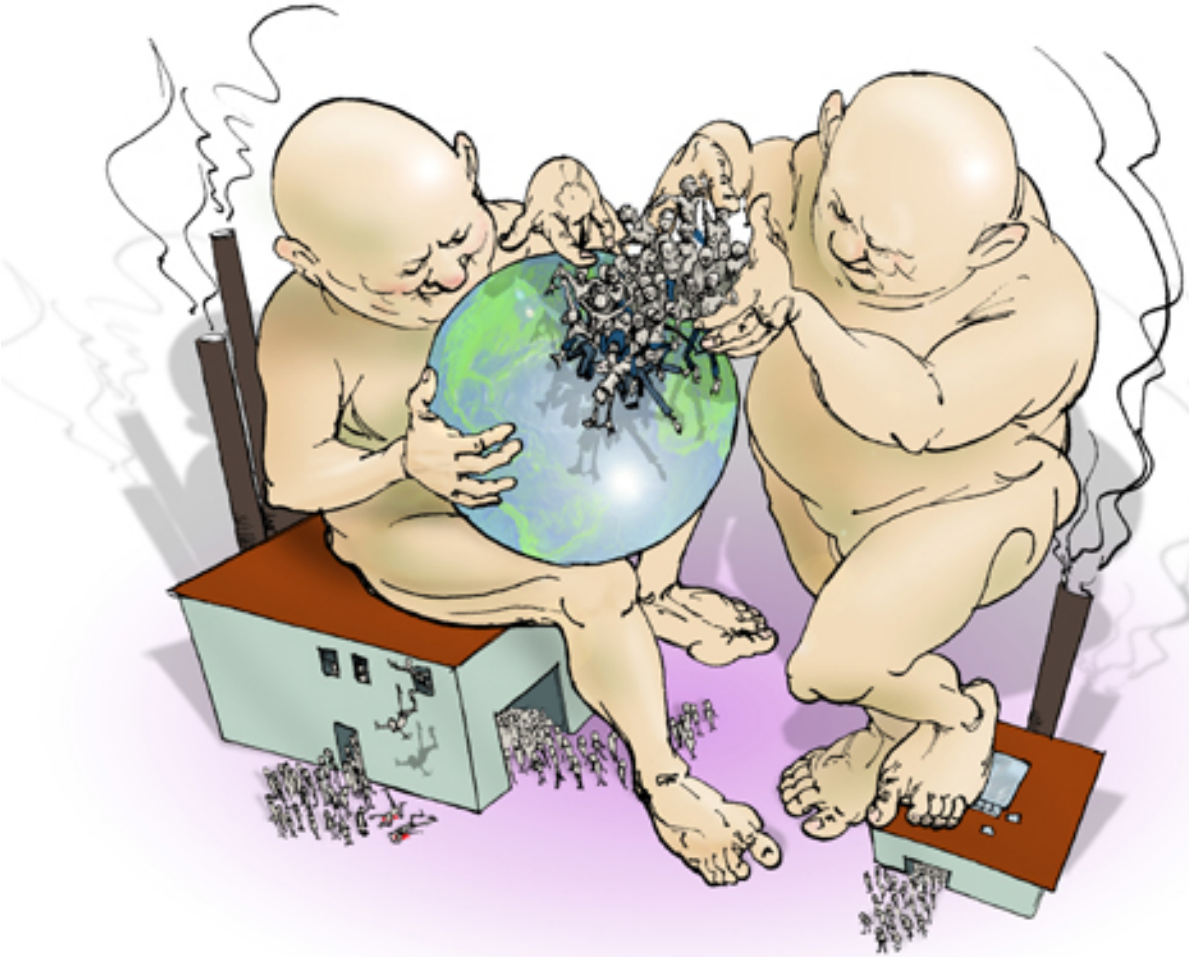
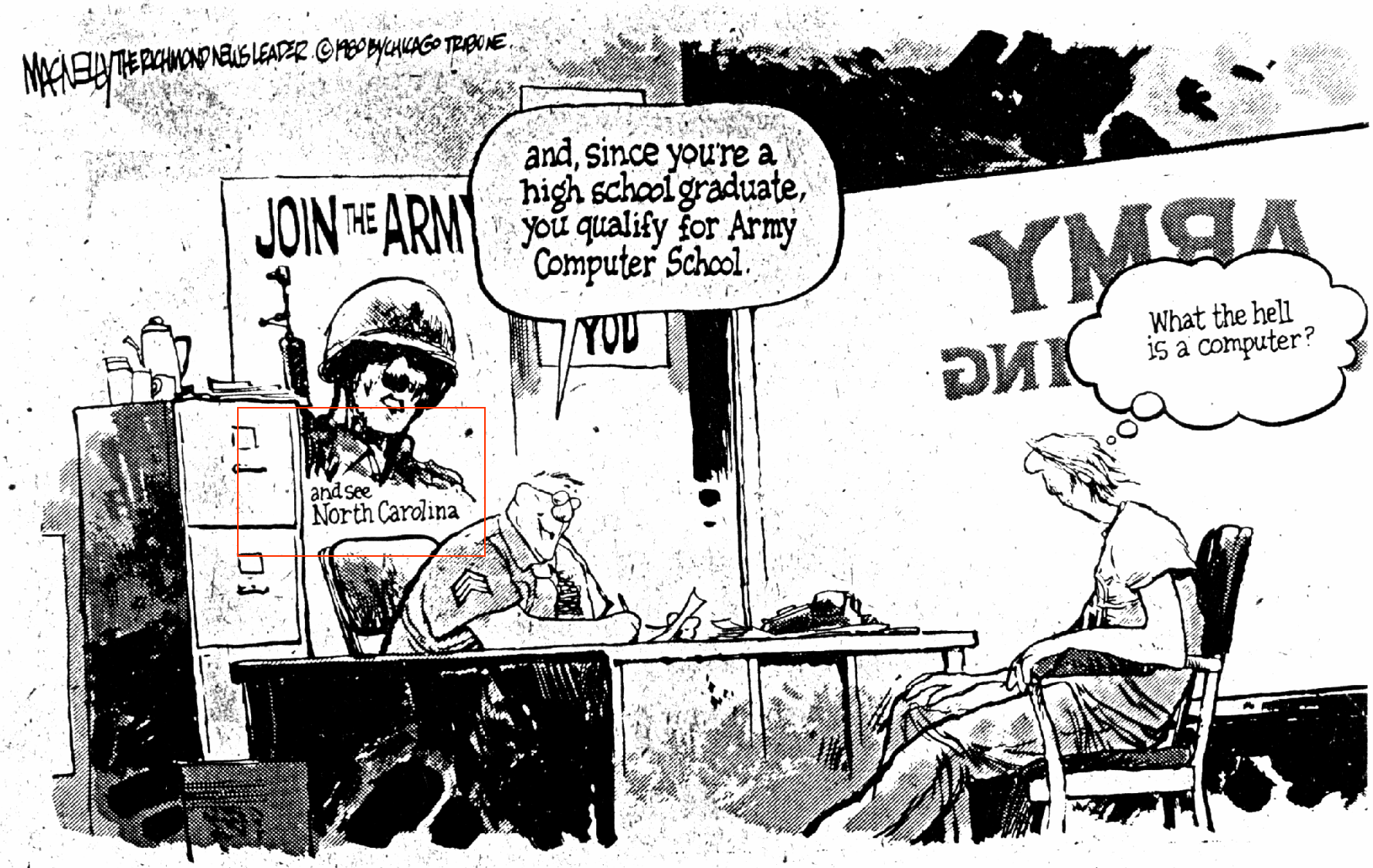
Security in a Globalizing World



Naval Reserve
Readiness Command
Southwest
San Mateo, CA
27-28 Feb 04

Dr Tim Castle
Professor of National Security Affairs
U.S. Naval War College

"Can you hang on a sec? I think I just took another picture of my ear."


MACNELLY THE RICHMOND NEWS LEADER ©1980 BY CHICAGO TRIBUNE
JOIN THE ARMY
and, since you're a high school graduate, you qualify for Army Computer School.
and see North Carolina
What the hell is a computer?

