.

Another financial liberalization occurred between 1976-89, which resulted in a change in the structure of Japan's financial sector to parallel that of the United States and gave more autonomy to the Bank of Japan. During this time period in the United States and Japan, regulatory institutions in the respective countries gradually phased out interest rate ceilings on deposits; allowed financial institutions to diversify their portfolios; and permitted greater competition between banks and investment companies. Also, during this period, Japan's central bank was able to combat inflation to a greater degree than the U.S. Federal Reserve Bank with more formal independence (Cargill, pp. 150-51). At the same time, however, Japan continued to rely on the older,