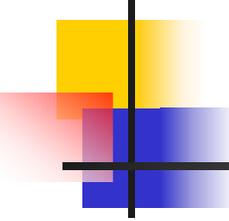


The World is Flat

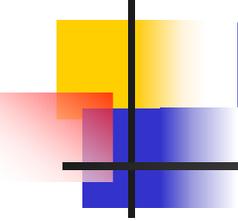
A Brief History of the Twenty-First
Century

Thomas L. Friedman



Globalization

- Globalization 1.0—1492~1800
 - Lead by national-states, powered by wind
- Globalization 2.0—1800~2000
 - Lead by multinational companies, powered by steam engines
- Globalization 2.0—2000~
 - Lead by individuals, powered by Internet



Ten Forces that Flattened the World

- 1. 11/9/89
 - When the walls came down and the Windows went up
- 2. 8/9/95
 - When Netscape went public
- 3. Work Flow Software
 - Let's do lunch: have your application talk to my application

Genesis:

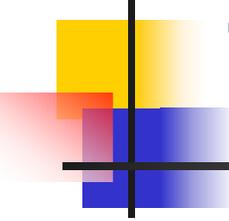
The Flat World Platform Emerges

- 4. Open-Sourcing
 - Self-Organizing collaborative communities
- 5. Outsourcing: Y2K
- 6. Offshoring
 - Running with gazelles, eating with lions
- 7. Supply-Chaining
 - Eating sushi in Arkansas

Genesis:

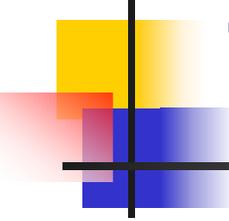
The Flat World Platform Emerges

- 8. Insourcing
 - What the guys in funny brown shorts (UPS) are really doing
- 9. In-Forming
 - Google, Yahoo, MSN Web Search
- 10. The Steroids
 - Digital, mobile, personal, and virtual



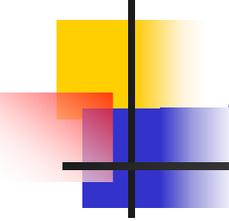
The Triple Convergence

- 1. Complementary convergence of ten flatteners for multiple form of collaboration
- 2. Convergence of business practices and skills to best use the flatteners
- 3. 3 billion new players to develop new processes and habits for horizontal collaboration



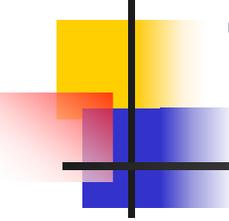
The Great Sorting Out

- India vs Indiana: Who's exploiting whom?
- Where do companies stop and start?
- From command/control to collaborate/connect
- Multiple identity disorder
- Who owns what?



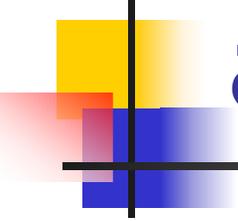
America and the Flat World

- America and free trade—Is Ricardo still right?
- The untouchables
- The quiet crisis: 3 dirty little secrets
 - The numbers gap
 - The ambition gap
 - The education gap



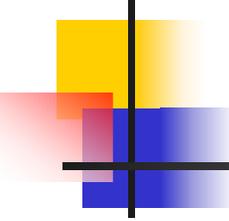
This is not a test

- Leadership
 - Science and engineering education
- Muscles
- portable benefits and opportunities for lifelong learning
- Good fat: cushions worth keeping
- Social activism
- Parenting



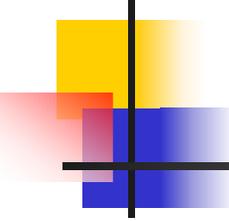
Developing Countries and the Flat World

- The Virgin of Guadalupe
- Introspection: developing country anonymous DCA (like AA)
- I can get it for you wholesale
 - Top-down economic reform
- I can only get it for you retail
 - Upgrade infrastructure, regulatory institutions, education and culture
- Culture matters: globalization
- The intangible things
 - Will and ability to pull itself together
 - Leadership



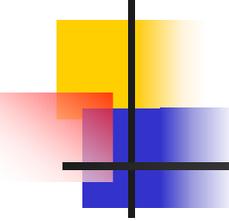
How Companies Cope

- 1. Reach for a shovel and dig inside yourself. Don't build walls.
- 2. And the small shall act big...
- 3. And the big shall act small...
- 4. The best companies are the best collaborators



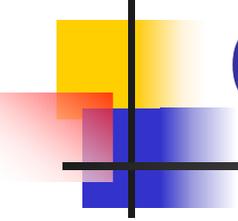
How Companies Cope

- 5. Getting regular chest X-rays and sell the results to your clients.
- 6. Outsource to win, not to shrink.
- 7. Outsourcing isn't just for Benedict Arnold. It's also for the idealist.



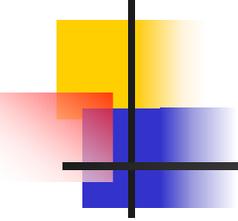
Geopolitics: The Unflat World

- Too sick
- Too disempowered
- Too frustrated
- Too many Toyotas



Geopolitics: The Dell Theory of Conflict Prevention

- The MacDonalD's Theory of conflict prevention
- The Dell Theory of conflict prevention:
 - No two countries that are both part of Dell supply chain will ever fight a war against each other.
- A silicon shield protects Taiwan from China
- India and Pakistan, 5/31/2002
- Infosys versus Al-Qaeda



Conclusion: Imagination

11/9 Versus 9/11

- eBay
- India
- The curse of oil
- Just one good example: Aramex
- From untouchables to untouchables