



Global
Business Leadership

SHAKING THE GLOBE NEWSLETTER

Courageous
Decision-making in
a Changing World



Anniversary of the Fall of the Berlin Wall

Volume 2, issue 3

Being in Berlin this week gave me the chance to survey the different attitudes of Berliners 30 years and older. What I heard reminded me that not everyone wins when dramatic change happens. But, the world is a safer and more prosperous place since November 9, 1989. It is one of the most important days not only in recent European history, but for the global economy as well. The fall of that wall opened up new opportunities for collaboration among nations.

Be larger than your task.

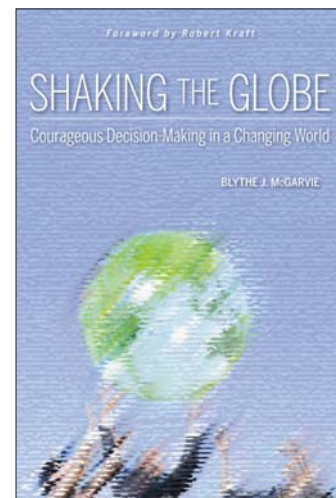
— Orison Swett Marden

Europe's recent embrace of a multi-cultural and cooperative economic system presents a model for Americans to consider. In 1993, European nations formed the **European Union** (E.U.) as an unprecedented effort at collaborative free trade that today boasts 27 member nations. In 2007, the collective GDP of E.U. nations was \$16.6 trillion, representing about 30 percent of global GDP. To form this unified E.U., European leaders overcame popular oppositions to the loss of local currencies, fear of new work patterns, and even the subordination of national economic control to a supranational umbrella agency based in Brussels. It wasn't easy for the French to give up the Franc, for instance, or for the Italians to trade in the Lira for the Euro. The truth is that the E.U. has been an undisputed economic success. Not surprisingly, African nations are now in discussions about a future African Union and China is leading the way toward a new East Asian Community. Co-operation between countries in close proximity provides an initial cross-cultural experience. In each of these instances, national currencies, values, laws, and many other cultural expressions must be transformed to serve regional rather than parochial needs. New economic rules are being formed without the participation of the United States.

Americans, in turn, may have to face losses of cultural and financial control similar to those experienced by Europeans in the last decade, in order to maintain their lifestyles and their economic and political stability. Europe has learned its lesson.



Laura Martin, CFA, with
McGarvie in Berlin.



Blythe McGarvie's **Shaking the Globe**, with a foreword by Robert Kraft, was published by John Wiley & Sons in February 2009. Purchase it at these or other fine book sellers:



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As **Jose Manuel Barroso**, the European Commission president has said: “The right approach to shape and respond to globalization is to build an integrated and open Europe, socially and economically dynamic – and highly competitive.”

The **North American Free Trade Agreement** (NAFTA) is a very small and hesitant step in the right direction for the U.S. Yet, it has spurred political outrage and cultural defensiveness. The new model of global interconnectedness, like that embraced by Barroso and others, is one American leaders ignore at their peril. “Borders don’t protect us,” Jim Steinberg, vice president and director of the foreign policy studies program at the **Brookings Institution**, has said. “The movement of people, ideas, capital, and goods has now become a fact of life.”

For a man to achieve all that is demanded of him he must regard himself as greater than he is.

— Johann Wolfgang von Goethe

With 10.2% unemployment in the U.S. and high unemployment in many other nations, it is too easy for politicians and union leaders to clamor for protection. That won’t work. *Shaking the Globe* means making courageous decisions. Now is the time to be bold and keep dialogue, investment, and attitudes open to other cultures and innovation. Progress happens when dissent is allowed and workers, students and intellectuals create a tipping point. Further information on the fall of the wall and reminders of all that happened twenty years ago is available on a great website about this anniversary of the fall of the iron curtain, see: <http://www.europa1989-2009.eu/remember/know-more.htm>.



World-renowned opera soprano **Deborah Voigt** with McGarvie.



Global Perspective: Items of Note

Blythe McGarvie publishes an article in *Business Week* entitled, “**Why Women Make a Difference in the Boardroom**,” discussing that although there are more women than ever in executive positions these days, their scarcity in the boardroom could be hurting U.S. business.

Laura Martin, CEO of **Capital Knowledge** and LIF affiliate, publishes media research reports **CBS**, **Disney**, and **Yahoo**, and a report, “**Hulu: Killer App or TV Killer?**”