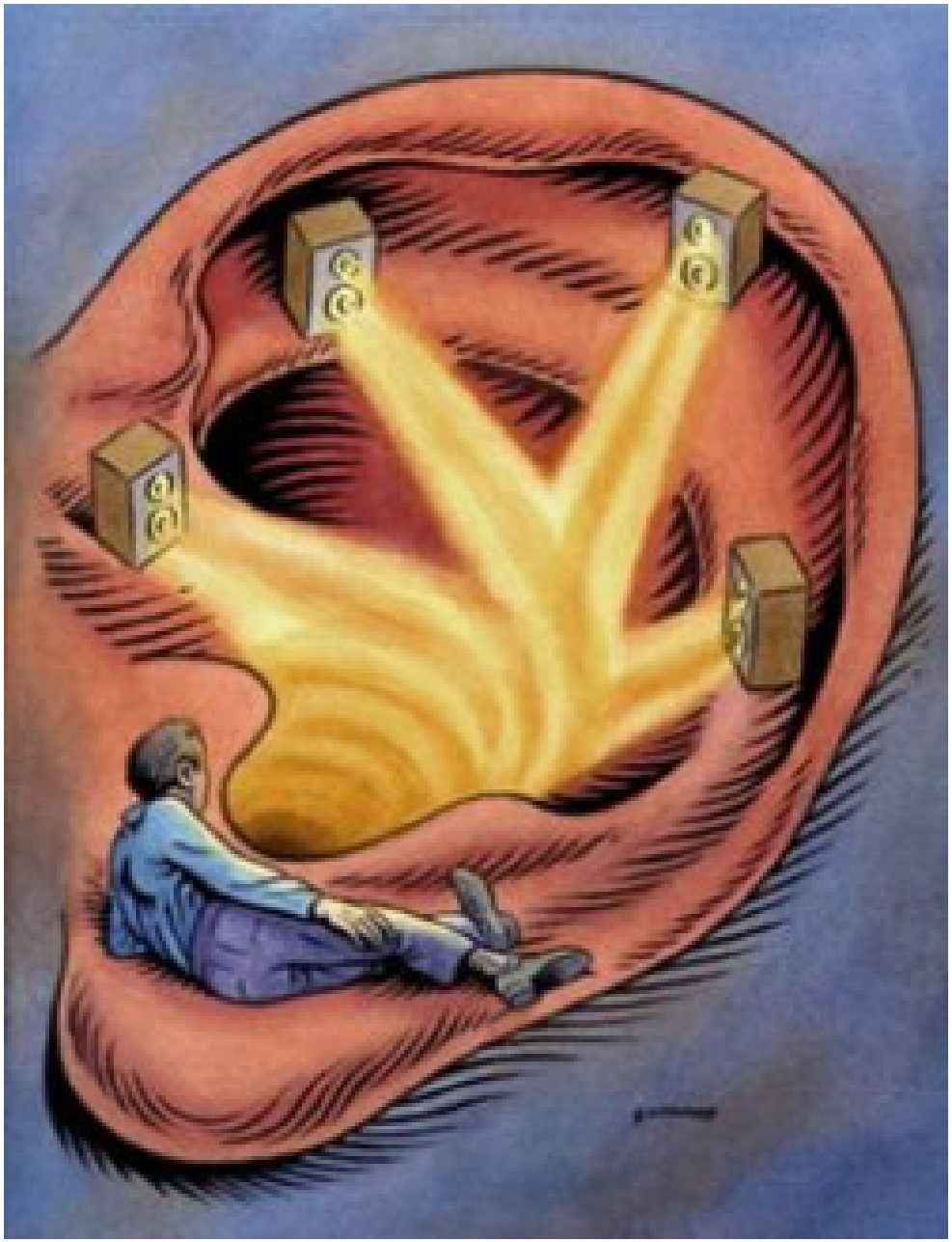
Techno-Army

Twenty-three years later …

Contradictions Abound

Today – A Real Conversation

No School Solutions (Seriously …)



Recommended Resource

YALE CENTER FOR THE STUDY OF GLOBALIZATION

http://yaleglobal.yale.edu/slideshow_presentations.jsp

Globalization / *The Wall Street Journal*

- Defining Globalization
- Historical Underpinnings
- The Good & the Bad
- Other Wars

What is Globalization?

According to various scholars

- "Th … of
  mak … in
  scop …

- "Th …
  wor … in
  such …
  hap …
  ever …
  away"

- "A diminishing importance of national borders and the strengthening of identities"

- "The increased speed, frequency, and magnitude of access to national <u>markets</u> by non-national competitors"

Globalization 3.0

- Thomas Friedman

Massive installation of undersea fiber-optic cable and bandwidth that have made it possible to globally transmit and store huge amounts of data for almost nothing.

Diffusion of PC's around the world.

Convergence of a variety of software applications — e-mail, to Google, to Microsoft Office, to specially designed outsourcing programs allows global "work-flow platforms"

Thus, there are many views of Globalization

We all wear the tags of Globalization

For Some it's a Curse

- The McDonald-ization & WalMart-izing of the world
- The conquest of American-style capitalism
- The dictatorship run by unelected bureaucrats in the World Trade Organization and the International Monetary Fund.

Merilin Monro, Meksiko, Mazel, Menadžment, Madona, Miki Maus, Majakovski, Mašta, Miljković, Mir, Mišima, Mijatović, Musorgski, Mediji, Mastrojani, Moda, Man, Moskva, Makavejev, Megabajt, Mao, Misija, Modiljani, Maljevič, Morava, Mokranjac, Marakana, Moravija, Mediteran, Mičurin, Mendeljejev, Markes, Mars, Meštrović, McDonald's...

Događaj veka - osnivanje Meka!

