

The Twenty-First Century World - What Role Does Business Play

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To the International Association for Peace and Economic Development (IAED)

What role does business play -- and should it play -- in the work to realize a world of peace and sustainable development?



Some of you know that twelve or thirteen years ago I packed up, sold everything in New York, and moved to Asia because I wanted my children to speak Mandarin and to know Asia. You may ask, why? I will tell you: The nineteenth century was the century of the United Kingdom; the twentieth century was the century of the United States. The twenty-first century is the century of Asia, whether we like it or not. There are lots of people who don't like it. A lot of people, especially in the West, do not understand what is happening in Asia. A lot of people in Asia don't understand what's happening here.

China is rising again

But as I said to you, Asia is on the rise again, especially China. In 1978 Deng Xiao Ping said, We have got to try something new. This is not working.

You know the rest of the story. If you haven't been to China, you can almost just look out the window and see what's happening over there. It has been the most successful country in the world in the past forty years, but it is not stopping there. It's going to go on for a long time.

China is the only country in world history that has had recurring periods of greatness. Rome was great once. Great Britain was great once. Egypt was great once. But China has been at the absolute top three or four times in history. China has also had total collapse, total disaster, three or four times in history. But for whatever reason, China is the only country in world history that after being at the bottom for a few decades or centuries has risen to the top again. China was in terrible decline for four hundred or five hundred years, but Deng Xiao Ping said in 1978, Let's try something new. Well, it's working again. So I packed up and moved to Asia.

Prepare for the future

I have two daughters. I wanted them to know Asia and to know Mandarin, because in their lifetime knowledge of Asia and of Mandarin will be the single most important skills that I can give them. It's not going to make them successful; I assure you. There are a lot of people who speak Mandarin and English who drive taxis, but at least they will have a leg up on many other people by being prepared for the twenty-first century.

We'll talk more specifically about China than others do at the moment because the whole of Asia is going to benefit. Some of you know that Canada is a member of the G-8 [an intergovernmental political forum that currently comprises seven member countries.] Well, Canada has only thirty million people. You may wonder why Canada is a member of the G-8. It is because Canada has a very successful neighbor to the south. The US became the most successful country in the twentieth century, and it dragged Canada along with it.



Facing facts

So many countries in Asia are going to benefit from the rise of China, not just Korea. Korea is going to do extremely well for many reasons, which I discussed yesterday. But if you look at the rest of the world, Europe is full of debtors. Most of those countries are actually bankrupt. Even Germany, which when I was a kid was a paragon of virtue -- hard work, saving their money, no debt, investing for the future. But even now many German cities are essentially bankrupt.

I think you all know that the United States tells everybody it's an exceptional nation, different from everybody else. Yet, the United States is the largest debtor nation in the history of the world. No debtor nation in the history of the world has ever been as deep in debt as is the US, and it goes higher and higher and higher every day.

Throughout history, every country that's gotten itself into this kind of situation has had a crisis or a semi-crisis and gone into decline. Many of you know that Great Britain, a hundred years ago, was the single richest, most powerful country in the world. Great Britain has gone a long way down since 1920.

Before that there was France, Spain and many other countries that were the richest, most powerful countries in the world, and every one of them hit a peak and went into decline, including China. Several times China has been the single richest country in the world, but everybody goes into decline eventually, for whatever reason.

Enduring obstacles

America says we will not go into decline. A former head of the Central Bank in America says that America will never have economic problems again. Well, she has a Ph.D. from an Ivy League university, so maybe she knows what she's talking about. I happen to have gone to an Ivy League university, and I know she has no clue about what she's talking about, because the world has always had economic problems, it always will have economic problems. Mankind has not yet figured out a way to solve those problems. Many people have tried. Karl Marx thought he had figured out a way to solve the world's problems. Many philosophers, religious people, military people -- many have tried to solve the problems. It has not been done yet.

The near-term future

So we're going to have problems in the next few years. In 2008, we had a big problem because of too much debt. You all know what happened in 2008. I submit to you that the next time we have a problem, it's going to be the worst in my lifetime, and I think I'm one of the oldest people here. So it is going to be the worst in your lifetime too, because the debt now is much, much higher. I assure you the next time we have a problem, it is not going to be fun.

But at least in Asia you will have less harmful effects. Korea is going to do extremely well because you are opening up a new frontier. This place [North Korea] used to be richer than South Korea. Communism and the Kims ruined North Korea, but you will have a new frontier, so this is going to be a good place. Likewise, Siberia. Many great things are happening there. I've told you China is going to be the next great country in the world. So it is better to be in Asia than in the West for the next time we have economic problems. That will be true for the rest of the century.

This century's powerhouse

I moved my daughters here to prepare for the twenty-first century. This is going to be the place to be. I said to you before, everybody in the West is stock full of debt -- huge problems! Education in the West is not what it used to be. Most things in the West are much different from what they used to be, but change is always good. Some people always benefit, some people suffer. In Mandarin there's a word which we don't have in the West, because Asians have been around longer than we have. The word is pronounced "way-gee," which [implies] disaster and opportunity are the same thing. The Japanese have the exact same characters. In Japanese. It's pronounced "key-key." If there are any Japanese here, please correct me. The Koreans have the word, too. The characters are exactly the same as they are in Mandarin, "way-gee," means opportunity and disaster. So there's a disaster coming but remember "way-gee" when it comes.

You in Korea, you in Asia, are in the right place at the right time. So when the rest of us are suffering and trying to keep our heads above water, please remember "way-gee." The world is moving East, whether we like it or not. A lot of people in the West don't like it. A lot of people in the West write books [insisting] that China is going to collapse any day, that the Asian miracle is a disaster, a fraud that's not going to last. But you are at the right place at the right time. So please enjoy the twenty-first century.