

Crossing borders

Antwerp: reach anywhere
in the world from here



Cathy Berx
Governor of the Belgian
Province of Antwerp



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Speech given by Cathy Berx,
Governor of the Belgian Province
of Antwerp, on 2 December 2011

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- 8 *“The Antwerp region is an an industrial and prosperous region in northwest Europe. It is one of the ten provinces that make up the Kingdom of Belgium, which shares borders with the Netherlands, Germany, France, the United Kingdom and Luxembourg.*
- Antwerp’s many economic advantages recommend it as the hub for your European market expansion. Targeting Europe, you want to be right at the heart of the action. Antwerp’s highly central location places all West European (business) capitals within easy reach. On top of this, the port of Antwerp provides quick and cost-efficient access to the rest of Europe, the Middle and Far East and Africa.*
- The combination of its central location, the benefits of its port with excellent port facilities and the presence of so much logistics know-how is why so many multinational companies have decided to establish their European distribution centres in the Antwerp region”.*

This is how Antwerp’s regional development agency, POM (Provinciale Ontwikkelingsmaatschappij), promotes our province to potential foreign investors. But this is not all that the province of Antwerp has to offer. There is a lot more there: its extensive petrochemical cluster; its impressive range of often highly innovative companies; its deep-rooted creative economy; its high-quality education and research facilities and its leading arts and cultural scene and cosmopolitan context, all making the region a pleasant place to live. Antwerp’s ambitions extend far beyond being just a logistics port or the home of (European) distribution centres.

Antwerp’s openness to the whole world and its internationalism are based on a historically entrenched policy choice, the roots of which can be traced back to the 15th century – as now brilliantly brought back to life in Antwerp’s new MAS or Museum aan de Stroom.



I. The history of Antwerp in a nutshell

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I.1 The Golden Age ¹

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Walking through Bruges today, you can feel its golden age - the Middle Ages - at first hand. At that time, Bruges was the international trade centre of what were then the Southern Netherlands.

The West-Flemish focus on agriculture rather than space for water led to changing hydrographical conditions, making the Scheldt much more accessible than the slowly silting-up Zwin estuary. On top of this, Emperor Maximilian of Austria preferred to bestow his favours on Antwerp rather than Bruges. All this led to Antwerp eagerly taking over Bruges' leading role at the end of the 15th century.

In just a few decades Antwerp became the leading port and trade centre north of the Alps, successfully developing into the No. 1 address for international trade.

¹ Dr F. de Nave, 'Met passer en kompas. Zuid-Nederlands kapitaal en kennis als 16de-eeuwse bouwstenen voor de Verenigde Oost-Indische Compagnie' (With ruler and compass. Southern Dutch capital and knowledge as building blocks for the 16th-century East India Company). Introduction to the exhibition at the Plantin Moretus Museum; H. De Smedt, P. Stabel and I. Van Damme, "Zilt succes. Functieverhuivingen van een stedelijke economie" (Salt success. Functional shifts in an urban economy), in *Antwerp; Biography of a city*, I. Bertels, B. De Munck and H. Van Goethem (eds), De Bezige Bij, Antwerp, 2010, p. 109-144, in particular p. 116-118.

14 Antwerp grew into an international business, financial and industrial centre, thereby becoming the commercial capital of Northwest Europe.

The textile industry flourished, specialising in silk weaving and finishing coarse English cloth. This overall prosperity was reflected in the blossoming of luxury industries (diamonds, furnishings, etc.) and of course printing. This saw Antwerp evolving in the first half of the 16th century from a regional typographic centre to the main book production and distribution centre for the whole of the Netherlands. The arrival of Christoffel Plantin from Paris (circa 1548) expanded Antwerp's book market way beyond the borders of Europe, to the Spanish colonies in South and Central America, the coasts of North Africa and the East.

As a meeting place for researchers, scholars, the scientific press, cartographers and mathematicians, 16th century Antwerp was comparable to what Palo Alto or Silicon Valley now are: a knowledge centre par excellence, a stimulating place for creative and innovative ideas and the top address for exchanging them.

With its population of more than 100,000, Antwerp was - after Paris - the second-largest city in Europe.

The site of what is now the Museum Aan de Stroom was occupied up till the end of the 19th century by the Hanzenhuis, the Hanseatic merchants' centre. It opened its doors in 1560, a time when Antwerp was the commercial centre of Western Europe. In the "house" with its five 62 x 80m floors, mainly German merchants stored their merchandise.

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Though a boom city, Antwerp was not immune to the poison of a religious war raging in the Netherlands, with the sharp contrasts between the Protestant north and Catholic south threatening social peace and the booming economy. The ruthless reaction of Philip II of Spain to the Iconoclast revolt (1566), "Iron Duke" Alva's long repression, the "Spanish Fury" (4 November 1576), the closure of the Scheldt - which was to last two hundred and ten years - in 1585, and the decline of Antwerp as the direct result of this, all heralded the end of Antwerp as an international trading centre. Its golden age was over:

The splendid metropolis, which in late 1577 was the de facto political capital of the Netherlands and as its most Protestant town also the centre of resistance against the Spanish monarch, soon dwindled into a Spanish and Catholic outpost of the Counter-Reformation in the Netherlands. The consequences were disastrous for Antwerp, which experienced an economic, demographic and intellectual exodus to the rapidly emerging Amsterdam.

² H. De Smedt, e.a., *l.c.*, p. 118-121.

The reopening of the Scheldt in 1794 triggered Antwerp's gradual economic revival. One reason for this was an important shift in Antwerp's urban economy.

The after-effects of the French Revolution were to be felt here as well. With the southern Netherlands temporarily coming under French rule, the Scheldt once again became toll-free.

The basis for the unstoppable revival and development of the port of Antwerp and consequently of the entire region was laid by Emperor Napoleon Bonaparte, who recognised the huge (military) potential of Antwerp's strategic location and port in his fight against his arch-enemy, England.³ Bonaparte's reign was a blessing to Antwerp: the public works carried out under his rule - the construction of new quays and docks and the establishment of a predominantly military shipyard - became the starting signal for a moder-

³ It was not without reason that Bonaparte called Antwerp: "Le pistolet braqué sur le coeur de l'Angleterre" - The gun pointed at the heart of England

20 nised port infrastructure well ahead of its day.⁴The very attractive employment and fiscal conditions, the increasing supply of cheap labour and the influx of many wealthy foreign investors formed the perfect conditions for a strong (economic) recovery of the port and city.

In the following two centuries, the port grew from strength to strength, cleverly leveraging historic events and harvesting

⁴ Under his rule, the first small dock ('le petit bassin') was completed in 1811, soon to be followed by a large one ('le grand bassin'). Even so, it was not until 1903 that the small dock was named after the emperor, being given the name "Bonapartedok". The 'le grand bassin', named "Willemdok" after King William I of the Netherlands, was opened in 1813. These two docks, handed over to the City of Antwerp in 1815 by the King of the Netherlands, formed the basis for Antwerp's tide-free port.

the fruits of industrial developments.⁵

After World War II the port doubled its capacity through an active industrialisation and development policy, with the Marshall Dock for oil tankers coming into service in 1951. In short, the Port of Antwerp followed a visionary strategy, developing into an integrated port with three strong pillars: traditional port activities focused on freight traffic and associated services, (manufacturing) industry, and logistics, accompanied by a gradual though substantial increase in

⁵ In particular the Franco-Prussian War of 1870-1871; the rise of steam shipping from 1872 onwards, and the First World War. At the beginning of the Great War, it was the British, and in particular the then Defence Minister Winston Churchill, who quickly recognised the strategic importance of the Port of Antwerp. On 4 October 1914, Churchill himself came to Antwerp to take charge of the defence of the city and port by Belgian and British troops. He was unfortunately not however able to prevent the Germans gaining control of Antwerp on 9 October 1914.

The Second World War also saw (the port of) Antwerp playing a crucial role. Its liberation on 4 September 1944 represented a key turning point in the war, greatly shortening the Allies' logistics and supply lines and helping to deal Nazi Germany the final blow. One of the aims of the German Ardennes Offensive (the Battle of the Bulge) in the harsh winter of 1944 was to cut the supply lines coming out of Antwerp. In the post-war years the port also benefited from the mechanisation and expansion of the rail network and from the Scheldt-Rhine Canal

22 overseas freight.⁶

From 1975 onwards, the Port of Antwerp played a strategic role in the increase in container traffic. Through shrewd shifts in policy, which without neglecting its traditional business foundations, opened it up to new activities, the port continued its spectacular expansion.⁷ Since the 1980's the port has also served increasingly as a storage and distribution centre, attracting a wide range of associated logistics services.⁸

⁶ For a good overview of the (development) of (overseas) freight flows, volumes, sources and destinations, see: R. Loyen, *Haven in de branding. De economische ontwikkeling van de Antwerpse haven vanaf 1900* (Port in the breakers. The economic development of the Port of Antwerp from 1900 onwards), Leuven, Universitaire Pers Leuven, 2008, p. 127-160.

⁷ Petrochemicals, non-ferrous industry, shipbuilding and repairs and the automotive industry emerged as excellent port-based sectors.

⁸ Cf. H. De Smedt, et al, loc.cit., p. 127: "The function of the Port of Antwerp has developed within just one century from an industrial port generating freight and work to a "distribution port" and "logistics hub"; and R. Loyen, op. cit., p. 63 et seq.; see also chapter 3.

I.4 Towards a new diamond age?

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What made Antwerp so powerful before its decline in the late 16th century remains its assets today. Fortunately we no longer owe our flourishing situation to the capricious favour of an emperor. Antwerp's central location with its well-developed international port in a prosperous region, its openness and accessibility, combined with a relatively high level of education, high productivity, competence and a certain individuality of its inhabitants have all contributed for centuries to making our city and province attractive. In an incredibly fast and radically changing world nothing is forever and nothing comes without effort. The fact that at that time Plantin could serve his customers as far as in Africa was exceptional.

★★★

24 Now the world has become one single market⁹ and a (virtual) community. Neither time nor space prevent people coming into contact with each other and/or working together and sharing knowledge. Almost all information can be made accessible quickly and without great effort.

In short, an ever-growing number of people from an increasing number of regions are increasingly becoming involved in a world that is ever-faster becoming more and more globalised. At the same time, the less important borders become, the greater seems the search for individuality, authenticity and a distinct identity.

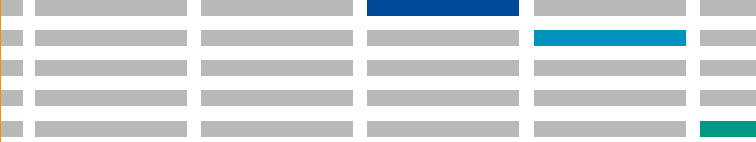
This speech is all about the opportunities, potential threats and challenges, and the ongoing globalisation of our region

⁹ Just as it is a matter of course that many Antwerp companies provide services worldwide, manufacture (or have manufactured) and sell products (for example, Dries Buytaert, who graduated from the University of Antwerp's faculty of mathematics and computer science in 2010, is stirring up the US market with his Drupal, a free open source web platform widely used today to build and collaboratively use and maintain websites. In 2008, he gained the accolade of being listed as an MIT TR Young innovator. http://nl.wikipedia.org/wiki/Dries_Buytaert). It is similarly a matter of course that companies from all over the world rely on Indian ICT companies and manufacturing facilities in countries where labour costs in relation to the quality of work are lowest.

and province: What is happening to the world? What does this mean for us? How are we as a region going to capitalise on these developments? How are we going to work together, each at his / her level in a sustainable manner to get the most out of these developments? And what is required of us?

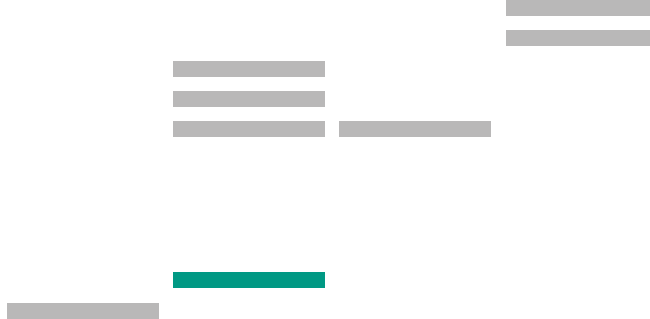
Answering these questions involves having an insight into how the world is changing and will change in the future. The greater the consensus about these insights, the greater the chance will be of finding an ambitious and successful strategy for Antwerp in the world and for the world in Antwerp.

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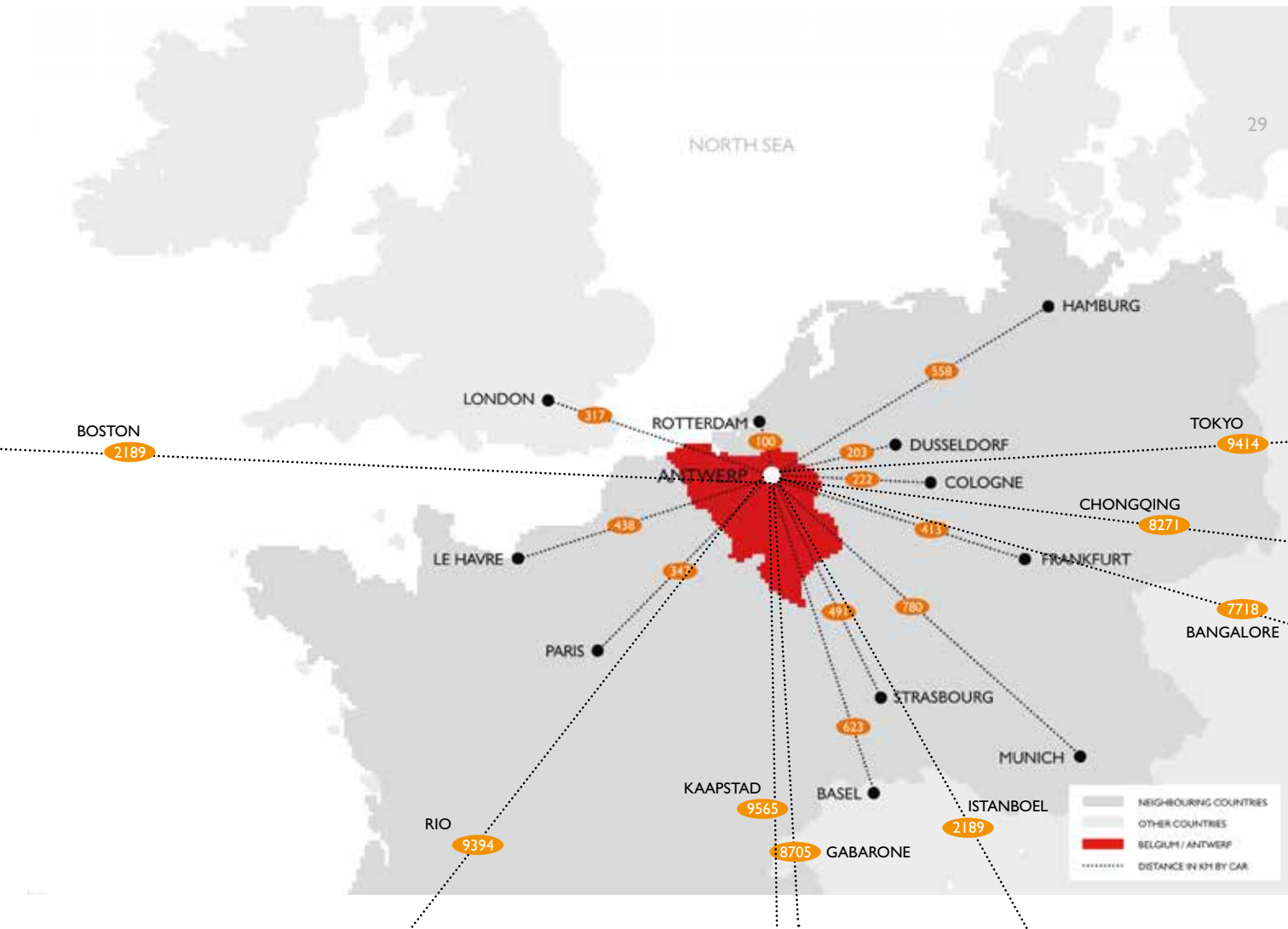


2. “A voyage of discovery through a globalising world”¹⁰

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¹⁰ Adapted from: Thomas L. Friedman, *The World is Flat. A Brief History of the Twenty-first Century - Version 3.0* (all further page references refer to the Dutch version of the book, *De aarde is plat. Ontdekkingsreis door een geglobaliseerde wereld, Editie 3.0*, Nieuw Amsterdam Uitgevers, 2009, 624p.)



What globalisation actually means is far from clear, which is why it conjures up most conflicting emotions.¹¹

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Is globalisation a euphemism for (unfettered) capitalism?
Is globalisation leading to a handful of clever and above all smart global citizens becoming increasingly rich?
Or is it simply a synonym for the new export strategy of such companies as Coca Cola or McDonalds, offering more and more of the same (mostly unhealthy) products throughout the world?

¹¹ The results of a broad survey by the Flemish Government's Survey Department on what Flemish people associate with the term "globalisation" confirmed their ambiguous attitude: "Globalisation: a curse or a blessing? The truth seems to lie somewhere in between. It is a phenomenon with a number of different dimensions, involving just as many threats as opportunities. Two out of three Flemings have a positive feeling about it, one in three a negative impression. Flemings perceive globalisation more positively than the average European, with the majority viewing it as an opportunity for boosting economic growth and bringing foreign investment into the country. A large section of those surveyed sees the phenomenon as not always contributing to the development of the poorest countries, with the greatest benefit going to large companies and not to the man on the street. Globalisation can help a country and its citizens to become more open to other cultures, though not always without danger to their own culture. Six out of ten Flemings see it as benefiting world peace, but not social equality. About three-fifths of Flemings believe that the EU provides protection against the negative consequences of globalisation and that this supranational framework also allows Member States to capitalise on its positive effects", M.Vanweddigen, <http://www4.vlaanderen.be/dar/svr/afbeeldingennieuwtjes/internationaal/bijlagen/2011-09-12-webartikel2011-16-globalisering.pdf>, p. 8-9.

32 Or will globalisation (at the end of the day) lead to improved living standards for more and more people in ever larger parts of the world? Does it create a framework of unprecedented opportunities for more and more people to exchange knowledge, services and products without the restrictions of time and space, thus achieving new levels? Does it create an ideal playing field for groups aspiring to wealth, power and influence through the use of criminal and/or terrorist activities?

Is it a source of new and rapidly spreading risks such as diseases and disorders in humans, animals - and most problematically in pollinators¹² - and plants?

Is it the problematic context under which the failure of a single bank can drag the world down into an unprecedented financial and economic crisis?

Or is it just an ideal context for developing and exchanging knowledge and tools to swiftly combat diseases or disasters with the help of a wealth of expertise and great international solidarity, to raise safety standards and thus improve the health, quality of life and safety of everyone?

¹² Pollinators are physical carriers (vectors) such as bees, etc. responsible for the pollen from the male stamens coming into contact with flower pistils, thereby ensuring fertilisation.

Can it be all this at once?

The literature on globalisation is as extensive and varied as are the process, its opportunities, challenges, threats, impact and significance. Any choice from this plethora will always be arbitrary, subjective and disputable. But anyone taking the time to read the following - to a certain extent overlapping but also complementary - fascinating works will end up with a comprehensive picture:

- Civilization. The West and the Rest (N. Ferguson);
- The World is Flat. A Brief History of the Twenty-first Century - Version 3.0 (Thomas L. Friedman);
- Monsoon. The Indian Ocean and the Future of American Power (Robert. D. Kaplan);
- How to Run the World: Charting a Course to the Next Renaissance (Parag Khanna);
- The New Asian Hemisphere: The Irresistible Shift of Global Power to the East (Kishore Mahbubani);
- The Geopolitics of Emotion: How Cultures of Fear, Humiliation, and Hope are Reshaping the World (Dominique Moisi);
- In Defence of Global Capitalism (Johan Norberg);
- The Rational Optimist: How Prosperity Evolves (Matt Ridley) and

- *Arrival City* (Doug Saunders)¹³

*The Bible says that God created the earth in six days,
and that he rested on the seventh day.
Making the world flat has taken a bit longer.
The world is becoming flatter through ten
major political events, innovations and companies
coming together. Since then nobody has been able to
rest any more - and things are set to continue that way.*¹⁴

Globalisation is no recent phenomenon. It is also not something that has taken us by surprise.

*From the Silk road to worldwide trade*¹⁵

Real globalisation started back in 1492 - so goes the

¹³ All these works strike a much more optimistic yet not naive tone on globalisation than a number of older works on the subject, as for instance: I. Ramonet, *Geopolitics of Chaos*, Algora Publishing, 1998 - *Globalisering en chaos*, Antwerp, Houtekiet, 1997; J. Stiglitz, *Globalisation and Its Discontents*, *Perverse globalisering*, Het Spectrum, 2002; R. Went, *Limits to Globalisation?, Grenzen aan globalisering?*, Amsterdam, Het Spinhuis, 1996.

¹⁴ T.L. Friedman, *op .cit.*, p. 61.

¹⁵ One of the inscriptions in the Saudi Arabia pavilion at the Shanghai World Expo 2010, organised under the slogan *Better City, Better Life*

hypothesis - with Columbus' discovery of America.¹⁶ Since then the world has been reduced in three eras to what it is today: one flat (knowledge) network in which everyone wants to or should be able to participate, whenever they want and wherever they are.

¹⁶ T.L. Friedman, *op .cit.*, p. 13 and 19. Friedman goes back even further, taking the period of the Tang Dynasty (618-907) in ancient China. Xi'an (then called Chang'an), the former capital of the "Middle Kingdom", was not only by far the largest city in the world, it was also the most cosmopolitan one in a very much globalised region (J. Van Der Putten, *Verbijsterend China Wereldmacht van een andere soort* (Astounding China: a world power of a different kind), Amsterdam, Nieuw Amsterdam Uitgevers, 2011, p. 112-114 and - albeit somewhat more nuanced: B.J. Ter Haar, *Het Hemels mandaat. De geschiedenis van het Chinese keizerrijk* (The heavenly mandate. The history of the Chinese empire), Leuven, Davidsfonds, 2009, p. 182 ff on "a cosmopolitan Tang?"). At that time there was no thought of Columbus and America. And indeed, 87 years before Columbus, the Chinese mariner Zheng He set off on the first of his seven ambitious expeditions. Between 1405 and 1433 he made no fewer than seven voyages taking in various parts of the world. An explorer and admiral under the Ming dynasty, a Muslim of Mongol descent who was captured as a child and castrated in order to serve in the Forbidden City, Zheng He sailed the seas between China and Southeast Asia, Ceylon, the Persian Gulf and the Horn of Africa (R.D. Kaplan, *Monsoon. The Indian Ocean and the Future of American Power*, Random House, USA, 2010, p. 27 and F. Zakaria, *The Post-American World*, W.W. Norton, USA, 2008, p. 59 ff; J. Van Der Putten, *op.cit.*, p. 114 ff, B.J. Ter Haar, *op. cit.*, p. 292 ff). The Chinese passion for discovery came abruptly to an end when the Ming Emperor Yongle, the one who had commissioned Zheng He to explore the world and the oceans, died in 1424. With him, China's overseas ambitions also died. Zheng He's voyages were immediately suspended. On top of this, the hajjin decree definitively banned oceanic voyages. From 1500, anyone in China found building a ship with more than two masts was liable to the death penalty. In 1551 it became a crime even to go to sea in such a ship, and Zheng He's records were destroyed (N. Ferguson, *Civilization. The West and the Rest*, 2011, Penguin Books, p. 54-55).

36 2.1 The three eras of globalisation¹⁷

Thomas L. Friedman defines the first era as being between 1492 - the year Columbus opened up trade between the old and new world - and 1800. In this era, Globalisation 1.0, the world shrank from huge to medium-sized, transgressing countries and governments. Often inspired by religious convictions and imperialistic expansionism, driven by hunger for raw materials and luxury products, countries and governments in particular¹⁸ took the initiative in pulling down walls and entering into strategic partnerships. Questions such as: "Where does my country fit into global competition and opportunities?" or "How can I go global and collaborate with others through my country?" were at the core of

¹⁷ T.L. Friedman, *op. cit.*, p. 19-21.

¹⁸ This however involved only a very limited number of countries. "For some reason, beginning in the late fifteenth century, the little states of Western Europe, with their bastardized linguistic borrowings from Latin (and a little Greek), their religion derived from the teachings of a Jew from Nazareth and their intellectual debts to Oriental mathematics, astronomy and technology, produced a civilization capable not only of conquering the great Oriental empires and subjugating Africa, the Americas and Australasia, but also of converting peoples all over the world to the Western way of life - a conversion achieved ultimately more by the word than by the sword." (N.Ferguson, *op. cit.*, p. 24-25). By 1913, eleven Western empires controlled nearly three-fifths of the globe and population and more than three-quarters (a staggering 79 percent) of global economic output (N. Ferguson, *op. cit.*, p. 25).

Globalisation 1.0. Or in other words: Globalisation meant that countries had to think globally in order to thrive, or at least survive.¹⁹

Globalisation 2.0 lasted from about 1800 to 2000. During this second great age it was the multinationals in particular²⁰ who were responsible for the world becoming smaller - in their search for new markets and labour. Technological breakthroughs created the necessary conditions: in a first phase the rise of the steam engine and the construction of railways and in a second phase the ever wider use of telecommunications and transportation due to falling costs.²¹ In this period, the world economy was born and grew up. The worldwide movement of goods, services, labour, capital and information from one continent to another led to the

¹⁹ T.L. Friedman, *op. cit.*, p. 289

²⁰ Singer, the sewing machine company, was one example, developing in an incredibly short space of time from a small workshop in New York into the first truly global company with factories in Brazil, Canada, Germany, Russia and Scotland (N. Ferguson, *op. cit.*, p. 249). Other examples are General Electric, founded by Thomas Edison, or Atlas Copco.

²¹ This led to widespread availability of telephones, PCs, satellites, fibre optic networks and taking us up to the first version of the worldwide web and a seemingly endless and wide range of transportation options.

38 creation of a global market. The major issues of that period were and still are: what role does my company play in the global economy? How can it benefit from the opportunities available? How can I use it to operate worldwide and work together with others? Globalisation 2.0 meant that companies had to think globally to do well or at least to survive.²²

We have been living and working in Globalisation 3.0 since 2000: 'the empowerment of the individual' era. Although the other globalisation eras remain in effect²³, it is no longer just countries or companies taking the lead, but increasingly also individual citizens, seizing the seemingly unlimited opportunities to participate and compete globally. Globalisation 3.0 means that people need to think globally to thrive and often even to survive (from a business perspective). This requires first and foremost a certain mental flexibility, personal motivation and psychological mobility.²⁴

²² T.L. Friedman, *op .cit.*, p. 289.

²³ See in particular P. Khanna, *How to Run the World: Charting a Course to the Next Renaissance*, Random House, 2011, p. 325.

²⁴ T.L. Friedman, *op .cit.*, p. 289.

A new world order, new technologies, techniques, processes, systems and a new "mental attitude" offer "flatteners"²⁵ a wide range of opportunities.

Everything began with the fall of the Berlin Wall in 1989, when the world literally opened up ideologically.²⁶ No constructive ideological alternative²⁷ existed any more to free-market capitalism, whether socially adjusted or not. The next milestone came six years later, with the launch of Netscape on 9 September 1995.²⁸ Ever since, Internet has been available to the public at large. All of a sudden, Antwerp, Boston, Bangalore, Beijing, Rio, Cape Town became neighbours. With Netscape, more and more people could and can get into contact with each other in ways and at costs previously unthinkable.

²⁵ T.L. Friedman, *op .cit.*, p. 61-271.

²⁶ The Berlin Wall was not only a symbol of keeping people inside Germany. It was a way of preventing a kind of global view of our future." Amartya Sen; J. Norberg, *In Defence of Global Capitalism*, Cato Institute, 2003, p. 56.

²⁷ Unless anyone considers the erratic and destructive thoughts and actions of terrorists and extremists of all kinds as an alternative ideology.

²⁸ T.L. Friedman, *op .cit.*, p. 70 ff.

40 This evolution triggered a whole new range of technical developments. These included: 1. work flow software (designing, reproducing, managing and accessing business data previously processed manually and now flowing within and between companies, possibly on different continents, on an unprecedented scale)²⁹; 2. uploading (the possibility for individuals or groups to promote and disseminate their products and ideas (often free); and 3. outsourcing or subcontracting. With the ability to digitise services, call centres and help desks, these can now be globally outsourced to the cheapest, smartest, most specialised and/or efficient organisation or individual.

And also 4. offshoring (the complete transposition of a factory to such countries as China, India, Bangladesh ... to produce under the most favourable economic conditions); 5. supply-chaining (horizontal cooperation between suppliers, retailers and customers and thereby between all actors involved in a particular process); 6. insourcing (specialised companies and/or individuals running complex parts of a process more efficiently than the company or organisation could do itself); or merely 7. the availability of information (the almost unlimited opportunity to seek and very easily

²⁹ T.L. Friedman, *op. cit.*, p. 89.

find knowledge using increasingly sophisticated search engines like Google, Yahoo, MSN Web Search³⁰) have all further helped to make the world flatter.