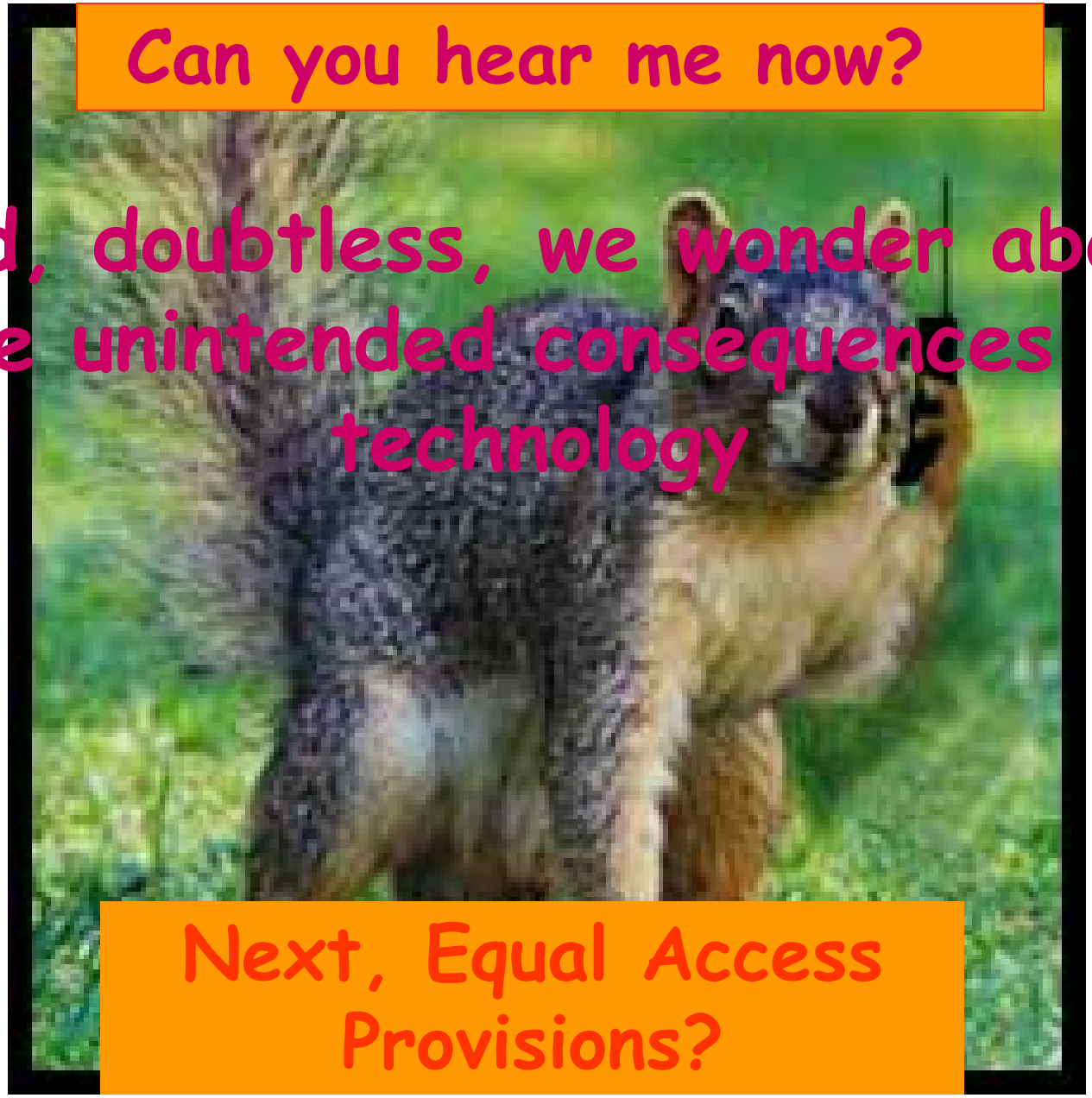
sonreir

Ronald Assaulted by French Apple Growers

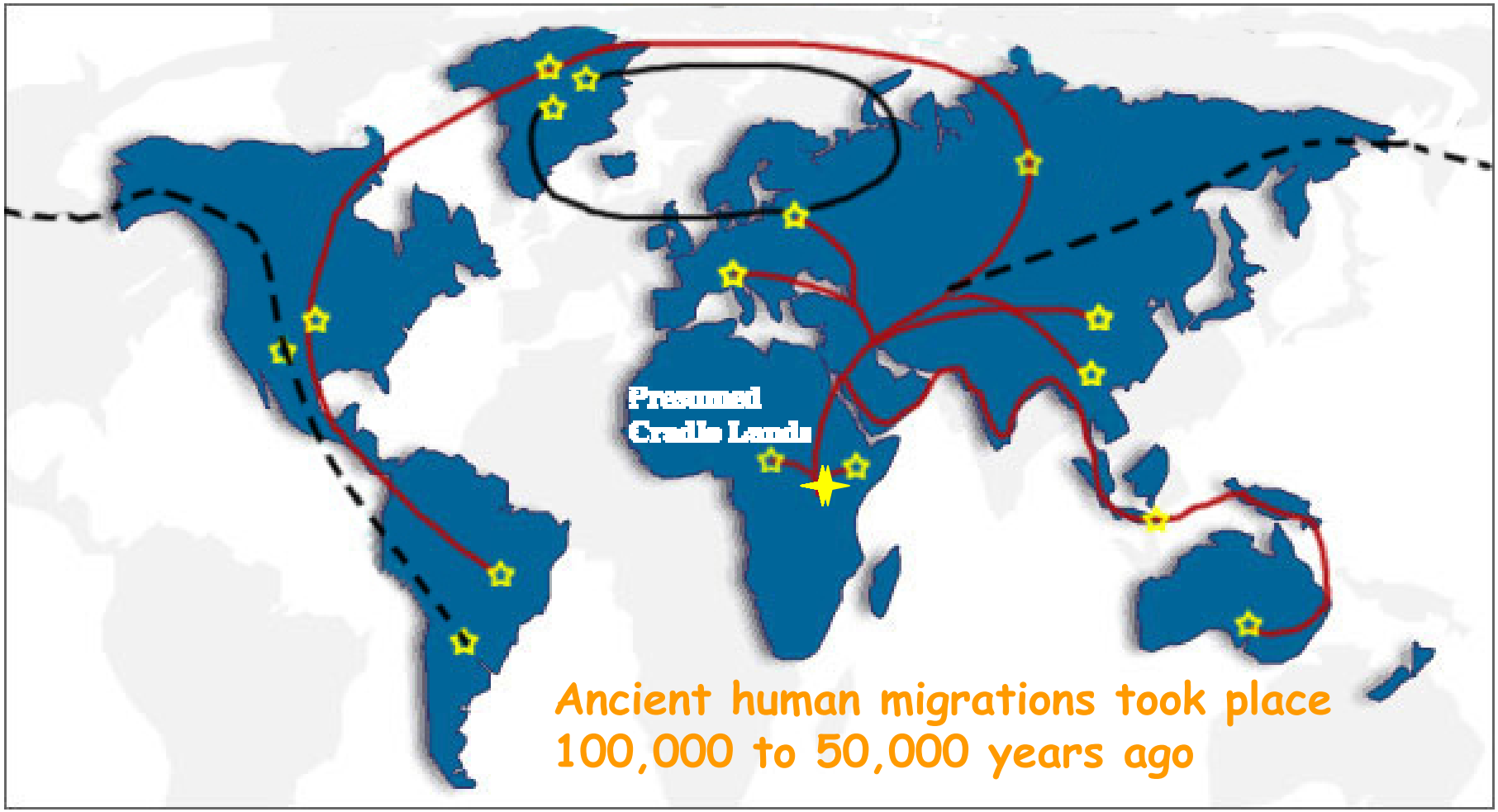
National Rage

For Others it's Modernized Nirvana

- Free trade creates wealth
- The spread of ideas and information promotes democracy and awareness of human rights norms
- The human experience is enriched by the sharing of cultures, foods and customs


Can you hear me now?
And, doubtless, we wonder about the unintended consequences of technology
Next, Equal Access Provisions?

Globalization Began Long Ago



8th – 9th century carving Borobudur Temple – Indonesia. Voyaging traders and pilgrims

Borobudur may be the first temple of Globalization … marking the intermixing of ideas and art from distant lands

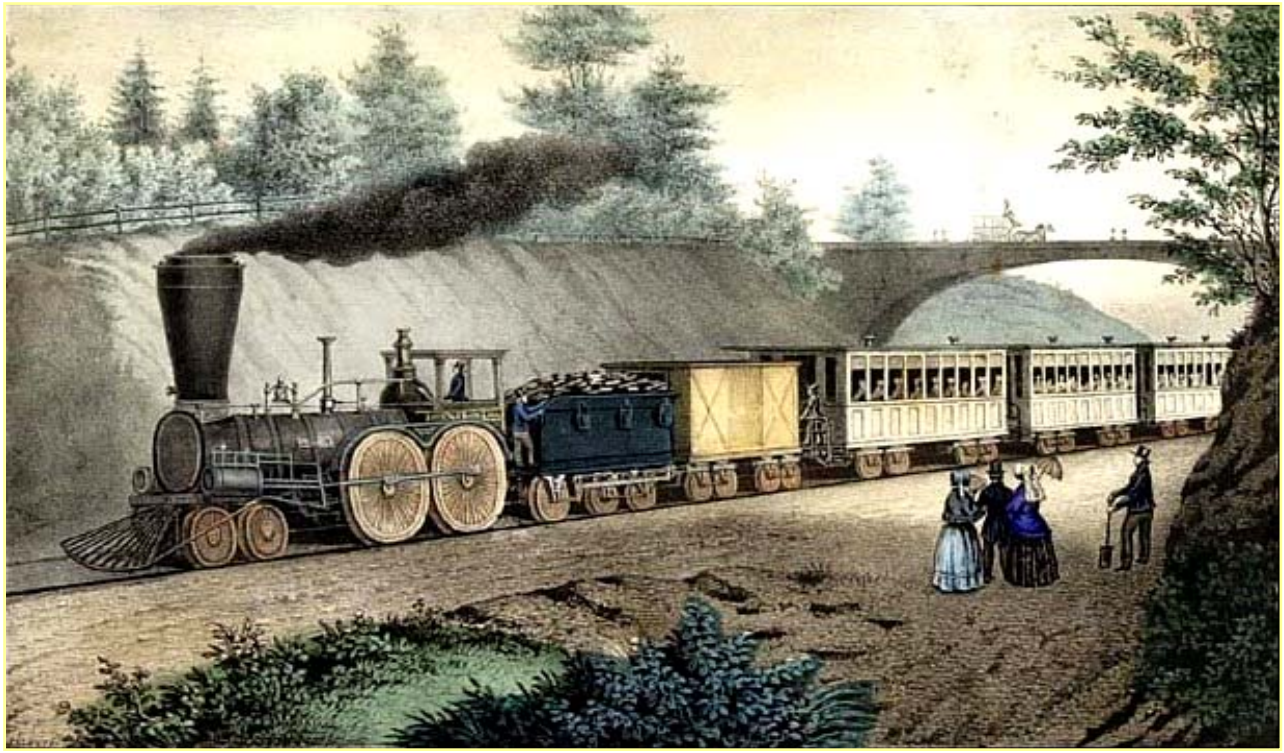
Influence of business. The world's first multinationals helped to build colonial empires

English East India Company's first outpost in Surat, India, 1613.

Imperial Chinese opposition to the English drug trade led to the Opium War (1839-42). The first war of Globalization?

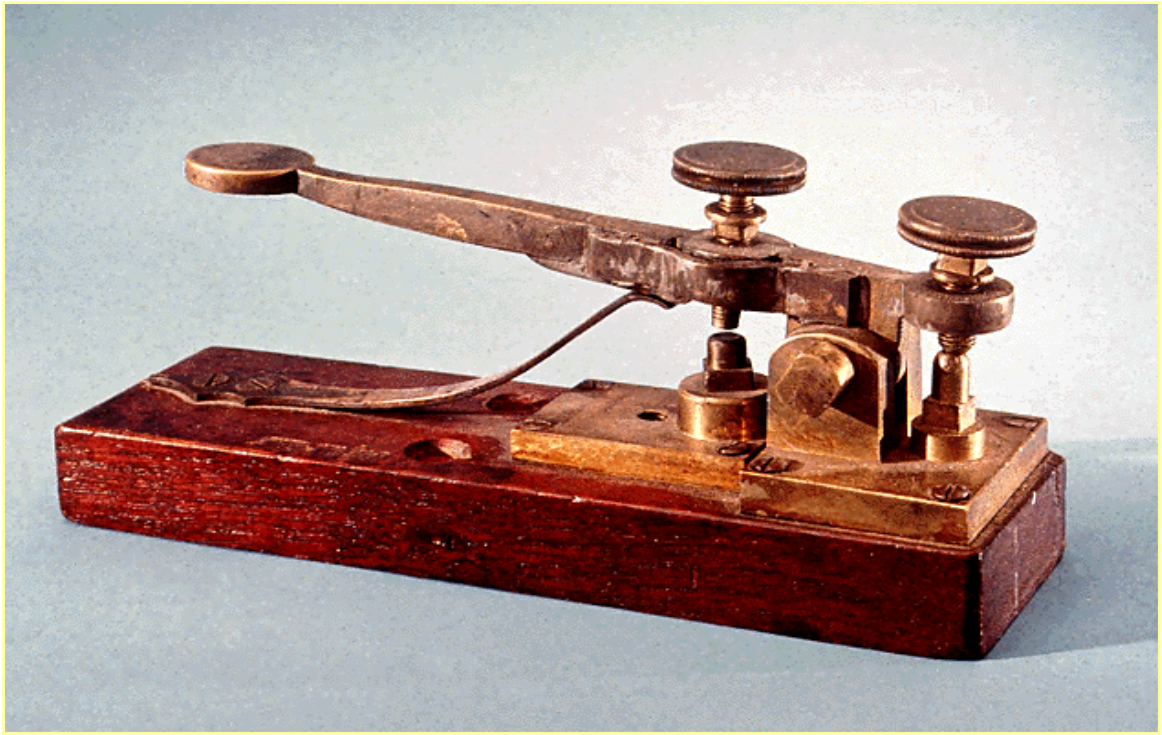
In the 18th and 19th centuries the process of Globalization received a series of boosts that collapsed distances & lowered transport costs

