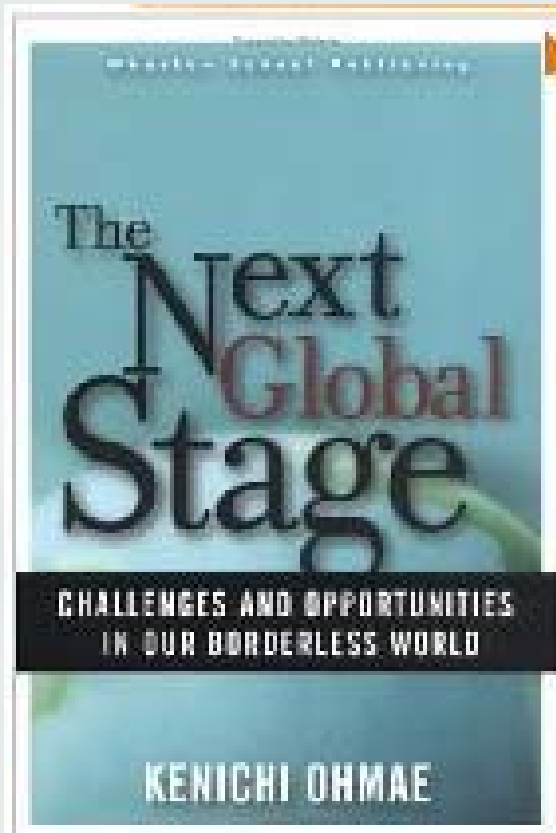


THE NEXT GLOBAL STAGE



Challenges and Opportunities in Our Borderless World

Kenichi Ohmae





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Globalisation- When did it start?

- Bill Gates (1985- BG and AG)
- Fall of soviet communism
- Dollar as world currency-G5 NY



The End of Economics

Old theories and well known parameters don't work anymore!

- Economic theories are used to explain causals, especially within a country
- Now- national economies don't exist anymore and there is no model to explain global economy
- Now- too many parameters and variables, many units of economies, new financial products – bonds, hedge funds and many derivatives and multiples
- Now-Impossible to establish a mathematical model
- Now-Theory of complexity

Economic Unit in the Global Economy



- It is the region and not a nation-state (despite political importance)
- Opposition: > regulations to protect the nation state citizens from the global economy, capitalists and MNCs
- < international trade and > national barriers and clearly defined borders to protect the lifestyle of citizens within
- Making profit should not be the ONLY value – environment, sustainable growth, adapt to more ‘human’ global but local economies (glocal?)