Information is also about seeking and finding “friends” sharing the same passion, allies and cooperation partners and allowing global communities to develop transgressing all international and cultural boundaries.

Certain technologies such as smartphones, iPods, iPads, Skype, VoIP, PDAs³¹ - so-called “steroids” - are moreover digitally turbocharging “flatteners”, leading them into a virtual mobile world. These enhance all previous tools and opportunities for working together: Obstacles to competition and communication are melting away like snow in the sun.³² Who, where or what you are, what you look like ... is much less important than what you do, how you do it and - most important ... how you're connected.³³

³⁰ T.L. Friedman, *op. cit.*, p. 186 ff.

³¹ The market research company GfK recently showed that smartphone ownership is booming, with almost one in five Belgians already owning one and figures continuing to shoot up. In less than two years, their market share has risen from 3% to 18%.

³² T.L. Friedman, *op. cit.*, p. 197 ff.

³³ P. Khanna, *op. cit.*, p. 171.

42 For those making full use of the so-called social media, there is an additional facet: you are what you share.

Whereas the first two eras - with the exception of the relatively short, very cosmopolitan and globalised period in ancient China - were very much European and American terrain³⁴, the third era is characterised by the immense diversity of those taking part. In Globalisation 3.0 more and more people can be linked up, "and you are going to see every color of the human rainbow take part".³⁵

The sum total of all these "flatteners" and especially the moment they all came together is the moment the world seemingly became flat.³⁶ This created a worldwide web-based playing field enabling several different forms of on-line cooperation, research and work, regardless of geography, distance or even language. It is precisely the exchange, the systematic sharing of know-how and the cooperation that underlie and facilitate all this that are set to become the main causes of the ever-increasing pace of innovation and

³⁴ N. Ferguson, *Ibid.*

³⁵ T.L. Friedman, *op. cit.*, p. 21.

³⁶ T.L. Friedman, *op. cit.*, p. 215.

renewal.³⁷ It is these "flatteners" in particular which have immeasurably extended the universe for the combination and exchange of knowledge and ideas, and the ability to participate in them.

Just when especially Western companies and individuals were becoming adjusted to the more horizontal playing field, some three billion new players - the people of China, India, Russia, Eastern Europe, Latin America, Central Asia and (soon also) Africa - became part of the new polycentric world of (virtually) exchanging knowledge and working together.

Where before they had been politically and economically excluded, in the 1990's they saw their chance to gain more freedom for themselves. And this at a point in time when the free market was becoming more accessible than ever before. The "new participants" didn't need to cross any borders to participate.

Never before was and is the ability of the global community to participate in all developments and innovations as large as it is today.

³⁷ M. Ridley, *The Rational Optimist: How Prosperity Evolves*, HarperCollins Publishers, USA, 2010, p. 277.

44 This is very good but nevertheless very challenging news: the dissemination of useful knowledge leads to even more useful knowledge being produced.³⁸ This means keeping up with the pace. In the flat world individuals increasingly assume responsibility for managing and shaping their own careers and/or lives. It is the task of the authorities to provide the right framework allowing citizens to acquire the requisite skills and competences: curiosity, passion, intrinsic motivation, resilience, broad and interdisciplinary knowledge with a focus on the ability to link up different disciplines and/or become expert in individual ones, an openness to art and culture, an emphasis on talent, empathy, commitment, perseverance, work ethic, “learning to learn”, possibly a feeling for what is meaningful and of a higher purpose than material gain, and ideally a combination of all.³⁹ Adequate support must continue to be given to those in need

³⁸ M. Ridley, *op. cit.*, p. 257.

³⁹ T.L. Friedman, *op. cit.*, p. 320 ff.

of it.⁴⁰

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This process of mass participation is undoubtedly the major globalising force for the worldwide exchange of knowledge, global business and politics in the 21st century. Unfortunately, we are (still) at a stage where not everyone can participate in the global economy. (Too) many people remain excluded - through poverty or a lack of education, PC and/ or Internet access.

But even though we are only speaking about ten percent of the world population, it is still the U.S. labour market multiplied by a factor of two. This percentage is set to increase.⁴¹ And that's a good thing too.

⁴⁰ T.L. Friedman, *op. cit.*, p. 402 ff and D.H. Pink, *Een compleet nieuw brein. Waarom de rechterhelft van ons brein ons succesvoller maakt* (A completely new brain. Why the right half of our brain makes us more successful), Amsterdam, Business Contact, p. 61-181 who - in my mind - rightly argues that in the conceptual era (the era of “abundance, Asia and automation”) we need to complement our linear reasoning with six high concept -/ high-touch senses in order to develop a completely new brain, i.e. not to just function but also to design; not just argumentation but also story-telling; not just focus but also symphony, synthesis or the whole picture; not just logic but also empathy; not just seriousness but also playfulness; not just accumulation but also meaningfulness.

⁴¹ T.L. Friedman, “It’s a flat world after all”, in *New York Times Magazine*, 03/04/2005.

46 2.2 Growth!

Whether it began with the discovery of America, the fall of the Berlin Wall or the launch of Netscape: exchange, cooperation, specialisation ... quantitative and especially qualitative growth and progress are the target. Qualitative growth is the norm.⁴² After all, qualitative growth drives the process of innovation and production improvements and vice versa. Without growth the number of (new) products on the market declines. This influences consumer buying behaviour, with wage cuts and layoffs as the final result. Due to worldwide economic growth and the emergence of such “new” global players as China, India, South Asia, South America, but also Turkey and a handful of African countries, poverty is on the retreat worldwide⁴³, while at the same time the middle class is expanding.⁴⁴ Everything is pointing to one of

⁴² J. Norberg, *op. cit.*, p. 62 ff. D. Dollar and A. Kraay, Trade, growth and poverty. In this area there is currently considerable pessimism: cf. “Pessimisme troef bij winnaars Nobelprijs” (Pessimism: an asset for Nobel Prize winners), *De Standaard*, 7 July 2011.

⁴³ F. Zakaria, *The Post-American World*, W.W. Norton, USA, 2008, p. 13.

⁴⁴ R. Guha, *India After Gandhi: The History of the World’s Largest Democracy*, HarperCollins, USA, 2007, p. 806 ff; R.D. Kaplan, *Monsoon. The Indian Ocean and the Future of American Power*, Random House, USA, 2010, p. 22 and 30; K. Mahubani, *op. cit.*, p. 11 ff; J. Van Der Putten, *op. cit.*, p. 25 ff.

the UN’s Millennium Development Goals - cutting world poverty by half by 2015 - indeed being achieved, due to the fact that China, India, but also Africa⁴⁵ and South America have been successful in significantly reducing poverty.⁴⁶ The less poverty there is and the larger the global middle class, the more people there are in a position to contribute positively and constructively to the worldwide process of exchanging (knowledge), specialisation and cooperation. Economic growth is also a way of preventing conflicts, enhancing self-confidence and increasing prosperity for all to share. Economic growth can also contribute to a cleaner environment. The larger the middle class, the louder the demands are for a healthier environment, the more resources and opportunities (and obligations) are available to invest in the efficient use of raw materials and in clean technologies.

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⁴⁵ A. Burns (senior World Bank economist), “The poor in Africa are becoming increasingly rich. Since the crisis, traditionally poor countries have been growing much faster than the rich Western world”, *NRC Handelsblad*, 8 June 2011.

⁴⁶ K. Mahubani, *The New Asian Hemisphere: The Irresistible Shift of Global Power to the East*, Perseus Books Group, USA, 2008, p.11.

48 In short, the richer a country is, the better it is for nature⁴⁷.

And vice versa, the better off nature is, the richer the country is.

Whether we're all happier is however open to discussion.⁴⁸ The answer is possibly also related to some real or perceived drawbacks of globalisation.

⁴⁷ J. Norberg, *op. cit.*, p. 216 ff.

⁴⁸ Lord Richard Layard, *Happiness*, The Penguin Press, New York, 2005.

2.3 Perceived drawbacks ... and possible answers

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2.3.1. Globalisation leads to uncontrolled immigration⁴⁹

"With the world having become flat and with low-cost transport available in abundance, fortune seekers can use the Internet to learn "what to buy where", picking out which promised land they want to go to. Globalisation leads to unbridled and practically uncontrollable migration flows".⁵⁰

⁴⁹ J.M. Guéhenno, *Het einde van de democratie* (The end of democracy), Tielt, Lannoo, 1994, p. 19; I. Ramonet, *op. cit.*, p. 8; P. Scheffer, *Het land van aankomst* (The land of arrival), Amsterdam, De Bezige Bij, 2007, 476p.; R. Went, *op. cit.*, p. 29 ff.

⁵⁰ P. Scheffer, *Het land van aankomst*, Amsterdam, De Bezige Bij, 2007, p. 109.

50 Migration has always existed.⁵¹ Indeed the whole history of mankind is shaped by migration.⁵² This is the most tangible aspect and/or consequence of globalisation. Three percent (200 million people) of the world population are migrants. We immediately think here of people wanting to migrate from a poor to a rich country to try their luck there. Yet, there is almost as much migration between poor(er) countries as from poor to rich.

Multicultural society is increasingly coming under fire,

⁵¹ B. De Munck, H. Greefs en A. Winter, "Poorten en papieren. Diversiteit en integratie in historisch perspectief (Ports and papers. Diversity and integration in historical perspective)", in *Antwerpen. Biografie van een stad*, op. cit., p. 211-243.

⁵² Cf. the standard work advocating a more open immigration policy: N. Harris, *Thinking the unthinkable. The Immigration Myth Exposed*, London, I.B. Tauris Publishers, 2002, p. 9 ff. (183p). According to Harris this type of migration policy does away with a useless government which comes with strict procedures that generate frustrating work for many government employees (civil servants and judges). The people benefiting most from a strict immigration policy are the human traffickers and smugglers. And with the safety of would-be immigrants often only a low priority, a strict immigration policy indirectly contributes to an ethically unacceptable loss of life and human capital. Many would-be immigrants do not survive the perilous journey. For those left behind in the country of origin, who have often invested everything in helping a family member or friend to emigrate - in the hope of a return once the adventurer reaches his destination - this is a disaster. But destination countries also lose out, missing opportunities to meet challenges we all face: tight labour markets, affordable social security and ageing (N. Harris, *Ibid.*).

with tension rising. A certain discomfort factor, alienation, violence and aggression as well as xenophobia and racism fuel the idea that the arrival of newcomers and immigrants is one of the root causes of social conflict or a "multicultural drama".

And it is not just right-wing extremists, populist politicians and parties but also political leaders⁵³ who find it en vogue to give "multicultural society" a bashing. Though disagreement may still exist on how to rescue the euro, there is a lot of unanimity about the failure of "multicultural society": "We have been too much concerned with the identity of the immigrant and not enough with the identity of the country taking him in", stated Nicolas Sarkozy, himself the child of immigrant parents. Prime Minister David Cameron postulated: "State multiculturalism has failed". And Chancellor Angela Merkel put it this way: "Multicultural society is a flop". In doing so, she echoed to a certain extent what Thilo Sarrazin, a Socialist and former board member of the

⁵³ L. Collins, "Letter from Luton. England, their England. The failure of British multiculturalism and the rise of the Islamophobic right", *The New Yorker*, July 4, 2011, p. 28-34. Collins begins her hard-hitting article with a good anthology of recent statements by President Nicolas Sarkozy, Chancellor Angela Merkel, PM David Cameron and other European leaders on the failure of multicultural society.

52 German national bank, is saying in his sensation-mongering book, stating that “Muslim immigration is undermining German society”.

They are doing this at a time when the original Dutch critics - Frits Bolkestein and Paul Scheffer (the man originally coining the term “the multicultural drama” in the NRC Handelsblad) - are now taking a much more nuanced position. Bolkestein noted recently that “integration is better now than 20 years ago”. For his part, Scheffer would like to get rid of the term “immigrant”, acknowledging that we have come a long way since 2000, though without this meaning that all problems have now been solved.⁵⁴

What should we make of the above-mentioned tough statements by certain top politicians? Would we be socially, economically and socially better off with a tough immigration policy based on strict “ethnic” criteria? Just imagine what it would be like if there were no immigration or if we were not participating in it?

The multicultural society is a fact, that is an admitted truth. But this does not discharge us, does not discharge policy-

⁵⁴ Frits Abrahams, “Van ‘drama’ tot ‘probleem’” (“From a ‘drama’ to a ‘problem’”), NRC *Handelsblad*, Tuesday 4 October 2011.

makers and society as a whole, from the task of organising it properly and maximising its value. Indeed, openness is much more fruitful than any policy of closed borders.

Although perhaps not entirely convincing, we can perfectly substantiate this claim with a few striking examples from a more or less distant past.

In the first half of the 15th century - a period of great openness and Chinese voyages of exploration - Ming China was the most modern and innovative civilisation worldwide, responsible for such major innovations as gunpowder; the spinning wheel, the silk reel, insecticides, matches, the magnetic compass or the wheelbarrow. Ming China lost its role within just a short space of time when distrust for “everything foreign” led to a sudden withdrawal into itself. China lost its leading role, giving Europe and later the USA the room to grow into the world’s leading powers. Europe and the USA focused consistently and openly on competition, the development and application of (natural) science and medicine, protection of property rights and the expansion of the consumer society together with a strong work ethic.

54 As Adam Smith put it in the 18th century:

“China seems to have been long stationary, and had probably long ago acquired that full complement of riches which is consistent with the nature of its laws and institutions. But this complement may be much inferior to what, with other laws and institutions, the nature of its soil, climate, and situation might admit to. A country which neglects or despises foreign commerce, and which admits the vessels of foreign nations into one or two of its ports only, cannot transact the same quantity of business which it might do with different laws and institutions (...). A more extensive foreign trade (...) could scarce fail to increase very much the manufactures of China and to improve very much the productive powers of its manufacturing industry. By a more extensive navigation, the Chinese would naturally learn the art of using and constructing, themselves, all the different machines made use of in other countries, as well as the other improvements of art and industry which are practised in all the different parts of the world.”

As we know, China owes its resurrection and the re-assumption of its historical place in the world to the policy of openness adopted by Deng Xiaoping, the greatest reformer of the post-Mao period. In 1978 he made the following statement:

*“No country wanting to develop can follow a closed door policy. We have tasted the bitter experience and our ancestors have tasted it. In the early Ming dynasty during the rule of Yongle, when Zheng He sailed the Western ocean, our country was open. After the death of Yongle, the dynasty collapsed. China was invaded. From the middle of the Ming Dynasty to the Opium Wars, China spent 300 years in isolation, a poor country, backward, and stuck in darkness and ignorance. No open door is not an option”.*⁵⁵

Though historical examples can provide a strong indication influencing the debate⁵⁶, they are not conclusive. Though openness and globalisation, in contrast to introspection and

⁵⁵ Deng Xiaoping, quoted by Ferguson, *op. cit.*, p. 1-72.

⁵⁶ Examples from the recent past include South Africa during apartheid and East Europe during the Cold War (1947 - 1989). Current examples are North Korea and Cuba (I. Golding et al., *Exceptional people, how migration shaped our world and will define our future*, Princeton University Press, Princeton and Oxford, 2011, p. 262.

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56 protectionism, are vital for a country's economic performance⁵⁷, they are by no means the only prerequisites. More is needed to make a success out of openness and migration, two inextricably linked elements.

Filip Rogiers was indeed right in his "Eigen schuld eerst" (Our own fault comes first) in stating⁵⁸: "When the world citizen from Brussels meets the world citizen from Senegal, this is an enriching experience for both. When the citizen of one country, one who has dropped out of society, stands facing a refugee without a chance to gain a foothold in his country, this is food for conflict. The one is forced by the globalisation of the economy to work abroad, the other has lost his work in his own country due to that same globalisation."

However we look at it, multicultural society as a result and/

⁵⁷ N. Ferguson, *Ibid*; T.L. Friedman, *Ibid*.

⁵⁸ F. Rogiers, *Eigen schuld eerst, wat we niet willen horen over extreem-rechts in Vlaanderen* (Our own fault comes first - what we do not want to hear about the extreme right in Flanders), Nygh & Van Ditmar, 2001, p. 38. See also: VRIND, 2011 "De houding tegenover vreemdelingen en migranten wordt positiever naarmate het opleidingsniveau stijgt" (Attitudes towards foreigners and immigrants are more positive, the higher educational levels are), p. 131.

or feature of a highly globalised society and economy is a reality. Anyone claiming it will disappear, lies. Whoever claims that it will fail, must try harder and/or make sure that everyone else tries harder than today, and/or have more patience: "Europe is a truly multicultural society, with 23 languages and even more peoples", said Herman Van Rompuy earlier this year:

"Living with diversity does however require a lot of effort. The doomsayers of multicultural society are impatient. Gaining the acceptance of large groups takes time, as we have seen in the past - we should not forget that for centuries it seemed that multi-religiosity had failed."

57

58 Living together day in and day out and gaining maximum benefit from it requires clear and clearly enforced agreements. A good dose of empathy, openness, mutual respect, positive commitment and engagement and a sincere appreciation of the host country's commitment and engagement on the part of the newcomer and/or existing immigrants are the ingredients for success.

Moreover, an understanding of the many opportunities offered by (openness to) migration - provided they are actually taken up by everyone - can help.

⇒ According to the Commission on Ageing, immigration can help keep our social system affordable.⁵⁹

⁵⁹ "Immigration makes ageing a shade more affordable", *De Tijd*, 13 July 2011, p. 7. This of course presupposes that these immigrants actually work, paying taxes and social security contributions. This assumes a successful and pro-active activation policy and an immigration policy more geared to the labour market, coupled to an otherwise necessary reform of social security and welfare (N. Harris, *Thinking the unthinkable. The Immigration Myth Exposed*, London, I.B. Tauris Publishers, 2002, p. 126 ff)

⇒ Migration can - not just in Belgium but throughout the world - help overcome the mismatch on the labour market (shortages and an increasing number of critical professions on the one hand and high unemployment on the other hand).⁶⁰

⇒ Migration and multicultural society can contribute to accelerating the exchange of knowledge, insights and experience.⁶¹

⇒ Migration and multicultural society can contribute to a sharpening of a whole range of perspectives and angles, thus promoting creativity and innovation.⁶²

⇒ Migration and multicultural society can be a lever for individuals and groups to participate more in an increasingly

⁶⁰ "The West should be more welcoming to migrants - there's competition from the East for them", *The Economist*, 27 September - 2 October 2011, p. 12 and 49 ff.

⁶¹ N. Ferguson, *Ibid.*

⁶² I. Goldin et al., *op. cit.*, p. 260.

60 globalised world.⁶³

"In a truly multicultural society the ruling elite has become multicultural. You see doctors, (university) teachers, lawyers, politicians, journalists ... all having a prominent place in society, even if they look different. The self-confidence of this elite in a multiracial society radiates out to the rest of society, with immigrants no longer being identified with failure and enabling the middle class to send their children to mixed schools. And last but not least the dichotomy "them and us" is disappearing. When you spend the whole day working alongside colleagues from all four corners of the world, you stop thinking in that sort of terms".⁶⁴

⁶³ VRIND, 2011 "Attitudes towards foreigners and immigrants become more positive, the higher education levels are. In neighbourhoods with a certain degree of diversity, people react more positively than in purely white neighbourhoods, though this switches to becoming very negative in neighbourhoods with high immigrant ratios (p. 131). See also: M. Vanweddigen, "Globalisering: gunstig of net niet? Opinie van de Vlaming in EU-context" (Globalisation, beneficial or not? Opinions of Flemings in a European context), SVR-Webartikel, 2011/16, 5: "Flemings and Europeans seem to be convinced of the cultural benefits of globalisation. Globalisation is seen by the majority of Flemings and Europeans as an opportunity to be being more open vis-à-vis other cultures".

⁶⁴ D. Chakrabarty, "Tolerantie begint bij een multiculturele elite" (Tolerance begins in a multicultural elite), *De Tijd*, 9 April 2011. This Indian historian was awarded an honorary doctorate from Antwerp University in 2011

This promotes the necessary trust between people regardless of their background and/or origin. Where different cultures interact more or less in harmony, creativity is stimulated. New combinations of ideas emerge, contributing to innovation and creativity.

⇒ Migration and multicultural society can provide an insight into consumer preferences in markets still to be developed and contribute to tailoring services and products for these new markets. Companies wanting to expand abroad can gain a better understanding of the needs of prospective customers by calling on the expertise of employees originating from the regions concerned. People with a migration background can form the interface between the company and the market in the countries they originally came from. The diversity of needs may also lead to the successful development of new products and services.⁶⁵ In such a context it is not surprising that multinational companies put a lot of energy into establishing a strong diversity policy. With talent scarce, market shares difficult to gain and new markets difficult to enter, opportunities need to be leveraged as best as possible. Where this also contributes to new and useful perspectives being gained, a win-win situation arises.

⁶⁵ T.L. Friedman, *op. cit.*, p. 172-173.

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62 ⇒ Migration and multicultural society act as a mirror for destination countries, requiring them to stand back and look at how they function. Which values and institutions have contributed to success and which ones have we possibly neglected or renounced over time (values such as hard work and long hours, thrift⁶⁶, honesty, patience, tenacity and openness to change and new technologies⁶⁷? According to Ferguson, Europeans are currently the “world’s slackers”:⁶⁸ On average they work less than Americans and a lot less than Asians (Chinese employees work on average 10 hours a day, 5 - 6 days a week, and have 15 days leave a year). Thanks to long-term training (which is a great thing), early retirement and systems for reducing working hours, career breaks, etc. a smaller proportion of Europeans is actually available for work. Ferguson explicitly cites Belgium and Greece as countries where only 54 percent of the over-15 population are actually working.⁶⁹ The US percentage is 65 percent, that of China 74 percent. Europeans are also more

⁶⁶ N. Ferguson, *Ibid.*; T.L. Friedman, *op. cit.*, p. 418 and in particular p. 432 ff.

⁶⁷ T.L. Friedman, *op. cit.*, p. 432.

⁶⁸ N. Ferguson, *op. cit.*, p. 299 ff.

⁶⁹ N. Ferguson, *op. cit.*, p. 299.

likely to come out on strike. They work fewer hours due to their shorter working days and longer holidays. Between 2000 and 2007, the average American worked a little less than 1711 hours a year. The corresponding figure for Germany was 1437. People in Hong Kong by contrast work on average 2300 hours a year.⁷⁰

⇒ Migration and multicultural society have the potential to reduce the gap between North and South, rich and poor. Migration remains to a great extent financially motivated. With global migration in 2009 down for the first time in decades, 30 percent less money was sent from the rich(er) to poor countries.⁷¹ For India, the country most benefiting from transfers from citizens living abroad, this represented 3 percent of the country's GDP. Indians not living in India are the top investors ... in India.

Incidentally, does a flat(ter) world necessarily always lead to more migration? Integrating employees from, for instance, Asia and Africa into “our” work processes can be seen as a way of decreasing the need to emigrate in search of work

⁷⁰ N. Ferguson, *op. cit.*, p. 299-300.

⁷¹ P. Khanna, *op. cit.*, p. 239 ff.

64 and a better life.⁷²

Work is however increasingly itself “migrating”, flowing from the richer to the poorer countries. For example, half of American tax declarations are now processed in India. Anyone calling up an info hotline in Antwerp can - without knowing it - be helped in a friendly and professional manner by a lady from Russia for instance.⁷³ Globalisation, the many “flatteners” and the spread of the middle class in so-called development countries can further reduce rather than increase the need for people to emigrate.^{74 75}

⁷² The number of immigrants dropped by 7% in the OECD countries in 2007, though figures are expected to increase again in the future. See also: VRIND, 2011, 50.

⁷³ Mutatis mutandis: T.L. Friedman, *op. cit.*, p. 30-49.

⁷⁴ “Migration after the crash. Moving out, on and back”, *The Economist*, 27 August – 2 September, p. 49-50. In a number of European countries, South Korea and Japan, immigration fell sharply in 2009, with Ireland for example experiencing a 40% drop.

⁷⁵ T.L. Friedman, *op. cit.*, p. 489; N. Harris, *op. cit.*, p. 113.

In addition migration flows are increasingly shifting towards the new growth countries.⁷⁶

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An assumption which at the very least detracts from the need for an intelligent, balanced and consistent immigration policy, a policy which maximally rewards migrant talent, avoids and combats dependency⁷⁷ and maximally ensures internal security.⁷⁸

⁷⁶ “The West should be more welcoming to migrants-there’s competition from the East for them”, *The Economist*, 27 September-2 October 2011, p. 12 and 49 ff.

⁷⁷ A review of access to social security and welfare is probably more effective than a strict migration policy and its costly enforcement, see: N. Harris, *Ibid*; P. Scheffer, *op. cit.*, p. 113 ff.

⁷⁸ Openness is something other than naivety. A more open immigration policy in close conjunction with a pro-active and motivating social security and welfare policy may not become a way for an alien to escape from penalties he has been sentenced to elsewhere and / or to prevent him committing felonies in the destination country. Strict security screening based on an intergovernmental exchange of justice information as a preventive measure and strictly enforced rules on expulsion after (serious) criminal acts are probably more appropriate than the current policy.



2.3.2. Globalisation leads to uniformity and monoculture⁷⁹

Another equally visible sign and/or consequence of globalisation seem(s) to be total Americanisation.⁸⁰ American products, American services, American brands, American movies and moviemakers, American singers, American artists and American fast food and coffee chains have overrun us. The “American way of life” with its consumerism is set to soon overrun practically the whole world, with the dramatic consequences of overweight, obesity and a certain levelling effect. In short, globalisation will have an

⁷⁹ Very much to the point in this sense: I. Ramonet, *Geopolitics of Chaos*, Algora Publishing, 1998 - *Globalisering en chaos*, Antwerp, Houtekiet, 1997, p.47; “... modernity is used as an alibi to justify bending everything to the uncompromising level of sterile uniformity. A similar lifestyle is imposed from one end of the planet to the other, disseminated by the media and prescribed by the bludgeoning of mass culture. From La Paz to Ouagadougou, Kyoto to Saint Petersburg (...), the same films, the same television series, the same information, the same songs, the same advertising slogans, the same objects, the same clothing, the same cars, the same town planning, the same architecture, the same type of apartments often furnished and decorated in an identical manner. In affluent neighbourhoods of large cities across the world, the pleasure of diversity is giving way before the overpowering offensive of standardization, homogenization, uniformization. World culture, global culture, is triumphing everywhere.”

⁸⁰ I. Ramonet, *op. cit.*, p. 125: “Mass culture is triumphing, in particular that which is imposed by the major media, television and advertising. This reinforces the homogenization of all the Europeans but destroys national characteristics in favour of the American model. T.L. Friedman, *op. cit.*, p. 487 ff.

68 American face, an American feel, an American flavour⁸¹ and an American look.

Well, there are plenty of reasons for assuming that globalisation and the “flatteners” are not just levelling the way for a stars and stripes-like homogenisation.⁸²

Though the risk of cultural homogenisation is indeed implicit in the “flat-world platform”, the latter can be equally powerful in nurturing and strengthening cultural diversity and authenticity. For example, uploading (see above) makes the globalisation of everything local possible. Throughout the world, millions of people are using the possibilities and tools available to publicise their own content - news, opinions, stories, books, videos, software, encyclopaedias, dictionaries, music, etc. - in their own language on the web, sharing it with millions of people throughout the world.⁸³ What a powerful force for the preservation and enhancement of cultural autonomy and individuality! This highly captivating and enriching interaction leads not only to a shared frame of reference but also contributes to a strengthening of the specific and individual identity. A fascination for other

⁸¹ T.L. Friedman, *op. cit.*, p. 488.

⁸² *Ibid.*

⁸³ T.L. Friedman, *op. cit.*, p. 488 ff.

cultures, customs, languages ... is a way of better equipping people to meet the challenge of globalisation with sufficient background knowledge and experience.

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2.3.3. Globalisation can cause significant damage to the environment⁸⁴

Companies not able or willing to meet the high environmental standards in the West are able and willing to relocate to developing countries, making profits at the expense of the environment. In addition political leaders from such countries as China or India who would like to implement strict environmental and safety standards are often faced with a “Njet” from local officials who, in disregard of the social and environmental cost, want to attract major investments. Closures of factories or coal mines, however dangerous or polluting, are the last thing they want. Less investment and/or the closing down of (polluting) companies results in a drop in tax revenues (and bribes), while at the same time increasing the risks of unemployment and social

⁸⁴ I. Ramonet, *op. cit.*, p. 9 ff and 65: “In the name of progress and development man has undertaken, since the Industrial Revolution, the systematic destruction of the natural environment. Predations and convulsions of all kinds follow one after the other, inflicted on the soil, the water, the vegetation and the Earth’s atmosphere (...). Citizens are concerned by the extent of the ecological disasters and the problems they raise.” See also: J. Van Der Putten, *op. cit.*, p. 240-243.

70 unrest.⁸⁵ In short, it can be argued that “globalisation threatens the environment and the world”. Should moreover the world want to reach European, let alone the American levels of consumption, then the environment is doomed to go down the drain⁸⁶, with further growth opportunities irreversibly mortgaged.⁸⁷ It would take not one but a multitude of worlds to provide the necessary raw materials and food production.⁸⁸

⁸⁵ J. Van Der Putten, *op. cit.*, p. 105 ff.

⁸⁶ F. Zakaria, *op. cit.*, p. 108.

