**GLOBALIZATION SPEECH**

**FOR**

**MARK SALVATORE.**

Hello everyone…. I’m Mark Salvatore and it's a privilege and a pleasure to speak with all of you today about a subject that affects each one of us…. Personally and professionally…. From my perspective, it's true…although I am originally from Canada, I have lived and worked in the United States for 16 years in the capacity of Controller and Chief Financial Officer for various companies that have all been involved with importing and exporting goods from around the world. I have travelled extensively for business as well as pleasure to many points on the ever evolving world map including China, Korea, South America, and Central America. My current position involves direct management of several geographic US locations for the importation, distribution and sale of our products. We have recently expanded our distribution network to include Central & South America as well as the United Kingdom… so if we're going to speak globally in every sense of the word, I would think I am as qualified as anyone to shed light on the topic and it's attendant pros, cons, opportunities, and issues that face each one of us every day.

If we took a look back…. Way back… I think it's safe to say that the globalization debate entered the conversation around the time that Christopher Columbus began his own version of “crowd sourcing” to fund his travels. While there were those that held strongly to the belief that “the world was flat… why bother double checking?”… insatiable curiosity prevailed. To place this in a more modern perspective, the New York Times journalist, Thomas Friedman said, “in Globalization 1.0, which began around 1492, the world went from size large to size medium. In Globalization 2.0, the era that introduced us to multinational companies, it went from size medium to size small. And then around 2000, came Globalization 3.0, in which the world went from being small to tiny.” Think about it…. The world has shrunk virtually…. Our connectivity is ubiquitous. Just attempt to contact customer service for your health insurance…. a client’s bookkeeping or accounts receivable department…. Your credit card company…. Then get a pin and a map and find the locale of the person with whom you're speaking. For the most part, time and space have evaporated. While we sleep, someone across the globe is doing administration for any number of companies with whom we interact.…. We can communicate and work with people remotely in almost every sector of business. We see the evolution of communication, commercialization, and other forms of commerce morphing from a substantiated physical matrix to the realization that almost anything is possible… and it can get done **anywhere**. We see the changing tides in the retail sector… with talk of the “death of the shopping mall to finding new uses and ways to repurpose that real estate…. We hear about the coming age of robotics….in business as well as medicine and other fields… We know that more and more of the work force is functioning independently or remotely. Welcome to the age of globalization….. but is it a good thing or a detriment?

As we've all learned in history classes globalization on a large scale began with the discovery of the Americas or the “New World” by Christopher Columbus in 1492. What were the pros and cons of Columbus’ voyages? We know he went…. What was accomplished? In brief, according to [history.com](http://history.com), Columbus’ voyages had its pluses and minuses…. While he learned of new cultures and connected his European roots to the lands he referred to as Hispaniola, along with learning of those new lands, new crops, and the way of life of the indigenous people, it is also believed by some that he mismanaged his impact while in the New World. Aside from the loss of life when the Santa Maria was lost, it is believed that Columbus used violence and force to convert the “Indians” as he called them, to Catholicism. New diseases that had not existed prior to his arrival were introduced to the native people, killing off thousands, and it is believed that on his first days in the new land, Columbus ordered six of the natives to be seized, or as he stated in his journal, “he believed they would make good servants.” Perhaps the concept of respecting one’s host had not yet been introduced. (**Wait for the laugh**). Although in his way and time, Columbus set the bar for international travel, there were others that followed in his wake to find and conquer other far reaching parts yet to be discovered. Columbus might have found the local food “too spicy,” but his voyages led the way for unprecedented discovery and implementation of new trade routes and and their resources while establishing relationships to other cultures.

