

Governance Hotspots

Challenges We Must Confront in the Post-September 11 World

Saskia Sassen

TRAVELING AROUND the world since September 11, I have found one theme becoming louder and louder in many places outside the US, both in the global north and global south, by critics of the attacks who share our horror and do not want to see such attacks ever again anywhere in the world. The theme is, in a nutshell, that the attacks on the US and the war against organized terrorism should not keep us from seeing and remembering all the other struggles going on and the larger landscape of rage and hopelessness engulfing more and more people.¹ This theme is either not welcome in the US, starting with the government, or is seen as being a chance to re-run old slogans. And yet, what one hears and reads outside the US should be attended to and positioned as a 'de-centered' view, not quite a view from the outside, but one that does not have solely the US suffering and interests at its center. As social scientists we should be able to do this, even at a time when this is not politically correct. In my research about globalization, I have come to see that de-centering the production of knowledge about globalization is crucial for a better analysis.

Moving on after September 11 will require more than just eliminating organized terrorist networks and providing humanitarian aid, crucial as these two interventions are. There is a much larger set of issues that needs to be addressed – by world and country leaders, by the supra-national system, by NGOs, by global civil society, by corporate economic actors. Many of these issues are specific to each country and inevitably centered in the internal dynamics and struggles of each; others concern the further development of global governance institutions.

Here I address what have emerged as two difficult governance hotspots

■ *Theory, Culture & Society* 2002 (SAGE, London, Thousand Oaks and New Delhi),
Vol. 19(4): 233–244
[0263-2764(200208)19:4;233–244;028067]

in this larger context of challenge. Examining them is a way of dissecting the nature of the challenge and identifying specific governance deficits. The two issues are the debt trap in which a growing number of governments are caught and which leads, among other things, to a sharp growth in illegal trafficking of people, and, second, immigration, a process caught in a whole series of new contradictions. Both of these will require innovations in our conceptions of governance. Both show that, as the world is more interconnected, we will need more multilateralism and internationalism, but that these will have to consist of multiple and often highly specialized cross-border governance regimes and that simply relying on overarching institutions will not do. While I confine myself here to the role of governments it is clear that new forms of collaboration with civil society and supra-national institutions are part of this effort.

I examine these two governance hotspots from the perspective of the countries of the global north and their self-interest rather than broader issues of social justice and humanitarian concern. The latter are crucial, and at the heart of my scholarly work. Yet utilitarian arguments might be more persuasive to many. It is probably also the case that addressing the debt and immigration from the perspective of the self-interest of the global north, rather than simply as a matter of social justice, is the more difficult argument to make. Indeed, such an argument has not quite been developed and I do not claim to succeed at it here.² What follows are some elements towards the development of such an argument.³ It is important to emphasize that one's positionality does make a difference. If I were to produce an account from the perspective of a country in the global south, the issues would not be exactly the same. At the same time, examining these particular issues as part of a larger discussion about September 11 and its meaning is one way of de-centering the discussion in that it is not exclusively focused on the suffering and losses experienced by the US.

Interdependence

Among the many issues that September 11 brought to the fore is the fact that globalization has not only facilitated the global flows of capital, goods, information and business people, as was the intent of its 'framers'. It has also facilitated a variety of other entanglements. The list is long, and what follows are just some of the more dramatic instances. Global trade, tourism and migration have brought with them diseases and pests present in many parts of the global south which we in the rich countries had forgotten about: tuberculosis is back in the US and typhoid fever in the UK, the encephalitis-producing Nile mosquito has made its first appearance in the global north and so have a growing number of other infectious agents. As governments in the global south become poorer, they depend more and more on the remittances of immigrants in the global north and hence have little interest in the management of emigration and illegal trafficking of people. The pressures to be competitive make governments in poor countries cut their health, education and social budgets, thereby further delaying

development and stimulating emigration and trafficking. Finally, powerful states cannot fully escape 'bricolage' terrorism or global organized terrorism. In brief, the interdependencies are many and they are multiplying.

Terrorism is a distinct and extreme way of acting that requires a specific ingredient, and is hence fed by much more than socioeconomic devastation. The globally organized and coordinated terrorism of September 11 is an even more extreme act than much of the more localized and more available forms of terrorism we see around the world today. The added ingredient in a situation that might lead to terrorism can take shape in many different ways. Further, terrorism may not always be as purposeful as in the case of its main forms today, whether September 11, the earlier IRA actions in Northern Ireland, or the ongoing acts by Hamas and Jihad in Israel.