⁸⁷ The economics of ecosystems and biodiversity for national and international policymakers. Summary responding to the value of nature, February 2011, p.16 and 31 (<http://www.teebweb.org>).

⁸⁸ P. Collier, *The plundered planet. How to reconcile prosperity with nature?*, London, Penguin Books, 2010, p. 288; P. Khanna, *How to Run the World: Charting a Course to the Next Renaissance*, Random House, 2011, p. 254 “The Earth simply does not have enough resources for a global middle class to live at current Western levels”; J. Norberg, *op. cit.*, p.215.

71 But denying developing countries the right to develop further is - from a Western point of view - not only unrealistic, but even undesirable, and also totally unacceptable from an ethical perspective.⁸⁹ Nobody can and should expect a country like India, where 400 million people eke out a dismal existence without electricity, to sign a treaty for drastically reducing CO2 emissions before it has provided for the basic needs of its entire population. This applies a fortiori to all those areas of the world where people still die from real shortages⁹⁰, and still more so when you consider that thirty of the seventy-five areas emitting the most greenhouse gases are US states.⁹¹

Most EU Member States and the EU itself come out better than the US due to their greater use of natural gas and - as long as it remains socially acceptable - nuclear energy, both of which cause less pollution than oil.

⁸⁹ T.L. Friedman, *op. cit.*, p. 585 ff; J. Norberg, *op. cit.*, p. 221.

⁹⁰ J. Norberg, *op. cit.*, p. 221.

⁹¹ P. Khanna, *op. cit.*, p. 263.

72 But even so, together with countries like Australia and Japan⁹², the EU is not exactly well placed to teach emerging economies how to reduce CO₂ emissions⁹³ and protect the environment.

Figures show that it is also undesirable from an environmental perspective to dampen the growth ambitions of developing countries. Pollution does not, according to Norberg, increase with economic growth, with the impact of growth on the environment instead showing a statistical U-curve. "When growth in a poor country gathers speed and the chimneys begin belching smoke, the environment suffers. But when prosperity has risen high enough, the environmental indicators show an improvement instead emissions are reduced and air and water show progressively lower

⁹² On 11 July 2011, Prime Minister Julia Gillard announced that Australia would be introducing a CO₂ tax on 1 July 2012. The ca. 500 main polluters will then have to pay a tax equivalent to £17 per tonne of CO₂ emissions. For more details on these measures, see *The Economist*, 16-22 July 2011, p. 12 and p. 55 ff. The intention is to achieve a major shift from taxes on labour to taxes on pollution, thereby "internalising" external costs and requiring industry to accomplish a transition in the sense of greater sustainability and eco-efficiency.

⁹³ Van Der Putten, *op. cit.*, p. 243.

concentrations of pollutants."⁹⁴

Precisely because China has a massive appetite for energy, it has become a leader in the field of alternative energy sources within a short period of time. China is now the world's greatest investor in clean energy, the largest producer of solar panels and owns the world's largest wind farm.⁹⁵ Increasing prosperity sharpens environmental awareness, with populations vehemently demanding a cleaner environment.⁹⁶ Greater prosperity also means more resources and possibilities to invest in researching and developing sustainable, eco-efficient technologies, products, processes

⁹⁴ J. Norberg, *op. cit.*, p. 215-224.

⁹⁵ J. Van Der Putten, *op. cit.*, p. 242. Even so, the proportion of non-fossil fuels in China's total energy consumption remains, at 8%, relatively low. See also: „China gaat groen. Ecobusiness biedt opportuniteiten (China goes green: eco-business opportunities)“, *Forward*, VBO magazine, October 2011, issue 9.8, p. 18-27.

⁹⁶ J. Van Der Putten, *op. cit.*, p. 199 ff. A few examples can be cited from China's middle class: in Xiamen they managed to stop the construction of a polluting chemical factory, and in Shanghai they prevented the extension of the high-speed magnetic railway line past expensive homes. Each project would have had harmful effects on the health of inhabitants and on the value of their homes. Victims of environmental crimes are increasingly taking to the streets in China. Every day, dozens of demonstrations take place against the discharge of toxic waste, with local authorities often guilty of complicity (J. Van Der Putten, *op. cit.*, p. 243).

74 and consumption patterns.⁹⁷ In an increasing number of countries, sustainability and eco-efficiency are becoming the key research field of multidisciplinary research institutions and a core task of companies. Sustainability and eco-efficiency are increasingly determining the difference between loss and profit, or between profit and more profit. Research and development into sustainability and the marketing of the results have now grown into a full-fledged, successful and innovative economic sector.⁹⁸

Obviously the environmental problem will not solve itself. Strict rules are / continue to be needed to ensure that water, air and the soil do not get too polluted to allow future generations to meet their needs in a responsible manner. For countries and states this has become a matter of national security and social stability.⁹⁹

⁹⁷ M. Ridley, *The Rational Optimist: How Prosperity Evolves*, HarperCollins Publishers, USA, 2010, p. 347.

⁹⁸ The economics of ecosystems and biodiversity, *op. cit.*, p. 17 and 24.

⁹⁹ J. Van Der Putten, *op. cit.*, p. 242.

In a world in which less than 50 cities cause the majority of CO2 emissions, limiting emissions and ensuring a cleaner environment are just as much the work of local authorities, companies and consumers as that of political leaders: "inconclusive talks between governments can never accomplish what active competition between and in cooperation with local authorities, NGOs and business can achieve".¹⁰⁰ The right combination of wise rules leaving enough room for innovation and creativity, a systematic cross-border exchange of knowledge, optimal cooperation between all authorities, companies and NGOs, and highly (self-) critical and consequential citizens where everyone is expected to pull his weight, and where nobody can slip through the net, might sound a soft approach but is perhaps the one with the best chance of success.¹⁰¹

¹⁰⁰ P. Khanna, *op. cit.*, p. 261.

¹⁰¹ T.L. Friedman, *op. cit.*, p. 588-589; P. Khanna, *op. cit.*, p. 261; The economics of ecosystems and biodiversity, *op. cit.*, p. 34.

76 Meanwhile, there is already a huge pool of good examples and experiments to be tapped¹⁰²:

Cities such as Lisbon, Birmingham, Hamburg and Madrid are using Cisco's Connected Urban Development project to better regulate traffic through the use of smart traffic lights, while Stockholm and London tax the use of cars in their city centres. Copenhagen is eliminating parking spaces from the city centre, forcing everyone to use buses and trams. Berlin is requiring 1500 companies to become greener. This measure is expected to reduce the city's CO2 footprint by 25 percent. The ca. 0.5 hectare green roof of Chicago's City Hall not only reduces the amount of energy needed to cool the building in hot summers and warm it in the freezing winters but also captures vast amounts of water during unrelenting rain storms ...

Meanwhile, a network of 40 cities, "The C40 Cities Climate Leadership Group (C40)" from around the world is committed to locally meaningful and sustainable climate-related

¹⁰² P. Khanna, *op. cit.*, p. 261 ff.

actions in an effort to reverse climate change.¹⁰³

Companies as well are beginning to realise that sustainability is a prerequisite for lasting growth. Google for instance subsidises the purchase of e-cars for its staff and serves meals in its canteen made from organic ingredients coming from farms no further away than 250 km from its headquarters.

In short, with the right combination of NGO activism, business innovation, developing economies using new technologies, and consumers with great(er) awareness for the environment, the most recent wave of sustainability efforts can indeed be seen as the first tentative, truly global and comprehensive environmental movement¹⁰⁴, a pragmatic "Brave New Green World".¹⁰⁵

¹⁰³ <http://live.c40cities.org/> Zie ook, "Cities and climate change. Greening the concrete jungle", *The Economist*, 3-9 September 2011, p. 39-40.

¹⁰⁴ P. Khanna, *op. cit.*, p. 261-280.

¹⁰⁵ T.L. Friedman, *op. cit.*, p. 587.

78 In this fourth wave, the “Green New Deal”, leading business managers have become environmental “traders”.¹⁰⁶ A necessary development as in a world where a mining company like Rio Tinto emits more greenhouse gases than the whole of Ireland, it is essential for major multinational companies to jump onto the sustainability bandwagon. This would be a lot more effective than all those - not very sustainable - environmental conferences.¹⁰⁷ More and more companies are aspiring to become good examples.¹⁰⁸ More and more companies do not want to be left out in the cold – seeking the cheapest labour cost what may – but to contribute to sustainability, also out of concern for their corporate image. This can lead, for example, to a foreign-funded company contributing to improving the environment. When in addition people are better educated and paid a little more than usual in the region, this can become a real lever for sustainable development.

¹⁰⁶ P. Khanna, *Ibid.*, p. 274.

¹⁰⁷ *Ibid.*, 276; F. Zakaria, *The Post-American World*, W.W. Norton, USA, 2008, p. 47.

¹⁰⁸ T.L. Friedman, *op. cit.*, p. 588-589.

2.3.4. Globalisation widens the gap between the world's rich and poor¹⁰⁹

79

Some facts¹¹⁰:

Forty years ago, more than five billion people lived below the poverty line and only one billion people above it. This proportion has now been almost completely reversed - impressive progress despite or rather due to increasing globalisation and the dramatic increase in prosperity particularly in China, India, Southeast Asia and South America but also in certain African countries. Even so, some 1.7 billion people remain without access to education, clean water and basic health care.

¹⁰⁹ J. Stiglitz, *Globalisation and Its Discontents* (Perverse globalising), Utrecht, Spectrum, 2002, p. 41 ff. Stiglitz acknowledges that, on average, countries that grew faster have been more successful in reducing poverty, as seen in China and East Asia; R. Went, *Grenzen aan globalisering?* (Limits to globalisation?), Amsterdam, Het Spinhuis, 1996, p. 31 ff.

¹¹⁰ P. Collier, *The bottom billion. Why the poorest countries are failing and what can be done about it?* Oxford, Oxford University Press, 2008. For a highly vivid description of the increase and expansion of prosperity in the world see: M. Ridley, *op. cit.*, p. 21 – 56 (as well as many other places in the book).

80 Some 1.3 billion people have to live on less than \$1.25 a day.¹¹¹ Yet, looking at the United Nations' Annual Report¹¹² we see that the world is a better place to live than in 1990. Many more people are healthier, live longer, are better educated and have greater access to products and goods than ever before in history.

The Human Development Index (a measurement of development, taking into account income, education and health) has risen almost by half since 1970. Worldwide per capita income has doubled. With the exception of Zimbabwe, the Congo and Zambia, peoples progressed everywhere in the world, often with great leaps.

The same index also shows that:

- The gap between developed and underdeveloped countries has fallen by a fifth.
- Average life expectancy has risen from 59 to 70, with developing countries in particular catching up.
- Child and childbirth mortality rates have dropped significantly.
- The overall literacy level has risen from 73 percent to 90 percent over the past twenty years.

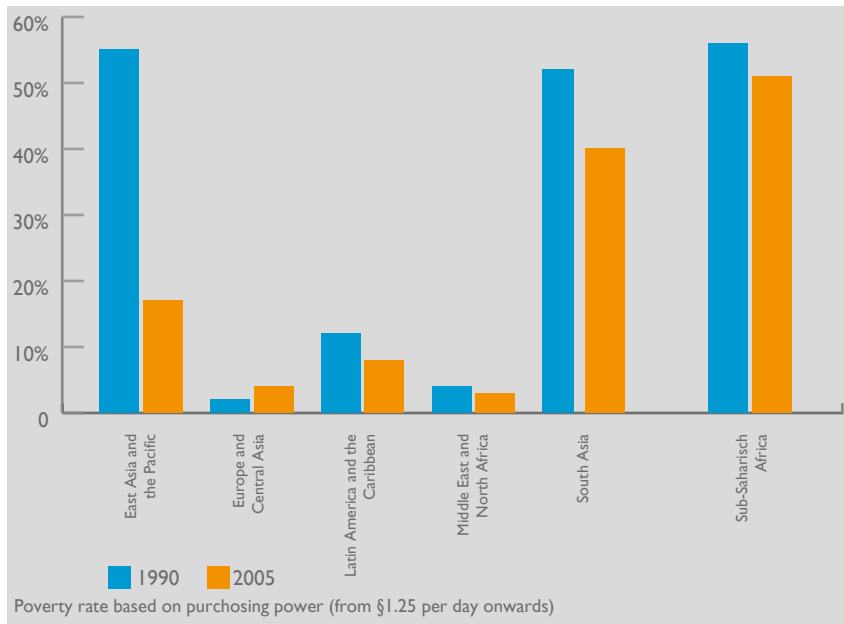
In short, despite many reports to the contrary, these figures demonstrate - thank God - the opposite. The achievement of one of the UN's key Millennium Development Goals - cutting world poverty by half by 2015 - is due especially to globalisation and the growth of China, India, South America, Southeast Asia and an increasing number of countries in Africa.¹¹³

¹¹¹ Human development report: 40-year trends analysis shows poor countries making faster development gains (<http://hdr.undp.org/>) and <http://hdr.undp.org/en/mediacentre>); The figures for Asia and China in particular are especially impressive: T.L. Friedman, *op. cit.*, p. 421.

¹¹² *Ibid*

¹¹³ T.L. Friedman, *op. cit.*, p. 446-448; K. Mahbuni, *op. cit.*, p. 71 ff; M. Ridley, *op. cit.*, p. 29.

The reduction in poverty levels is substantial



Source: Povcalnet, wereldbank

84 2.3.5. Partly due to globalisation, the (economic) balance of power in the world is shifting to Asia, with Europe and the USA increasingly losing in importance.¹¹⁴

Whereas the 20th century was the century of both America and ideology, everything is pointing to the 21st century being the century of Asia¹¹⁵ and individuality. Since 1978, when Deng Xiaoping¹¹⁶ told the Chinese people that their future lay in the march to modernity, China has gone

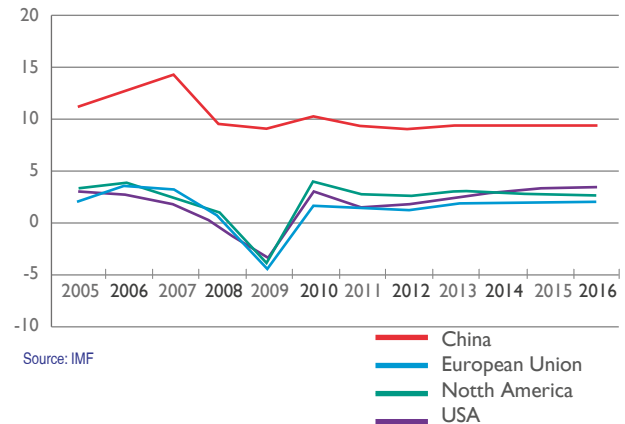
¹¹⁴ T.L. Friedman, *op. cit.*, p. 688; P. Khanna, *op. cit.*, p. 325; J. Kyngé, *China Shakes The World: The Rise of a Hungry Nation*, GB, Weidenfeld and Nicolson, 2008, p. 336.; K. Mahbubani, *op. cit.*, p. 336; D. Moisi, *op. cit.*, p. 256; G. Noels, *Econoshock, Hoe zes economische schokken uw leven fundamenteel zullen veranderen*, Antwerpen, Houtekiet, Business Contact, p. 97 ff; D.H. Pink, *Een compleet nieuw brein. Waarom de rechterhelft van ons brein ons succesvoller maakt (A completely new brain. Why the right half of our brain makes us more successful)*, Amsterdam, Business Contact, 2010, p. 37 e.v.; J. Van Der Putten, *op. cit.*, p. 336; F. Zakaria, *op. cit.*, and in particular p. 59 ff. See also: The 14 May 2011 issue of *De Tijd* and in particular the supplement on the New World Order, as well as numerous articles in *Die Zeit*, *The Economist*, *The New Yorker* and other newspapers and journals worldwide.

¹¹⁵ D. Moisi, *The Geopolitics of Emotion: How Cultures of Fear, Humiliation, and Hope are Reshaping the World*, Random House, New York, 2009, p.34; G. Noels, *op. cit.*, Antwerp, Houtekiet, Business Contact, 2008, p. 85-137.

¹¹⁶ The shift in Chinese policy ushered in by Deng and the Communist Party of China in 1978 re-occurred in India in 1991 under the lead of Mr. Manmohan Singh, the then Minister of Finance (*The Economist*, 23 July 2011, p. 8).

through steady yet spectacular development.¹¹⁷ In the short period of 26 years between 1978 and 2010, China's GDP has risen on average by 9.4 percent a year, growing from \$147.3 billion dollars to \$5.8 trillion.

Growth of real GDP, in %



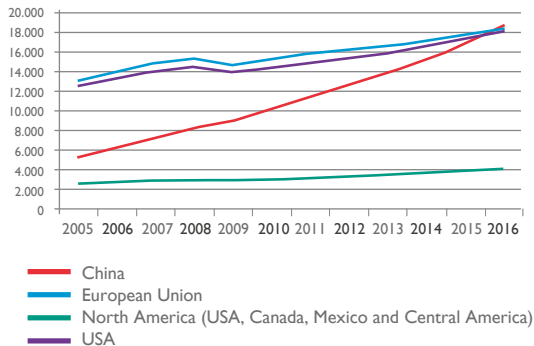
Source: IMF

¹¹⁷ For more details, see: N. Richardson, 'De grote sprint voorwaarts (The great sprint forwards)', *De Standaard Weekend Supplement*, Saturday 20 and Sunday 21 August 2011.

86 The equivalent 2010 figures for the EU (ca. \$16 trillion) and the USA (ca. \$14 trillion) were some three times higher than that of China. Expressed in per capita GDP, the figures were eleven times higher:

And when, people are asking themselves, is China going to move into pole position? A number of regularly updated projections are available. In 2003 Goldman Sachs saw China catching up in 2041. The world's reaction was disbelief.

Overview of the GDP development of China, the EU, USA and North America (USA + Canada + Mexico and Central America)



Source:

87 Shortly before the outbreak of the economic crisis in 2008, Goldman Sachs revised its projection, now forecasting that China would catch up in 2027. With the worst of the crisis apparently over in 2010, further updates were made, with different sources bringing the year forward to 2025 (Goldman Sachs), 2020 (PricewaterhouseCo press) and even to 2012 (Tyche Group).¹¹⁸

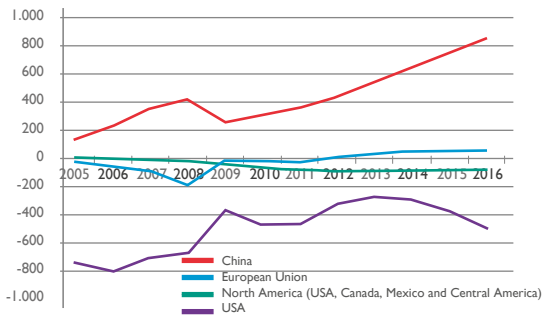
Ten years ago when, after long and difficult negotiations, China joined the WTO, multinationals and the western world triumphed. The gates to China were finally open and the West could conquer the Chinese market at a rapid pace. In 2011 things look very different. The Chinese market has remained largely in Chinese hands. At the same time China's importance in the world market has increased sharply.

Chinese foreign trade has been growing by an average 16 percent, from \$266.1 billion in 2004 to \$1.5779 trillion. In 2009 China ousted Germany as the world's leading exporter. It has also ousted the USA after more than a century as the world's largest energy consumer and the largest car market. Chinese foreign exchange reserves have risen correspondingly.¹¹⁹ To such an extent that, with a third

¹¹⁸ J. Van Der Putten, *op. cit.*, p. 27.

¹¹⁹ K. Mahbubani, *op. cit.*, p. 70 ff.

88 Overview of the GDP development of China, the EU, USA and North America (USA + Canada + Mexico and Central America)



Source: IMF

Economic indicators China

	Jan.-Feb. 2010
Industrial value added growth	+20,7%
Electricity production	+22,1%
Investments (real growth)	+23,0%
Retail trade sale (real growth)	+15,4%
Export	+31,4%
Import	+63,6%
Real estate sale	+38,2%
Central government revenue	+32,9%

Source: Dragonweek, Gavekal, 15th March 2010, p. 2

of the world's foreign currency reserves in cash, China has become too small for itself and its own capabilities and available resources. This means that the rest of the world is helping China develop into a superpower.¹²⁰ The fact that EU Member States are openly angling for Chinese cash with which to combat their debt crises is symptomatic. During the celebration of ten years of WTO membership, President Hu Jintao in the meantime announced certain initiatives to stimulate the weakening European economy. On the one hand by encouraging Chinese investments within Europe and on the other by expanding imports from Europe.

¹²⁰ J. Van Der Putten, *op. cit.*, p. 296. See also: E. Faucompret, "China: nieuwe supermacht? (China: the new superpower?)", *Streven*, February 2011, p. 112 ff. "In the middle term, China wants to become an economic, military and cultural superpower, while at the same time trying to hide this as best as possible from the outside world. It needs internal stability and an international political-economic system in which it can play a leading role". See also: S. Van Beel, "De betovering van het onbekende (The fascination of the unknown)", *De Standaard Weekend Supplement*, Saturday 20 and Sunday 21 August 2011. China makes a bewildering impression, but is this despite the fact that we don't understand the country or because of it? Even there we can't really fathom it out. Anyone growing up with a Western view of the world dominated by the United States, the measure of all things, falls silent in China. Here we find people with a completely different way of organising their lives and progressing. Why do we eat with a knife and fork, when we've been eating with chopsticks for thousands of years - better, tastier than with those metal objects constantly banging against your teeth? And who says that the US is the centre of the modern world and the only superpower?"

90 Probably more important for the future - "Innovation is as essential for sustainable growth and jobs as water for life"¹²¹ - is the substantial rise in Asian budgets for science and scientific research.

Between 1995 and 2005 China doubled the percentage of its GDP earmarked for R&D, from 0.6 to 1.3 percent. South Korea increased its R&D funding from \$9.8 billion in 1994 to \$19.4 billion in 2004. Asian economies are now benefiting from the advances in science, with the share of high-tech exports rising from 7 percent in 1985 to 25 percent in 2001. By comparison, the equivalent US share dropped in the same period from 31 percent to 18 percent. In the same period the Asian share of all published scientific articles rose from 16 percent in 1990 to 25 percent in 2004.¹²² In short, financial support for knowledge creation in Asia and especially China is growing much faster than in Europe or the USA.¹²³

¹²¹ M. Geoghegan-Quinn, EU Commissioner for Research and Innovation, "*Europa vraagt meer geld voor innovatie (Europe calls for more money for innovation)*", *De Tijd*, 2 February 2011.

¹²² K. Mahubani, *op. cit.*, p. 73-74.

¹²³ K. Mahubani, *op. cit.*, p. 74.

Results match these figures.¹²⁴ Whereas thirty years ago the US was still ranked third in the annual list of countries with the most 18 - 24 year-olds with a university education, it had dropped to 17th place in 2003. That year, 2.8 million students worldwide took a university degree at US bachelor level. Looking at higher education in Asian countries, 1.2 million students achieved such a degree, compared with 830 thousand in Europe and 400 thousand in the US. As far as engineers are concerned, Asia is the champion. In Asia eight times more students study engineering at bachelor level than in the US.¹²⁵ That the level of this education is no lower than that of the US or Europe can be seen in the performance of young Chinese (from Shanghai and Hong Kong) in the most recent PISA report on secondary

¹²⁴ Economic performance indicators, percentage change against 2009.

¹²⁵ T.L. Friedman, *op. cit.*, p. 356.

92 education¹²⁶, in the prizes awarded to Chinese students in international science competitions¹²⁷ and in their performance at US universities^{128 129}; between 1983 and 2003,

¹²⁶ PISA reading skills of 15-year-olds in Flanders. The first results of the 2009 PISA survey: <http://www.ond.vlaanderen.be/nieuws/2010/bijlagen/20101207-PISA.pdf>; J. Van Der Putten, *op. cit.*, p.75 ff “The emphasis placed by China’s teacher par excellence (Confucius) on education has become a permanent feature of Chinese society. More than ever, Chinese parents (and grandparents) are prepared to pinch and scrape for years to enable their often only (small) child to gain the best education possible. Right from the word “go”, everything is geared to overcoming the biggest hurdle to social prestige and a supposedly golden future: the university admission examination. (...). Chinese children have taken Confucius to heart. Here in Europe the braggart is the most popular pupil - in China it is the pupil with the best marks. Thanks to Confucius, students study harder in China and other countries strongly influenced by Confucianism than anywhere else in the world. The times when Confucianism was interpreted and functioned as a toe-the-line introverted philosophy or stability ethos, regarding competition, trade and industry as pernicious export products and nipping technological innovation in the bud (N. Ferguson, *op. cit.*, p. 298) would seem to be long past - or wrongly attributed to Confucius!

¹²⁷ T.L. Friedman, *op. cit.*, p. 360; see also: J. Kynge, *China Shakes The World: The Rise of a Hungry Nation*, GB, Weidenfeld and Nicolson, 2008, p. 209.

¹²⁸ By way of example: P. Gaule and M. Piacenti, MIT & University of Geneva. This study reveals, among other things, that Chinese students publish a lot more and moreover receive more citations of their top scientific articles (http://siteresources.worldbank.org/INTINTERNATIONAL/Resources/1572846-1253029981787/6437326-1253030199852/Piacentini_Gaule_ppt.pdf)

¹²⁹ For a wealth of information regarding the performance of education systems worldwide and the achievements of young people and students, see <http://www.iea.nl/>; <http://nces.ed.gov/>

more than 50 percent of foreign students doing science and engineering doctorates in the US (89,000 of the 176,000) came from 4 Asian countries (China, Taiwan, India and South Korea). This was nearly four times the figure for European students (23,000).¹³⁰ Up till the academic year 2008-2009, India had benefited more than China from American education.

In 2008-2009 there were 103,260 Indian students studying in the USA (104,897 in 2009-2010), followed by China (98,235; this number rose to 127,628 in 2009-2010) and South Korea (75,065. Dropped to 72,153 in 2009-2010).¹³¹ Apart from education, science, research and development, China is also pouring money into its strategic infrastructure - ports, airports, high-speed rail links and roads.¹³² And in such a way that many major cities now have optimal multimodal access. It seems that China has the ambition to

¹³⁰ K. Mahbubani, *op. cit.*, p. 81.

¹³¹ <http://www.iie.org/en/Research-and-Publications/-/media/Files/Corporate/Open-Doors/Fast-Facts/Fast%20Facts%202010.ashx>. It should be noted that Belgium did not even appear in the list.

¹³² J. Kynge, *op. cit.*, p. 49.

94 have the longest¹³³, fastest, highest, deepest, largest, busiest bridges, tunnels, ports, rail links, etc. as fast as possible. Unfortunately, “safest” is not always on the list of priorities.¹³⁴ Nevertheless, not only from an education perspective but also from an infrastructure one, China is systematically laying the foundation for becoming a future superpower: Although the challenges are legion¹³⁵, the performances of China and India, renamed “Chindia” by the Indian journalist and politician Jairam Ramesh, bear witness - alongside vision and ambition - to an unprecedented and extremely

¹³³ At 36.48 km, the Jiaozhou bridge in Eastern China is the longest sea bridge in the world. With the opening of the Beijing-Shanghai rail link, China now has the longest direct TGV connection in the world. Chinese-made TGV trains cover the 1,318 km between the two cities in less than five hours.

¹³⁴ In the second / third week of July 2011 serious accidents every day cost the lives of a rather large number of people (for an exemplary list of crashes and incidents during a random week in July: “Train Disaster undermines Chinese confidence. People afraid that new HSL trains do not meet safety requirements” NRC Handelsblad, 25 July 2011; “A train crash in China”, The Economist, 30 July-5 August 2011, p. 45-46.

¹³⁵ Moisi rightly lists the following challenges: getting hundreds of millions off the poverty line, preventing potential ecological disasters, stopping the further spread of AIDS, bridging the gap between politics and society (D. Moisi, *op. cit.*, p. 88). Equally important is the development of a robust rule of law and a successful clamp-down on corruption. See also: G. Noels, *op. cit.*, p. 106-114; J. Van der Putten, *op. cit.*, p. 15 ff, p. 109-111.

stimulating hope and self-confidence.¹³⁶ Hope, self-confidence, optimism and ambition – combined with the support of an overwhelming majority of the population who are proud and willing to work hard to turn that goal into reality as quickly as possible.

How different to the world's largest economies, the EU-27 and the USA, which seem to drag along from one financial, Euro or banking crisis to the next, threatening their very economic or even institutional roots. Anxious and uncertain about their own identity and place in a changing world order; divided among themselves, without inspiring positive leadership and pretty self-centred, the great powers of old seem to be turning in on themselves.¹³⁷ It is high time for them to trust in their own strength and build on past

¹³⁶ D. Moisi, *op. cit.*, p. 57-91, names China and India not without reason the “two superpowers of hope”.

¹³⁷ D. Moisi, *op. cit.*, p. 146 ff (Europe) and p. 163 ff (USA).

96 successes¹³⁸, enabling them to take up a renewed position in a changing world order¹³⁹ and to act accordingly.

