## The World Is Flat: A Brief History of the Twenty-First Century

reviewed by David Mitchell in the November 15, 2005 issue

## **In Review**



The World Is Flat: A Brief History of the Twenty-First Century

Thomas L. Friedman Farrar, Straus & Giroux Good social analysis, like good theology, should provide at least two things for readers. First, it should provide an interpretive framework to help readers locate themselves in the contemporary world, to help them make sense out of what is happening. Second, it should provide some leverage for critiquing that world, for making judgments about what we should do. Thomas Friedman has done a useful if partial job on the first task, and he is suggestive if ultimately less successful on the second. Even where I found shortcomings, his analysis is productively provocative. And Friedman is able to present the essence of some fairly complex issues in a highly readable form for a nontechnical audience interested in the issue of globalization.

The major thesis of the book is that a series of economic and technological factors (he identifies ten) have combined since about 2000 with enhanced personal and organizational capacity and the arrival of a huge number of new players on the world economic stage to produce a force that is already beginning to affect us like a tidal wave, and whose full impact will hit in the next decade or so. He thinks many of us are unprepared for this wave, and this book is his wake-up call. Though most would see a tidal wave as primarily a negative force, Friedman believes that the impending changes have potential for producing positive results as well as stresses. The title of the book comes from an image of a world in which old hierarchies and power arrangements have been swept aside and the playing field has been leveled in ways that enable many more people to benefit from advances in productivity.

One example that illustrates the flavor and range of Friedman's analysis is his argument about the impact of the so-called dot-com bubble and subsequent bust. He contends, contrary to common assumptions, that although the bust was bad for some investors, it turned out to be beneficial in opening up world markets. The overcapacity which produced the bust also produced bargain-basement prices for telecommunication, thereby enabling players from previously marginal regions, especially China and India, to get in the game.

In his characteristic storytelling style, Friedman relates multiple examples of firms in these regions that have emerged to provide technology services to American business. One example, involving an Indian firm that does basic tax-return work for an American accounting company, reflects his view that although cost advantages (especially in the area of wages) are part of the dynamic involved, of real significance are the competitive capacities and associated innovation made possible by the new technology, which can be applied in many areas other than low-skilled manufacturing operations.

A clear extension of this line of analysis, and one of the most important insights of the book, is that Americans need to get accustomed to the fact that we will not long remain "the big dog on the block." From my point of view, we have badly needed a good dose of humility, and the global shifts Friedman identifies promise to move us in that direction. (Perhaps a task for this generation of American theologians should be to develop a robust theology of humility.)

Friedman himself seems ambivalent about the implications of the change. While many passages point toward the emergence of a system of global cooperation where no one is dominant, many others assume a win-lose scenario, in which Americans will be dominated by the Indians and Chinese if we don't get our act together. He starts one of his chapters with a brief recounting of what happened to America's previous world dominance in basketball, describing it as a great metaphor for what is happening in the global economy. Rather than celebrating the emergence of parity, he seems to long for a restoration of the glory days when the United States was number one.

The sports analogy constrains his thinking in other ways. He writes too often as if the only choice we all have is to play and win at the highest level or to be losers for life. This inclination is especially apparent in his frequent references to the relentlessness of high-stakes competition. There is no time to rest; we have to work harder; the Europeans are delinquent because they value having more holidays; Friedman's daughter will not inherit the carefree world he knew growing up. I kept wondering what he would say to Gar Alperovitz, who suggests in a recent book that in order to increase citizen participation we need to resume the trend toward shorter work weeks. Friedman writes as though this is not an option, as though the only game in town is the NBA. I suspect that this is in part a reflection of the fact that almost all of his sources are supercompetitive business leaders, for whom anything but the NBA is unacceptable. But there are choices, or there ought to be. If the current system undercuts many of those choices, perhaps we should modify the system.

Globalization is in large part about efficiency. But as Friedman himself admits, life is about more than efficiency. Like meat, the world needs some fat to give it flavor. Friedman considers the stresses and downsides in globalization in a chapter titled "The Great Sorting Out," but he seems reluctant to seriously probe the implications. Each of several brief excursions into problem areas ends with a plea for "someone" to sort out the issue. Apparently the sorting out is not his task.

An even larger problem is that Friedman takes many of the assumptions of the dominant global economic system for granted and seems unwilling to acknowledge that the system is significantly affected by global political structures—or in some cases by their absence. For example, he gives some attention to the need for the United States to develop an energy-independence policy, especially to cope with the expected huge increases in the demand for energy by China and India. (If you think gas prices are high now, you haven't seen anything yet.) But most of this discussion occurs in a chapter on how to jump-start American science and technology education so we can stay competitive. The possibilities that political structures have a role in creating the energy situation, or that markets and technology may be inadequate by themselves to solve the energy problem, are not seriously considered.

Friedman's treatment of environmental issues is similarly problematic. Most analysts of globalization would acknowledge that one of the most prominent issues is the negative impact on the environment. Yet in nearly 500 pages Friedman devotes fewer than ten to the topic, and does not even mention the Kyoto debate on climate change. In one disturbing paragraph he writes about being challenged by a young Chinese woman who asks why China should restrain its consumption and worry about the environment when the United States and Europe don't. He says he simply had no answer for her. Chalk one up for humility. But a better starting point would have been to admit that we have badly messed things up, that we need to change our policies and habits, that current global structures (and especially current U.S. energy policy) make that difficult, and that China could learn from our mistakes and be a leader in showing the world a better way.

Friedman does a better job of acknowledging globalization's impact on workers. He recognizes that the world is not yet really flat, that there are still millions of people who are not able to get into the game. But he is still reluctant to point at structural problems. He offers an insightful analysis of how the nondemocratic political structures of the Middle East exclude many who live there from the benefits of development, and he discusses how new technology has aided the rise of terrorism. But there is scarcely a word about the role of the United States and other world powers in creating and sustaining the dictators of whom he is so critical.

As a quite different example, he includes a telling story about the competition between Wal-Mart and Costco, explaining that Wal-Mart has been able to combine lower prices and higher profits because of its single-minded quest for efficiency. But this efficiency has come at a cost to at least some workers. Says Friedman, "One can only hope that all the bad publicity . . . will force [Wal-Mart] to understand" that the trade-off between efficiency and benefits for workers needs to be a balanced one. But we need more than hope—we need public policies that have global reach, that ensure that at least the key players are at the table, and that address some of the well-known deficiencies of market systems, such as imperfect information, inequality and instability. If the cost of such policies is some loss of efficiency, let's have a serious debate about the trade-off, rather than simply assuming that efficiency is king.

In spite of these shortcomings, Friedman's provocative book does provide a useful interpretive framework for understanding and debating globalization. Readers will find the time spent with it worthwhile.