Against this context, socioeconomic devastation cannot be seen as a cause for terrorism, but it can be seen as a breeding ground for extreme responses, including illegal trafficking in people and successful recruitment of young people for terrorist activity, both random and organized. An example of extreme response was what we now know was the case with the militarized gangs in the aftermath of the Bosnian conflict: there were no jobs and no hope for these young men so the most exciting option was continuing warfare. This is also the case with some of the gangs in devastated inner cities in the US (though not all gangs, since now we also know that many inner-city gangs are actually contributing to social order and making life more manageable in devastated neighborhoods). In the global south, the growth of poverty and inequality and the overwhelming indebtedness of governments that reduces resources for development, all are part of the broader landscape within which rage and hopelessness thrive. If history is an indication, it is only minuscule numbers who will resort to terrorism, even as rage and hopelessness may engulf billions. But the growth of debt and unemployment, and the decline of traditional economic sectors, are feeding multiple forms of extreme reactions and survival strategies.

The Need for New Specialized Multilateralisms

After a decade of believing that markets could take care of more and more social domains, we must now accept that markets cannot take care of everything. For instance, use by organized terrorist networks of the financial system comes on top of previous recognition that money laundering, the black net, tax evasions, all have benefited from the liberalization and globalization of financial markets. These abuses of the system signal the limits of liberalization and private governance, and call for a reinsertion of governments in the global financial system.

But this reinsertion of governments follows very different modalities from the earlier state-centered and largely domestic ones. Today it calls for multilateral and internationalist measures. A good case in point is the recent announcement by the US, Britain and the EU of legislative and regulatory measures aimed at the financial transactions of terrorists.⁴ They will use the

Financial Action Task Force (FATF), the world's main anti-money laundering body, to seek agreement from its 31 member countries to join the effort to make a new set of rules binding on members and the rest of the world.⁵ Governments are asked to take on legal powers to freeze terrorists' assets. More problematic for many, and less internationalist in orientation, is the decision to include in this effort not only mainstream banking but also money-service businesses, such as the '*hawala*' system, which is Islam's version of the correspondent banking of medieval Europe's Lombards, a legitimate system governed by customary rules.

Part of the challenge we confront today is to recognize the interconnectedness of forms of violence that we do not always recognize as being connected or, for that matter, as being forms of violence. For instance, the debt trap is far more significant than many in the global north recognize. The focus tends to be on the size of these debts, and these are indeed a small fraction of the overall global capital market estimated in 2000 at about US \$68 trillion (the value of internationally traded derivatives, the leading financial instrument in the global capital market). But the growth of poverty and inequality in a context of the increasingly severe disablement of governments overwhelmed by debt, are part of the broader landscape within which rage and hopelessness thrive. There are at least two utilitarian reasons why rich countries should worry. Since these debts do not simply concern a firm, but a country's government, eventually they will entrap rich countries: (1) indirectly via the re-emergence of diseases we had thought were under control and the further devastation of our increasingly fragile eco-system, and (2) directly via the explosion in illegal trafficking in people, in drugs, in arms and possibly various forms of direct aggression. Second, the debt trap is entangling more and more countries and now has reached middle-income countries, those with the best hopes for genuine development. The case of Argentina's December 2001 default on about \$140 billion – the largest sovereign default in history – and the ensuing social turmoil, is but the most dramatic instance.⁶

Generally, it is becoming evident that even as we experienced a 'decade of unprecedented peace and prosperity', in the language of our leaders, a growing number of countries in the global south experienced accelerated indebtedness, unemployment and the decay of health, social services and much infrastructure. While the spread of misery may largely not touch the global north directly, and hence, from a narrow utilitarian logic, can be seen as of little concern to the global north, it can lead to extreme acts. And even though it is likely to be only a minority of people and organizations in these countries that may have direct or indirect impacts on the global north, partly enabled by the infrastructure for globalization largely developed by the global north, these can be highly destructive. From a narrow utilitarian logic one might add that these conditions shrink the space within which global capital can function.