“Today,” concludes N. Ferguson, “the biggest threat to Western civilisation is posed not by other civilisations, but by our own pusillanimity - and by the historical ignorance that feeds it”.¹⁴⁰

And there's lots of room to act in this way. Indeed, globalisation seems, notwithstanding the spectacular rise of China and India in particular, not so much to lead to a homogeneous world led by one or more economic and/or politically or ideologically distinct blocs, but rather to a - though still chaotic because as yet little crystallised - polycentric world: “The rise of emerging markets and countries are creating a polycentric world where growth, innovation and talent can come from anywhere”.¹⁴¹ ¹⁴²The more markets/powers appear, the more open the world becomes. The more open the world is, the more markets/powers will similarly appear.

¹³⁸ N. Ferguson, *op. cit.*, p. 33 and 62 ff. Ferguson names the following (further augmented by me) “killer apps” through which Europe and America could / can have a role greater than their size might suggest: 1. Competition - a decentralisation of both political and economic life, which created the launch-pad for both nation-states and capitalism; 2. Science - a way of studying, understanding and ultimately changing the natural world, which gave the West (among other things) a major military advantage over the Rest; 3. Property rights - the rule of law as a means of protecting private owners and peacefully resolving disputes between them, which formed the basis for the most stable form of representative government; 4. Medicine - a branch of science that allowed a major improvement in health and life expectancy, beginning in Western societies, but also in their colonies; 5. The consumer society - a mode of material living in which the production and purchase of clothing and other consumer goods play a central economic role, and without which the Industrial Revolution would have been unsustainable; 6. The work ethic - a moral framework and mode of activity derivable from (among other sources) Protestant Christianity, which provides the glue for the dynamic and potentially unstable society created by apps 1 to 5.

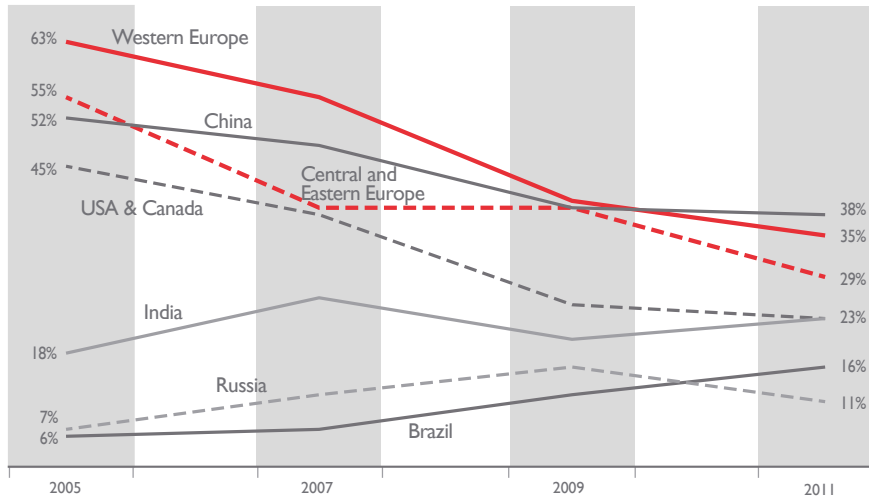
¹³⁹ T.L. Friedman, *op. cit.*, p. 160: “Americans and Europeans will have to develop new business models that will enable them to get the best out of China and cushion themselves against some of the worst” D. Moisi, *op. cit.*, p. 139-184.

¹⁴⁰ N. Ferguson, *op. cit.*, p. 361.

¹⁴¹ [http://www.ev.com/Publication/vwLUAssets/Winning_in_a_polycentric_world_-_Globalisation_and_the_changing_world_of_business/\\$FILE/EY_-_Winning_in_a_polycentric_world_-_Globalisation_and_the_changing_world_of_business.pdf](http://www.ev.com/Publication/vwLUAssets/Winning_in_a_polycentric_world_-_Globalisation_and_the_changing_world_of_business/$FILE/EY_-_Winning_in_a_polycentric_world_-_Globalisation_and_the_changing_world_of_business.pdf)

¹⁴² What can also be seen is that European investors are diversifying, increasingly investing their money in a polycentric manner (see table on next page).

98 What are the most attractive investment locations?



Source: Ernst & Young's 2011 European attractiveness survey, p. 26

Call it a kind of "post-modern Middle Ages", in which a world has emerged where no single power plays a dominating role.¹⁴³ The East will not take the place of the West, China will not take the place of the USA, the Pacific region will not take the place of Atlantic dominance.

¹⁴³ P. Khanna, *op. cit.*, p. 24 ff.

99 Instead all these power centres and geographic areas need to co-exist in an extremely complex world order".¹⁴⁴ On such a complex playing field, power is not fixed, instead shifting continually. Perhaps the world is developing into complex clusters of "government islands", working together in ever-changing constellations. Such islands will increasingly not be individual countries but instead cities and regions and/or clusters thereof.

¹⁴⁴ *Ibid*, p. 25.

100 Even now, two-thirds of the global economy is the product of no more than forty metropolitan regions. Their power and influence is based on money, knowledge and stability. It seems that, to an increasing extent, cities rather than countries are becoming the new building blocks of global activity. Rather than becoming a global village, the world seems to be moving towards a network of cities and/or regions. In this context, new alliances, new challenges (the most important of which is probably how to organise solidarity in such a context), and new opportunities emerge. Would it not make more sense to explore and seize every opportunity, rather than just staring - in an ambiguous mix of envy and admiration - at the spectacular performance of (relative) newcomers?¹⁴⁵ In this new world new principles defining success or failure will probably apply: 1. reciprocal commitment; 2. efforts to achieve collaboration between governments, companies, research institutions, NGOs, other relevant stakeholders and powerful individuals; and 3. decentralisation, with expertise located as close as possible to the problems to be solved. Acting this way, resilience and commitment are strengthened. And mutual responsibility:

¹⁴⁵ As far as China is concerned, the country is not so much a “newcomer”, but more a “just popped back.” (J. Van Der Putten, *op. cit.*, p. 336).

by building bonds of trust among stakeholders, they will feel responsible for each other and for jointly achieving objectives (and best of all acting consistently).

It looks very much as though the “seven habits of highly effective people” will not just be applicable to business leaders, diplomats, etc., but equally to supranational organisations like the EU, states, regions, and cities: 1. Be proactive 2. Begin with the end in mind: What are we doing it for? What is the objective? Credibility is dependent on small results, even where small steps rather than major breakthroughs are involved; 3. Put first things first; 4. Think win-win; 5. Seek first to understand, then to be understood; 6. Synergy: Combining skills, knowledge and insights from different perspectives and interests is always more fruitful than “turf protection”; 7. Move away from habitual circles, thinking and working as much as possible out of the box.¹⁴⁶

Perhaps governments and politicians will have to learn to accept and act accordingly - in a flat world scenario - that they are no longer solely or even primarily responsible for setting the course, with this increasingly seeming to be the

¹⁴⁶ P. Khanna, *op. cit.*, p. 56.

102 result of a complex interaction between the choices and decisions of many different players: regions, companies, rating agencies, NGOs, citizens' initiatives (as seen by the unprecedented and virtually uncontrollable mobilising power and strength of social media), philanthropists, etc. After all, everyone has a role to play in how the world is organised.¹⁴⁷ This makes the need for vision and participative leadership larger:

Regions, countries, metropolitan areas aspiring to a leadership role will most likely have to think in (at least) three dimensions: 1. which instruments need to be combined with each other; 2. with which other regions, countries, metropolitan areas will they work together and which will they give/take guidance to/from; and 3. how can resources and talents from the private sector, NGO's, research institutions and other relevant partners be best involved? To achieve this, we do not need an abundance of detailed regulations, but instead pragmatic projects and a stimulating visionary and sustainable policy focused more on sustainable investments in (qualitative) growth than on "beyond our means" consumption.¹⁴⁸

¹⁴⁷ P. Khanna, *op. cit.*, p. 47.

¹⁴⁸ N. Ferguson, *op. cit.*, p. 311: The decline of the thrift proved to be a recipe for the financial crisis.

2.3.6. Globalisation promotes alienation and feeds populism: where do we come from, who are we and where are we going?

103 What if we are competing with just about everybody around the world? What if my job can perhaps be done better and cheaper somewhere else in the future, or perhaps even by a machine?

What if I do not know who my neighbour, employer or employee will be tomorrow? Who or what am I then? What must I, what must my children study and do in order "to participate" in a fast-paced world of every man for himself?

What if I no longer understand people on the streets, in the bus or tram, at school or in the hospital? What if people with whom I have nothing in common come and go, and what if I see new people every month in the community? How can I still feel "at home" in my own community? What does the presence of more and more "foreigners" from more and more different countries, often with very different backgrounds, habits, life rhythms, expectations mean for my own community and culture? When the bankruptcy of a bank in the USA can be a danger to my savings or pension fund? When rating agencies and investors

104 can bring countries with excessive consumerism and even currencies to the brink of the precipice. How under such circumstances can I prepare for my old age?

When I accept an invitation to enter into contact with a member of a virtual community who shares my interests, how do I know whether I am really communicating with a woman of my age? When I leave lasting traces on the web, how do I know that these will not be used against me tomorrow? What do I get from the world being my village, when I don't even know my own village anymore?

How lonely and left to my own resources am I in a world of tough competition, with which countries, politicians, let alone myself, can barely come to terms.

A better context for simplistic solutions is difficult to imagine: "close the borders", "you want to come here? then adjust!", "anyone not born and educated here, anyone not (yet) speaking our language, anyone not (yet) sharing our values is not welcome here and/or must take care of himself and his family".

Whether such promises can ever be realised in the tech-

nological world we live in, where a large majority of people are on the lookout for and using the new ICT opportunities to their heart's content is questionable. Protectionism, isolationism and inward-looking communities do not make the world and populations in any way more prosperous.¹⁴⁹ In a flat world this is indeed probably barely possible. Shutting out the outside and protectionism can play no part in the fundamental solutions to the many challenges we are facing today and tomorrow.¹⁵⁰

Yet the challenge remains: how can we contribute to a better balance and better interaction between a strong yet open identity, giving people the security they need - as a base and anchor - to face the world with self-confidence and self-knowledge, thereby enriching (immaterially and materially) themselves and the world?

¹⁴⁹ Cf. the above-mentioned quotes from Adam Smith and Deng Xiaoping. As clearly depicted in N. Ferguson's *Civilisation: The West and the Rest*, the closing of borders, with people and knowledge not open to the outside world, is the shortest route to decline, impoverishment, and political and economic irrelevance.

¹⁵⁰ M. Ridley, *op. cit.*, p. 362-365.

106 Achieving such a balance will - due to the changing circumstances - never be just a one-off job, but instead a repeating task.

"Nobody is an island", John Donne once said, but I - in all humbleness - would like to add that nobody, no man, no woman, is an island, but each of us is a peninsula - half attached to the mainland and half looking out over the ocean: the one half of us is rooted in our families and friends, in our culture and traditions, in our country and nation, in our sex and language and other kinds of relationships; and the other half wants to be left alone to look out over the ocean.

I think we need the opportunity to remain a peninsula. Any social and political system that makes everyone a Darwinian island and sees the rest of humanity as an enemy or rival is nothing more than a monster. Yet at the same time any social, political and ideological system that reduces everyone to a mainland molecule is just as much a monstrosity. Being a peninsula is the right situation for people. That is what we are and what we deserve to remain. In a certain sense, every family, every relationship between people is therefore basically a relationship between a number of peninsulas. We would do well to remember, before we try to change each other and turn others round to our point of view, that what he or she really wants is to look out over the ocean. This applies to social groups, cultu-

*res, civilisations and nations. A sense of humour, empathising with the other, the ability to recognize the peninsular aspect of each of us; such things offer at least partial protection against that fanaticism gene we all have within us."*¹⁵¹

Reading lots of good books on a wide variety of subjects from all regions and cultures, and where possible actually travelling there now and then ... also helps. Likewise not being naive and not being fooled: living together in diversity also implies loss and pain. It requires a permanent, honest, frank but respectful debate, and clear and correctly exercised rights and responsibilities.

¹⁵¹ A. Oz, *Hoe genees je een fanaticus? (How to cure a fanatic?)*, Amsterdam, De Bezige Bij, 2006, p. 58-59.

108 2.3.7. Weakening attentiveness, increasingly course morals and communicative degradation, and the imminent end of privacy?

"We're so accessible, we're inaccessible. We are everywhere - except where we actually are physically".¹⁵² The internet era and the practically unlimited possibility of accessing information, communicating with people all over the world, finding and delivering work anywhere in the world mean that we are constantly dividing our attention and hardly "just normally communicating" with people around us.

Technologies able to bring us together or link us up, can also be divisive, interrupting what we are doing like never before. Just think of all those meetings, dance and theatre performances, interviews, restaurant visits and train rides disturbed by ringing cell phones, or those colleagues or friends reading their emails under the table.

The new technologies give everyone the opportunity - via blogs, twitter, podcasts and instant messaging - to leave their individual stamp on the world, in a context not necessarily encouraging empathy: alone in a room at home, in the

¹⁵² Linda Stone, cited by T.L. Friedman, *op. cit.*, p. 516.

office or in a coffee bar, staring at a laptop that you never argue with, never forcing you out of your corner. Incidentally, to be heard and to stand out among a plethora of voices and opinions, the use of dirty language seems to be an asset, not a weakness. Without vulnerable people in front of you, without direct (meta-)numerous looks of approval or disapproval, it is not even possible to "completely let your hair down", - whether anonymously or under a pseudonym - and without too much thought about possible consequences.¹⁵³ We just don't seem to have enough time, attention or sense to review or re-read what was typed in or uploaded (even "naughty" photos and very personal twitter messages) in an impulsive mood. And for the victims of cybermobbing, there is just no escape. There's nowhere left where they can safely withdraw and close out the outside world, with its bullies.

¹⁵³ B. Eeckhout, "Het geroezemoes op Twitter en de 'bank run' naar de afgrond (The bustle on Twitter and the 'bank run' to the precipice)", *De Morgen*, 8 October 2011: Leaving aside any sympathy for the bottom-up philosophy of Twitter, the virtual community remains easy to manipulate. Anyone shouting "grab him" with a bit of authority at the right moment can trigger a bloodbath."

110 The consequences are clear: our language gets rougher; our judgments and comments more ruthless, and many conversations are just a waste of time. The question arises whether this has any effect on the way we act in the “real world”. In short, now that we are continually online and networked, people don’t have - or better, don’t take - enough time to write decently. Nobody has ever written a great book with his thumbs! Incidentally, now that we can all “publish” and “broadcast” photos, reports, film clips on the web whenever and as much as we want, we have all become paparazzi and public figures. Everyone has become an easy target. Everyone is news or can very quickly become such.¹⁵⁴ In addition, we leave “tracks” everywhere. It doesn’t matter who or where you are or what you have done¹⁵⁵, sooner or later you’ll be found. Internet is becoming a sort of permanent record / archive, an eternally open book and not one just opened

¹⁵⁴ T.L. Friedman, *op. cit.*, p. 533.

¹⁵⁵ For a great novel featuring radical globalisation and networking, see Douglas Coupland, *Generation A*, Windmill Books, London, 2010, p. 319.

once a year on 6 December.¹⁵⁶

Each email you send, each post on YouTube or Facebook is a digital footprint that will quite possibly never be washed away.¹⁵⁷

Apparently the world has become flat and interconnected much faster than expected. We have not been able to develop and adopt standards and consistently follow them, meaning that people’s words go out in all directions uncensored and unedited.¹⁵⁸ Freedom, freedom of expression, democracy ... are the highest good, but freedom without responsibility can have very nasty consequences.¹⁵⁹ Moreover, the web and the possible serious consequences of online behaviour mean that young people in particular

¹⁵⁶ This is also the one of the latest features announced by Facebook. Everything you entrust to Facebook - status updates, photos, film clips, games, music, friends, work, relationships - automatically finds its way into a multimedia chronological diary - Facebook timeline - of your life.

¹⁵⁷ T.L. Friedman, *op. cit.*, p. 537; see also: J. Khan, “Profiles. The visionary. A digital pioneer questions what technology has wrought”, *The New Yorker*, 11-18 July 2011, p. 46-53.

¹⁵⁸ T.L. Friedman, *op. cit.*, p. 537.

¹⁵⁹ B. Eeckhout, *l.c.*

112 really need to know how best to navigate the web. Above all, they need to realise what traces they are leaving behind. These can have lasting negative consequences.¹⁶⁰

2.3.8. The spread of diseases and the increased risks of information and networks being abused for criminal and/or terrorist purposes.

Thanks to the world's "flatteners", increasing numbers of people in more and more places can positively contribute to increasing the prosperity of more and more people, satisfying more and more (basic) needs, and deepening and broadening of constructive citizen involvement.¹⁶¹ But this positive contribution has a dark side: abuse for criminal and/or terrorist purposes.

"If you want to sell young girls, the best place to be is Haiti. The latest in stolen electronics? Go to Paraguay. Dealing in cocaine? Then Colombia is where you need to go. How about cigarette smuggling? Albania is a paradise for that. Heroin? The

¹⁶⁰ T.L. Friedman, *op. cit.*, p. 537.

¹⁶¹ The mobilising power of the social media was clearly demonstrated during the Arab Spring; <http://www.vicerversaonline.nl/2011/06/professor-cole-over-de-arabische-lente/>.

ideal place is Myanmar¹⁶² (...) Opium from Afghanistan is killing five times more people from NATO countries than the total number of NATO soldiers killed in the country. There is currently a worldwide black market for everything, from poached skins of exotic animals and expensive libido stimulants to nuclear materials. Whether real or fake, it rolls off the assembly lines, is transported across borders, air-freighted, spirited through customs by port staff and then sold to willing and unsuspecting customers throughout the world. Terrorism, piracy, warmongering and organised crime have merged into a major public-private underworld of state funders and shady criminal groups. Market dynamics are impervious to moral debates: supply and demand rules!¹⁶³ With governments having no control over markets for mass crime and violence, the market is wide open for solutions. The only way to fight - with a certain chance of success - insurgent jihadists, Somali pirates and Iranian mullahs is to invest in a major comprehensive diplomatic effort combining military intelligence, investments for job creation and prying open closed

¹⁶² P. Khanna, *How to Run the World: Charting a Course to the Next Renaissance*, Random House, 2011, p. 149.

¹⁶³ And as the middle class gets larger and global purchasing power increases, the demand for highly dubious goods and services will probably increase as well.

Trade and communication technologies unfettered by borders, though making citizens and consumers much stronger, are however also extremely beneficial to the "terrorism and crime conglomerate" of arms dealers, training camps, spies, gangs, corrupt officials and politicians and dubious financiers.¹⁶⁵ Internet's positive side as a rich source of relevant information is clouded over by its ease-of-use as a global megaphone for spreading ideas of hate and terror.¹⁶⁶ Now that individuals have easy access to all sorts of teamware and hence can gain a great influence over their own lives and / or small cells of sympathisers, they no longer need to gain control of a large country - as was the case with Hitler; Stalin, Mao, Franco, Saddam Hussein - to be able to terrorise thousands and cause terrible human suffering. New

¹⁶⁴ *Ibid.*, p. 149-150; see also: T.L. Friedman, *op. cit.*, p. 607 ff.

¹⁶⁵ P. Khanna, *op. cit.*, p. 151.

¹⁶⁶ T.L. Friedman, *op. cit.*, p. 609.

media and technologies can help "small fry" to act big.¹⁶⁷ Such people can become a serious threat to the entire world order ... without the backing of a State.¹⁶⁸

For viruses, bacteria and all sorts of diseases, the "flat world" - where time, space and borders now have hardly any meaning for citizens - represents an ideal environment for rapidly spreading and, with or without mutating, for causing great damage.¹⁶⁹ A thorough knowledge of tropical diseases and the right therapies to adequately prevent and contain them is no longer of importance just for developing countries.

¹⁶⁷ This was tragically seen on 22 July when Norway and the rest of the world were confronted with the execution of 86 people, mostly young, by A.B. Breivik, a right-wing extremist who, shortly before his very deadly attacks, had published 1500 pages on the Internet, written in Islamophobic language and containing specific instructions on how to build weapons and explosives.

¹⁶⁸ T.L. Friedman, *op. cit.*, p. 621.

¹⁶⁹ "Die Angst spriest" (The fear is growing)", in *Die Zeit*, 9 June 2011: "Our globalised way of life and trade relations are accelerating the emergence of ever new enemies. African, European, Asian and American microbes can exchange their building blocks - their dangerous weapons - more quickly and easily with all associated consequences (own translation)." In short, the risks stemming from globalisation are not just restricted to human behaviour.

116 Just shrugging our shoulders, adopting a position that evil and laziness are just as inherent to mankind as our ability to do good, stating that centuries ago mankind was able to combat the plague and other pandemics with much more primitive means and that (organised) crime has always existed everywhere in the world is obviously not enough.

However much we strive to permanently and totally eradicate such phenomena, this will unfortunately never be completely possible. It is therefore important to permanently assess risks, to raise people's awareness and defensive capabilities, and via cooperation between governments, companies, NGOs and citizens to join forces to curb such phenomena as transnational crime, terrorism and the spread of diseases as best as possible and to limit their effects as far as possible.

Of more fundamental importance than fighting the symptoms are sustained efforts to offer a positive perspective to more and more people.¹⁷⁰ Spotting talent and learning from our mistakes.

¹⁷⁰ T.L. Friedman, *op. cit.*, p. 645.

Helping people to believe they are capable of doing something great and thereby helping them to have the right resources in the right environment¹⁷¹ so that they can make the best use of their talents and really make a difference! In short, "We need to think more seriously than ever about how we encourage people to focus on productive outcomes that advance and unite civilization."

The fact that the world is rapidly changing, without a chance of change being stopped, should now be quite clear. And just like the other major global transitions nobody can escape. Our ways of learning, working, doing business, interacting with each other; living, bringing up children, growing old, driving, etc. are set to see dramatic changes.

Is Antwerp, yes indeed are all the people of Antwerp ready for this?

¹⁷¹ R. Kahn, *De appel en de boom (The apple and the tree). Waarom ben je wie je bent? (Why you are who you are?)*. Is dat aanleg of opvoeding? (innate or acquired), Amsterdam, Uitgeverij Balans, 2011, p. 69 and 92.



3. Belgium, Flanders and Antwerp in the world in *facts and figures*

119





Silicon Valley

Singapore

London

Cape Town

Shanghai

Bangalore

3.1 Belgium in the world

According to the “2011 KOF Globalization Index”, Belgium is the most globalised country in the world.¹⁷² Is it by chance that our country comes out ahead of other relatively small and centrally located countries, with relatively mild climates and a relatively high standard of living, like Austria, the Netherlands, Sweden, Switzerland, Denmark, France and Hungary? Of course not. For a small country like Belgium, the same applies as for other relatively small countries: the smaller the domestic market, the greater their importance and attractiveness of foreign markets.¹⁷³ Although it is hazardous to attribute such a complex reality to a single factor, particularly a reality that is neither self-evident nor neces-

¹⁷² <http://globalization.kof.ethz.ch/>. In this ranking the USA comes in 27th place and China is 73rd.

¹⁷³ The criteria used to calculate the globalisation index are: openness to trade, capital movements, exchange of technology and ideas, mobility in the labour market and cultural integration. The criteria used for the globalisation index do not take into account the absolute or relative impact of the country on international trade or the global economy. Otherwise countries with large domestic markets (China and the United States) would always be at the top.

124 sarily permanent, it is not illusory to suggest that Belgium¹⁷⁴ may owe its excellent economic performance in times of crisis to its leading position in the globalisation index.

The outbreak of the financial crisis in 2008 brought with it a growing fear of greater protectionism and of an increase in unfair trade competition.¹⁷⁵ Closing borders and unfairly providing government support to businesses could even have given rise to a full-blown trade war. The report by Ernst & Young provides strong evidence to the contrary: globalisation did not decrease but actually increased.¹⁷⁶

Average globalisation score



Source: Ernst & Young's 2011
European attractiveness survey, p. 16

¹⁷⁴ With GDP growth of +2.5% (Q2 2011), expected average growth of +2.4% in 2011, expected growth of +1.6% in 2012, a rise in industrial production (+11.9%) and unemployment lower (at 7.5%) than the European average, Belgium is doing better than the European average and is among the best students in the EU class.

¹⁷⁵ "Obama wil geen handelsoorlog ontketenen", *NRC Handelsblad*, 4 February 2009: <http://vorige.nrc.nl/economie/article2141750.ece/www.hoi-online.nl>.

¹⁷⁶ "Wereld wordt opnieuw wat meer een dorp", *De Tijd*, 25/01/2011.

3.1.1. Foreign investment in Belgium

The number and size of foreign direct investments (FDIs) confirm that Belgium is a global market player.

126 Foreign investors find Belgium reasonably attractive.¹⁷⁷

Last year the number of foreign investments in Belgium increased to 159 (146 in 2009)¹⁷⁸, ranking Belgium as the sixth most attractive European country¹⁷⁹ for foreign investors.¹⁸⁰

¹⁷⁷ The key criteria for attractiveness are: quality of life, transport and logistics infrastructure, telecommunications infrastructure, competence of Belgian employees and the 'Belgian' languages, culture and values. Barometer van de Belgische attractiviteit 2011: Heeft België wel een federale regering nodig? Oranje knipperlicht voor buitenlandse investeringen, Ernst & Young 2011, p.23. [http://www.ey.com/Publication/vwLUAssets/Barometer_van_de_Belgische_Attractiviteit_2011/\\$FILE/attractiveness2011_nl.pdf](http://www.ey.com/Publication/vwLUAssets/Barometer_van_de_Belgische_Attractiviteit_2011/$FILE/attractiveness2011_nl.pdf); see also, specifically for Flanders: FIT, Factbook 2010, A closer look at Flanders, 4 ([http://www.flanderstrade.com/app/communicatie.nsf/834FF2F16D865C36C12576E8002C2A0D/\\$File/10246%20FactBook2010_LR.pdf](http://www.flanderstrade.com/app/communicatie.nsf/834FF2F16D865C36C12576E8002C2A0D/$File/10246%20FactBook2010_LR.pdf))

¹⁷⁸ Barometer van de Belgische attractiviteit 2011: Heeft België wel een federale regering nodig? Oranje knipperlicht voor buitenlandse investeringen, Ernst & Young 2011, p.5. For comparison: there were 3,757 foreign investments in Europe as a whole. This amounts to a 14 percent increase on 2009. All investments yielded a total of 137,337 new jobs. A further 5% increase is expected in 2011.

¹⁷⁹ Wider than the EU-27. For example Russia is included on the list of countries in the survey.

¹⁸⁰ *Ibid.*, p.15.

The United Kingdom, France and Germany are at the top of the list. The largest number of investments came from the USA (50, representing one-third of all foreign investments), but German, Dutch, French, British and South Korean investors also chose Belgium. The number of investments from the BRIC countries almost tripled (from 6 to 17).¹⁸¹

Nevertheless there are no grounds for euphoria. The new investments and Belgium's proud sixth place have only a limited impact on the number of new jobs.

In 2005 each new investment project brought an average of 60 new jobs. This number has now fallen to 25. Last year new foreign investments in Belgium yielded only 4,010 jobs. Labour-intensive investments are clearly passing the region by, due to the high cost of wages and the large wage handicap.

Our number six place is under severe threat from Poland. This central European country saw the number of inward direct investments rise by 40 percent last year to 143, with car companies high on the list.

¹⁸¹ *Ibid.*, p.5.

Ranking	Country	Foreign investment investment project 2010	Difference 2009 - 10	Assessment	Extra jobs*
1	England	728	7%	19%	21,209
2	France	562	6%	15%	14,922
3	Germany	560	34%	15%	12,044
4	Russia	201	18%	5%	8,058
5	Spain	169	-2%	4%	7,723
6	Belgium	159	9%	4%	4,010
7	Poland	143	40%	4%	12,366
8	The Netherlands	115	6%	3%	958
9	Ireland	114	36%	3%	5,785
10	Italy	103	3%	3%	627
11	Switzerland	90	30%	2%	673
12	Hungary	88	38%	2%	8,572
13	Sweden	77	33%	2%	1,125
14	Czech Republic	71	16%	2%	4,815
15	Turkey	64	10%	2%	3,830
	Other	513	N/A	14%	30,620
	Total	3,757	14%	100%	137,337

Source: Ernst & Young's 2011
European attractiveness survey, p. 16

130 Within Belgium, the Flemish region is particularly attractive. The number of foreign investments there rose from 64 in 2009 to 108 in 2010. This has almost brought us back to the record level of 2006.

It also represents a turnaround for Flanders. In recent years Flanders had been steadily losing ground to both Wallonia and Brussels. It has now made up that loss in a single jump, with Wallonia and Brussels scoring only modestly last year. The advantages of Belgium for foreign investors are the quality of life, transport, logistics and telecommunications infrastructure and Belgium's skilled workforce. Flanders scores even higher with its human capital and its large R&D resources. While Wallonia offers more and better industrial sites and subsidies, it struggles with an image of excessively militant trade unions.

According to the report, Belgium as a whole has two structural handicaps: the huge tax pressure and, related to this, its uncompetitive wage costs. Nevertheless there is a high level of loyalty. Only a very small percentage of the companies surveyed want to leave Belgium in the near future.