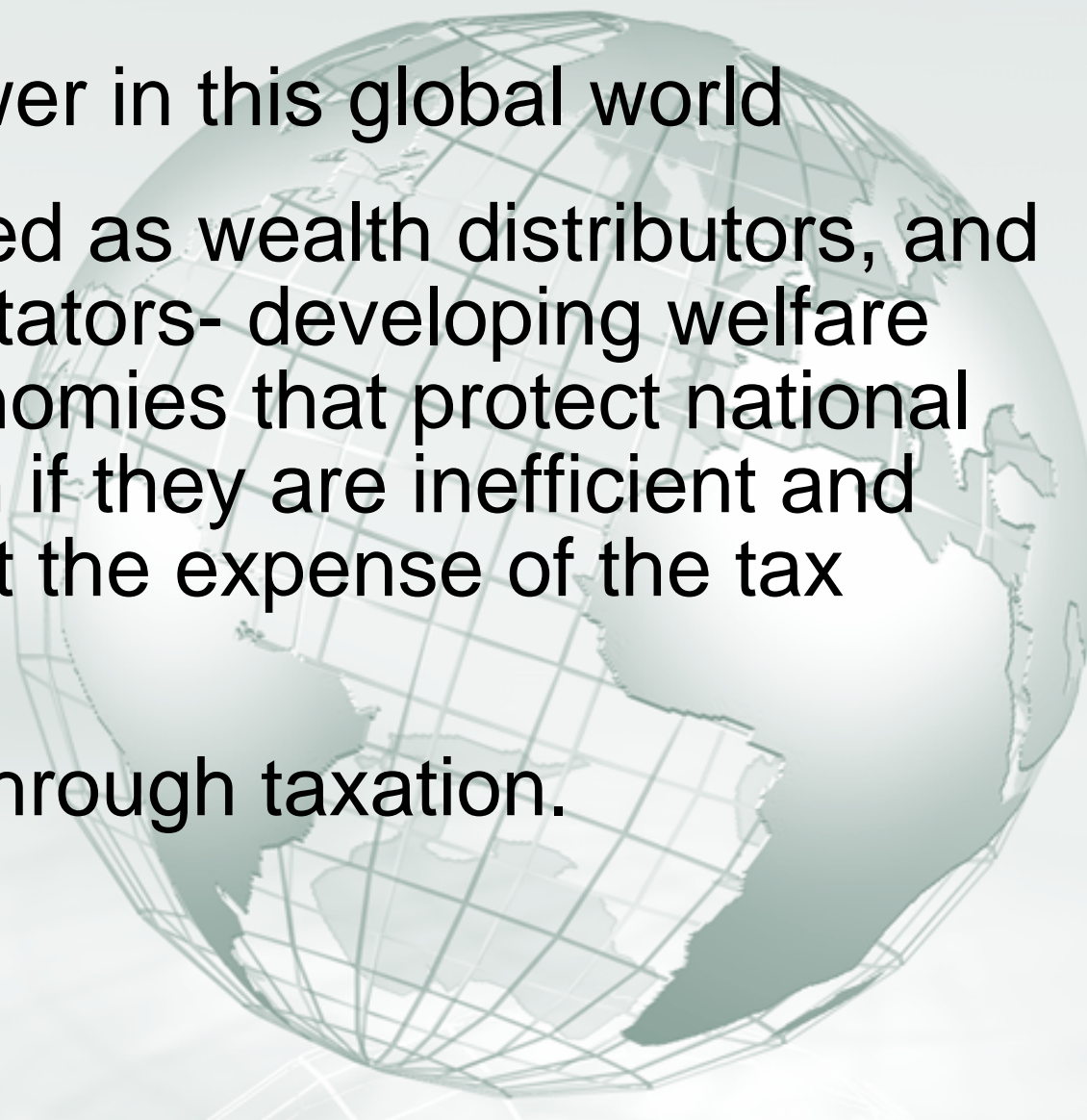
Platforms for Progress



- Technology – OS (Msoft)
- Language – English, linguistic platform of the global world. Being bilingual (proficient in mother tongue and English) will become the norm and not a special skill.
- US Dollar
- Others- branding, global business culture, ATM platform, credit cards and smart cards

Reinventing Government

- Govt losing power in this global world
- Govts are viewed as wealth distributors, and not wealth facilitators- developing welfare states and economies that protect national industries, even if they are inefficient and weak globally at the expense of the tax payers.
- Create wealth through taxation.



FUTURE GOVT



- **Facilitate and not frustrate**
- **Public service prepared to work on short term projects with identifiable goals**
- **Have vision for change- not only one developed by politicians, but by all social agents**
 - **vision should- empower individuals, invite capital from the rest of the world, maintain even heel (balance)**
- **Ambassador for new technology, diminish hindrances for capital flow, eliminate obstacles for companies to attract the best people, skilled workers mergers**
- **Minimise bureaucracy**
- **Specialise the country around a competitive advantage**
- **Not protectionist**