The inventor and futurist Nikola Tesla said, “It is paradoxical, yet true, to say, that the more we know, the more ignorant we become in the absolute sense, for it is only through enlightenment that's we become conscious of our limitations. Precisely one of the most gratifying results of intellectual evolution is the continuous opening up of new and greater prospects.” …. Or, as someone I know puts it, “**I don't know what I don't know**.” (**Wait for the laugh**). …. But once our eyes are opened to unchartered possibility, does it make sense to avoid discovery, implementation, and cultural exchange? With precedent established, Columbus’ voyages inspired the brave to seek new routes to explore and new resources to co-opt. During this phase the world’s evolution as a multinational culture, countries competed with each other in an effort to expand their influence in many parts of what they found to be that “New World.” England, Spain, and France were into empire building and accession. A nation’s wealth was determined not by cash, but by what they owned in colonies. This established global trade as the true “new frontier” and as markets for raw materials opened up and finished products were consumed by exploring nations, new discoveries and innovations were prized for their potential. As Friedman said, the world went from a size large to a size medium as knowledge and communication narrowed the gap in distance, commerce, and culture.

While on the road to globalization, the late eighteenth to mid-nineteenth century heralded the beginning of the next phase of growth…Industrial Revolution. And we have to acknowledge that globalization played a part in this as well, as the discoveries were taking place in both Europe and the United States. The culture shifted from an agrarian based economy… one that centered around the farm and its products, thanks to the innovations of this era, economies shifted to manufactured products that in turn, made life easier? Less arduous? More productive? Differently productive? Whatever the impact, society, trade, and life were evolving and there was no going back. Because of the discovery of the assembly line and the benefits of having the ability to manufacture more efficiently, the next phase of Globalization came into being with new technologies explored by emerging companies. Some of those new innovations included the invention of the steam engine which revolutionized travel and trade via ships as opposed to boats and of course, that gave way to air travel and freight transport. The airplane brought the world together faster, and continued evolution and discovery have made way for other necessities that bring the world closer than ever before. We all know that our smart phone of today has more computing power than the computers used to fly man to the moon. …. And for just $29.99 a month!! (**Wait for the laugh**).

As a result of the evolution of business and trade, thanks to the Industrial Revolution and its successive incarnations, companies found the wherewithal and impetus to explore markets worldwide. Volvo, Mercedes, Honda and BMW are examples of auto companies that went global as they realized that building factories closer to consumer markets made a good deal of sense. Companies expanded to seek cheaper labor sources, more affordable raw material sources, and most probably looser environmental standards and practices within which to operate. This resulted in the long term effect in producing less expensive products for an ever increasing consumer base as is demonstrated by the rise of extremely successful business retail giants such as Walmart.

An event that changed the society forever and brought a dis-jointed world together was the fall of the Berlin Wall which marked the end of the cold war with Russia and the uniting of East and West Germany. No one will ever forget President Ronald Reagan’s memorable words to the Russian President at the time “Mr. Gorbachev, Tear Down This Wall!”. The wall came down, cultures communicated, and the world got increasingly smaller.

(**Did you take this from something? I saw a footnote number. If so, you might want to cite the source or If you advise where it's from, I will check and revise the wording**) Around the same time there was also a significant rise in free trade with the establishment of the EUROPEAN UNION, founded in November of 1993, it is an economic agreement of 28 member nations that are located primarily in Europe. It covers an area of 1,728,099 sq mi and has an estimated aggregate population of over 510 million people. The EU has developed an internal single market through a standardized system of laws that apply in all member states. EU policies aim to strengthen and ensure the free movement of goods, services, capital, and people  within the participating market, enact legislation in justice and home affairs, and to maintain common policies on trade, agriculture, fisheries, and regional development.A monetary union was established in 1999 and came into full force in 2002, and is composed of 19 EU members that use the common euro currency.

While no member state has left the EU or its prior organizations, the United Kingdom enacted a vote as the result of a membership referendum in June 2016 and is currently negotiating its withdrawal. The Maastricht treaty established the European Union in 1993 and introduced European citizenship.  The EU as a whole is the largest economy in the world. The European Union accumulated a higher portion of GDP as a form of foreign aid than any other economic union. Covering 7.3% of the world population, the EU in 2016 generated a (GDP) of 16.477 trillion US dollars, constituting approximately 22.2% of global GDP and 16.9% when measured in terms of purchasing power. Because of its global influence, the European Union has been described as an emerging superpower.