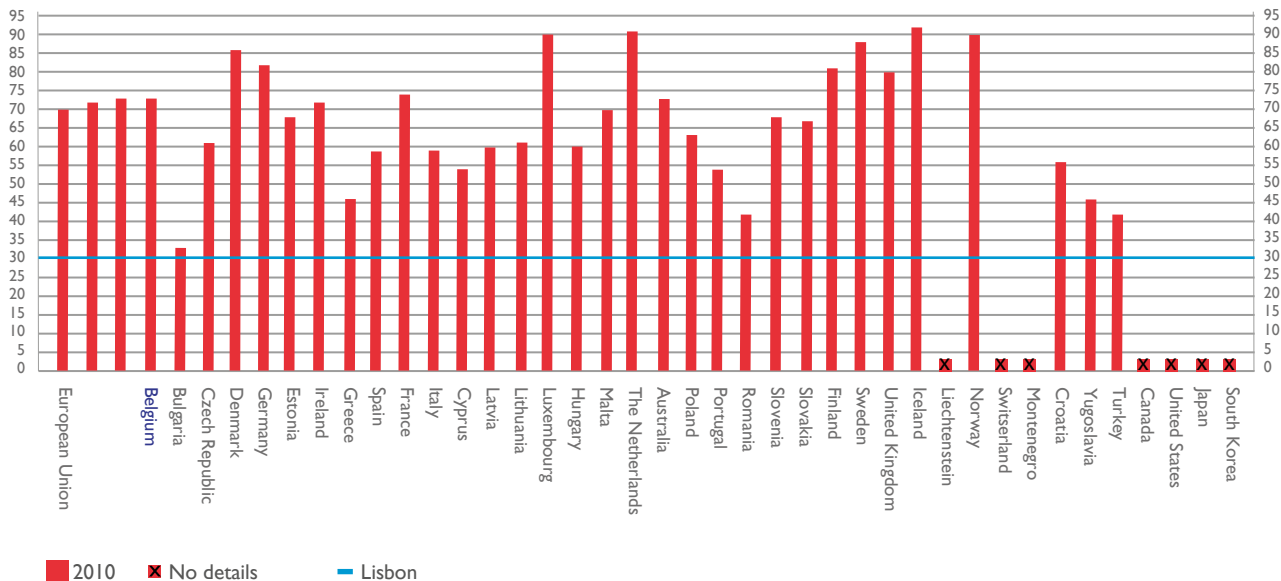
3.1.2. The Internet

131 Just about everyone is on the Internet. At least that is how it seems in the "flat world". In Belgium, 73 percent of families have access to the Internet.¹⁸² In this respect Belgium scores slightly higher than average for the EU-27 (70 percent). Luxembourg (90 percent) and the Netherlands (91 percent) are doing significantly better in this area. In terms of the percentage of the population who have never used the Internet, Belgium, Luxembourg and the Netherlands score virtually equal (8 percent against the EU-27 average of 26 percent). 38.2 percent of the Belgian population has a broadband connection,¹⁸³ which is at a similar level with countries like the Netherlands.

But why not get even more people onto the digital highway? For example by a combined purchase of internet facilities: that is gathering together as many as possible "not yet or insufficiently connected citizens" and then going onto the market together to obtain an advantageously-priced internet subscription.

¹⁸² Data via Eurostat: http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/main_tables.

¹⁸³ Broadband is defined as a DSL connection, a cable broadband connection, a mobile broadband connection via UMTS or other, or a wireless connection.



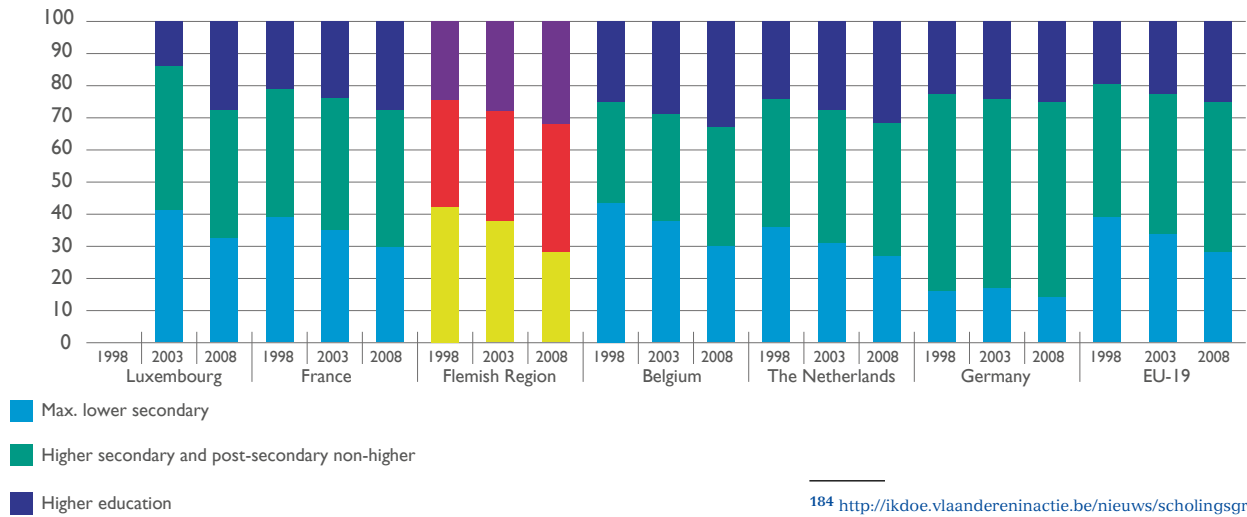
Source: FPS Economy Barometer van de informatiemaatschappij 2006-2010

For, in a flat world, being “connected” is vitally important. People without access to the Internet miss out on tremendous opportunities to stay informed and/or share their insights. Even more importantly, they forego vital educational, labour market and entrepreneurial opportunities.

3.2.1. Education

The students of today are – potentially – the researchers of tomorrow. The researchers of today are certainly the students of yesterday...

Evolution of the level of education among 25-64 year olds, international comparison, from 1998 to 2008, in %



Source: O&V, ADSEI (EAK), OESO.

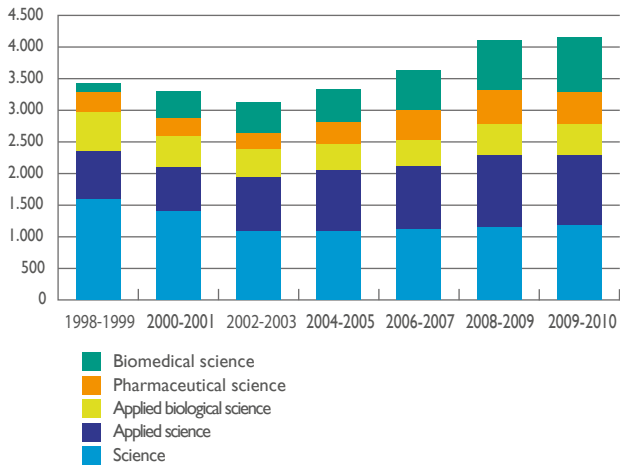
The level of education in Flanders is still rising, even if some 14 percent of young people, particularly boys, have left secondary education without a school-leaving diploma. With over 40 percent of the 30-34 year age bracket educated to higher education level, Flanders has already reached the European target for 2020 in this area.¹⁸⁴

¹⁸⁴ <http://ikdoe.vlaandereninactie.be/nieuws/scholingsgraad-vlaamse-bevolking-blijft-stijgen/>

136 In the 2009-2010 academic year, 44,800 students enrolled at a Flemish higher education college or university for the first time. Approximately 6 out of 10 students completing secondary education choose to enter higher education. If this trend continues and the vast majority of these first-year students complete their courses, the level of education in Flanders will climb even higher.

Almost 27 percent of first-year students in universities (approximately 30 percent of all first-year higher education students enrol at a university) choose pure or applied sciences (science, applied science and applied biological science, pharmacy and biomedical science). Among academically-oriented first year bachelor students in higher education colleges (approximately 20 percent of all first-year students), approximately a third choose a course with a technological focus such as bioengineering, industrial science and technology, marine science and product development. Among students on vocationally-oriented bachelor courses (approximately 50 percent of all first-year students), about 16 percent choose courses in similar technical areas. After a significant dip there is now a growing interest in pure science, engineering and technology.

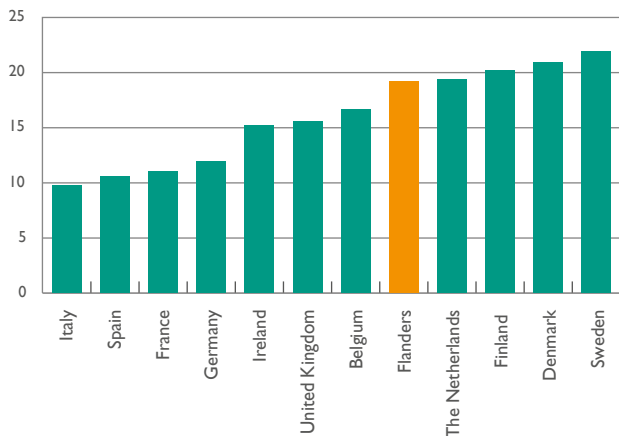
The level of interest in pure and applied sciences
 Evolution of the number of first-year students at Flemish universities who have enrolled to study pure and applied sciences, from 1998-1999 to 2009-2010, absolute figures.



Source: ECOOM: Vlaams Indicatorenboek WTI 2011; Statistisch jaarboek van het Vlaams onderwijs 2009-2010.

- 138 The number of doctorates during the past decade has risen from 7.8 percent to 11.5 percent of “2nd cycle” (= Master’s) degree graduates, while the output of scientific publications is also rising.¹⁸⁵

Publication output of Flanders and European reference countries in 2009, number of publications per 10,000 inhabitants.



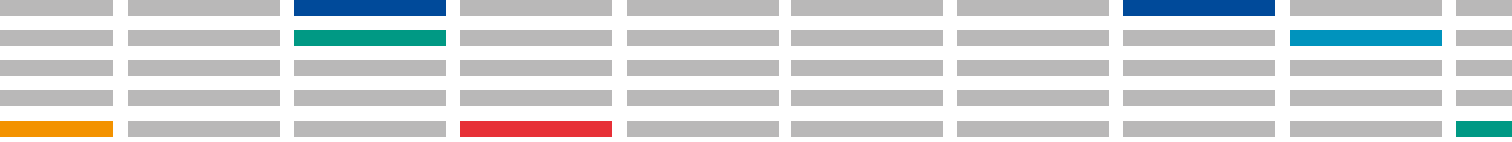
Source: ECOOM: Vlaamse Indicatorenboek WTI 2011.

¹⁸⁵ VRIND, 2011, p. 124.

Laying the basis for a successful academic career begins at nursery school. Chapter 2 has already made it clear that a worldwide ‘war on talent’ is raging. A lot of work, including high-technology activity, can be done virtually anywhere in the world – and usually at a lower cost. All “left-brain” routine functions that are based on linear thinking – calculations, analyses, accounting processes, database management, routine computer code generation, issuing standard legal advice and making standard diagnoses – are increasingly automated, and can in general be carried out more accurately and much faster by increasingly powerful computers.¹⁸⁶ In this new, conceptual era, each one of us must therefore ask ourselves: 1. Can someone abroad do it more cheaply? 2. Can a computer do it faster and above all better? 3. Do I have something to offer that meets people’s needs and desires in a time of plenty?¹⁸⁷ In short, the new conceptual age creates a very high standard for us to reach. The challenges in terms of education and training are considerable.

¹⁸⁶ D.H. Pink, *Een compleet nieuw brein. Waarom de rechterhelft van ons brein ons succesvoller maakt*, Uitgeverij Business Contact, 2011, p. 44-47.

¹⁸⁷ *Ibid.*, Afterword, p. 203.



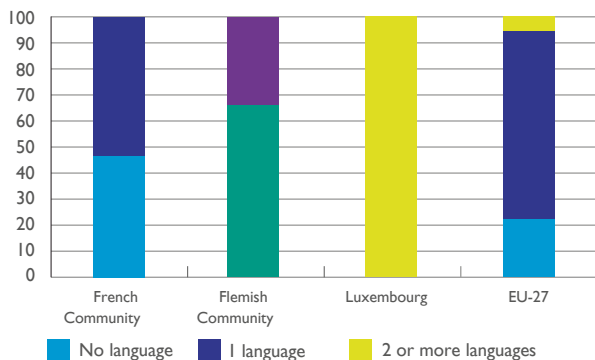
140 The absolute advantage in a flat world at globalisation stage 3.0 is definitely multilingualism. The ability to communicate well presupposes a thorough knowledge of one's own language and as many "foreign" languages as possible, as well as a successful academic career. This process begins both at home and in nursery school. Increasing participation in ever more professional nursery education and provision of a range of languages in general secondary education that is wider than the European average are certainly advantages we should cherish and continue to nurture. This is particularly true because neighbouring countries such as the Netherlands and above all Luxembourg score much more highly for language teaching.

A Flemish first-year secondary school student studies an average of 1.4 foreign languages. The situation in the neighbouring countries is similar, and only Luxembourg is doing significantly better than this. In higher general secondary education, the number of foreign languages learned in Flanders rises to 2. Once again Luxembourg scores better. Nevertheless, as a country with three official national languages we are well placed to train polyglots. It should therefore be our ambition for every young person in Flanders to master not only Dutch and his/her mother tongue (where he/she is growing up with a different language used at home) but at least three other languages, which should preferably include French, English and also German.

141

Foreign languages – primary education

Number of students taking no foreign language or one or more foreign languages in primary education, international comparison, 2008-2009.

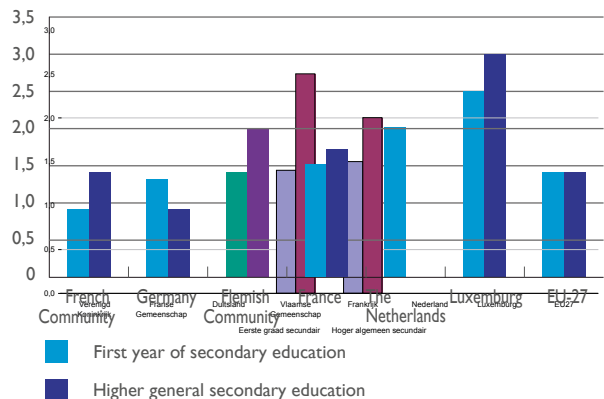


Source: O&V, Eurostat (website, 26 May 2011).

In addition to reading ability, education in Flanders is still achieving moderate to high scores on the international PISA Benchmark produced by the OECD for its educational performance in mathematics and science. It is also good news that the number of young people in secondary education participating in the Flemish and international Mathematics and Science Olympics is increasing every year.

Foreign languages – secondary education

Average number of foreign languages per student in secondary education, by level, international comparison, 2008-2009

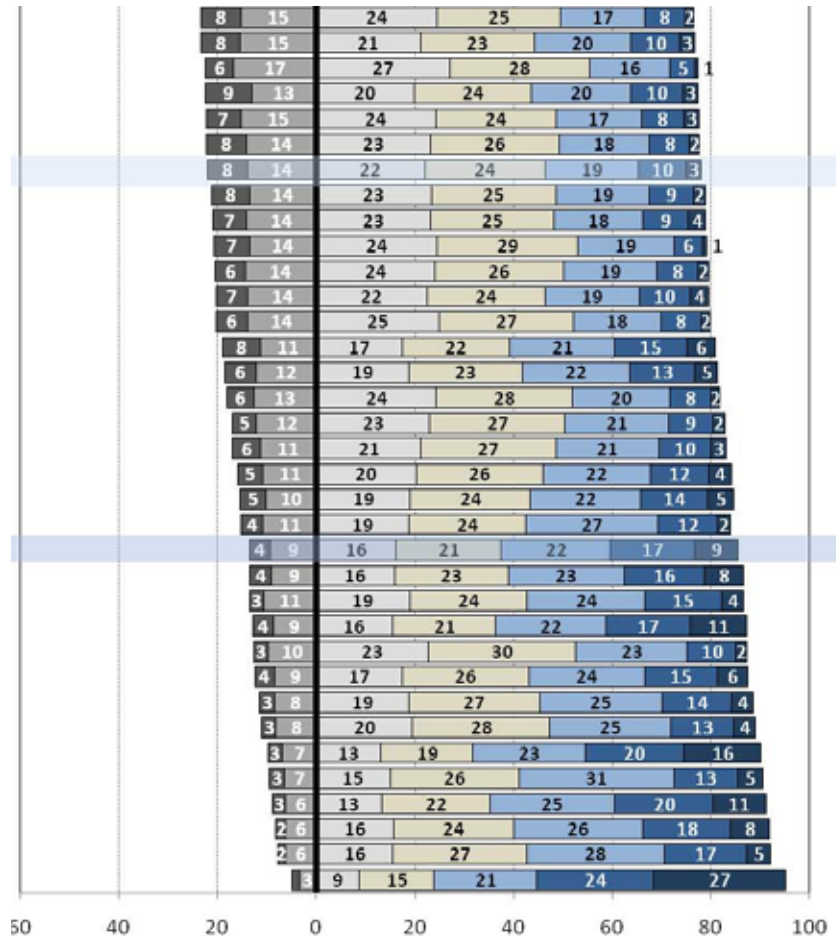


Source: O&V, Eurostat (website, 26 May 2011).

< level 1b
 level 1b
 level 1a
 level 2
 level 3
 level 4
 level 5
 level 6

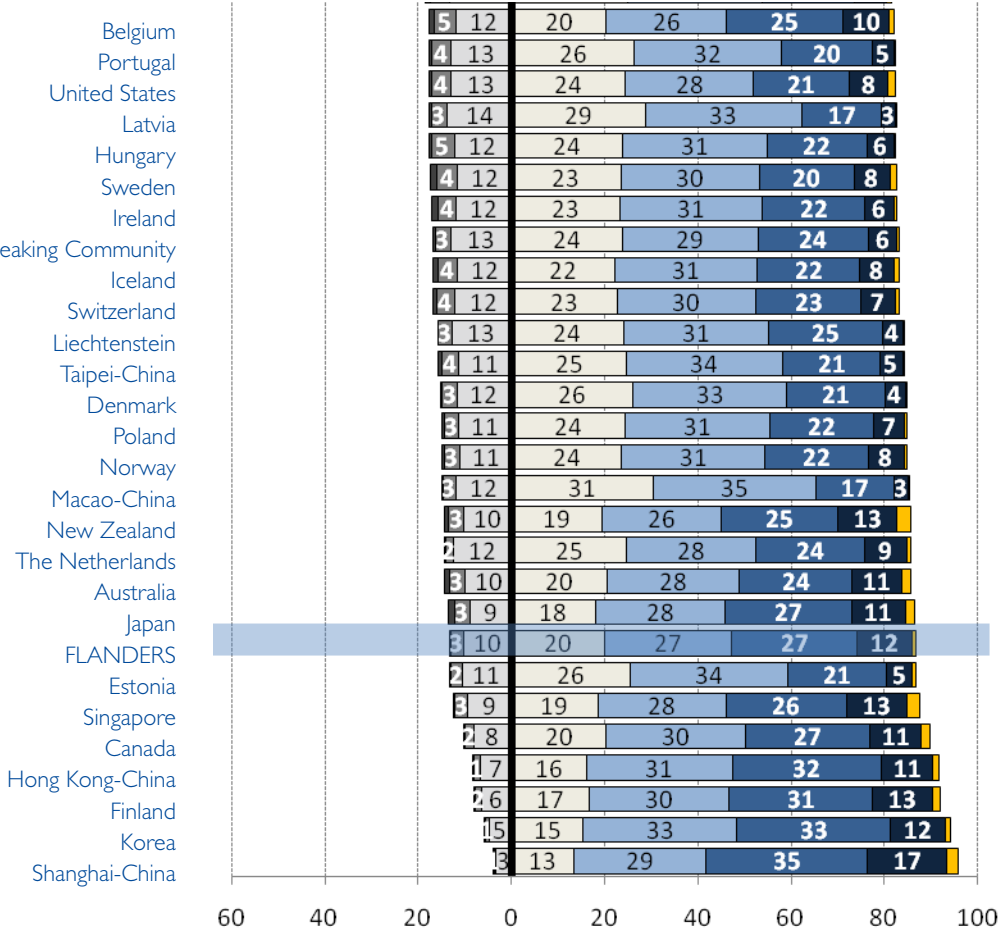
144 Percentage of students with the highest levels of MATHEMATICAL LITERACY (the lower on the list, the better the score: in other words level 1b is the weakest, level 6 is the highest!)

United States
 Austria
 Latvia
 France
 Czech Republic
 Hungary
 OECD average
 Sweden
 Slovak Republic
 Ireland
 Poland
 Slovenia
 United Kingdom
 Belgium
 Germany
 Norway
 Denmark
 Iceland
 Australia
 New Zealand
 German speaking Community
 FLANDERS
 Switzerland
 The Netherlands
 Taipei-China
 Estonia
 Japan
 Canada
 Macao-China
 Singapore
 Liechtenstein
 Hong Kong-China
 Korea
 Finland



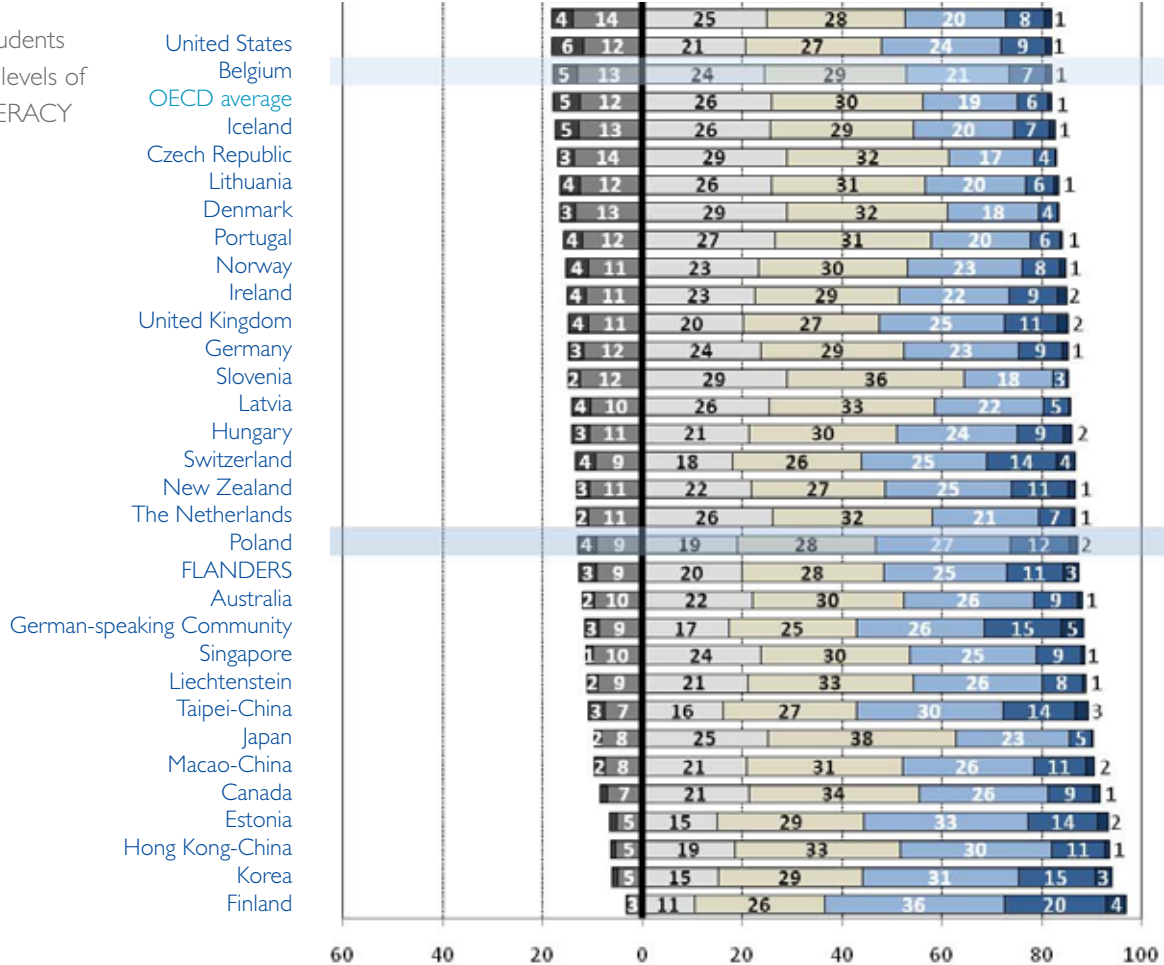
< Niveau 1b
 Niveau 1b
 Niveau 1a
 Niveau 2
 Niveau 3
 Niveau 4
 Niveau 5
 Niveau 6

146 Percentage of students with the highest levels of READING ABILITY



< level 1b
 level 1b
 level 1a
 level 2
 level 3
 level 4
 level 5
 level 6

148 Percentage of students with the highest levels of SCIENTIFIC LITERACY



150 These results clearly show that education in Flanders – by the OECD yardsticks – is among the best in the world. For reading ability, Finland¹⁸⁸ – which is extraordinarily strong here – is the only European country outscoring Flanders. The other countries and/or regions that score highly in this area are Shanghai, Hong Kong, Singapore, Japan, Canada and New Zealand. Flemish young people are runners-up. For mathematics and science Flanders scores highly within Europe (second and third place respectively). The PISA results are particularly useful and important as a potential lever to help improve the quality and performance of education in Flanders, from which *all* students stand to gain. It is still highly risky to draw conclusions from the PISA ratings as to whether educational reforms are needed, and which ones, and whether inspiration should be drawn for example from

the Finnish education system.¹⁸⁹

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Many young people are fortunately discovering the ultimate combination of linguistic knowledge, deepening and widening competencies and other skills through all kinds of – mostly European – exchange programmes. A further increase in the number of students having significant foreign study and/or research experience is also rightly a policy objective at both Flemish and European level. Relevant experience of international study and/or research should be a precondition for awarding a degree to every higher education student. In a globalised environment like ours, this could – as a second-best option – also involve a longer placement in an international company, attending an international foreign

¹⁸⁹ This is because education systems operate in a very specific context, so it is difficult to make comparisons between them. It is even more hazardous to transplant specific successful and necessarily isolated aspects from one education system to another. In a different context these may have suboptimal or even negative effects. Due to complexity of the language, its more peripheral location and inclement climate, Finland is not very popular as a destination for migration. What is more, all teaching staff – from nursery school to senior university staff – are university trained, carefully selected and very well paid. In return for this, teachers and lecturers not only have to provide excellent education but must also engage in continuing training for at least one month per year. Finland also scores significantly higher for investment in R&D. The Finnish education system therefore involves much more than simply keeping classes homogenous and – a practice that is widely misunderstood – delaying the choice of study until the age of sixteen.

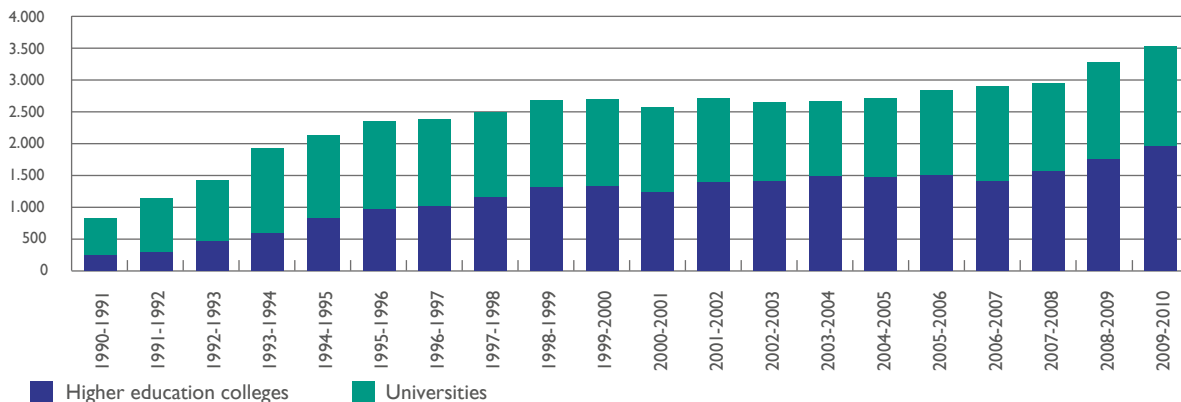
¹⁸⁸ “Goed onderwijs? Vertrouw de leraar. Het Finse onderwijs is het beste van Europa. Zonder inspectie en met weinig geld”, *NRC Handelsblad*, 12 July 2011.

152 language course and/or (a) sufficiently substantial course(s) provided by one or more guest professors in Belgium.

Ideally students should choose countries with an excellent reputation for innovative higher education and research. At present about 22 percent of students choose a Spanish university or higher education college. France comes a close second with 21 percent.¹⁹⁰

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Evolution of the number of Erasmus students from Flanders, by type of higher education institution from 1997-1998 to 2009-2010



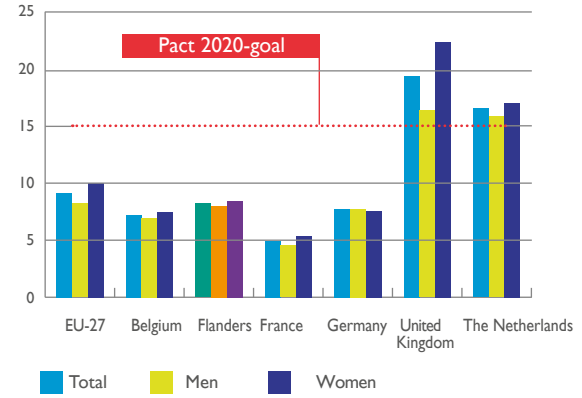
Source: O&V, EPOS vzw.