- Steam engine
- Steam ship
- Airplane



Collapsing Time

- Telegraph
- Telephone
- Radio
- Television



In 1858, the first trans-Atlantic telegram from Queen Victoria to American President James Buchanan took 16 ½ hours to arrive

Incredible changes in the movement of goods. Freight costs have fallen 70 percent between 1920 and 1990

Post 911 World -- Treasure or Terror?

The easy availability of technology has shrunk time and cut cost

- 3-minute call from New York to London
- 1930 $300 (in today's prices)
- 2003 $0.08

Real and tangible benefits to connecting humanity?

Call Center in India

Population Shifts can be Problematic

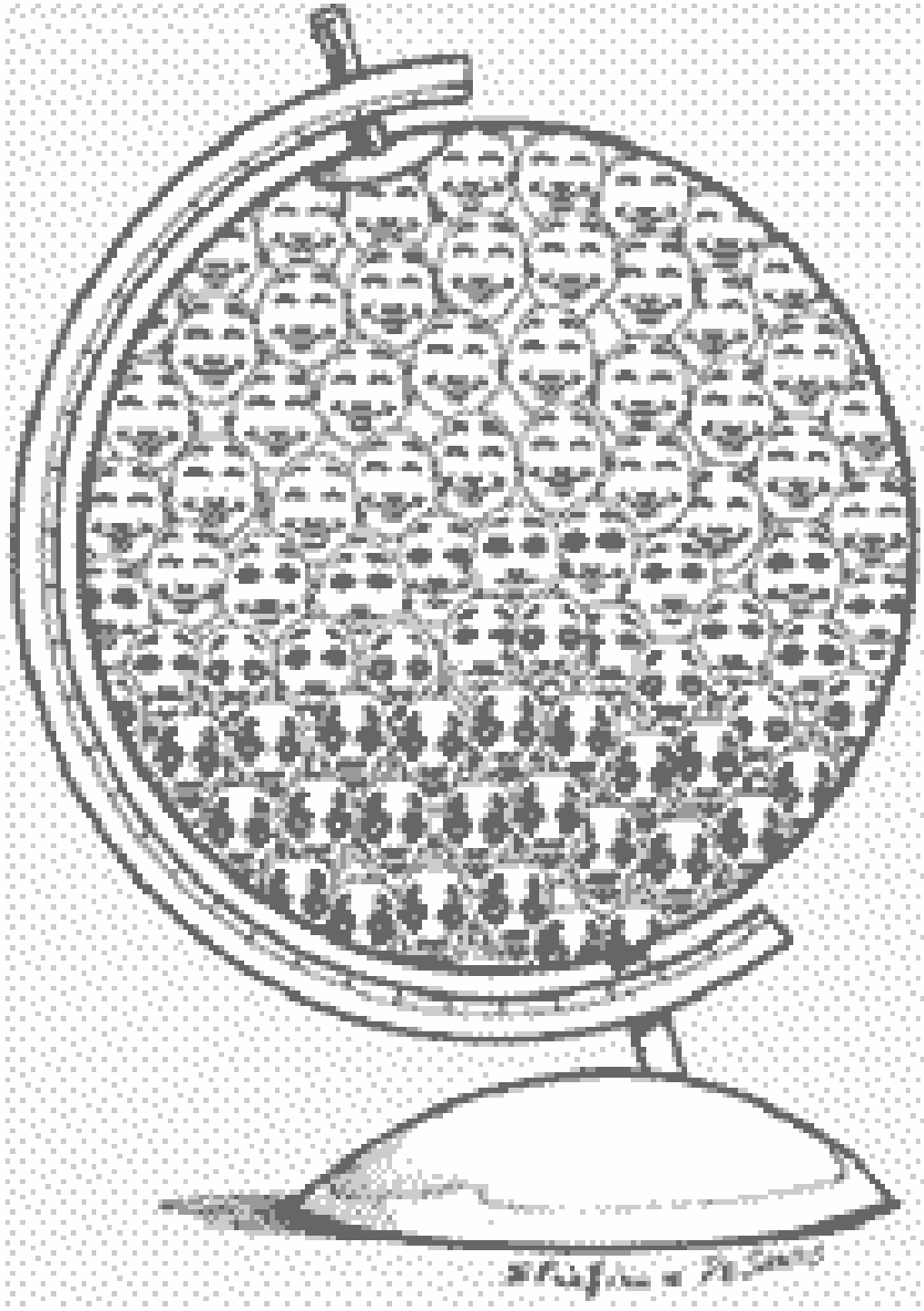
Use of the Internet has exploded across the planet

Fewer than 20 million users in late 1995

More than 633 million users by late 2003

Internet Café, Hanoi

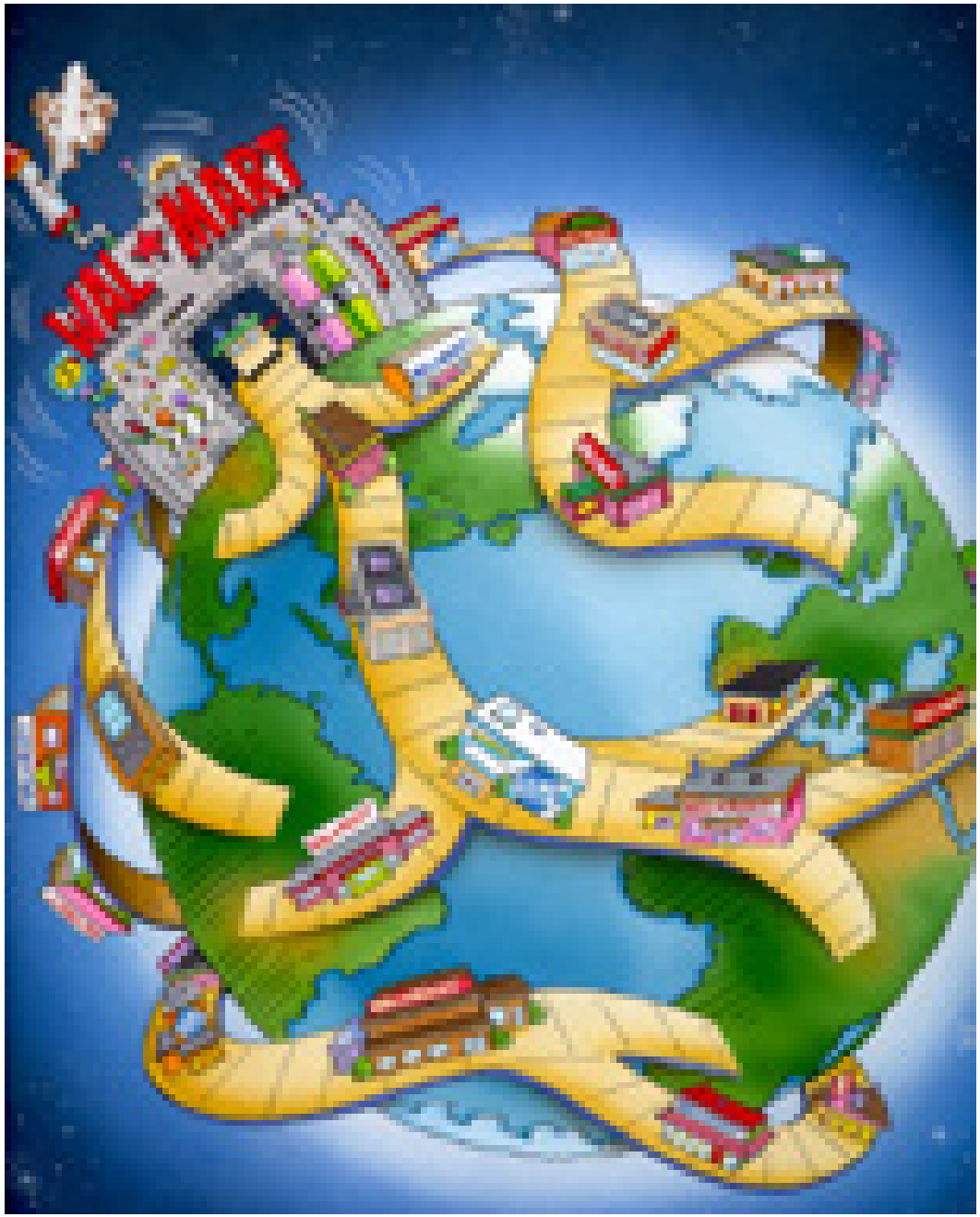
1 Billion by 2005?