What are considered the pros and cons of the formation of and participation in, the European Union? We can examine the reasoning that ultimately resulted in Brexit, Britain’s vote to exit the Union. While the union acts to unify all of the countries in the pact, serving, in a large way to increase participation while boosting uniformity and a sense of “extended localization,” some of the issues brought up include the following:

* On the **Pro** side, there is massive free trade for its members and working as a unified force has made the EU a true economic powerhouse.
* There is a common currency
* Prices for commodities are significantly lower for members
* There are greater chances for job opportunities within member countries as well as improved opportunities for better education.
* International issues are dealt with as a unified group and participating countries have a more solid platform upon which to debate and resolve issues.
* The Union also brings more advantage and options to the smaller and less prosperous members which, in turn can work to strengthen their economies.
* What are the cons of being a member of the EU? For one, the unified currency is just one way in which each country loses a bit of its unique cultural identity.
* There are stringent requirements that make it challenging for poorer nations to join and participate.
* Countries that reap more proportional benefits share those advantages with less productive entities.

In Our continent, over 20 years ago, the North America Free Trade Agreement was established in order to expand and facilitate free trade to exist between Mexico, the United States and Canada, Another direct purpose of NAFTA was to make these three countries collectively more competitive in the increasingly complex yet ever shrinking world marketplace. It has been very successful at achieving those goals by making NAFTA the largest free trade agreement in the world.

President Trump signed an executive order in January 2017 to re-negotiate the terms of NAFTA. He wanted to require Mexico to end it’s VAT or Value Added Tax on US companies. He claims it acts as a tariff on US exports to Mexico. President Trump also wants an end to the MALUILADORA program which he claims undercuts American manufacturing jobs by sending them to Mexican border areas. Then there’s still the question of the WALL and who and how it will be paid for between the US and Mexico. Every trade agreement helps some people while hurting others. NAFTA hurt workers in industries that moved to Mexico. On the other hand it helped manufacturers compete in the global marketplace. It also helped consumers who saw the price of oil and groceries drop.

The last phase of Globalization is where we are today with the evolution of technology. Computers and cell phones have enhanced our access to communication and information. In the most recent phase of this phenomenon, it is individuals that are the drivers. I remember my first computer was a radio Shack TRS80 model that used 5 1/4 floppy drives to store the program as well as accumulated data. It had \_\_\_\_\_\_\_\_\_\_\_\_ of data storage and weighed about \_\_\_\_\_\_\_\_\_ pounds. In the 80’s I used an Apple MacIntosh to do budgets. And who can remember life before Google? That premier search engine was developed in 1998. It revolutionized research and the dispersal of information for ALL of us. In today’s age, social media now drives change and how we learn of world events. Revolutions are started with a tweet and lost possessions, people and pets are found thanks to a post on Facebook or Instagram. We can use we chat, FaceTime, WhatsApp, or Skype to connect with people in the palm of our hand…. Even if they are halfway around the world. Who here is old enough to remember the marvels of fax machines? Now younger generations wonder what they could have been used for? And who among us remembers mimeograph machines? They were so archaic that I am pretty sure one was used to print the very first Gutenberg Bible (**Wait for the laugh**). The point is that globalization is an inevitable cultural and social advancement. We can either embrace it or not…. To greater or lesser degrees of success.

The concept of Globalization and the potential benefits are not hard to comprehend. By

eliminating trade barriers in an honest manner, everyone can theoretically win and most importantly, we all have the opportunity to **LEARN**. Poorer countries would receive a significant influx of capital as international companies take advantage of lower wages over time. This could lead to an eradication of poverty. Those who live in richer countries can take advantage of greater product variety as well as better prices thanks to imports. The world should move to a more efficient allocation of capital whenever some countries can produce better than others. If a country cannot produce something, let’s say clothing, it can simply import clothes and focus on the products its better at making. Through studying the patterns of economic development, we can learn a region’s capabilities and weak points. We can see what areas are ripe for development and which are the next regions poised for “growth opportunities.” In many ways, and in particular the garment manufacturing industry in China, we are seeing shifts in the employee and management function and prosperity. As China has become more proficient in manufacturing, other regions have been looked at for focus on development and in turn a strengthening of infrastructure and economic possibility for the population.