¹⁹⁰ VRIND, 2011, p. 77.

154 For lecturers, Spain, Finland, the Netherlands and Portugal are the most popular countries. In the 2009-2010 academic year, 821 lecturers travelled abroad under the Erasmus programme. This was a significantly larger number than in the previous year, but it is still not enough.

Learning does not stop when a degree is awarded. Those who do not engage in lifelong learning will fall hopelessly behind. Nevertheless, only 8 percent are engaged in formal lifelong learning, which is a very low figure in a European comparison. By 2020, 15 percent of the population should be engaged in lifelong learning (PACT 2020).

Proportion of people who participated in education or training during the 4 weeks prior to the survey, international comparison, in 2010, in %



Source: O&V, ADSEI (EAK), Eurostat

156 3.2.2. Entrepreneurship

Further internationalisation and international enterprise are also vitally important for Flanders.¹⁹¹ Companies that successfully open up foreign markets can stand proud in the world and are usually visionary, innovative and more resilient. They play a significant role in guaranteeing our prosperity and ensuring knowledge development. Attracting foreign investment also contributes towards welfare in Flanders and promotes knowledge, innovation and creativity.

For this reason the Government of Flanders has quite rightly accepted the following measurable challenges:

- By 2020 Flanders will reclaim the share of the world export market that it has lost during the past 10 years. It will do much more than it is currently doing to explore unused or underused potential in the area of internationalisation (in both goods and services).
- By 2020 the number of exporting countries will have increased. The number of exporting SMEs will double (relative to 2007).

¹⁹¹ *Pact 2020: Een nieuw toekomstplan voor Vlaanderen. 20 doelstellingen van de Vlaamse Regering (2011-2014)* rightly devotes considerable attention to internationalisation as a lever to promote a strong and sustainable economy (http://www.vlaandereninactie.be/nlapps/data/docattachments/Pact%202020_definitief.pdf)

- By 2020 the proportion of all Flemish exports going to rapidly growing markets will rise to 10 percent.

The number of foreign direct investments in the Flemish Region will increase, together with the associated investment activity and the number of jobs created by this.

In 2010, Flemish companies exported goods and services with a total value of 256 billion euro. This was a 17 percent increase compared with the crisis year of 2009. According to Flanders Investment and Trade (FIT), growing world trade (both private and industrial) and higher prices for energy and raw materials largely account for this recovery.¹⁹²

Nevertheless the recovery from the recession is not yet complete: in 2010 Flemish exports were 4 percent below the level seen in 2008 and they had not yet reached the level of 2007.

¹⁹² *FIT, Buitenlandse handel in 2010. Vlaamse uitvoer hijst zich uit crisis in 2010. Enkele hoofdlijnen* ([http://www.flandersinvestmentandtrade.be/site/www.nl.nsf/vattachments/Nieuwsbrief/\\$File/UitgebreideAnalyse-Handel2010.pdf](http://www.flandersinvestmentandtrade.be/site/www.nl.nsf/vattachments/Nieuwsbrief/$File/UitgebreideAnalyse-Handel2010.pdf)).

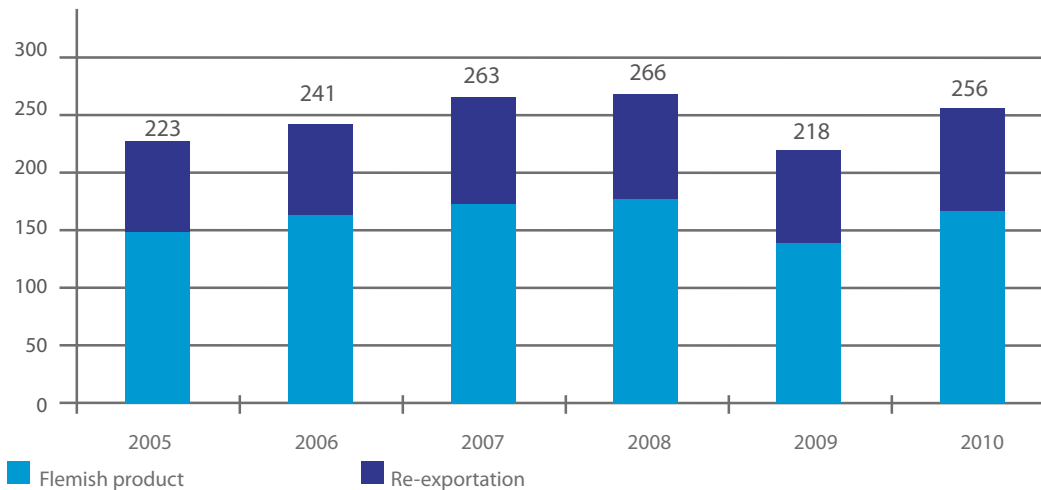
158 Flanders' foreign trading partners are mostly from within the European Union. In 2009, no less than 74.4 percent of Flemish exports went to the European Union. Last year that percentage had fallen to 71.4 percent. Equally strikingly, not a single EU country is buying as many Flemish products as it did in 2008.

The same is not true of countries like Brazil, China, India and

the US. In continental terms, most of the growth is in the East. It is Asia, not the American continent (from Alaska to Argentina) that comes in second place after Europe. Even in the disaster year of 2009, exports to Asia continued to increase.¹⁹³

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Evolution Flemish export (in EUR billion)



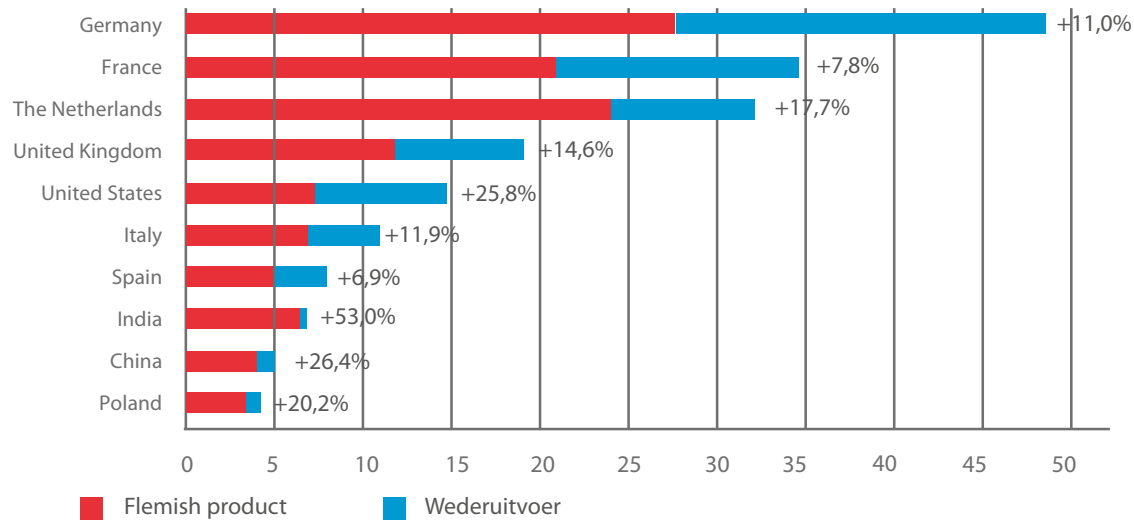
Source: FIT (Flanders Investment and trade). Flemish foreign trade in 2010. Based on the National Accounts Institute (National Bank of Belgium).

¹⁹³ FIT, *Buitenlandse handel in 2010. Vlaamse uitvoer hijst zich uit crisis in 2010. Enkele hoofdlijnen*, p. 2.

160 Belgium's neighbouring countries are the largest buyers of Flemish products by a wide margin. One-fifth of Flemish exports traditionally go to Germany. This situation was no different in 2010. Next come France, the Netherlands, the UK and then the US. These top five account for almost 60

percent of exports. Exports of products manufactured in Flanders – which excludes goods in transit – rose by 22 percent last year. In these terms, Flemish international trade in 2010 was doing just as well as trade at the worldwide level.¹⁹⁴

Flanders top 10 export markets in 2010
(in EUR billion and % increase with regard to 2009)

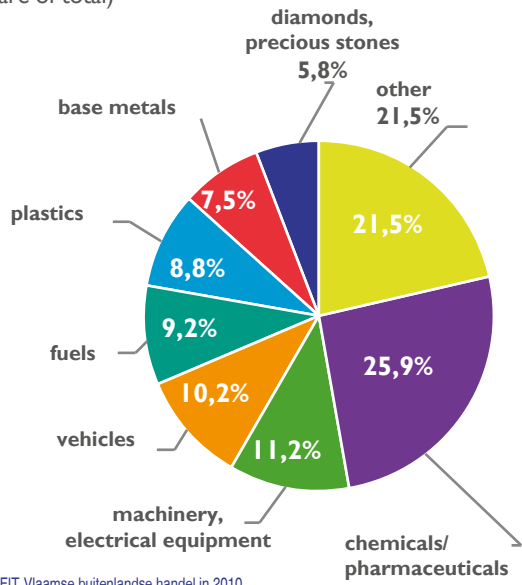


Source: FIT (Flanders Investment and trade). Flemish foreign trade in 2010. Based on the National Accounts Institute (National Bank of Belgium).

¹⁹⁴ *Export op zucht van herstel* Article from De Tijd, 24/03/2011.

162 Flanders' key export products are – not very surprisingly, but very strategically- chemicals/pharmaceuticals, machinery/electrical equipment, vehicles, fuels, plastics and base metals.¹⁹⁵

Flemish exports by sector in 2010
(% share of total)



Source: FIT. Vlaamse buitenlandse handel in 2010. Gebaseerd op Instituut voor de Nationale tekiningen.

¹⁹⁵ FIT, Buitenlandse handel in 2010. Vlaamse uitvoer hijst zich uit crisis in 2010. Enkele hoofdlijnen, p. 4.

163 Diamonds are still an extremely successful export product. The diamond sector alone accounts, depending on the year, for 4 to 8 percent of Belgian or 8 to 12 percent of Flemish exports (the relatively wide bracket being due to changes in the dollar exchange rate).¹⁹⁶

Of Belgian exports to non-EU countries, it accounts for 15 percent. Belgium exports diamonds mainly to China, the United States, Brazil, Russia, India, Japan, and the African continent.

These figures directly account for 8,100 jobs, indirectly supporting another 25,900. The sector achieves an average annual turnover of 30 billion euro, equal to sales of 150 million euro per day.

¹⁹⁶ "Onze diamanten moet je overal zien, veel verder dan 't stadhuis", *Gazet van Antwerpen*, 09/02/2011.

164 3.2.3. Flanders Port Area

Flanders' central location and easy accessibility are unique in Europe. In addition to four seaports and two international airports, Flanders has a dense network of pipelines, railways, motorways and waterways. Major new infrastructure works are being planned. In short, Flanders is the ideal gateway to and from Europe, offering tremendous potential via various modes of transport.

If, rather than competing with one another, Flanders' seaports can present a collective face to the world, all will benefit. This is because a Chinese shipper looking at a map of the world can easily cover the whole of Flanders with a fingertip. Pooling resources and capabilities to offer shippers the widest possible range of top quality ports, each with its very specific advantages, can make a huge difference. Providing, of course, that this does not undermine much-needed competition, since competition, even between seaports within Flanders, is absolutely essential. Competition promotes a sharp focus and challenges operators to innovate, systematically improve processes, provide better value for money and create more sustainable development.

Above all, the Flemish seaports are also very important economic players. In 2008 they generated direct added value of 14.9 billion euro. That is 8.1 percent of Flemish GDP and directly accounts for 107,939 jobs and 4.4 billion euro in direct investments. The ports of Flanders also generated indirect added value of 12.7 billion euro and indirectly created the equivalent of 137,255 full-time jobs.¹⁹⁷

In 2008 the Flemish Region invested 364 million euro in the four seaports and safeguarding their accessibility to shipping.¹⁹⁸

3.2.4 Innovation & creativity

In today's global knowledge economy, knowledge is the key driving force behind innovation, growth and quality improvement.¹⁹⁹ Although not at the very top, Flanders is a reasonably innovative and creative economy. In 2007 Flanders came second for innovative enterprise. According to the snapshot recorded by the Flemish PACT 2020, however, we have re-

¹⁹⁷ These figures date from after the outbreak of the financial and economic crisis in October 2008: *Vlaamse Regionale Indicatoren: VRIND 2011*, p. 357.

¹⁹⁸ *Ibid.*

¹⁹⁹ *VRIND*, p. 121.

166 relinquished our position in second place behind Germany.²⁰⁰ Like the Government of Flanders, Flemish businesses must make quality decisions to continue their efforts in the area of innovation. We still achieve high scores in the European context, but with the growing importance of innovation for both competitive positioning and absolute competitiveness, we must not slacken our efforts. In an innovation-driven economy like the Flemish one, innovation and creativity are the driving forces for growth²⁰¹ and are crucial in further strengthening our knowledge economy and supporting our prosperity.

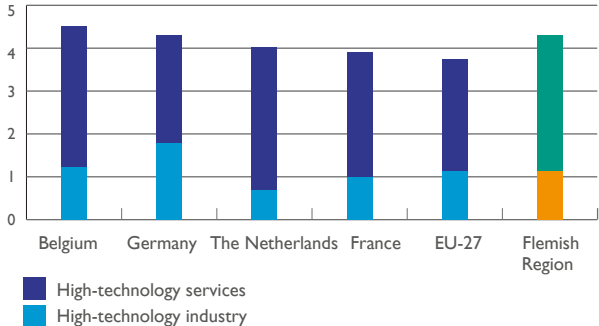
In 2009, EUROSTAT reports that 4.3 percent of Flemish workers were engaged in knowledge-intensive sectors. That is slightly fewer than in previous years. The Flemish Region is still doing better than the EU-27 average. Nevertheless the three neighbouring countries all achieve higher scores.

²⁰⁰ Eenmeting PACT 2020, p.73. <http://www.vlaandereninactie.be/nlapps/data/docattachments/Eenmeting%20Pact%202020.pdf>

²⁰¹ *Vlaamse Regionale Indicatoren: VRIND 2011*, p. 109 ff. Of the neighbouring countries, Germany scores just as highly as the Flemish Region. The Netherlands (4 percent) and France (3.9 percent) are just below the level of Flanders.

The good results achieved by Ireland (6.7 percent) stand out.

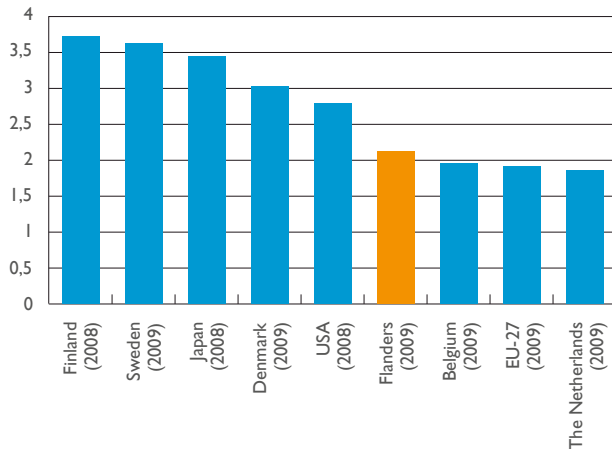
Knowledge-intensive sectors
 Proportion of employment in knowledge-intensive sectors (distinguishing between high-technology industry and high-technology services) in the Flemish Region, the EU-27 and neighbouring countries, in 2009, in %.



Note: this applies to a country (or region), regardless of the place of work.

Source: Eurostat, processed by SVR.

168 International comparison of total R&D intensity in 2009, as % of GDP.



Denmark: national estimate; Sweden, Belgium, the Netherlands: provisional figures; US: provisional figures not including most capital expenditure; EU-27: estimated by EU secretariat; Japan: change of direction in time series since year 1. Flanders: the regional approach is used in the international comparison of R&D intensity because both the numerator and denominator are calculated according to the territorial principle.

Source: EWI, ECOOM: 3 percent memorandum 2011 and Main Science and Technology Indicators 2010/2.

Despite the strong position of Flanders, it is becoming clear that the Pact 2020 target of devoting three percent of GDP to research and development by 2014 has not been

achieved by a significant margin. Neither the public sector – where the margin is widest – nor the private sector are on track to achieve the Barcelona target.

Flanders is determined to achieve this standard by 2014. It also must and will increase its efforts in R&D after that time. The private sector will account for two-thirds of this, and the public sector for the remaining third.

In May 2011 the Government of Flanders launched its new Industrial Policy.²⁰² In an important decision, the Government of Flanders increased its innovation budget by 65 million euro. After a period of retrenchment, Flanders has therefore returned to the 2008 level of Research and Development spending.

²⁰² White Paper. Nieuw Industrieel Beleid voor Vlaanderen, May 2011 (http://ikdoe.vlaandereninactie.be/wp-content/uploads/2011/06/Witboek_nieuw_industrieel_beleid.pdf).

170 To make Flanders 'greener, more social, more creative and more innovative', this budget will be steadily increased from now on.

The so-called TINA fund (Transformation, Innovation and Acceleration Fund), for investment in industrial projects proposed by business consortia, will contribute towards this.²⁰³ Support from TINA will enable innovative projects to be marketed more quickly.

What do these R&D investments mean in terms of human potential?

In 2009, the total R&D workforce in the Flemish Region amounted to 37,508 full-time equivalents. During the last five years Government and businesses have both increased investment in R&D personnel. The private sector employs 58.5 percent of R&D personnel.²⁰⁴

²⁰³ Ibid, p. 22 ff.

²⁰⁴ VRIND, 2011, p. 124.

3.2.5. Creative industry

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In mid-2011, more than 120,000 Flemings were working in creative industries in Flanders, according to Flanders DC. The sector therefore accounts for 4.3 percent of jobs in Flanders.

These Flemish creative industries²⁰⁵, including for example architecture and fashion, collectively generate sales of 23.9 billion euro and added value of 7 billion euro. This corresponds to 3 percent of the gross domestic product of Flanders, placing Flanders close to the European average. Three percent of all employees in Flanders work in the creative industries, as compared with no less than 13.5 percent of all self-employed persons. In other words, a significant proportion of self-employed people work in this sector:

The fashion sector, with 20,600 employees, is the largest employer. The print media sector has 15,740 employees. Architecture, however, accounts for the largest number of self-employed persons with 14,600 individuals, followed by the music industry with 8,590.

²⁰⁵ This includes: architecture, the audiovisual sector, visual arts, heritage, gaming, print media, fashion, music, new media, performing arts and advertising & communication.

172 According to the Creative Economy Report²⁰⁶ produced by the United Nations, worldwide exports of creative goods and services more than doubled between 2002 and 2008.

Belgium comes in 11th place among the top 20 largest exporters, ahead of countries such as Canada and Spain.²⁰⁷ From 2000 to 2007, employment in European creative industries grew by an average of 3.5 percent per year. This increase is much larger than the general rise in employment in the EU, which was only 1 percent.

3.3 The world in Antwerp...Antwerp in the world

Does Antwerp love the world as much as the world loves Antwerp? Unfortunately there is no easily understandable database providing robust indicators and parameters for relevant (policy) areas that would allow comparisons to be made over time and between provinces, not to mention between different regions. As far as possible, however, we

²⁰⁶ UNCTAD, Creative Economy Report 2010. Creative Economy: a feasible development option, p. 126 <http://www.unctad.org/Templates/WebFlyer.asp?intItemID=5763&lang=1>.

²⁰⁷ Ibid., p. 132.

have carried out a sound analysis of the extent to which the world is represented in Antwerp and Antwerp plays its part in the world.

3.3.1. The world in Antwerp

The presence of people with hugely diverse nationalities in virtually all 70 municipalities of the province of Antwerp makes it clear that the region is an attractive location for people from all over the world. With some 26 different nationalities living within its territory, Baarle-Hertog is the least diverse of all the municipalities in the province of Antwerp. In 2007 Antwerp City had no less than 164 nationalities living within its territory.

After Amsterdam (with 177 nationalities) Antwerp is the most international city in the world! This makes it more cosmopolitan than New York, for example, which is in third place with 150 nationalities. Even Mechelen, a medium-sized Flemish city 40 kilometres down the road, had 155 different nationalities living within its territory in 2010/2011. That is more than The Big Apple a few years previously.²⁰⁸

²⁰⁸ For a wealth of information on the international character of our cities, municipalities, legal districts, provinces, regions and the country as a whole, see: <http://www.npdata.be/Data/Vreemdelingen/Vreemde-afkomst/1990-2008/tabellen/Portaal/index.html>

174 In 2008, with a total of about 1.8 million inhabitants, the province of Antwerp was home to some 316,000 people of foreign origin (approximately 166,000 of non-EU origin and 136,000 from an EU-27 Member State). "New Belgians and their descendants" account for 183,889 of these. Of this total, 132,415 had not (yet) obtained Belgian nationality. In other words, some 18.4 percent of the inhabitants of the province of Antwerp have a migration history and are of foreign origin. This proportion was almost 40 percent in Antwerp City. In 2008 the equivalent figure for the Brussels Capital Region was about 68 percent.

With the exception of Brussels, the provinces of Antwerp and Limburg are the most international provinces in Flanders (only 5.6 percent of the West Flanders and 9.5 of the East Flanders population has a migration background). At 27.6 percent (Hainaut) and 25.9 percent (Liège) the Walloon provinces are very international. The province of Antwerp, like the Brussels Capital Region, has more inhabitants from outside the EU-27 than the other provinces (approximately 166,000 as compared with 136,000 from an EU-27 Member State). The provinces of Hainaut and Liège have larger proportions of inhabitants of non-Belgian origin. The vast majority of these come from one of the 27 EU

Member States, mainly from France, Italy, Spain and Portugal. 175

In short, the province of Antwerp is highly international, just like Brussels. It attracts people from all over the world. A large or very large number of nationalities are represented in every municipality in the province. This is particularly true of Antwerp City (164), Mechelen (155), Turnhout (126), Schoten (120), Geel (110) and Lier (108).

If all the foreign students, trainees, tourists²⁰⁹, conference delegates, crew members of ships in the port etc. and their respective countries of origin are also added, it is virtually certain that somebody from every country in the world has visited Antwerp at some point.

The fact that virtually the entire world is represented in the province of Antwerp unfortunately does not mean that all potential workers and/or their children are successfully integrated in (higher) education and/or the labour market.

²⁰⁹ In the first half of 2011 the number of tourist overnight stays in Flanders rose by more than half a million. The art cities did particularly well. Mechelen had 9 percent more overnight stays and Antwerp City had 7 percent more. There was a particularly noticeable rise in the number of tourists from the USA (+43,000), Spain (+37,000), France (+30,000) and Russia (+20,000).

176 According to the key figures from the Flemish Public Employment Service (VDAB) for May 2011²¹⁰, ethnic minority unemployment in the province of Antwerp has risen by 1.4 percent. That increase is mainly due to a rise in the “Asian” group (mainly from Iraq and Afghanistan) and “rest of Europe non-EU”, which includes Russia and other countries. The number of job seekers of Moroccan and Turkish origin (who are numerically the largest group) is still falling. Of all job seekers in Antwerp City, no less than 49.7 percent are of ethnic origin. The figure for Flanders as a whole is 24.9 percent.

3.3.2. Antwerp in the world

Since World War II, 31 cities, towns and municipalities in the province of Antwerp²¹¹ have chosen to set up more or less permanent links with a twin town, city or municipality. The intensity and duration of these twinning arrangements and the distance between twinned towns or cities vary considerably. Schoten found its twin close to home and the municipality is now cooperating with Voorschoten in the

²¹⁰ http://arvastat.vdab.be/arvastat/werkloosheid_results.jsp

²¹¹ Of all the municipalities in the province of Antwerp, 44% have some form of cooperation with a city, town or municipality in a (distant or neighbouring) foreign country. That is less than the average for Flanders (54%).

Netherlands. Many other towns and cities and the province of Antwerp itself have looked much further afield. The town of Mol is twinned with Santo Tomas in Nicaragua, Essen is linked to Tulbach in South Africa and the City of Antwerp has had twinning arrangements spanning more than 20 years with Shanghai and Nagoya (Japan) among others.

In the context of North-South policy, there are a number of projects involving the province of Antwerp, for example in Tanzania (Apopo), the Philippines and Guatemala.²¹²

²¹² From 2007 to 2011 the Province of Antwerp awarded subsidies to 261 projects, totalling €871,329,902.

Province of Antwerp (Belgium)
Province of Shaanxi (PR China)

25 years of friendship



Provincie Antwerpen (Belgie)
Provincie Shaanxi (V.R. China)

比利时安特卫普省
中国陕西省

25 jaar vriendschap

友好关系25周年





Tanzania, project Apopo

182 We also enthusiastically support the annual prize for students from the Institute for Development Policy.

Last year, in 2010, the province of Antwerp received a significant honour from the Chinese Central Government for its ongoing close collaboration with the Chinese province of Shaanxi, the cradle of the Middle Kingdom in the heart of China, with its evocative capital city of Xi'an.

It all began in 1983, when Dr Paul Janssen conceived what was then the revolutionary plan of opening a Chinese facility of his pharmaceuticals company in Xi'an. So it was that Xi'an Janssen was founded. The province followed in his pioneering footsteps and in 1985 concluded a friendship agreement with Shaanxi. After three successful exhibitions covering the main empires (Qin, Han and Tang), a visit by the Pandas (1993), investments by Janssen Pharma to protect the Terracotta Warriors and their polychrome from mould, and innumerable exchanges involving both high-level delegates and students, new pathways for cooperation were identified and pursued.

A promising collaboration has now been set up between the University of Antwerp and Northwestern University,

between Sancta and Northwestern movies (the production company for which legendary Golden Bear winner Zhang Yimou made his first films) and between a number of knowledge institutions and both VITO and Kamp C to exchange knowledge in the areas of sustainability and clean renewable energy. Work is also beginning on the building of a new children's hospital in Xi'an, with expertise contributed by hospitals in Antwerp.

The province of Antwerp is also working closely with the Free State province in South Africa and Leningrad Oblast near St. Petersburg in Russia. In each of these cases the aim is to involve as many people in the collaboration as possible. Cooperation between local authorities and administrative bodies makes most sense if it is able to challenge people, particularly young people, to show the greatest possible openness and receptiveness to our rapidly changing world. A visit to an exhibition may therefore be the final push that encourages someone to make the journey and explore a country or a region in more detail. For students, this often provides an excellent opportunity to deepen their knowledge of a foreign language and culture. This always results in a creative exchange of ideas and insights and is beneficial for all those involved.

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中华人民共和国重庆市与比利时王国安特卫普省 建立友好省市关系签约仪式

SIGNING CEREMONY OF AGREEMENT BETWEEN ANTWERP PROVINCE OF THE KINGDOM OF BELGIUM AND CHONGQING MUNICIPALITY
OF THE PEOPLE'S REPUBLIC OF CHINA ON ESTABLISHMENT OF SISTER-CITY RELATIONSHIP



China, Chongqing, signing ceremony of friendship agreement

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China, Chongqing, signing ceremony of friendship agreement

On 27 October 2011, the province of Antwerp – under the approving eyes of, among others, HRH Prince Filip, Minister of State Annemie Neyts, the managing directors of the VBO (Rudi Thomaes) and UNIZO (Karel van Eetvelt) and Baron Paul Buysse, the first non-Chinese honorary citizen of Chongqing – officially signed a friendship agreement with this dynamic and strategically highly important city-province in Central China. With 32 million inhabitants, Chongqing is not only the world's largest city-province.²¹³ It is a city-province with a mission imposed on it and facilitated by the central government: that of becoming the mainspring of the sustainable development of Western and Central China. This task and ambition, combined with Chongqing's strategic location, the many cultural assets and its political leadership offer exquisite opportunities for cooperation and interaction with a view to win-win situations for both regions.

Intensive international collaboration obviously needs to be in the economic interests of both sides. For Antwerp, as the driving force behind the Belgian and Flemish economy, it is vitally important to remain extremely attractive to foreign investors and to allow Antwerp businesses to open up new markets successfully. Particularly for partners in Asia, this

²¹³ J. Van Der Putten, *op.cit.*, p. 176-177; J. Kynge, *op.cit.*, p. 36-46

means large-scale investment in mutual confidence, which is built up slowly through friendly, long-term relationships. Partly for this reason we are continuing to foster and maintain agreements concluded in the past, and together with the POM (de Provinciale Ontwikkelingsmaatschappij – Provincial Development Company) Antwerp, FIT (Flanders Investment and Trade), the Port of Antwerp, VOKA Antwerpen-Waasland and its subsidiary "headquarters", the knowledge institutions, businesses and other partners regularly embark on foreign missions to provide further promotion for Antwerp. This promotional policy forms the keystone for the various economic development initiatives, including those involving the remediation or creation of old or new industrial sites within the province. To attract investors it is necessary to have competent personnel and an adequate supply of multimodal sites with good transport links and excellent logistics networks. All public authorities and departments must work together constructively to find solutions in which each one can do its part to complete all necessary procedures rapidly, effectively and according to the legislation. Together with POM Antwerp, the province regularly organises networking activities with CEOs of international companies based in Antwerp and representatives of the relevant embassies.