Huge Spectrum of Advantage & Disadvantage

New actors have emerged to compete with traders, soldiers, missionaries, and adventurers

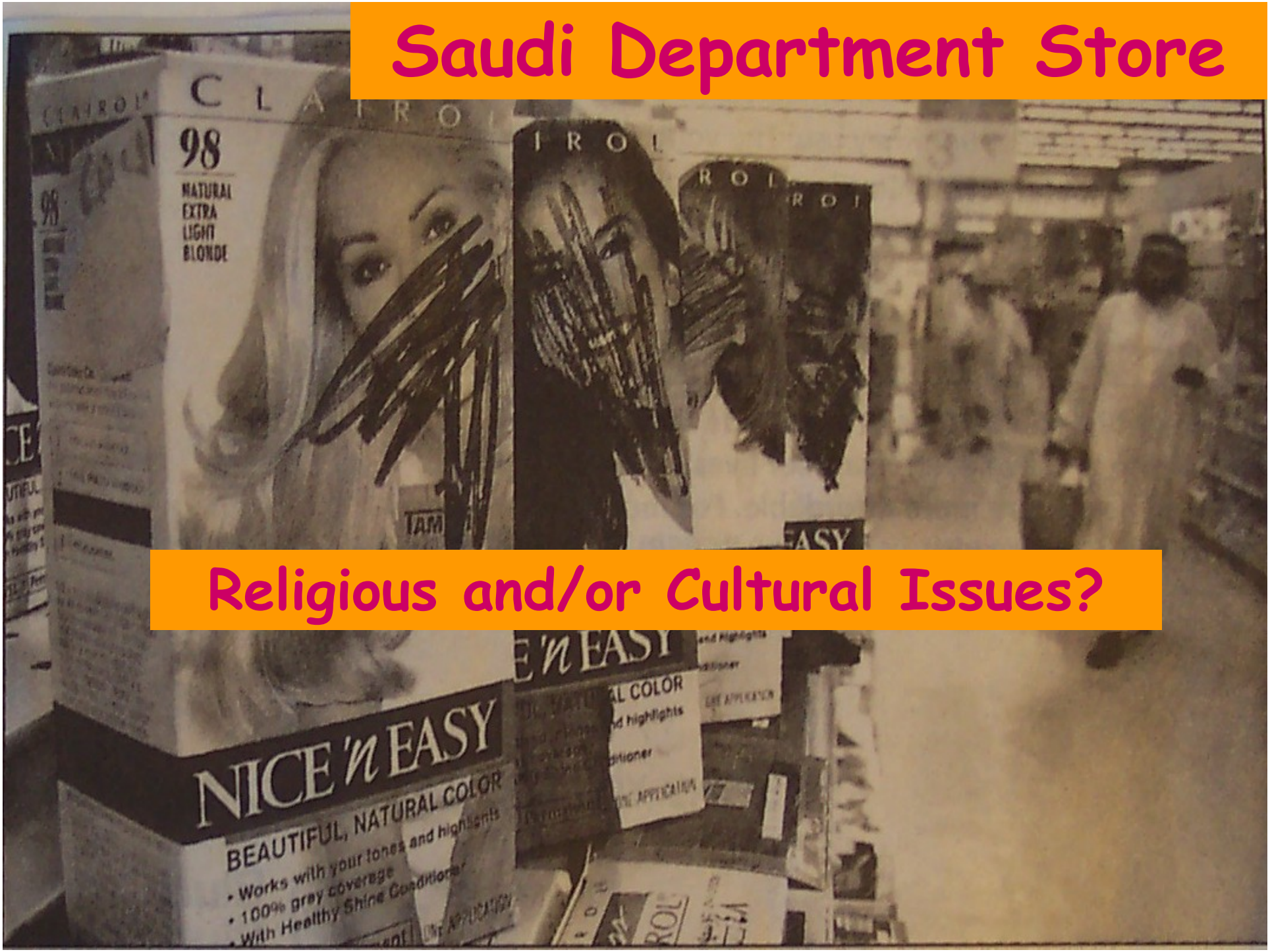
- 63,000 Multinational Corporations
- 23,000 NGO's
- UN Agencies
- WTO
- IMF
- Billions of consumers and tourists



From Bangkok to Woonsocket –

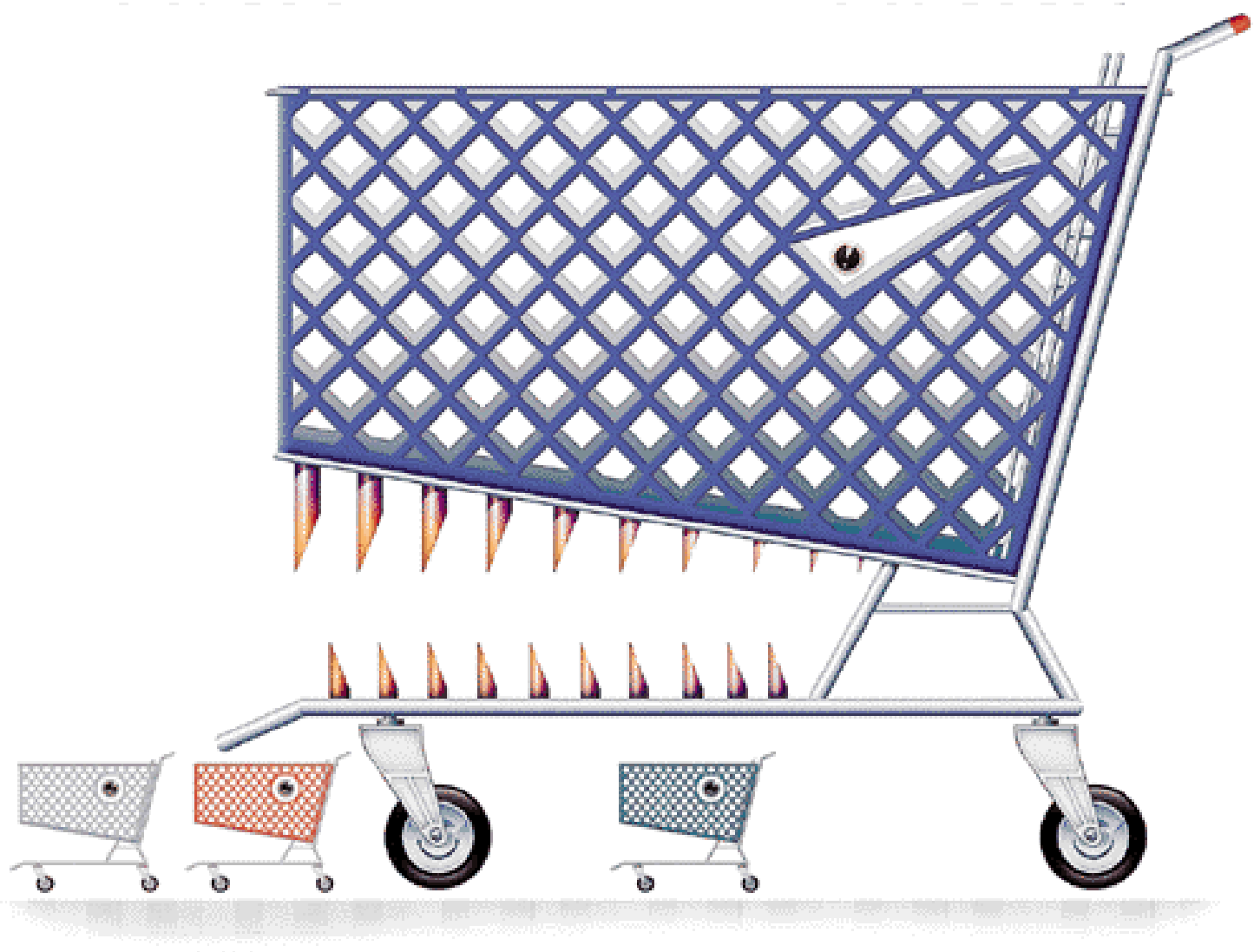
Often a Death Blow for small business

Saudi Department Store



Religious and/or Cultural Issues?

Chomp, Chomp



Primary difference between Past and Present Globalization is the speed and volume of transfers and in the changing power balance

Chili pepper took decades, perhaps a hundred years, to catch on from Korea to Sri Lanka.

McDonalds, conversely, has spread across Asia in just over two decades

Is this a positive development?

We'll become a global ghetto. We'll be eating some else's hamburgers while listening to somebody else's music on somebody else's portable stereos, and we'll be lucky if we get to produce rope.