Perhaps one of the clearest indications of a direct effect in the last few years is the exploding illegal trade in people, largely directed to the rich

countries (CIA, 2000). The United Nations estimates that 4 million people were trafficked in 1998, producing a profit of US \$7 billion for criminal groups.⁷ As the global north has put increasing pressures on governments in the global south to open up their economies to foreign firms, these countries have become poorer even as certain sectors within them have gotten very rich. Governments and large sectors of the population in many of these countries have come to depend more and more on the remittances of immigrants in the global north, which overall are estimated at an annual US \$70 billion dollars over each of the last few years. This has also meant that these governments have little interest in the management of emigration and trafficking. Further, the pressures coming from the IMF and leading global north countries to be 'competitive' make governments in poor countries cut their health, education and social budgets, thereby hampering development and stimulating emigration and trafficking.

A second governance hotspot concerns immigration. Emigration from the global south will grow partly because of the conditions described above. The growth of debt, poverty, unemployment, closing of traditional economic sectors, has fed an exploding illegal trade in people as well as created whole new migrations. As the rich economies become richer, they become more desirable; and as they raise their walls to keep immigrants and refugees out, they feed the illegal trade in people. But migrations will also grow partly because some of the infrastructure that enables globalization enables, and indeed may induce, migration. Finally, the sharp increase in the resources allocated in the US and several European countries for surveillance of resident immigrants creates its own set of contradictions in societies that value and protect individual civil rights. This mix of conditions produces major challenges for how to regulate immigration.

The Debt Trap: Breeding Despair

There are now about 50 countries recognized as hyper-indebted and unable to redress the situation. It is no longer a matter of loan repayment but a fundamental new structural condition that will require innovations in order to get these countries going. One consequence is that the debt cycle for poor countries has changed and that debt relief is not enough to address the situation. One of the few ways out is for the governments of the rich countries to take a far more active and innovative role.

It is always difficult to accept that an effort that mobilized enormous institutional and financial resources does not work. But we now know that what has been done thus far about government debt in the global south will not solve the problem. Even full cancellation of the debt will not necessarily put these countries onto a sustainable development path. Had the Jubilee campaign to cancel all existing debt of poor countries succeeded, it would not necessarily solve the basic structural trap. There is enough evidence now to suggest that a new structural condition has evolved from the combined effect of massive transformations in the global capital market and the so-called economic 'liberalization' related to globalization.

Middle-income countries are also susceptible, as the financial crises of 1997 and 1998 and the current Argentine crisis have demonstrated.

If key features of the global capital market can have severe impacts on what are some of the richest economies in the world, such as South Korea, Brazil or Mexico, one can imagine the impact on poor countries. While all countries, including the US and the UK, have in fact implemented some version of structural adjustment programs to lower expenditures by states on the social agenda, the impact on poor countries has been devastating.⁸ The bundle of new policies imposed on states to accommodate new conditions associated with globalization includes: Structural Adjustment Programs, the opening up of economies to foreign firms, the elimination of multiple state subsidies, and other types of programmatic solutions put forth by the IMF. It is now clear that in most of the countries involved, whether Mexico and South Korea or the US and the UK, these conditions have created enormous costs for certain sectors of the economy and of the population. In the poor countries, these costs have been overwhelming and have not fundamentally reduced government debt but rather entrapped these countries in a syndrome of growing debt.

In the 1990s, as neo-liberal globalization expanded and structural programs proliferated, we have seen a whole new set of countries become deeply indebted. In addition, most countries that became deeply indebted in the 1980s have not been able to overcome that debt. Over these two decades many innovations were launched, most importantly by the IMF and the World Bank through their Structural Adjustment Programs and Structural Adjustment Loans, respectively. SAPs became a new norm for the World Bank and the IMF on the grounds that they were one promising way to secure long-term growth and sound government policy. The purpose of much of this effort was and is to make states more 'competitive', which sounds fine. But it typically means sharp cuts in various social programs in countries where these programs are already inadequate in their coverage.

The actual structure of these debts, their servicing and their fit in the economies of debtor countries, suggest that most of these countries will not be able to pay this debt in full under current conditions. According to some estimates, from 1982 to 1998 indebted countries paid four times their original debts, and at the same time their debt stocks went up by four times.⁹ Debt service ratios to Gross National Product (GNP) in many of the HIPC countries exceed sustainable limits. Many of these countries pay over 50 percent of their government revenues toward debt service or 20–5 percent of their export earnings. Africa's debt service payments reached US \$5 billion in 1998, which means that for every \$1 in aid, African countries paid \$1.4 in debt service in 1998. What is often overlooked, or little known, is that many of these ratios are far more extreme than what were considered unmanageable levels in the Latin American debt crisis of the 1980s. Debt to GNP ratios are especially high in Africa, where they stood at 123 percent, compared with 42 percent in Latin America and 28 percent in Asia. The IMF asks HIPCs to pay 20–5 percent of their export earnings toward debt

service. In contrast, in 1953 the Allies cancelled 80 percent of Germany's war debt and only insisted on 3–5 percent of export earnings going for debt service. These are also the terms asked from Central Europe after Communism.