Of course, unfortunately things haven’t always gone the way as planned for several reasons. Most countries don’t practice what they preach when it comes to being considerate and reciprocal. For example, richer countries that encourage poorer countries to sell them their resources, but discourage them from selling high value products. Everyone wants to beat the system by artificially weakening their currency to boost exports and subsidized industries.

I've noticed that whenever something is wrong with the economy, local politicians and citizens love to blame globalization. It sure beats looking in the mirror, or in one’s own closet, or at the car in one’s driveway. The end result is that more and more people claim globalization doesn’t work, but how involved, how informed, and how committed are those people to constructive conversation to find solutions to very complicated issues? Let’s ask ourselves…”is what we have today truly globalization or just one big masquerade?”

**Anti-globalization**

TheAnti-globalization Movement is a disputed term referring to the international social movement network that gained widespread media attention after protests against the World Trade Organization (WTO) in Seattle in late November and early December 1999.

Varied communities organizing against the local and national consequences of neoliberal policies, especially in the global South, connect their actions with this wider effort. Movement constituents include trade unionists, environmentalists, anarchists, land rights and indigenous rights activists, organizations promoting human rights and sustainable development, opponents of privatization, and anti-sweatshop campaigners. These groups charge that the policies of corporate globalization have exacerbated global poverty and increased inequality. Internationally, the movement has held protests outside meetings of institutions such as the WTO, the International Monetary Fund (IMF), the World Bank, the World Economic Forum, and the Group of Eight (G8) heavily industrialized nations. Its own annual gathering, the World Social Forum, serves as a site for activist networking and transnational strategizing. Movement participants have also launched campaigns targeting multinational corporations such as Nike and Monsanto, and have mobilized resistance to U.S.-led military intervention in Iraq and Afghanistan.

While opposing neoliberalism, the anti-globalization movement advocates participatory

democracy, seeking to increase popular control of political and economic life in the face of increasingly powerful corporations, unaccountable global financial institutions, and U.S. hegemony. A focus on democracy is reflected in many of the movement’s organizational structures. These tend to emphasize grassroots participation, cooperative decision-making, and “horizontalism” over hierarchy. Rather than promoting a single model for social reorganization, anti-globalization activists defend diversity and, adopting a slogan of the Mexican Zapatistas, envision “a world in which many worlds fit.”

The media has also tended to inform and reinforce the concept of Anti-Globalization. At the center of the plot in the movie Grand Torino, there is one [Walt Kowalski](https://en.wikipedia.org/wiki/Walt_Kowalski) ([Clint Eastwood](https://en.wikipedia.org/wiki/Clint_Eastwood)) who is a cantankerous, retired Polish American assembly-line worker and Korean war veteran. He has recently been widowed after 50 years of marriage,

His Detroit neighborhood, which was formerly populated by working-class white families, is now dominated by poor Asian immigrants, and [gang](https://en.wikipedia.org/wiki/Gang) violence is commonplace. The [Hmong](https://en.wikipedia.org/wiki/Hmong_people) Loas family reside next door to Walt. The symbolism present in this movie epitomizes the current state of confusion present in the world today… one in which a true American hero works at protecting his values and those of his honest neighbors in an increasingly unfamiliar and violent world. What we all have to realize is that the world is in constant motion. Life is kinetic. Nothing stays the same. A wise man once said, “Adapt or die.” I believe it serves each one of us to adapt.

Anti-Globalization is not just a movie plot or sub-plot. I’d like to show you this chart. It represents the change in immigration present in today’s world that may have lead to feelings of anti-immigration in many countries around the world. As you can see, there was a dramatic increase in the percentage of total foreign born populace in Great Britain between the year 2000 and the year 2015. The percentage of foreign born population went from 8% in 2000 to 13% in 2015. Where does Globalization stand as a force within the world by country today ? As you can see in the attached chart, within developed countries, there is a definite trend towards anti-globalization evident in France, United Kingdom as well as Untied States. How does the current US President view Globalization? Before we get to that, I have a question…. Where were you born? Where were your parents born? Grandparents? How many of you are first generation Canadians or Americans? Second? Who here can attest to a family tree that goes back for centuries? Who still lives in the town or city or province or state in which you were born? In one way or another, aren't we all immigrants? I say that as a point to consider…. No judgement.