Hisham Kassem, June 2000
Publisher, *Cairo Times*

Rich nations' farm subsidies hurt poor farmers in the developing world

- U.S. subsidizes 25,000 cotton growers with $2 billion subsidy
- In Africa poor cotton farmers lose $250 million in exports each year

The cost of global reconnection has been steep. The risks of HIV/AIDS, terrorism, nuclear war, environmental disaster, and computer viruses have all grown with the rapid movement of people, goods and information.

Chernobyl,

April 26,1986

However, what country has recently declared?

- Globalisation motivates the national economy and enterprises, raising their efficiencies and competitive edge
- Globalisation creates opportunities for the economy to expand and diversify international markets and partners

- Globalisation creates opportunities and favourable conditions for the country to grasp the latest information and knowledge … raising the management capacity and efficiency of state departments

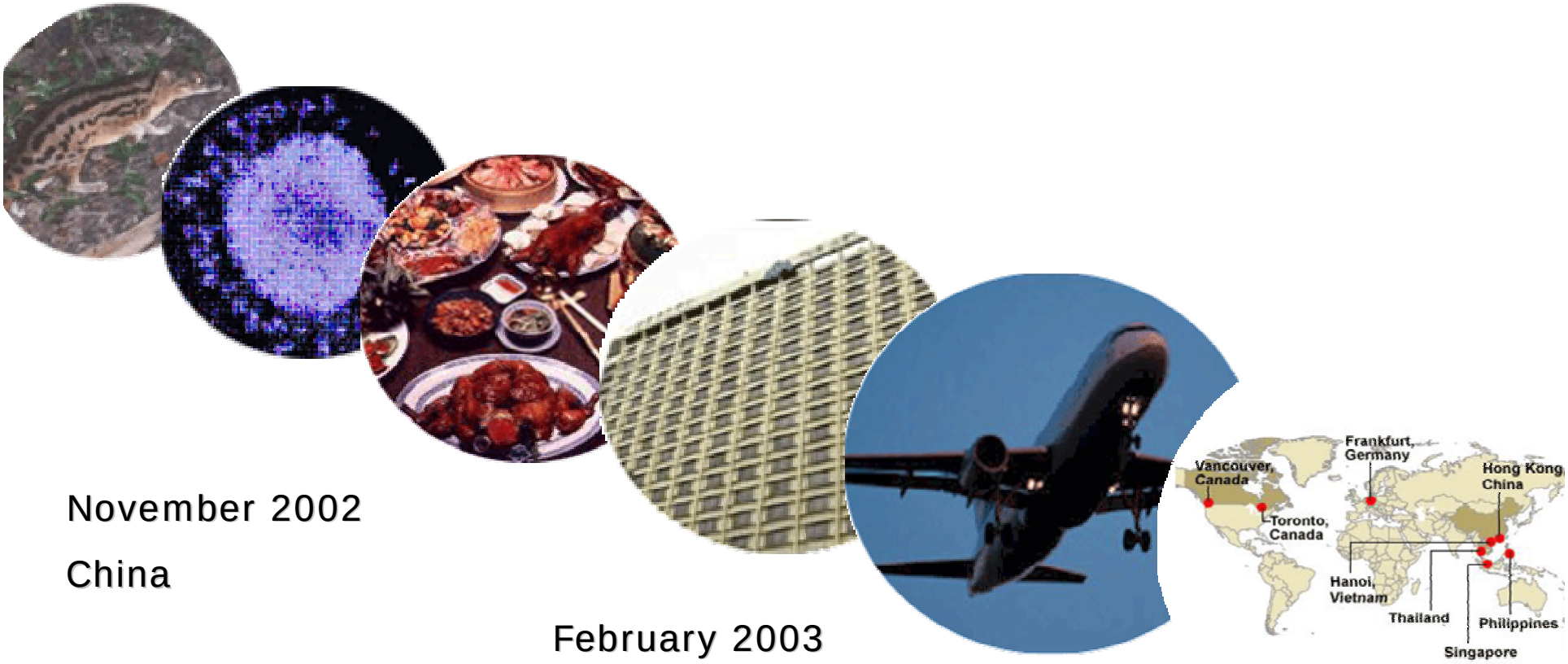
Socialist Republic of Vietnam

Voice of Vietnam, 2003

Global interdependence …. and Troubling Gaps

- 2.8 billion people live on less than $2 a day
- They have no electricity, no phone
- The richest 1% of the world's people receive as much income each year as the poorest 57%

SARS – A virus flying on a jet plane



November 2002

China

February 2003

Hong Kong

April 2003

The World

Spanish Flu then, SARS now

Spanish Flu (Influenza) killed 25 million in 1918
Most devastating epidemic in recorded history.

SARS spread to 32 countries in 5 months and killed 812

Intensified Globalization made the difference

- Tourism and passenger jets transported the virus faster than steamboats and trains in 1918
- World-wide network of health workers quickly identified SARS and sequenced the genome of the virus
- Most importantly, a global institution – WHO - was able to order quarantine of affected areas

Now, another health & economic threat

As the world becomes more "wired" and dependent upon electronic communication, computer viruses are especially threatening

Good Afternoon.
In your mailbox you will likely see that you've received email from unknown senders. Please DO NOT OPEN these emails; DELETE THEM. It appears that we may have been infected by the "Netsky.C" worm.
We're triaging right now. I'll provide additional information as I receive it.

Not always as smooth as we would like ….

The Globalized World is like a Small Boat

We cannot "afford to ignore the condition of our fellow passengers on this little boat. If they are sick, all of us risk infection. And if they are angry, all of us can easily get hurt."

- Kofi Annan

Now- a quick ad to pay for our visit

"How else are we going to pay for the war?"

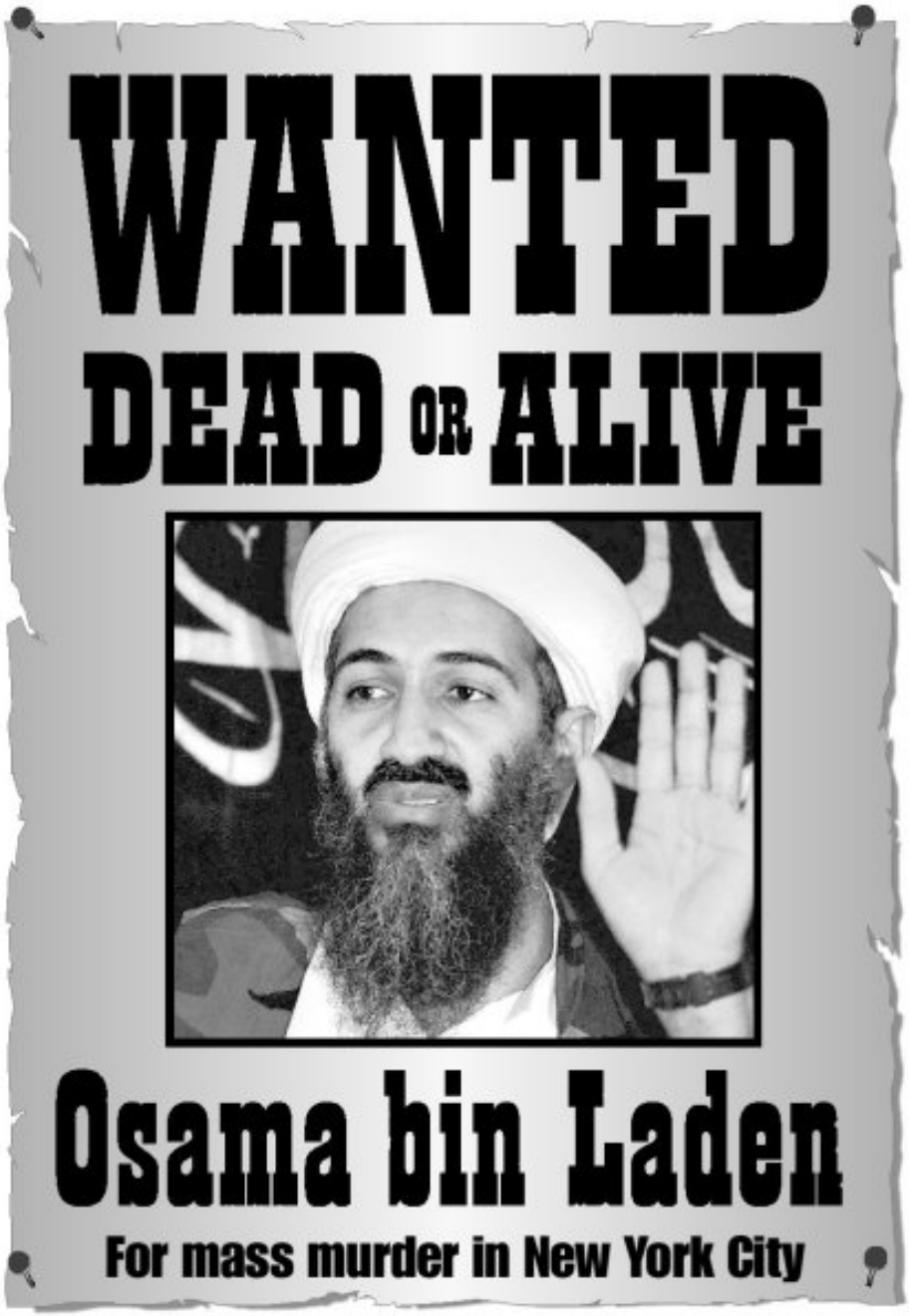
Beware of Target Fixation

The Global War on Terrorism

REMEMBER
SEPT. 11, 2001

There are no simple solutions

While a Critical Threat, Not the <u>Only</u> *Shooter*



So, we need to talk about the *Other* Wars

- Illegal Drug Activity
- Arms Smuggling
- Human Smuggling
- Theft of Intellectual Property Rights
- Money Laundering