There is considerable research showing the detrimental effects of such debt on government programs for women and children, notably education and health care – clearly investments necessary to ensure a better future. Further, the increased unemployment typically associated with the austerity and adjustment programs implemented by international agencies to address government debt has also been found to have adverse effects on women. Unemployment, both of women themselves but also more generally of the men in their households, has added to the pressure on women to find ways to ensure household survival. Subsistence food production, informal work, emigration, prostitution, all have grown as survival options for women.

What can be done to pull these countries out of the debt trap?

Poor countries need to import goods for basic needs and for development. Most are heavily dependent on imports of oil, food and manufactured goods. Few poor countries can avoid trade deficits – of 93 low- and moderate-income countries, only 11 had trade surpluses in 2000. These countries would like to export more, as is evidenced by the setting up recently of a new African Trade Insurance Agency supporting exports to, from and within Africa. Such specialized and focused efforts hold promise.

They need loans for these imports. Most exporters, especially from the global north, will only accept payment in dollars or other high-value currencies. This further renders native currencies valueless. Once they have debts, interest payments and other debt servicing costs escalate rapidly and their currencies are likely to devalue further. Borrowing in the leading foreign currencies and through the global capital market produces a debt trap for these countries. Their position as debtor countries is radically different from that of the rich countries. For example the US has one of the largest government debts in absolute numbers in the world, not to mention a \$300 billion trade deficit, and no problem getting loans at good rates. But foreign lenders are unlikely to want to hold loans denominated in LDC currencies. Further, lenders ask for much higher interest rates from poor countries. This strengthens the debt trap as it continues to get reproduced.

What is necessary is not a lender of last resort to bail out rich investors – the IMF strategy over the last decade – but a lender of first resort to help the global south pay for needed development-linked imports in their own currencies if at all possible or through reasonable loans. The logic is that this would make poor governments less dependent on private lenders who demand leading currencies, and even then charge these governments a premium and would never accept their weak currencies.

The government debts of poor countries, and perhaps increasingly of middle-income countries as well, need to be taken out of the global capital markets and placed in the domain of the interstate system. Keynes already proposed this in the 1940s when the IMF was created. And the IMF has

recently gone in this direction with its plan to provide early financing before a crisis, rather than bail-outs of rich countries' investors. But it is ultimately the governments and the citizens of the global north who will have to provide the structures through which global south countries can get financing for needed imports. There is enough wealth in the global south to make this possible – whether through a mechanism such as the Tobin tax or a deeply restructured IMF.

Immigration: Unsustainable Contradictions

Immigration is at the intersection of a number of key dynamics that have gained strength over the last decade and in some cases after September 11. Among the most prominent are the conditions described above which are likely to function as inducements for emigration and trafficking in people, much of it directed to the global north. A second set of conditions is the demographic deficit forecast for much of the global north. A third is the increasingly restrictive regulation of immigration in the global north, to which we must now add new restrictions after September 11.

What I want to extricate from this combination of trends is the existence of some serious tensions among them. Let me focus on the mix of (a) increasingly restrictive immigration policies in much of the global north along with (b) the sharpening demographic deficit in these same countries and (c) the growing military, economic and political interdependencies worldwide which will tend to produce new migrations and refugee flows as well as facilitating them.

Even as the rich countries try harder and harder to keep would-be immigrants and refugees out, they face a growing demographic deficit and rapidly aging populations. According to a major study (IIASA, 2001), at the end of the current century, population size in Western Europe will have shrunk by 75 million (under current fertility and immigration patterns) and almost 50 percent will be over 60 years old – a first in its history. Where will they get the new young workers they need to support the growing elderly population and to do the unattractive jobs whose numbers are growing, some of which will involve home and institutional care for old people? Export of older people and of economic activities is one option being considered now. But there is a limit to how many old people and low-wage jobs you can export. It looks as if immigration will be part of the solution (Fassman and Munz, 1996; King and Black, 1997).