Changes

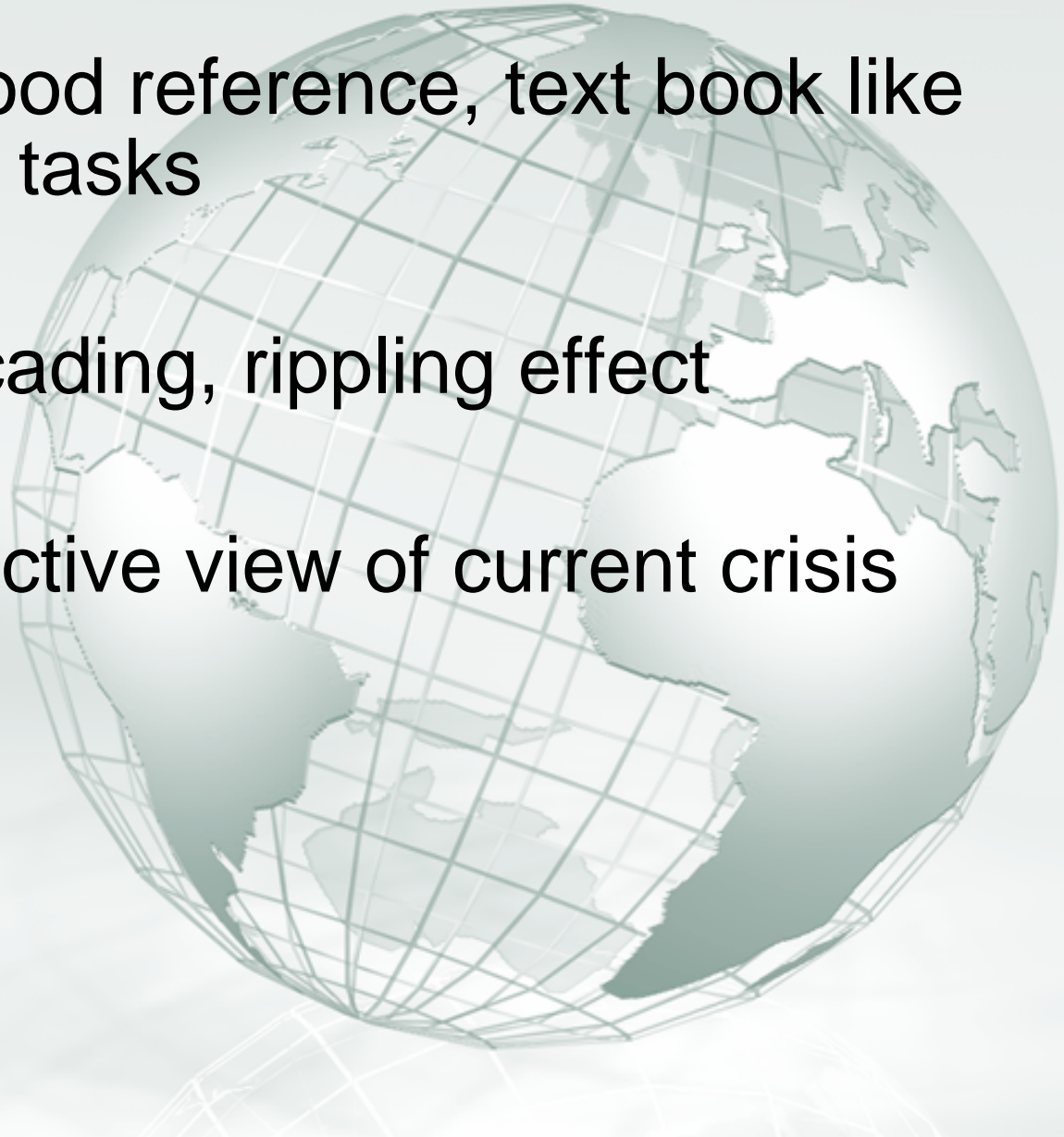
- Should be at 3 fundamental levels:
 - technological – industrial death
 - personal – learn to adapt, good leadership
 - organisational – companies need to commit to global economy, from control focused organisation to flexible, innovation focused organisation.

The Next Global Stage

- region as the unit of global economy will continue to rise
- need to unlearn legacies of nation and acquire new skills to work with global business
- compete to attract investors, marketing to potential target group investors and aware of competitive advantages