President Donald Trump is promising to make America great again by keeping others out. That approach is already undermining the smidgen of tentative good will he had enjoyed from the tech industry. As a strategy for keeping jobs in the US, it’s also fatally flawed. As it turns out, in a world connected by the internet, isolationism is just a glitch in the network that the system—in this case, the global economy—routes around. In the days since Trump signed his executive order limiting immigration from certain countries, tech employees who work in the US but were stuck outside the country have stayed in touch via email, videoconferencing, social media, and chat programs like the ones mentioned earlier and newer platforms like Slack. In 2017, most of the day-to-day work that high-tech employees do takes place entirely on computers. Whether that computer is on Google’s campus in Mountain View or an airport in Tehran is largely irrelevant.Tech-enabled flexibility tamps down the disruptive potential of unexpected upheaval. It will also undermine any effort to make employing highly skilled foreign workers harder for tech companies, as Trump and Congress [are both considering](http://www.zdnet.com/article/three-bills-and-a-trump-executive-order-train-their-gun-sights-on-the-h1b-visa/). Such restrictions will likely result in more employees working remotely, and more high-paying software jobs moving permanently offshore. Ultimately, entire companies may decide to relocate outside the US to countries more committed to the kind of openness so highly prized in the tech industry. In some cases, that’s already happening. Microsoft, Apple, Google, Facebook, and Cisco have already opened hubs in Canada in order to avoid the confusing and restrictive immigration process in the US, the Wall Street Journal [reports](https://www.wsj.com/articles/how-immigration-uncertainty-threatens-americas-tech-dominance-1486031582). A coalition of 97 tech companies warned that more such relocations could be coming. The Trump administration could fight back by imposing higher taxes on tech companies that outsource jobs or move tech hubs overseas—though how that would jibe with its stated goal of removing 75 percent of government regulations is unclear. With that sort of migration we also have to consider negative shifts in local infrastructure, real estate, construction, and the need for quality schools, doctors, and other commercial, industrial, and community based support systems. Clint Eastwood's character mourns the deterioration of his neighborhood in Detroit. Flynt Michigan was once a thriving urban center. What will be the impact on “techopolises” or centers of tech-centric residents if anti-globalization threatens the balance? Will Silicon Valley become “Silicon Wasteland?” There are no easy answers but there are many levels to consider and study when large societal shifts are at stake. A reluctance to embrace remote work might also catch some companies ill-prepared for possible new restrictions. Smaller firms and freelancers are able to be more nimble.

Let’s take a look at my next chart. It illustrates how important foreign trade is to the US economy. Notice that between Canada and Mexico they share almost 35% of all exports out of United States.

Let's also consider this…how important is China to the United States? Almost 21% of all US imports originate in China. But let’s remember…. It is a reciprocal agreement. The US **exports** goods **to** China. So if anyone is contemplating the plus side of isolationism with regard to globalization, think about this…. Which twenty percent of **YOUR** possessions are you willing to give up… do without… trade in or re-source?

In the final analysis, its important to acknowledge that we are truly citizens of a “global village,” and while national pride is essential for us to prevail now and into the future, we do not exist in a vacuum. And while there are movements that promote and sustain locally sourced and manufactured products, it is vital to realize that we are not here alone. While we can exhibit and endorse local pride, we learn more about life, ourselves, and our communities by embracing diversity and cultural input from all over the world.

Kofi Annan, the former Secretary General of the United Nations had some enlightening points to share on the topic of globalization…. He said, “if globalization is to succeed, it must succeed for the poor and rich alike. It must deliver rights no less than riches. It must provide social justice and equity no less than economic prosperity and enhanced communication.” As I said earlier, we have to remember that with increased awareness comes added responsibility to our global community no matter the viewpoint you favor. We are all connected. Whichever side of the debate you might find yourself, I invite you to maintain an open mind and expanded respect for the individual and collective impact we leave on this earth as a result of our actions and stance. … and let us also keep in mind another wise observation from Secretary Annan…” It has been said that arguing against globalization is like arguing against the laws of gravity.” We are all partners in this global village… and whether your position is pro or anti, your voice and actions make a difference.

Thank you all!!