Yet the way the countries in the global north are proceeding is not preparing them to handle this. They are building walls to keep would-be immigrants out, thereby feeding illegal trafficking. At a time of growing refugee flows, the UN High Commissioner for Refugees faces an even greater shortage of funds than usual. This will also feed illegal trafficking of people. And anything that involves development of infrastructures for illegal trafficking will easily bring about an expansion and diversifying of illegal trafficking of all sorts, not just people, but also arms and drugs. The aftermath of September 11 has further sharpened the will to control

immigration and resident immigrants, especially in the US but also in several European countries. The reduction in civil liberties will not facilitate the need to learn how to accommodate more immigration to respond to the future demographic turn.

Economic and politico-military globalizations bring with them an additional set of factors for immigration policy. They intensify, multiply and diversify these interaction effects. If we accept that immigration flows are partly embedded in these larger dynamics, then we may eventually confront the necessity of a radical rethinking of what it means to govern and regulate immigration flows. Such a radical policy rethinking has been worked out with trade through the Uruguay round of GATT and the creation of the WTO. Such a policy rethinking is also becoming evident in military operations, with the growing weight of international cooperation, United Nations consent and multilateral interventions. And it is being done for telecommunications policy and other areas that require compatible standards across the world. But there has been little innovation in immigration policy, a fact often explained by invoking the complexity and intractability of the issues.

In this context it is important to emphasize that many of the policy areas that have seen enormous innovation are also extremely complex, that the policy re-formulation could not have been foreseen even a decade ago and, perhaps most importantly, that the actual changes on the ground (e.g. globalization) in each of these domains forced the policy changes. From where I look at the immigration reality – which is with the freedom of the scholar rather than under the day-to-day constraints of immigration policy-makers and analysts – the changes brought about by the growing interdependencies in the world will sooner or later force a radical rethinking of how we handle immigration (Sassen, 1999: intro., chs 1 and 7). Taking seriously the evidence about immigration produced by vast numbers of scholars and researchers all over the world could actually help, because it tends to show us that these flows are bounded in size, time and space, and are conditioned by other processes and hence to some extent predictable; they are not mass invasions nor indiscriminate flows from poverty to wealth.

We will need regionally focused multilateral approaches involving the governments of both emigration and immigration countries, as well as a range of non-governmental actors, to develop the capacity to manage migration flows. This means recognizing that migration flows are part of how an interconnected world functions. The challenge that lies ahead will demand that all countries involved move beyond current conceptions of immigration policy in the receiving countries, and that the governments of sending countries, notorious for their lack of involvement and indifference, join in this effort.

There are elements of innovation in some specific policies. Beyond the crucial objective of effective socioeconomic development that makes it possible for people to stay in their countries, there are specific migration-linked issues. For instance, a very partial and utilitarian beginning that

might motivate rich countries is precisely the emerging demographic and labor force asymmetries. In contrast to what is the case with low-wage migrants, the leadership of the global north has recognized the emergence of a global labor market for high-tech, financial and legal experts, and to that end set up multilateral systems and institutional protections and guarantees for these workers (e.g. various clauses in NAFTA and in the GATTs). Now it is time to recognize that there is an emerging global labor market for low-wage workers as well (e.g. maids, nannies and nurses) and that they deserve the institutional protections and guarantees given to professional workers (Ehrenreich and Hochschild, 2002).

Conclusion

The events of September 11 have produced a new set of constraints and opportunities. Governments have had to re-enter domains from which they had withdrawn. Forms of openness that had come to be considered crucial for a global economy – such as enabling international business travel – are now subject to new restrictions. We are seeing a re-nationalizing of government efforts to control their territory after a decade of liberalization. But we are also seeing new types of cross-border government coalitions, especially the effort to fight global terrorism and the legal, police and war actions deployed.

The two cases I briefly examined here bring to the fore the need for specialized multilateral collaboration among specific sets of countries. In an era of privatization and market rule, we are facing the fact that governments will have to govern a bit more. But it cannot be a return to old forms – countries surrounding themselves with protective walls. It will take genuine multilateralism and internationalism and some radical innovations.

The world today faces new governance challenges. Growing interconnectedness has given new meaning to old asymmetries as well as creating new ones. The rising debt, poverty and disease in the global south are beginning to reach deep into the rich countries. Many of these conditions need to be addressed through fairly specialized and focused multilateral efforts. National governments will have to get involved, along with non-governmental actors and supra-national organizations.