The value of this approach is clear from the latest data on

190 new foreign investment in 2010. Out of 108 new investments in Flanders, a majority (55) of investors chose the province of Antwerp. This is the best result ever for the province of Antwerp and represents a doubling in the number of investments since 2009 (27 foreign investments)²¹⁴: "this may also be thanks to the development policies of the port of Antwerp. It recently set up a direct rail link to China". The connection to our new sister province of Chongqing has now been completed.

This Green Trade Lane strengthens Antwerp's position as a global hub, especially as a destination for high value goods from China using a transportation that is complementary to the waterway and port. As Chongqing would rather see the trains return full than empty, this creates an opportunity and a duty for Antwerp to combine in a sensible way goods coming primarily from Europe, but also Africa and in particular the North African countries. This is of utmost importance, not only in terms of sustainability, but also geopolitically and economically.

²¹⁴ E&Y, Heeft België een federale regering nodig?, *op.cit.*, 2011, p. 5.

Export and import figures specifically for Antwerp do not seem to be available. Looking at all the data on the rise in Flemish exports in 2010²¹⁵, the analysis by sector and the distribution of those sectors between the provinces, it can certainly be deduced that the province of Antwerp accounts for a particularly large share of imports and exports. Take, for example, the petrochemicals sector: "With 50 percent of jobs in the chemical industry in Flanders and almost 35 percent of Belgian jobs within the sector; the province of Antwerp has the highest share of all the provinces in this sector. Antwerp is home to the largest petrochemicals cluster in Europe. This area is also the most important in the country in terms of company size."²¹⁶

A number of highly strategic advantages and niche sectors play a vital part in this.

²¹⁵ See above: FIT, Buitenlandse handel in 2010. Vlaamse uitvoer hijst zich uit crisis in 2010. Enkele hoofdlijnen ([http://www.flandersinvestmentandtrade.be/site/www.nl.nsf/vattachments/Nieuwsbrief/\\$File/UitgebreideAnalyseHandel2010.pdf](http://www.flandersinvestmentandtrade.be/site/www.nl.nsf/vattachments/Nieuwsbrief/$File/UitgebreideAnalyseHandel2010.pdf)).

²¹⁶ <http://www.essenscia.be/NL/essenscia/essenscia-vlaanderen/Kerncijfers/page.aspx/1358>



194 3.3.2.1. The port of Antwerp²¹⁷

The port of Antwerp is the largest port in Belgium, the second largest in Europe, the 10th largest in the world in terms of international maritime transshipment and the 14th largest in the world for containers. It is, however, the largest integrated port in the world, thanks to its three strong port-related pillars of transshipment, logistics and industry. The port of Antwerp was a final destination for no less than 147 exporting countries last year, ranging from Liberia to the United States, from Chile to Benin and from New Zealand to the Falkland Islands. Of all the goods arriving in the port of Antwerp, 35 percent came from Europe in 2009, followed by Asia, North America, Africa and South America.

More than one-third of the goods leaving the port of Antwerp in oceangoing vessels are bound for Asia. Next comes Europe, followed by Africa and North America. Through Port of Antwerp International, the port of Antwerp also seeks to establish partnerships and offers guidance on the development of ports in strategic locations in emerging regions, while creating strategic alliances with other ports. Effectively implemented, this approach should make a major

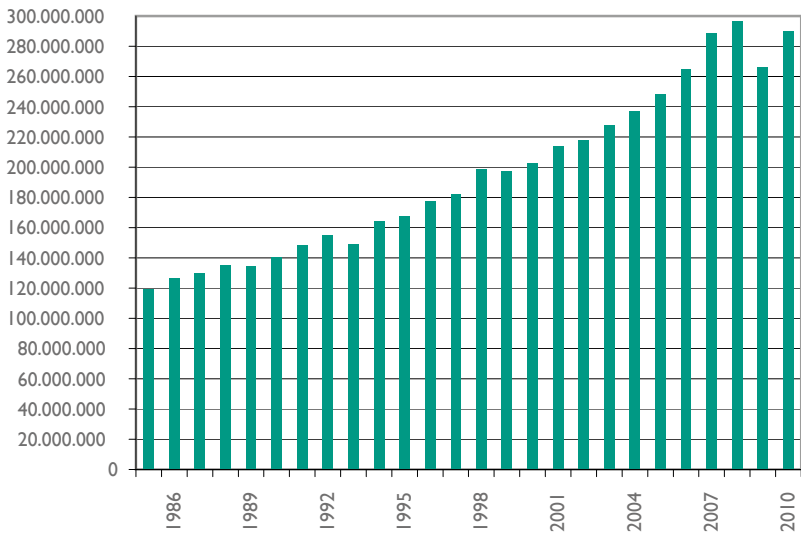
contribution towards increasing the amount of goods both entering and leaving the port, while maximising the resulting added value.

In 2010, 178,168,003 tonnes of goods were handled in the port of Antwerp, 12.9 percent up on the crisis year of 2009. Shipping companies are also deploying larger and larger ships on routes to and from Antwerp, signalling that they expect to find adequate import and export cargoes to make the best possible use of their capacity. In short, more capacity is using the port of Antwerp and ships are becoming larger. Thanks to its carefully monitored and safeguarded accessibility to shipping, Antwerp is clearly having no difficulty keeping up with global developments.

In 2010, container traffic rose by 17.5 percent to 102,509,658 tonnes. In TEU terms it rose by 15.9 percent to 8,468,475 TEU.

²¹⁷ Gemeentelijk Havenbedrijf, Statistisch Jaarboek, 2010.

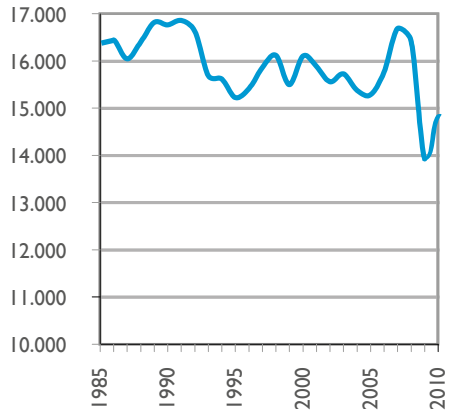
Evolution of gross tonnage (GT) of incoming oceangoing vessels
Gross tonnage (GT)



Source: Gemeentelijk Havenbedrijf Antwerpen, Statistisch jaarboek 2010, p. 14

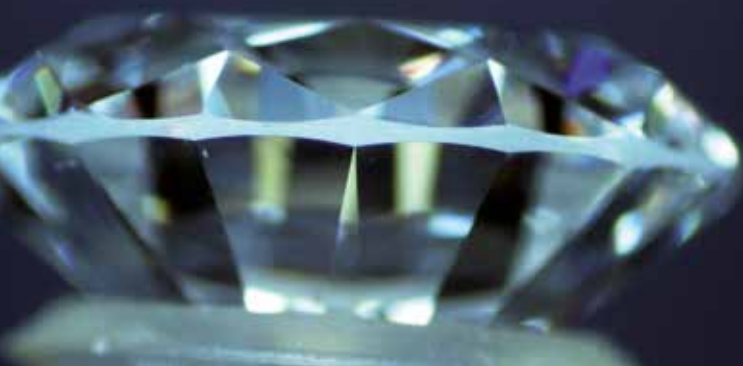
A growing volume of goods and container traffic logically also means an increase in the number of oceangoing vessels. After falling by 15 percent in 2009, the number of oceangoing vessels anchoring in Antwerp rose by 6.2 percent to 14,783.

Evolution of the number of incoming oceangoing vessels



Source: Gemeentelijk Havenbedrijf Antwerpen, Statistisch jaarboek 2010, p. 14





202 3.3.2.2. Diamonds

“Booming export growth everywhere, among virtually all our top Asian customers, while the greediest markets are **India** (+53 percent – diamonds), **China** (+26.4 percent – machines, diamonds, organic chemicals, cars), **Japan** (+36.5 percent – pharmaceuticals, plastics etc.), **Hong Kong** (+38.3 percent – diamonds), **South Korea** (+31.6 percent – chemicals/pharmaceuticals, machines, plastics), and **Taiwan** (+29.3 percent – same sectors). There has also been considerable interest from ASEAN countries (+25.2 percent): **Indonesia** (+52.1 percent), **Thailand** (+51.1 percent), the **Philippines** (+40.6 percent) and **Malaysia** (+30.6 percent), with – depending on the market – much higher sales in the machinery, vehicles and metals sector”.²¹⁸ The latest figures from FIT once again show the importance of diamonds for Flemish exports. These results are attributable entirely to Antwerp, which has been the highly cosmopolitan and diverse world diamond capital for more than 550 years.²¹⁹

²¹⁸ [http://www.flandersinvestmentandtrade.be/site/wwwnl.nsf/vattachments/Nieuwsbrief/\\$File/UitgebreideAnalyseHandel2010.pdf](http://www.flandersinvestmentandtrade.be/site/wwwnl.nsf/vattachments/Nieuwsbrief/$File/UitgebreideAnalyseHandel2010.pdf)

²¹⁹ J.-Ch. Verwaest, “Antwerpen levert de wereld het ultieme luxeproduct”, *Ondernemers, VOKA-Magazine*, October 2011, Year 12, p. 9-15.

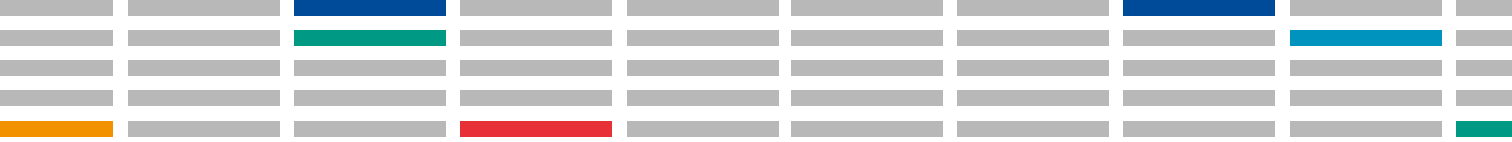
After a weak 2009, the diamond sector again did very well in 2010. This is clear from the annual report of AWDC (Antwerp World Diamond Centre).²²⁰ Imports of cut diamonds in the first half of 2010 rose by 10.13 percent in volume terms to more than 8 million carats as compared with the same period in 2009 and by almost 30 percent in value terms. Exports of cut diamonds rose by 7 percent, or almost 29 percent in value terms. Figures for rough diamonds are even more spectacular: imports rose by 30 percent in volume, and by 49 percent in value terms. Exports rose by 31.4 percent in volume and by almost 49 percent in value terms. No-one will be surprised that Antwerp’s diamond sector not only continues to provide an excellent service to its traditionally strong markets but is also focusing primarily on new and spectacular growth markets such as Hong Kong, China, India and Russia.²²¹

Competition, however, is making itself felt at the international level. More than ever the Antwerp diamond sector needs a well thought-out strategy to anchor the diamond sector in Antwerp on a long-term basis. That is precisely the

²²⁰ <http://www.awdc.be/sites/default/files/AWDC%20Annual%20Report%202010.pdf>

²²¹ J.-Ch. Verwaest, loc. cit., *Ondernemers*, p. 9-15.





206 ambitious intention of the Antwerp Diamond Masterplan, a strategic plan which has been developed in conjunction with the wider sector and a very large number of stakeholders. Its success will depend among other things on appropriate, open and transparent cooperation with the government and on having the right levers, including in the area of taxation.

3.3.2.3. Fashion

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Antwerp is not only the world's diamond capital. Since the 1980s it has also been well known as the world fashion capital. Attracted by its excellent reputation and renowned top designers, young people from all over the world come to Antwerp to try their luck at gaining a place in the Antwerp Fashion Academy, where they undergo a demanding course of training. As a result the fashion industry has developed into a unique ambassador for Antwerp. Shows by Antwerp designers are eagerly awaited events. Creations by Antwerp designers are coveted throughout the world and are worn by an international clientele. During the recent round table discussion with the many stakeholders in the fashion sector (the Fashion Academy, designers, distributors, employer organisations, Flanders Fashion Institute etc.) in the presence of HRH Princess Mathilde, the number one theme was promoting Antwerp and Belgian fashion abroad.²²²

Like Flanders and Belgium, Antwerp is a highly globalised city. So much so, in fact, that one might ask whether Flanders

²²² For the report on this round table discussion, see: http://www.provant.be/bestuur/beleid/gouverneur/antwerpse_troeven/mode/

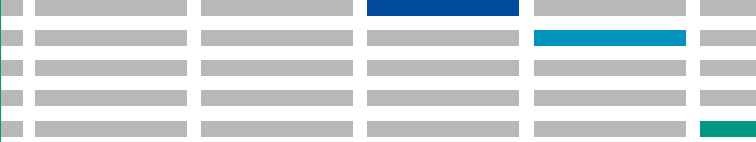


208 and Belgium perhaps owe their international position and reputation not only to Brussels as the home of exceptionally important supra-national and international institutions, but also to the cosmopolitan position of Antwerp. Nevertheless there is no reason for empty rejoicing, self-satisfaction or complacency.

Almost every country in the world may be represented in Antwerp, but the potential of their representatives is still significantly underutilised. How much more could Antwerp achieve, if the diversity of its migrant backgrounds could be used as an asset to promote success rather than being a weakness and all too often resulting in poor academic performance and under-representation in the labour market?

How well aware are we of the major geopolitical shifts and transitions taking place? Are parents, teachers and professors preparing children and young people for their potential roles in this rapidly changing world? What prerequisites must we continue to work on in order to foster a greater interest in Antwerp throughout the world? How can we help businesses and people with their roots in Antwerp to be resilient and achieve continuing success in a flat world?





4. Creating and
maintaining
Antwerp's strength
in a world without
borders

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劳特

整军

特贺

丽热

亚得

卢卡

路尹亚

诺儿

*I set out from the idea that every person has a responsibility to develop his own abilities and talents to the full. Nevertheless, they cannot do this alone. They will need care, help and support from other people. Family, friends and those around you will help to determine whether the process is a success. Society also plays a vital role by providing the material, legal, political, social, cultural and intellectual conditions that make this possible. This is, in a nutshell, my 'capability approach'²²³,
Martha Nussbaum*

4.1 It begins in our minds. The right framework of reference and the right spirit: about education, training and openness

The opportunities and challenges facing Antwerp as the world becomes flatter are tremendous. How can we make the best possible use of the benefits and opportunities created by a flat world, while still protecting those who find the transition difficult? What is more, we must do this in the context of an EU that will hopefully never resort to traditional protectionism or merciless capitalism. When looking for responses to all these challenges, we must first look within

²²³ M. Nussbaum, "Voor wat hoort wat? Dat is niet sociaal rechtvaardig", joint interview with Bea Cantillon and Martha Nussbaum, *De Morgen*, 23 July 2011.

216 ourselves. Those who know the world in which they are operating will find their way more easily. So the primary task has to be education. Authority figures and opinion leaders will do the community a major service if they can embrace globalisation and ensure correct information and reporting about it.²²⁴ More important still is the need to test reforms in areas such as education, the economy, work, welfare and, more widely, urban and regional development, for whether they offer the perspective, training, skills and safety nets that the people of Antwerp will need to equip them to cooperate, share knowledge and compete with other individuals in a flat world. Governments and politicians are not being honest with people if they promise to protect them from the vagaries of the global labour market. This is an area where courage and leadership are needed.

²²⁴ There is some interesting commentary on this point from T. Naegels in "De wereld verandert (nu de krant nog)", *De Standaard*, 14 September 2011, 27 and the excellent "World Affairs" [Wereldzaken] section in the weekend edition of *De Tijd*. Anyone who wants to look at this area systematically and in greater depth should turn to international newspapers and journals such as *The Economist*, *The International Herald Tribune*, *Die Zeit* etc.

A friend once asked Isidor I. Rabi, a Nobel Prize winner in Physics, how he became a scientist. Rabi replied that every day after school his mother would talk to him about his school day. She wasn't so much interested in what he had learned that day, but she always inquired: "Did you ask a good question today?" "Asking good questions", Rabi said, "made me become a scientist".²²⁵

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It is not only the task of government, politicians, opinion leaders and companies to help people to prepare for the flat world and adapt to it. It is also a task for parents. They, more than anyone else, need to know the world in which their children are growing up and what they must do to give their children all the skills they will need to develop and succeed in it.²²⁶ Most of all, children need "tough love" from their parents.

²²⁵ T.L. Friedman, *op.cit.*, p. 319; See also, in a similar vein: D. De Boe, B. Lernout, P. Sprangers, *Edushock. Breinoptimizer voor leren in de toekomst*, Tielt, Lannoo, 2011, p. 16.

²²⁶ See also: G. Noels, Econoshock, "Study offers and will always offer the best guarantee of prosperity and happiness. So invest in your children's education. Encourage them to make the most of their talents. Too much talent is wasted because children have not learned to discover what they can do. All the research indicates that study offers a better return than any other investment", *Houtekiet, Business Contact*, p. 364.

218 There are many times when Game Boys and Ipods/Ipads need to be set aside and children set down to their homework. Many people have nothing like the abundant time and space that we enjoy.

Education begins in a family where reading²²⁷ is seen as intrinsically valuable and necessary.²²⁸ A place where working hard to gain an education is valued and where good academic results are a top priority. Where parents work together with schools and maintain high expectations for their children's success.

It is here that young people need to learn that delaying gratification is not a punishment – it is a blessing and a valuable lesson for life. Antwerp also needs children to be growing up in families where they are encouraged to work hard, delay gratification, empathise and understand that they

²²⁷ The fact that Europeans and Americans were able to read better gave Europe and North America a strategic advantage for centuries (N. Ferguson, *op. cit.*, p. 101). It drove the enlightenment and contributed to the wide dissemination of its achievements (N. Ferguson, *op. cit.*, p. 299). Perhaps this was the greatest contribution that religion made to the history of Western civilization. Protestantism not only got the West working; it got them saving and reading as well (N. Ferguson, *op. cit.*, p. 299 ff.).

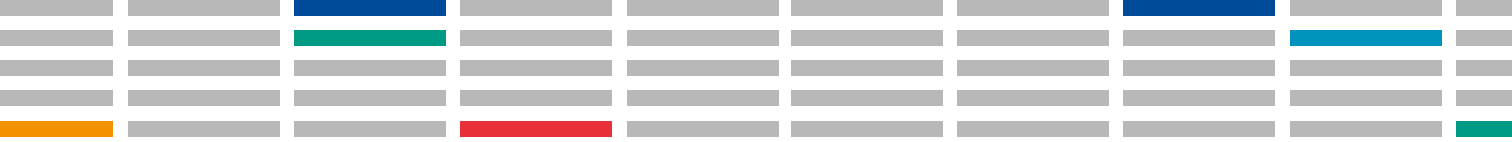
²²⁸ On the huge importance of engaged, interested parents who bring up their children with love and strictness, challenge them and help them to develop their intrinsic abilities and capacities to the full, see: R. Kahn, *De Appel en de boom. Waarom ben je wie je bent. Is dat aanleef of opvoeding?*, p. 255.

need to adapt and maintain their skills, language and cultural knowledge. These things will allow them to play an important role in the world and make a difference. This does not stand in opposition to an equal opportunities policy, but serves as a foundation for it. You do not make the “battle” more equal by pulling other people down or feeling sorry for yourself or expecting sympathy from others. You do it through (a willingness for) self-improvement.

*"Nobody works harder at learning than a curious kid."*²²⁹

This begins at home, but it needs to be deepened and widened at school. There is no magic formula that can protect children from the competitive world of today and tomorrow. It is possible, however, to prepare young people for it. Reforms in the education system should therefore be carried out with this perspective: does it help to create deep insights into a more globalised world and will it help to develop resilient young people who will be able to respond quickly and effectively to non-routine activities and high levels of change in their professional lives?

²²⁹ T.L. Friedman, *op. cit.*, p. 325.



220 Although there is no magic formula, the best type of reform is probably to offer schools the greatest possible freedom and the responsibility that goes with it. They can then achieve high (conceptual, technical, technological and vocationally oriented) standards, benchmarked to the best regions in terms of education.²³⁰ A debate on the needs, aims and distribution of resources to achieve this may perhaps be more fruitful than discussing the number of hours that should be devoted to a particular subject in a specific year; or the exact time when students can choose to study it.

*This is because it is the way we educate our children, and not only what courses we offer or for how long, that make all the difference.*²³¹

221 A first skill that is important in the “flat world” is the ability to learn: constantly assimilating new ways of doing old things and new ways of seeing and doing new things. It is not only important what you know and what you can do, but also how you learn things. What you know and what you can do today will go out of date more quickly than people are willing to admit. Those who love learning, or have learned to love it, will hold the best cards. That is because the important thing is to be or become motivated to learn things yourself. Those who are not lucky enough to have been born with that motivation are still perfectly capable of developing this attitude, or it can be nurtured by the right teacher or parent.

Now that children and young people are linked in with the wider world, with everything that is on the worldwide web and with each other - often without any filtering at all - it is particularly important that they should learn how to browse in that virtual world. How to separate the wheat from the abundant chaff. How to separate obscenity, lies, attempts to defraud them and the like from facts, insights and reliable sources of knowledge and wisdom.

²³⁰ See also D. De Boe et al, *op. cit.*, p. 171.

²³¹ T.L. Friedman, *op.cit.*, p. 320 ff.; D. De Boe et al, *op. cit.*, p. 35.

222 Computer developers and manufacturers can supply cables and manuals, but unfortunately they do not supply “common sense” to go with them.

Browsing skills, acquiring the talent and judgement that are needed to find wisdom and knowledge from amongst the abundance of information that is presented without any “relief”, structure or visible difference in quality, are therefore crucial. Cutting children and young people off from the Internet is not an option. What is needed is to teach them to handle it critically and effectively. Once again schools can and must be creative, innovative, and – working together with parents – show the way.

Passion, curiosity and enthusiasm...: teachers and schools who can (help to) encourage and impart this approach and attitude to life in a way that is grounded in experience and works in practice will be the real heroes of today and to-

morrow.²³² Intelligence, IQ and natural aptitude will continue to be extremely important for success in life²³³, certainly if

²³² D. De Boe et al., *op. cit.*, p. 171. In Edushock D. De Boe, B. Lernout and P. Sprangers, after a brief overview of the world of today and tomorrow which is partly derived from authors such as T.L. Friedman, offer some very useful tips and suggestions on ways in which schools, education policymakers and the government can respond to this fundamental transition. They also provide a large number of tips for students to make learning more exciting, so that they will learn more, their learning will be more firmly rooted and they will acquire the flexibility they need. The best policy, the best schools, teachers and students are those who manage to successfully integrate and synthesise the most valuable aspects of education today, incorporating innovations where necessary. This is a complex but in my view very challenging task for all schools in Flanders. See also: “Electronic education. Flipping the classroom”, *The Economist*, 17-23 September 2011, p. 42-43. <http://www7.economist.com/node/21529062>. In the “MacSchool” in Los Altos, a stone’s throw from Silicon Valley, traditional educational methods have been radically transformed. The young people do their general, theoretical lessons using their computers outside the classroom, where it is called “homework”. They no longer do exercises and concrete applications at home, but on a PC in the classroom (“the flip”). The teacher monitors the progress of the group as a whole and of each individual student. As soon as he/she notices that one or more students are not managing to complete specific exercises without mistakes, they are offered specific explanations and tailored guidance until they are able to move on. This approach makes it possible, for example, for the same (one-year) course to be offered to all classes in the same year (by the teacher who has the best teaching skills for this). This approach also allows for greater differentiation. Strong students can be given additional challenges in the subjects where they excel. Students who have more difficulty with specific subjects and/or topics can be given special assignments. Young people who want to progress more quickly can make use of the opportunity. This school is achieving one of the highest scores in the California “Performance Index” http://en.wikipedia.org/wiki/Los_Altos,_California.

²³³ R. Kahn, *op. cit.*, p. 53: “Intelligence strongly influences the course of our lives”. In Kahn’s view it is actually the most important factor.

they are to develop in the best possible environment. There is a very real chance that curious, enthusiastic people will have the strongest motivation to continue their education and will be greedy to learn more, acquire new and innovative insights and develop ideas. After all, intrinsic motivation is the strongest kind.²³⁴ Anyone who learns and/or does something because he/she wants to know it and wants to be able to do it himself/herself rather than because a teacher and/or parent requires it will work harder and get more out of both teachers and themselves. Although Flemish students are still performing moderately well to well in the OECD tests, one must ask whether all schools and students are really doing everything they can to encourage every student to reach their individual maximum capacity. This is because you cannot know your limits until you actually exceed them. Good schools and teachers do encourage students to explore their intellectual limits. Otherwise their innate capacity will never be used to the full and it will therefore remain invisible.²³⁵ This is a missed opportunity, not only for the individual pupil or student but for the community as a whole.

²³⁴ D.H. Pink, *op. cit.*, p. 59: Steve Jobs, "I was lucky — I found what I loved to do early in life", in "You've got to find what you love," Speech by S. Jobs when accepting his honorary doctorate at Stanford, 14 June 2005 <http://news.stanford.edu/news/2005/june15/jobs-061505.html>.

²³⁵ R. Kahn, *op. cit.*, p. 215-217.

The need for this is particularly urgent in a flat world.

In a world like this, scientific, technical and technological knowledge are unquestionably very important. Real knowledge, innovation and creativity, however, are primarily about bringing things together; creating (original) links and forms of cross-pollination between history, art, politics and science etc. These things require knowledge and insight into quite diverse disciplines so that insights from each one can help an individual to view the others from a new perspective. Each speciality can feed into the others.²³⁶ It is not by chance that higher education institutions are increasingly integrating multidisciplinary and interdisciplinary work into their structures.²³⁷ Those countries and education systems that fail to create adequate links between mathematics and physics and art, literature, music, classics, language and literature will fall behind in the global struggle and competition for innovative and creative ideas, which is what matters most of all.

²³⁶ D. De Boe et al., *op. cit.*, p. 99-103.

²³⁷ D.H. Pink, *op. cit.*, p. 115.

226 Making cuts in the arts and culture is not a good idea. Neither is failing to exploit advantages such as multilingualism or the benefits of living in a country or region that is situated at an important interface and/or forms a meeting-place for a number of major linguistic and cultural families, while also being home to people from all over the world. Provided it is implemented properly, the *Talennota* (Languages Memorandum) announced by Flemish Minister for Education and Youth Pascal Smet on 25 July 2011 certainly seems to be a good policy decision, although it would be wise to avoid neglecting the German language.

The insights of Daniel H. Pink²³⁸ are very relevant to future reforms in education. According to his thesis, in the conceptual era or in the flat world we will have to supplement our L-oriented linear reasoning with six right brain-related talents. This thesis confirms the great significance of horizontal thinking and the need to enrich scientific, technical and technological knowledge by paying attention to art, culture, literature etc. as well.

²³⁸ D.H. Pink, *op. cit.*, p. 63 ff. See also: D. De Boe et al., *op. cit.*, p. 171.

Together these six “high-concept” and “high-touch” senses can help to develop a completely new and complementary brain, which will be necessary or at least very useful in the new age as it has already been described:

1. **Not only function**, but also **design or form** are important. Things need to be **not only functional** but they must also be **attractive** in one way or another. Otherwise they will fail in a world of plenty;

2. **Not only the argument, but also telling the story**: a large amount of data cannot be mentally captured without a good story. What is more, among the abundance of information and data there is always some information that will contradict a sound and well-supported argument with equally sound counter-arguments. The core of persuasion, communication and (self)-understanding therefore shifts towards strong story-telling;

3. **Not only focus but also symphony: not only analysis but above all synthesis**. Seeing the whole picture and pushing back the boundaries means combining apparently disconnected parts to form an exciting new and original whole;

228 4. **Not only logic, but also empathy.** In a world overloaded with information and advanced analytical tools, logic alone is no longer enough. The thing that will stand out about people who can progress is their gift and ability to understand what drives other people, enter into meaningful relationships and to have an honest concern and appreciation for others.

5. **Not only seriousness, but also fun.** Laughter (together), light-heartedness, humour, making sure things are not too tense... these – set alongside the necessary hard work and seriousness – are all very good for mental resilience and health, and therefore also good for work;

6. **Not only more and more material prosperity in a world of plenty for more and more people,** but also a perspective and a sense of what it is really all about: having a goal, spiritual and intangible forms of satisfaction and a more fundamental bond with others. These insights into the importance of new ways of thinking and acting also need to be translated into educational policy, the education system and various types of educational projects. Schools and school communities are probably best placed to carry out this translation

process successfully.²³⁹ Government should ideally give them all the space and freedom they need and allow them to take responsibility for it. Moving away from culture, history, (classics and) languages, in short general educational subjects regardless of the chosen course of study or “area of interest” certainly does not appear to be the right approach. Neither does delaying the choice of a study specialisation based on students’ ability, effort and motivation.

*Strange? says King Torelore. Why strange? Who is strange here? We all live in the same world. Only someone who comes from another planet is strange!*²⁴⁰

Empathy, an ability to synthesise and create links on the strength of knowledge and insight into culture and language are absolutely vital when it comes to unlocking the true benefits and strengths of the multicultural society and diversity.²⁴¹ Of course living in diversity is not always easy. In many cases significant efforts are required on all sides, and

²³⁹ “The great schools revolution”, *The Economist*, 17-23 September 2011, p. 19-22 and especially p. 22.