Illegal Drugs

Cocaine Seizure South America

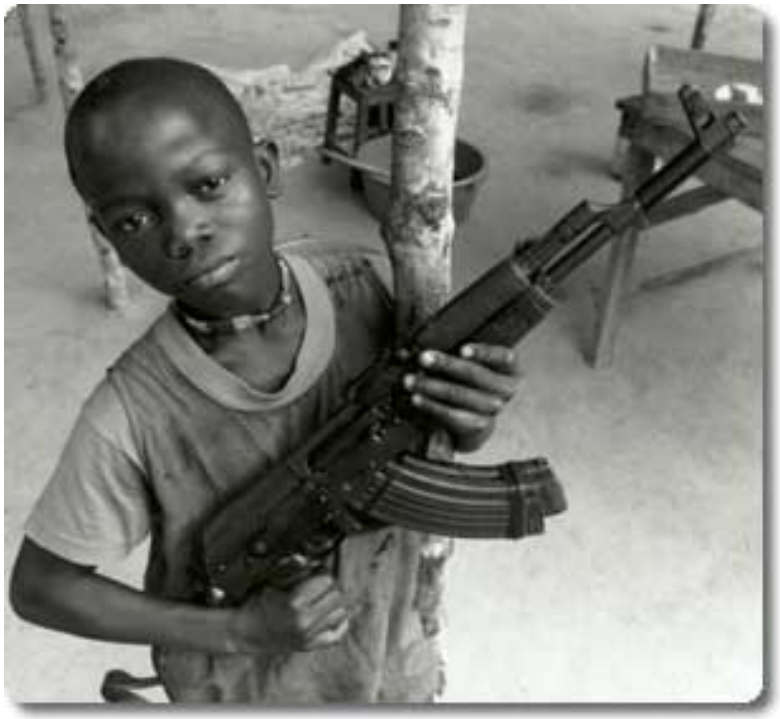
Homeland Defense

Weapons

Proliferation

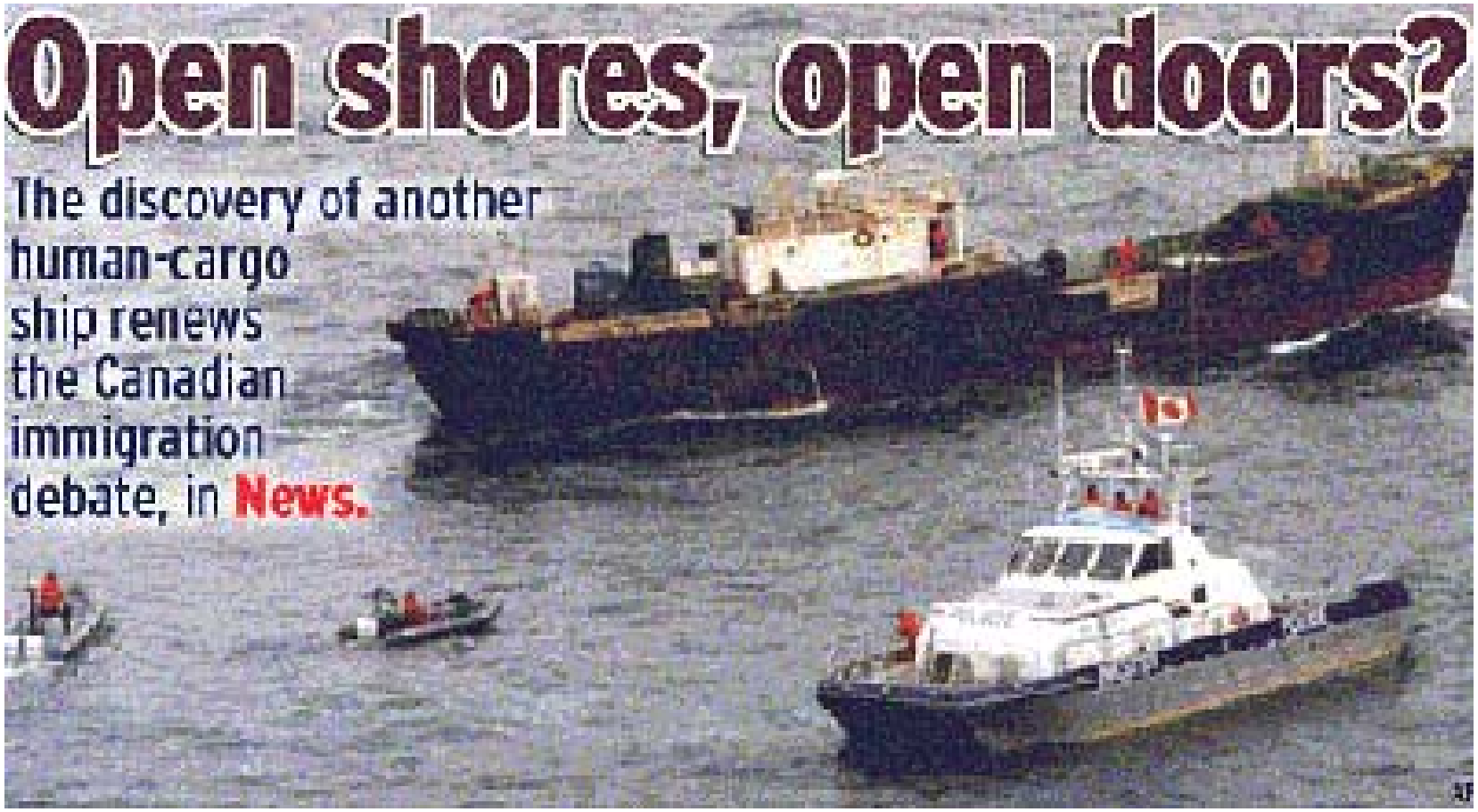
Child Soldiers

So Very Young … but Deadly



Human Smuggling

Desperate Measures



Huge
Law Enforcement Challenges

Intellectual Property Theft

Picking Our Brains

Seen pirated music, software or videos? Seen Internet piracy?
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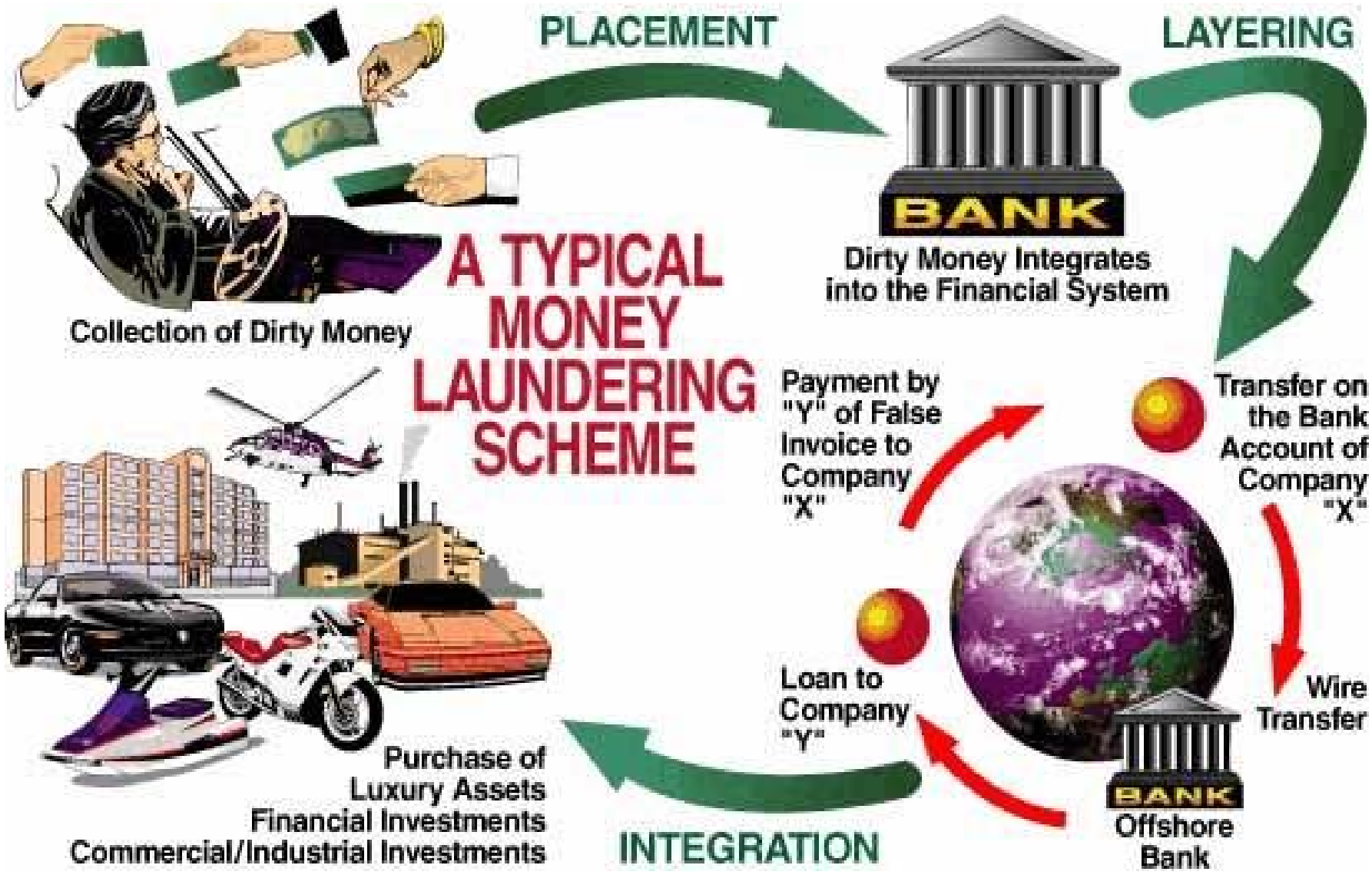
HOTLINE
0845 6034567
www.copyright-info.org

