

different regulatory regimes. This has prompted a race among states to liberalize financial markets, as they have done for investment.

During the discussion that followed Mr. Phillipps's presentation, a number of propositions were put forward on the impact of IT: 1) it is an impingement on governance; 2) it has facilitated trans-national capital flows but is not their cause; 3) the cause is the increased pressure from customers (both public and private) of financial institutions. There was a consensus that on the "information highway" technology can cut both ways: it can hinder as well as assist the public and private sectors. On this point, participants were reminded that for governments the imperative is to get re-elected while for the private sector it is to be profitable.

Given the variety and flow of financial products described by Mr. Phillipps, the question was raised about what role government had, if any, to regulate this development at the international level? There was disagreement among the participants about the feasibility of regulating trans-national financial flows. Some suggested that it was just a matter of devising expert systems. The greatest difficulty would be in achieving some consensus on what was to be regulated. Others, not so optimistic, pointed out that for all the progress at the international level, the development of standards to regulate trans-national capital flows was likely to remain haphazard. Indeed, there would always be at least one jurisdiction that would choose to remain outside a particular regulatory regime.

INFORMATION TECHNOLOGY AND TRANSNATIONAL SOCIAL FORCES AND MOVEMENTS

Information Technologies and Transnational Interest Groups

Professor William Stanbury¹ of the Faculty of Commerce and Business Administration at the University of British Columbia, prepared a presentation on how new information technologies (NITs) have facilitated the rapid rise of transnational interest groups with multiple, overlapping and competing political agendas. Prof. Stanbury describes the NITs as having the following characteristics: the electrification and digitalization of many media; the existence of ubiquitous broadband networks; the ease of accessibility of information in electronic form; distributed intelligence in light of the user control of networks; increased mobility while at the same time maintaining connections; and declining costs and prices.

He notes that a computer network such as the Internet, with about 35 million persons (mostly in North America and Western Europe) on-line at the end of 1994, by collapsing both distance and time offers a speedy and inexpensive (when compared to the telephone, the facsimile, and even mail) means of interactive communication. In this way, it has facilitated

¹ The following is a synthesis of notes prepared by Prof. Stanbury for delivery at the symposium.