Notes

We thank *The Guardian* and the Social Science Research Council for allowing us to use materials originally published in respectively an editorial (12 September 2001) and the SSRC September 11 Website (ssrc.org).

1. For a wide selection of newspaper articles from around the world see the Global Policy Forum Website (www.globalpolicy.org).
2. There are two important qualifications to this argument with which I agree but that I cannot develop here. One is that there are moral arguments which could be read as demonstrating the utility of the more moral policy decision (see e.g. the work by Joseph Carens, or by Thomas Pogge, and some elements in the Jubilee campaign for debt cancellation). I see this moral argument as valid but as a different

type of logic from what I try to present here. Second, there is a large literature that shows the advantages of immigration for highly developed economies (e.g. Portes and Rumbaut, 2000). I distinguish this from the broader argument I present here about the utility of developing specialized multilateral and internationalist forms of governing cross-border migration flows and of handling the growing indebtedness of the global south.

3. I have developed some of this at greater length in *Guests and Aliens* (1999).
4. Other ways in which governments are now expected to intervene where they had been pushed out or asked to exit, are particular types of subsidies, such as those to the airlines, Keynesian-style fiscal and monetary policies, and taking over sensitive private sector concerns, such as airport security screening.
5. The UN passed a convention in 1999 aimed at suppressing and criminalizing the financing of terrorism and at the sharing of pertinent information. After September 11 this convention has gained new importance.
6. About 100 countries have had financial crises over the last 25 years, most associated with sharp policy changes. There is research showing a structural interaction effect between financial deregulation and subsequent financial crisis (e.g. Reinhardt with Kaminsky, 1999).
7. These funds include remittances from prostitutes' earnings and payments to organizers and facilitators in these countries.
8. For one of the best examinations of the negative consequences for global north countries see Longworth (1998).
9. Toussaint (1999:1). According to Susan George, the south has paid back the equivalent of six Marshall Plans to the north (Bandarage, 1997).

References

- Bandarage, Asoka (1997) *Women, Population and Global Crisis*. London: Zed Books.
- CIA (Central Intelligence Agency) (2000) 'International Trafficking in Women to the United States: A Contemporary Manifestation of Slavery and Organized Crime', prepared by Amy O'Neill Richard. Washington, DC: Center for the Study of Intelligence. www.cia.gov/csi/monograph/women/trafficking.pdf
- Ehrenreich, Barbara and Arlie Hochschild (eds) (2002) *Global Woman: The Supply of Maids, Nannies, Nurses and Sexworkers*. New York: Metropolitan Books.
- Fassman, Heinz and Rainer Munz (1996) *European Migration in the Late 20th Century*. Frankfurt and New York: Campus Books.
- IIASA (International Institute for Applied Systems Analysis) (2001) *Special Report: Global Population*. Vienna: IIASA.
- King, Russell and Richard Black (eds) (1997) *Southern Europe and the New Immigrants*. Sussex: Sussex Academic Press.
- Longworth, Richard C. (1998) *Global Squeeze: The Coming Crisis for First-World Nations*. Chicago, IL: Contemporary Books.
- Portes, Alejandro and Ruben Rumbaut (2000) *Immigrant America*. Berkeley: University of California Press.
- Reinhardt, C.M. with G. Kaminsky (1999) 'The Twin Crises: The Causes of Banking and Balance of Payments Problems', *American Economic Review* 89(3): 473–500.
- Sassen, S. (1999) *Guests and Aliens*. New York: New Press.

Sassen, S. (2000) 'Women's Burden: Countergeographies of Globalization and the Feminization of Survival', *Journal of International Affairs* 53(2): 503–24.

Toussaint, Erik (1999) *Your Money or Your Life: The Tyranny of Global Finance*. London: Pluto.

Saskia Sassen is the Ralph Lewis Professor of Sociology at the University of Chicago, and Centennial Visiting Professor at the London School of Economics. Her most recent books are *Guests and Aliens* (New York: New Press, 1999) and her edited book *Global Networks/Linked Cities* (New York and London: Routledge, 2002). *The Global City* is out in a new fully updated edition in 2001. Her books have been translated into 12 languages. She is co-director of the Economy Section of the Global Chicago Project, a Member of the National Academy of Sciences Panel on Urban Data Sets, and Chair of the newly formed Information Technology, International Cooperation and Global Security Committee of the Social Science Research Council (USA).