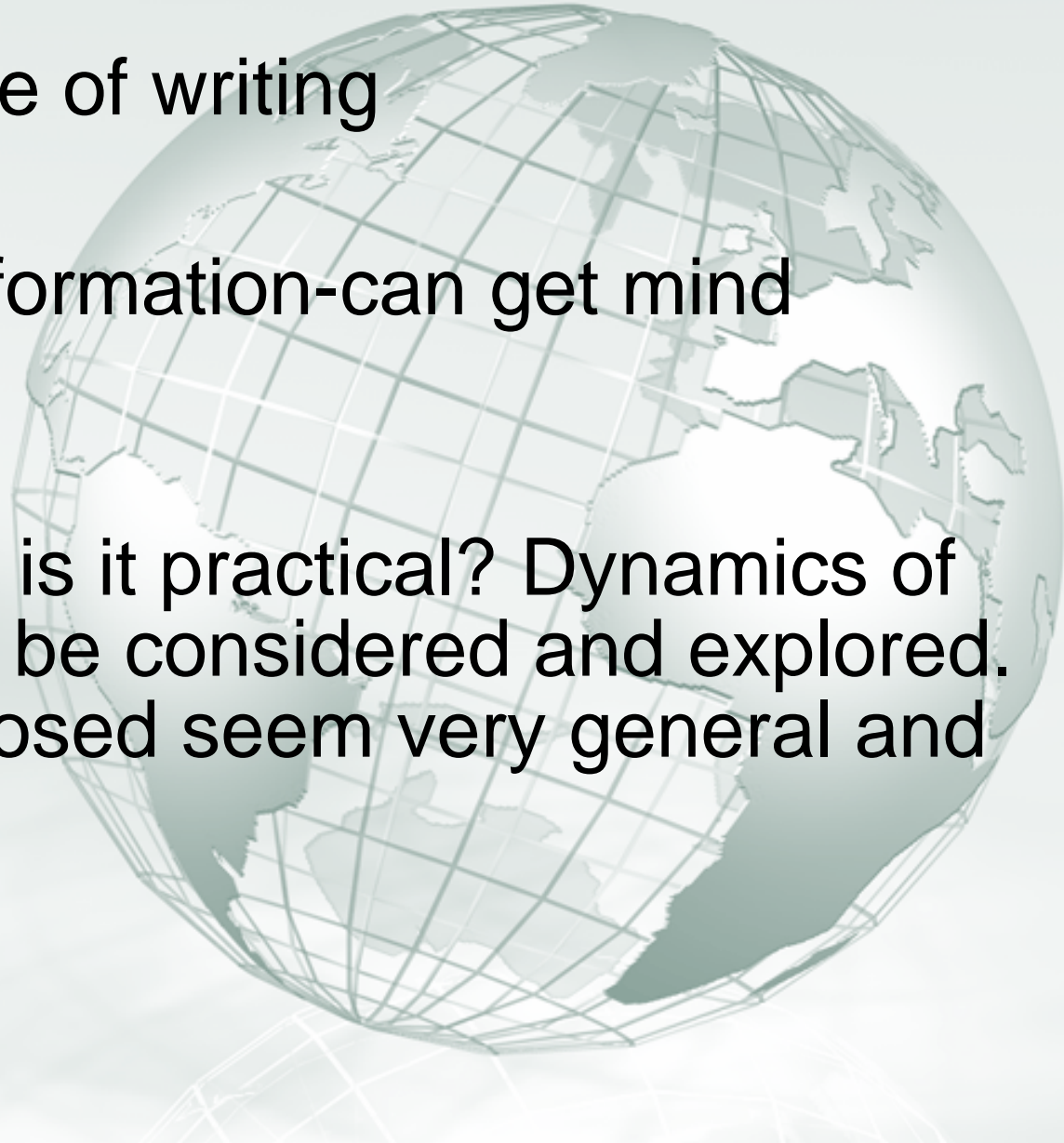
PLUS

- Informative, good reference, text book like helpful in daily tasks
- Catalytic, cascading, rippling effect
- Good retrospective view of current crisis