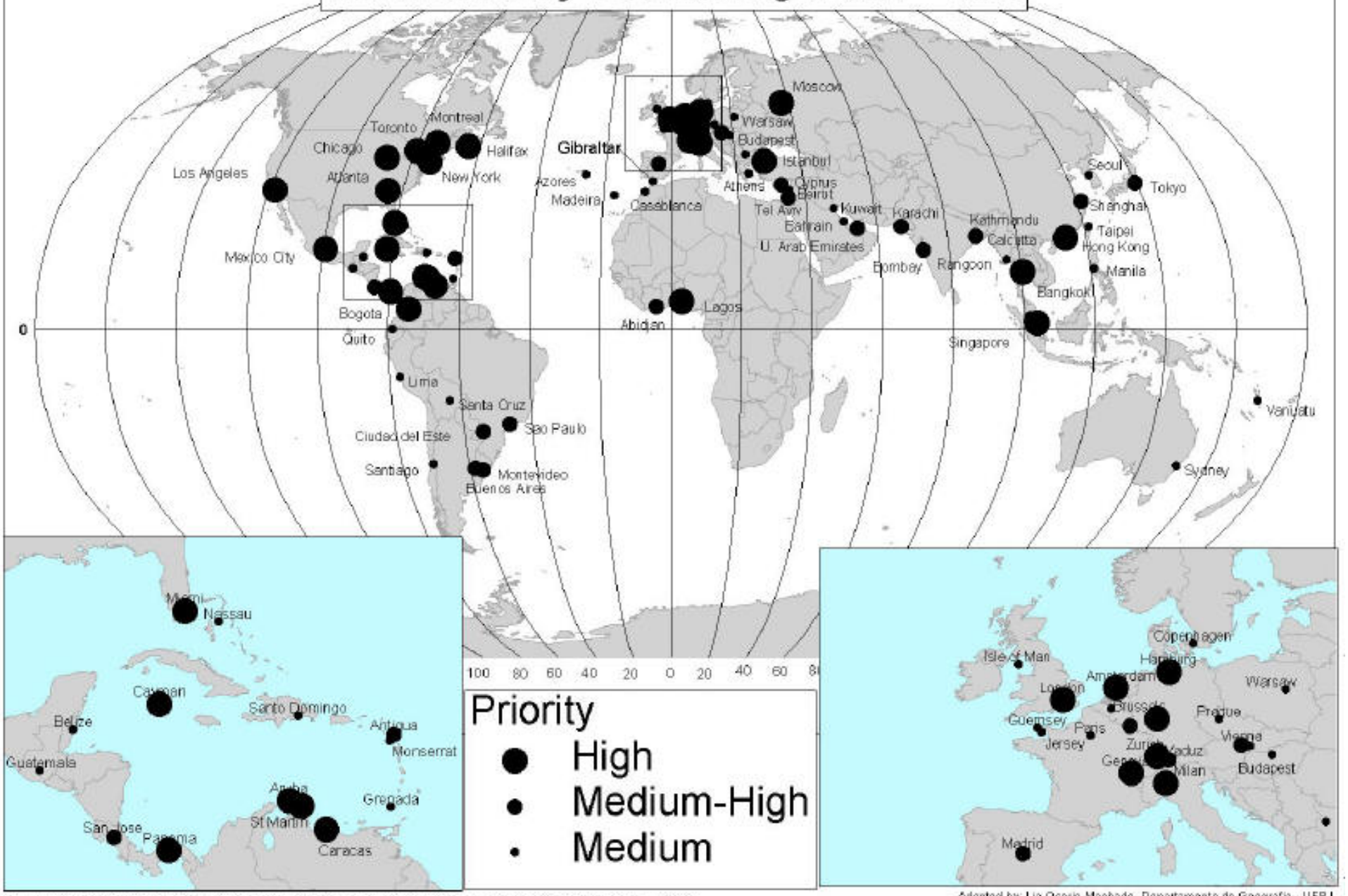
PIRACY

Stream
50s/60s Pop
70s Pop
80s Pop
Alt/Modern Rock
Ambient
Americana
Blues
Classic Rock
Classical
International
Jazz
Public
Reggae/Island
Religious

Good Deals Are Too Good to be True


A TYPICAL MONEY LAUNDERING SCHEME
PLACEMENT
Collection of Dirty Money
LAYERING
BANK
Dirty Money Integrates into the Financial System
Transfer on the Bank Account of Company "X"
Wire Transfer
BANK
Offshore Bank
Loan to Company "Y"
Payment by "Y" of False Invoice to Company "X"
INTEGRATION
Purchase of
Luxury Assets
Financial Investments
Commercial/Industrial Investments

INCSR Money Laundering Chart - 1996

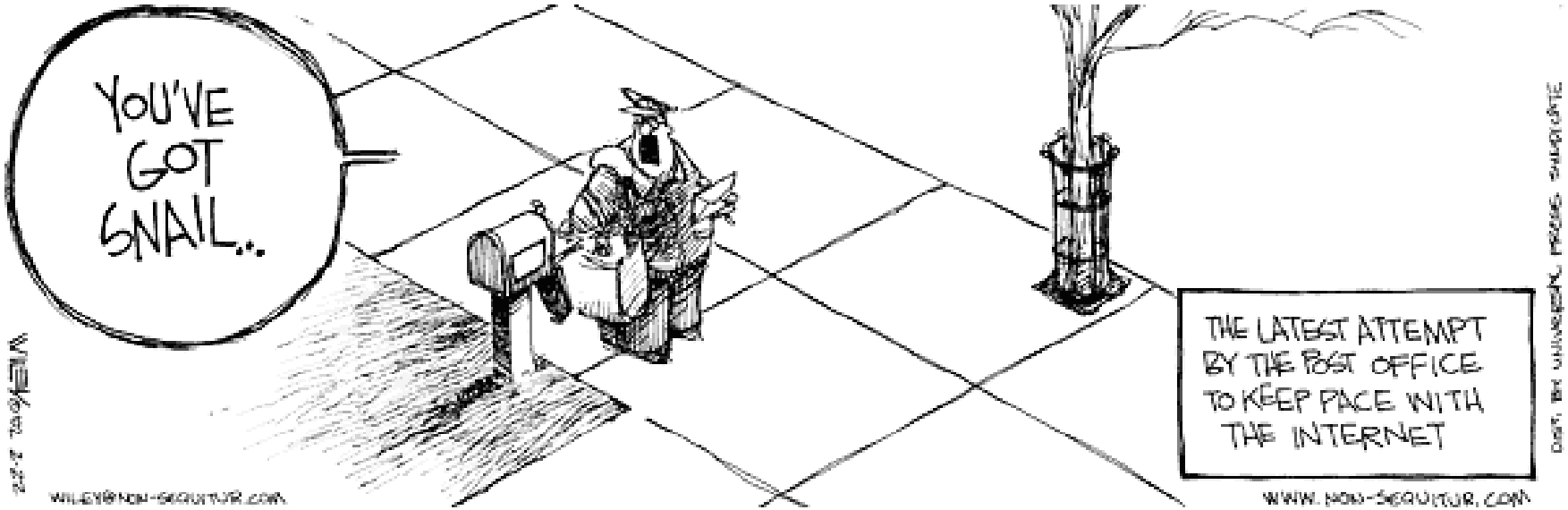


Sources: Spatial Database: ESRI; Data: International Narcotics Control Strategy Report, 1996 (State Dept. - USA)

Adapted by: Lia Osorio Machado. Departamento de Geografia - UFRJ.
GIS: Munilo Cardoso de Castro - UFRJ.

Xray of hidden $

Many Social Problems



Probably Enough for Today

Come Visit!