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Understanding global forces

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> John McCain's campaign manager said recently that "this election is not about issues," but that it instead will be decided by voters' "composite view" of the candidates. Come Election Day, that quote may be deemed prophetic. This is frustrating as a citizen, but even more so as an educator.

> In the last 15 years, I have taught hundreds of graduate students and aspiring diplomats from around the globe. My message to them is simple: If you want to succeed in the world today, you have to understand how politics and economics - foreign and domestic - create the forces that shape our lives, our businesses, our futures. Graduate students with two years of study struggle with this assignment, but what is the everyday voter to do when even the campaign managers abandon the issues?

> Some examples demonstrate the challenge.

> Consider the enormous dollar holdings of countries in Asia and the Middle East. China holds more than \$1 trillion in reserves. This seems like an obvious worry, but China is limited by its interest in maintaining the value of those dollars. As the saying goes, borrow a thousand dollars and the bank owns you; borrow a million dollars and you own the bank. In this example, China is the bank.

> That does not mean, however, that the United States is off the hook. The Chinese still can move their dollars around. Most recently, they started selling off their holdings of bonds issued by the U.S. mortgage giants Fannie Mae and Freddie Mac. They sold those positions not to hurt the United States, but to ensure they did not get burned by the ongoing mortgage crisis. In turn, this triggered the U.S. bailout of the two mortgage lenders, for which the Chinese were very grateful.

> The development of International Financial Reporting Standards - or IFRS - is another example. The effort to make an international standard has been around for a long time, but the real impetus for progress came with the Enron Corp. and MCI-WorldCom Inc. accounting scandals. Worried governments in Europe and elsewhere created an international rival to the prevailing accounting standards in the United States.

> The United States did little to counter the growing attraction of IFRS; neither did it work hard enough to play a constructive role in their creation. Now it is too late to have much influence. More than 100 countries have adopted IFRS as mandatory for their accounting. U.S. firms will have to pay to adapt.

> A third example is the recent acquisition of the U.S. brewing giant Anheuser-Busch Cos. Inc. by the Belgian-Brazilian conglomerate InBev NV

S.A. Anheuser-Busch is the maker of the legendary Budweiser and was long the central player in the

U.S. beer market. But a market of fewer than 400 million consumers is not enough when you are competing with brands that sell to the world as a whole. In that wider world market, InBev can sell Bud better than Anheuser-Busch. Moreover, the price it offered was a good deal for Anheuser-Busch shareholders - at least in the short run. In the long run, the U.S. economy will pay dividends to investors living abroad.

> These three examples demonstrate some of the many ways that foreign economic and political interests are shaping our domestic choices.

> The first one shows that as we become more dependent upon the credit provided by sovereign investors, our policymakers are going to have to respond to what those investors want. The second story is about how foreign governments are willing to work together without the United States and how U.S. firms will struggle to catch up. The final story is about how foreign opportunities can shape the domestic marketplace.

> Voters should understand these complicated issues - not just for their five minutes in the voting booth, but for their ability to compete in the global marketplace. Presidential leadership is vital to that understanding.

> A president's job is not just to grapple with these complicated issues, but also to help voters appreciate why they matter. So far, both candidates are failing to live up to the job of educator.

> Twisting voting records and verbal missteps is easier than explaining sovereign lending, accounting rules and distribution networks. But both campaigns should resist the temptation to take the easy route. Only this way can they give us a real sense of how they will help the voters face what comes after Election Day.

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The advertisement features a dark grey background. At the top left, the text 'philly.com' is written in a white sans-serif font. Below it, the words 'GAME TRACKER' are displayed in a large, bold, white sans-serif font. A green football is positioned behind the letter 'A' in 'TRACKER'. Underneath the title, the tagline '... gets you inside the game.' is written in a smaller white font. On the left side, there is a screenshot of the Game Tracker website interface, showing various data tables and a football field visualization. To the right of the screenshot, the text 'track every touchdown,' is written in a bold white font. At the bottom of the advertisement, the text '>> Click here 4 p.m. Sunday for the game <<' is written in a white font.