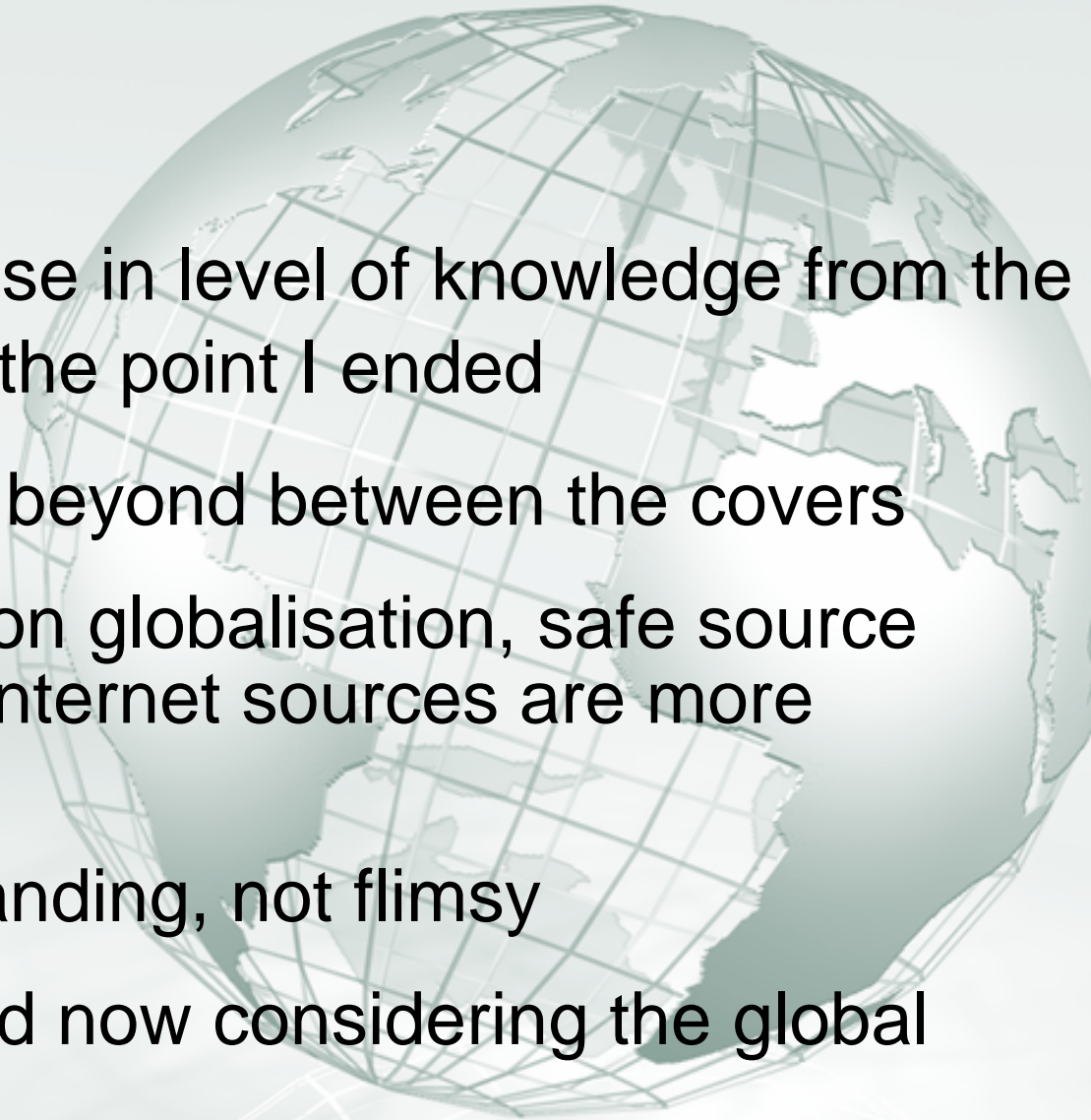


MINUS

- Dull, dreary style of writing
- Saturation of information-can get mind numbing
- Theoretical, but is it practical? Dynamics of nations need to be considered and explored. Strategies proposed seem very general and somewhat safe



Would I Recommend the Book?

- Yes!
 - Because:
 - significant increase in level of knowledge from the point I started to the point I ended
 - knowledge goes beyond between the covers
 - author authority on globalisation, safe source (although other internet sources are more interesting)
 - weighty understanding, not flimsy
 - good time to read now considering the global situation
- 



THANK YOU

**Angelina Gurunathan
7 May 2009**