²⁴⁰ S. Hinglais and T. Schamp, *Het heerlijke eiland van Koning Torelore*, Tielt, Lannoo, 2010, 15, act 2, p. 2.

²⁴¹ In particular see also: D.H. Pink, *op. cit.*, p. 135 ff.

politicians, journalists and others who have a prominent place in society but still look different. The self-confidence of the elite in a multicoloured society also has an impact on the rest of society. Ethnic minorities are no longer equated with failure, and as a result the middle classes send their children to mixed schools. The distinction between “us” and “them” also disappears. People who work with colleagues from all over the world every day simply no longer think in those terms”.²⁴³ If different cultures live together in harmony, this tends to promote creativity. New combinations of ideas come into being, which contributes towards innovation and creativity.²⁴⁴

Calls for mutual empathy, openness and collaboration are not intended to stifle debate on the challenges and difficulties facing society, nor on the complex security problems that exist. Different languages, cultures, customs and habits imply different expectations and these will often come into conflict.

Such conflicts must be constantly managed and clearly

²⁴³ D. Chakrabarty, “Tolerantie begint bij een multiculturele elite”, *De Tijd*, 9 April 2011. This Indian historian was awarded an honorary doctorate by the University of Antwerp in 2011.

²⁴⁴ D. De Boe et al., *op. cit.*, p. 117 ff.

230 the process may also entail certain costs.

Yes, “when a citizen of the world from Brussels meets a citizen of the world from Senegal, they find it enriching. When a citizen who is falling through the net in his own country comes face to face with a refugee (with whom he cannot or can barely communicate) who has fallen through the net in his country, that can give rise to conflict. The globalisation of the economy means that one of them can work abroad, while the same globalisation means that the other is losing his job in his own country”.²⁴² Nevertheless, there is no alternative.

Society is and always will be very diverse, regardless of whether there will be more migration in a flat world or whether it will gradually reduce. We should be honest about this. Suppose the province of Antwerp knew everything that all the citizens of Antwerp know? How wise we would be? How many languages and cultures would we know? Digging into that knowledge and those strengths is the challenge: “in a truly multicultural society the ruling elite has become multicultural. You see doctors, professors and teachers, lawyers,

²⁴² F. Rogiers, *Eigen schuld eerst. Wat we niet willen horen over extreemrechts in Vlaanderen*, Amsterdam, Nijgh&Van Ditmar, 2001, p. 38.

232 agreed rules and responsibilities are needed, while the action that is taken must also be consistent.

Globalisation makes countries, regions and people particularly vulnerable to criminal networks and (terrorist) attack. The time and place of these are increasingly difficult to predict, but their impact seems to be/is growing ever greater.

If we act within those boundaries to (help to) make use of all the talents, imagination and ambition and particularly cooperation between police and justice systems²⁴⁵, we will probably be unbeatable as a region in the flat world. That should certainly be our belief and our ambition!

In many of these areas the province of Antwerp has relatively limited resources. Nevertheless it is helping to make a difference in the flat world. It can and must continue to do this.

²⁴⁵ On this subject, see: C. Bex, *De angst voorbij*, Speech in 2009.

Proposal I. We will continue to communicate about and make use of the opportunities and advantages of globalisation. We will do this positively, openly and in different languages with China (Shaanxi and more recently Chongqing), South Africa (Free State), Russia (Leningrad Oblast) and, closer to home, with the Netherlands (North Brabant). We will make our contribution to ensure that as many of Antwerp's citizens as possible are able to benefit from that cooperation. To that end we will support and/or organise high-level exhibitions and presentations by our partner regions within our own territory. Where appropriate we will help (performing) artists, designers, musicians etc. from Antwerp to show their work elsewhere in the world.²⁴⁶ We will continue to work on a broad basis, offering low thresholds, to promote international festivals and major events like Mano Mundo and initiatives such as the writer's flat run by PEN-Vlaanderen...

²⁴⁶ What could be more beautiful for Antwerp than lyrical reviews in the French press, even asserting that Guy Cassiers with "Bloed en Rozen" from Toneelhuis in Antwerp rescued the Avignon Festival in 2011 (see also NRC Handelsblad, 25 July 2011). Positive reviews of fashion, dance, painting etc. from Antwerp, for example in Shanghai (A story of image, the exhibition of works from the Muhka and the KMSKA), Tokyo (Fashion exhibition by Antwerp Fashion Museum), St. Petersburg (fashion show with designs from Antwerp), France etc. are hugely valuable for the region as a whole. What is more - if that were even necessary - it offers artists yet another opportunity to gain inspiration, acquire new experiences and/or make contacts.

Proposal 2. We will integrate knowledge of and about today's world and the efforts required to live in a flat world in our support for parenting, (provincial) education and policy-making in areas relevant to education. We will help students in provincial education to participate – usually with considerable success – in international competitions. We will support strategic partnerships and collaboration with foreign universities and higher education colleges. In this way we will contribute towards more student exchanges and greater sharing of knowledge.

We will support unique programmes such as the Master's in Global Leadership at Antwerp Management School (AMS) and make them better known.²⁴⁷

We will build a strategic network of young people from abroad who are studying in Antwerp to promote information exchange and sharing of knowledge.

Proposal 3. We will optimise contacts with members and representatives of the international communities in Antwerp. Together with our partners we will jointly carry out strategic projects that are in our shared interests.

²⁴⁷ <http://www.antwerpmanagementschool.be/MGM>

4.2 Localising the global approach... The province as a fulcrum and a crossroads

*From provincial to universal.*²⁴⁸

*“There is going to be a huge amount of business for those small and medium-size firms that learn how to take all the global capabilities that are now out there and tailor them to the needs of a local community... It's the localization of the global and we're just at the beginning of it.”*²⁴⁹ Many public bodies at the Flemish, federal and provincial level, including POM Antwerp, are supporting small and large(r) enterprises in their ambitions to explore new markets and conquer them if possible. At the same time they are also engaging in strategic promotion of Flanders and Antwerp among potential investors. An attractive example is the ambitious network of Flemish business antennae that VOKA Antwerp-Waasland is setting up along the Silk Road, the legendary trade route between China and Europe. This acts as a lever for promoting our region as a trading gate to the whole of Europe and for looking for, finding and developing new sales markets.

No less crucial for successful 'doing business and investing' is

²⁴⁸ One of the captions at the Saudi Arabia pavilion at the World Exhibition in Shanghai in 2010 *Better City, Better Life*.

²⁴⁹ T.L. Friedman, *op. cit.*, p. 314 ff.

236 the mutual knowledge of and insight into the respective intellectual and cultural reference frameworks, the formal and informal ways of communicating, the do's and don'ts, tastes, standards, values, customs. The intellectual network based on strong partnerships and top-class education, training and knowledge institutions that the University of Antwerp, Antwerp Management School and the various Antwerp colleges are building up, together with, among others, the China Executive Leadership Academy Pudong (CELAP), Shanghai, along with initiatives like the Antwerp Forum for the top-level exchange of insights, challenges and possibilities meets this need and programs as East meets West.

What is missing is a knowledge and information point that makes some attempt to maintain an overview of the whole situation, detect blind spots²⁵⁰, record and analyse failures and successes and facilitate transverse links and cross-pollination. Nevertheless, everyone sees this as important: Foreign Affairs, the FIT, the POM, the Port of Antwerp, the University of Antwerp, the Economic and International Cooperation Department of Antwerp and possibly also VOKA and the specific sectors.

In this context, the Antwerp diamond sector with its

²⁵⁰ One example is Turkey.

“Antwerp Diamond Masterplan”, is also reaching out to all interested companies. Specifically the Antwerp diamond industry is seeking to open up its extensive network for the benefit of Belgian businesses, with the aim of promoting Belgian trade in international markets. Some of these markets are looking for products, services and investments that Belgian businesses are not aware of them, while the reverse may also be true. The Antwerp diamond industry is able and willing to act as a bridge, interface and/or door opener:

This network is being strongly expanded in particular in the strategically extremely important Chinese growth market. For years the HRD or Diamond High Council and the AWDC have enjoyed excellent cooperation with, in particular, the Shanghai Diamond Exchange (SDE). The Shanghai Diamond Exchange is clearly modelled on the AWDC. In addition, most SDE employees learn the ‘craft’ in Antwerp at the HRD and AWDC. The partnership with ICBC, China’s largest investment bank, has further extended the radius. This cooperation opens prospects for optimising the financing of the complex diamond business.

Winner ZHANG
HRD Award

diamond BEIJING HENGXIN XILI ECONOMY & TRADE (HIERSU)
jewel HENGXIN



HRD awards 2011 Prize awarding Ceremony in Shanghai

240 Recently the intense cooperation with China led to a new phrase in the history of the HRD. For the first time since the start in 1984, the HRD award ceremony for the best jewellery design was held in Shanghai. Almost the entire Chinese diamond top and many officials joined in the celebration, attracting very wide press coverage.

Without detracting from the specific mission, aim, character, expertise and therefore specificity of each of the partners, the province and the office of the Governor are particularly well-placed - as a neutral partner and above all in a demand-driven and service-oriented way - to act as a crossroads.

The province and the governor know the region in all its diversity and are well acquainted with all the players involved. The province also has close links with the Belgian and Flemish governments and with local administrations which are often too small to provide advice or practical assistance to companies and/or potential foreign investors within their own territories. In the interests of all the partners, the province can set up and/or implement research assignments, share the results of these with all the partners, help to define strategic objectives and monitor their implementation,

identify and highlight good practices (do's and don'ts). Finally the province - building on its administrative powers in the areas of regional development and awarding of various permits - and the governor with his/her coordinating role - can offer considerable administrative assistance to businesses and organisations. They can provide a forum for all the departments and administrations involved to work together with potential investors - even working to tight deadlines where necessary - to achieve a shared goal (bringing major projects to Antwerp and helping to bring about (foreign investment).

Belgium's provinces and governors have **the experience** (after successfully facilitating international cooperation over many years and through their valued work of administering European funds, preparation and monitoring of these), **the expertise** (knowledge of the strengths and weaknesses of the region and the various partners involved, as well as positive contacts with the diplomatic corps) and **the authority** (specific powers such as the ability to arrange meetings between public bodies and organisations and enter into agreements with them). These advantages will allow them to make this ambition a reality.

HET GROTE PROJECTENBOEK

HET GROTE

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REALISATIES
EUROPESE PROJECTEN
2011-2012
IN DE PROVINCIE ANTWERPEN



PROJECTEN BOEK

THE MAJOR
PROJECTS
BOOK

ACHIEVEMENTS
EUROPEAN PROJECTS
2011-2012
IN THE PROVINCE OF ANTWERP



PROVINCIE
ANTWERPEN

244 Strategic cross-border cooperation begins with being a good neighbour. The province of Antwerp has been engaged in a structural cooperation with the province of North Brabant since 2003. There is regular administrative cooperation with the province of Zeeland, some of it bilateral, but without any formal cooperation structure. The province(s) and governor(s) have the experience and expertise to make further progress on a bottom-up strategic win-win network cooperation with provinces in the Netherlands, particularly in the Flemish-Dutch (port) delta region.²⁵¹ For this reason the provinces of Antwerp, North Brabant and the Benelux organised the Hoeven Conference.²⁵² This is an ambitious structure and we are adopting a pragmatic, service-oriented role: how can we continue to offer economic stimulus to this uniquely situated region and make it (more) attractive to researchers, entrepreneurs and investors? Through annual follow-up conferences and careful monitoring of concrete projects involving the private sector; the ports and the knowledge centres, we are seeking to

²⁵¹ On the strategic importance of this cooperation, see: T. Notteboom and I. Vonck, *Economic Analysis of the Rhine-Scheldt Delta Port Region*, September 2011, p. 106.

²⁵² See also *Jaarverslag okt '09-dec' 10 Commissaris van de Koningin Noord-Brabant*, p. 78-79.

maintain the dynamism and achieve the specific results that are needed in the region.

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We need equally to strive for the same dynamics in our bilateral and multilateral cooperation associations with other regions of the EU and its accession candidates and/or special partners. We are seeking agreements and shared opportunities. Making optimal use of opportunities means scouting new potential partners in good time, and transferring and sharing knowledge and experience with a view to optimal cooperation. Here too the province is able and determined to make the difference. Like none other it is able to lay the foundations for further cooperation and for bringing and keeping together similar-minded and in one or the other way related partners.

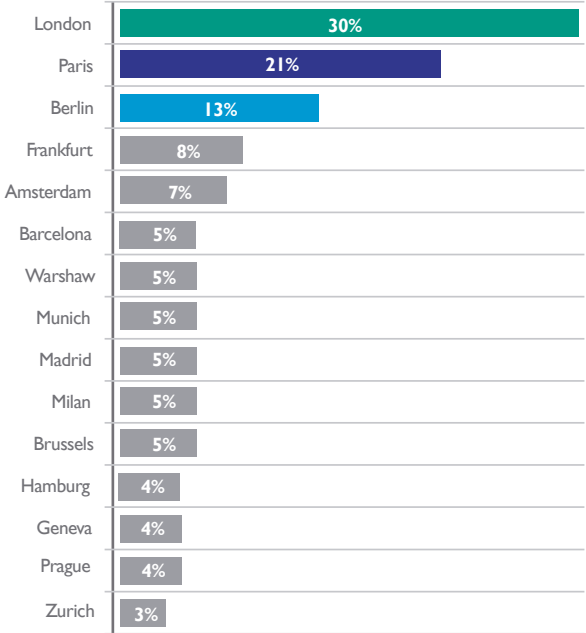
The decision in principle to adopt this demand-driven supportive and facilitating role does of course have its own consequences: it means adopting a service-oriented, neutral and somewhat cautious approach. Otherwise it is very unlikely that the partners (services, enterprises, the port etc.) will be willing to share information and continue to accept and make full use of the role of the province and the governor.

246 It is clear from **Top Urban regions for FDI in Europe** that this region is important and needs to be given every opportunity to play its role to the full. Directing efforts towards (major) cities tends to promote success. Cities are the environment *par excellence* that encourages creativity, innovation and a degree of eccentricity, while rewarding entrepreneurship. Urban contexts are also best suited to transforming good ideas into global business. Promoting and cultivating the creative energy and originality of city-dwellers from a wide range of backgrounds will not only encourage innovation but also positively influence perceptions among potential investors. European cities must make sure they do not become the “open-air museums” of the world, boasting of the glories of former times in a hopelessly unaffordable setting. In short, the province of Antwerp should be grateful to the city of Antwerp – keeping this point in mind – for everything that it has received from the city and should continue to rely upon it...

Research, however, has indicated that the opposite is true. A look at the most attractive European cities for investment reveals that London is in first place (30 percent), followed by Paris (21 percent) and Berlin (13 percent). The top Belgian city is Brussels (5 percent), on a level with Barcelona,

Warsaw, Munich, Madrid and Milan. The city of Antwerp does not even appear on the list. Meanwhile, if we look at regions rather than cities the province of Antwerp comes in a very creditable 10th position.

Which cities are most attractive to invest in?



Source: Ernst & Young's 2011 European attractiveness survey, 'Restart', p. 32

248 It beats Upper Bavaria (Munich), Catalonia (including Barcelona), Stockholm County and North Holland (Amsterdam).

Top 15 urban regions for foreign direct investment.

Rank	Urban Region	2010	Difference 2009-10
1	Greater London (London)	289	9%
2	Ile de France (Paris)	162	-5%
3	Rhone Alps (Lyon)	122	51%
4	Dusseldorf (Dusseldorf)	73	0%
5	Autonomous Community of Madrid (Madrid)	71	8%
6	Darmstadt (Frankfurt)	68	31%
7	Moscow (Moscow)	65	20%
8	County of Dublin (Dublin)	62	35%
9	Lombardy (Milan)	55	104%
10	Antwerp Province (Antwerp)	55	8%
11	Oberbayern (Munich)	54	64%
12	Cataluna (Barcelona)	53	-20%
13	Stockholm County (Stockholm)	48	55%
14	Noord-Holland (Amsterdam)	45	22%
15	Koln (Cologne)	42	35%

Source: Ernst & Young's 2011 European attractiveness survey, 'Restart', p. 32

Proposal 4. As a province/governor we will present ourselves as a useful platform for knowledge sharing and cooperation at the international level and for regional promotion in relevant foreign countries and regions. We will organise our activities consistently to match this profile.

Proposal 5. In the near future we will produce a general brochure in several languages covering the provincial organisation as a whole in which we will present ourselves to foreign partners and provide accurate information on our many advantages and also on our weaknesses.

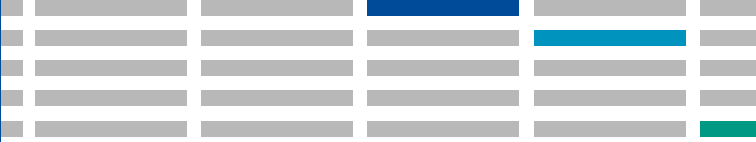
Proposal 6. We will encourage constructive, positive interaction and mutual contact between the Antwerp conurbation, provincial towns and the wider region. This is another case where the whole can be more than simply the sum of the individual parts.

250 **4.3 Critical factors for success and prerequisites**

Stimulating curiosity, particularly among young people, and helping to educate and train them to become resilient, open, flexible people who can benefit to the full from the opportunities and possibilities presented by a flat world... Continuing to attract and encourage talent from all over the world... Promoting ourselves abroad... Being and remaining attractive to foreign investors... Providing the best possible framework for companies and knowledge institutions to allow them to invest, do business and cooperate... Encouraging artistic and cultural creation and participation... Encouraging innovation and creativity... all this requires us to establish, create or maintain excellent basic infrastructure for the region as a whole. This means both the software (intellectual, moral and cultural context, education, innovation, involvement, health and security etc.) and the hardware (sustainability, the port, links to the hinterland, railways, waterways, motorways, safety etc.). We have developed these points in earlier speeches.

5. Conclusion





"The world is changing. Antwerp is doing well but can/must do even better. This presupposes sustained determination, commitment, sharing of knowledge and cooperation that involve everyone regardless of job, position, background, origin and age. The province can also play an important part in this process." This, in two lines, is a summary of this 2011 Speech. The challenge is to make these ambitions a reality.

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Intelligence is a quality that is widely present because it is there from birth. The particular contribution of the environment is to ensure that people are able to develop their innate capabilities and achieve their full potential. The converse is also true: genes that produce intelligent people also create an environment in which intelligence grows even more.²⁵³

Why should something that is true in the case of people not also apply to a region? Our region is blessed with a wide range of advantages and opportunities, so it has excellent DNA. These genetic features include our location (*"Antwerp thanks God for the Scheldt and the Scheldt for the*

²⁵³ R. Kahn, *op. cit.*, p. 13.

rest'²⁵⁴), visionary projects and above all the sustained hard work of a huge number of people. In a flat world it will be our duty more than ever to continue to create the best possible environment so that we can extend all these advantages even beyond our borders. In a flat world, everyone can and should work together – within the limits of his/her abilities –to contribute to this.

Our core values are well known: crossing borders, sharing knowledge and insights, resulting in more knowledge, creating cooperation and networks, hard work, openness – allowing and obliging everyone to participate – motivation, resilience, ambition, pride, courage, daring, self-confidence... and also solidarity and tremendous gratitude.

Antwerp has recently acquired a splendid metaphor and brand-new icon for this: the MAS (*Museum Aan de Stroom*) or Museum by the River in the Eilandje, the historic old port

²⁵⁴ This is one of the many lyrical ways of describing and praising Antwerp as the City by the River. We find a variant of this expression in the late George Van Cauwenbergh, former city guide and remarkable storyteller, in his *Gids voor Oud-Antwerpen*, Uitgeverij C. De Vries-Brouwers, p. 444: "Antwerp thanks Providence for the Scheldt, and the Scheldt for the rest". In the 17th century Joost Van den Vondel, who was most impressed with Antwerp, wrote the following about the city: "Een paerl aen Filipes croon en self de croon der steden" [A pearl in Philip's crown, itself bearing the crown among cities]

district. This is the perfect image of Antwerp in the world and the world in Antwerp. The new tower, which points back to the traditional storehouses or warehouses in the city by the Scheldt, has been welcomed throughout the world.²⁵⁵ We need to nurture the memory of iconic people in Antwerp who have turned and continue to turn their ambitions for themselves and their city into a reality – people like: Pieter Paul Rubens, Guy Cassiers, Jeanne Brabants, Sidi Larbi Cherkaoui, Wim Vandekeybus, Baroness Anne Teresa De Keersmaeker, Piet Raes, Wim Henderickx, Jef Neve, Tom Barman and dEUS, Bart De Baere, Luc Tuymans, Jan Fabre, David Claerbout, Joëlle Tuerlinckx, Frank Theys, Panamarenko, Jef Geys, Jan Declair, Erik Van Looy, Eric Antonis, Jerry Aerts, Barbara Wyckmans, Dimitri Leue... in (performing) arts, music and film; Dries Van Noten, Ann Demeulemeester, Walter Van Beirendonck, Dirk Van Saene, Dirk Bikkembergs and a whole generation of creative and ambitious fashion students who are seeking to follow in their footsteps or choosing to strike out and follow idiosyncratic paths of their

²⁵⁵ The MAS brings together the collections of all the museums in the City of Antwerp, covering the city's history, maritime history and ethnography. In the MAS the city presents not only its own heritage and that of its port, but artefacts that hail from all over the world. It showcases a city and a port that for centuries have both acted as an exciting crossroads for people, ideas and goods, and tells the story of the two-way links joining both the city and the port to the world as a whole.

own and continue to put their own innovative stamp on the image of the Antwerp fashion sector; Bob Van Reeth, Christine Coninx, the late Jo Crepain, Sven Grooten... in architecture, Tia Hellebaut, Seppe Smits... in sport; Tom Lanoye, Bart Moeyaert, Anne Provoost, Kristien Hemme-rechts, Monika Van Paemel... in literature; Christine Van Broeckhoven, Eddy Van de Voorde, Reinhart Ceulemans, Herman Goossens, Pierre Van Damme, Zwi Berneman, Staf Van Tendeloo, Philippe Naert... in the academic world; Christoffel Plantijn, Baron Paul Buysse (Bekaert), the late Dr Paul Janssen (Janssen Pharma), Thomas Leysen (Umicore, KBC), Christian Leysen (Ahlers), Alain Bernard (DEME), Luc Bertrand (Akkermans en Van Haren), Fernand Huts (Katoen-natie), Wouter De Geest (BASF), Nicolas Saverys (Exmar), Geert Noels (Econopolis), Gabriël Fehervari (Alfacam), Vic Swerts (Soudal), the Van Hool family, the Moortgat family, Dries Buytaert (Drupal), Luc Hooybergs (NIKE), Paul Stof-fels (Johnson&Johnson), Nishit Parikh (Diarough/AWDC), Ari Epstein(AWDC)... in the world of business etc., and I have no doubt forgotten many very important names.

Are you the next icon from Antwerp in the flat(ter) world, the next one to be an inspiration to others and to the region as a whole?





'Everyone thinks that the limits of his own vision are the limits of the world', a pessimistic Arthur Schopenhauer once said. This speech aims to emphasise that the opposite is true, that we must look further than the ends of our proverbial noses. An open, unprejudiced but far from naive view of the world offers us more valuable perspectives on the opportunities, challenges and possibilities facing us in a globalised world.

In his novel *The Two Hearts of Kwasi Boachi* author Arthur Japin describes this striking truth as follows: *'If you have never seen the horizon you do not know that your vision is limited. (...) the more limited your view, the greater the desire to see. (...) A limited view leads you to suppose that the reality is endless. A broad view, however, shows you that limits do exist.'* A statement by T. Kim Mai Lee adds a dimension of hope to this thought: *'You can only push back your boundaries if you frequently run into them'.*

Openness, knowledge of ourselves and of other cultures, and understanding for (the sensitivities surrounding) migration, anticipating these when necessary and handling

264 them constructively, a thirst for knowledge and a high level of flexibility. These are the things that will help us to address the challenges that globalisation brings to us every day, with knowledge, self-confidence, courage and boldness. They will allow us to hold our own in a flat world or, better still, to go beyond ourselves. More than ever we can decide for ourselves where and when these meetings and exchanges (of knowledge) should take place. The possibilities are endless.

This year's speech has once again been built upon a number of valuable conversations and a very constructive brainstorming session led by the talented marketing expert Jan Callebaut. I would particularly like to thank Michel Patteet and Peter Jaspers (Flanders Investment & Trade), Liesbeth Franssen (Provinciale OntwikkelingsMaatschappij), Filip Herremans (Port of Antwerp), Herwig Mannaert (University of Antwerp) and Tanja Mattheus (Provincial Department of Economic and International Cooperation) for their positive ideas, useful thoughts and relevant suggestions.

I am very grateful to Luc Bral, who works for the Government of Flanders research department, for the statistical material provided. Last but not least I must thank my loyal

colleagues for their commitment, open-minded perspective and fresh approaches to the various chapters of this speech: Chief Executive Assistant Hans Ides and staff members Nathalie Milio and Dieter Wouters.

Finally my sincere thanks go to Hans Joris and particularly also to Anne Marie Druyts from the Communication Department, for their hard work on the layout for this text and the attractive design of the booklet.

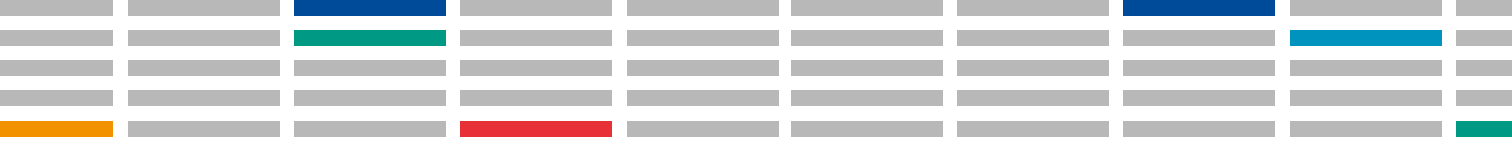
Cathy Berx
20 October 2011

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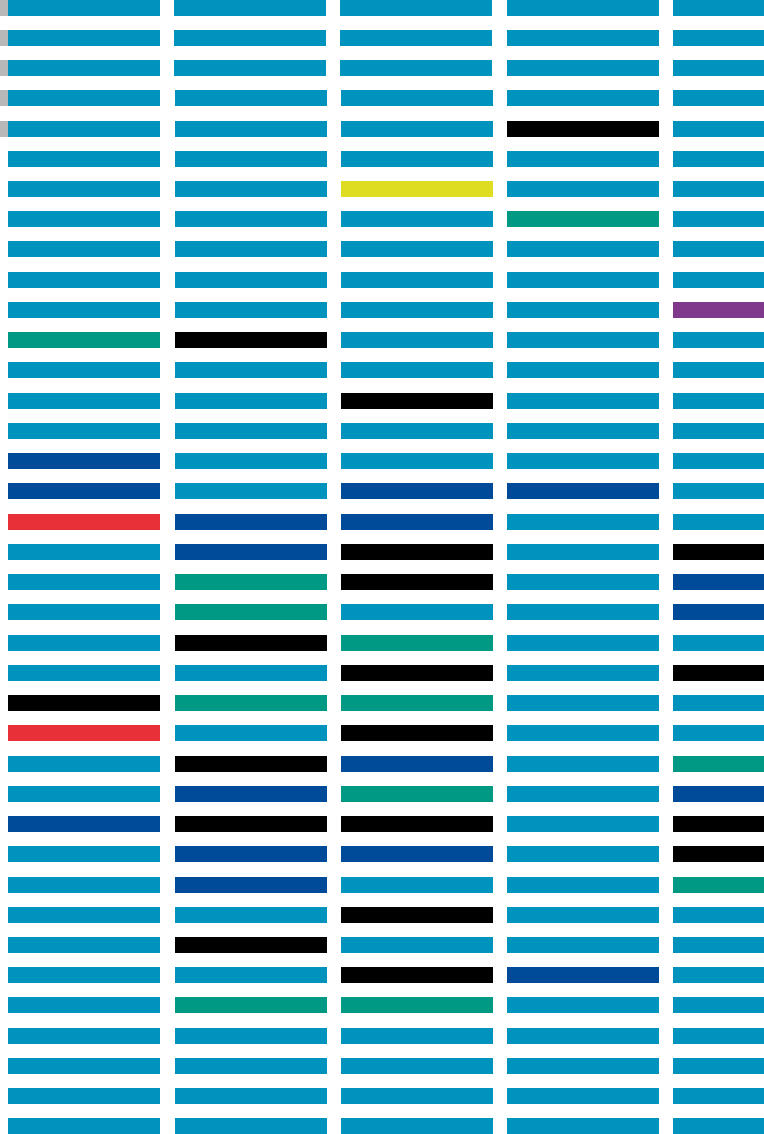
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"The Antwerp region is an industrial and prosperous region in northwest Europe. It is one of the ten provinces that make up the Kingdom of Belgium, which shares borders with the Netherlands, Germany, France, the United Kingdom and Luxembourg. Antwerp's many economic advantages recommend it as the hub for your European market expansion. Targeting Europe, you want to be right at the heart of the action. Antwerp's highly central location places all West European (business) capitals within easy reach. On top of this, the port of Antwerp provides quick and cost-efficient access to the rest of Europe, the Middle and Far East and Africa.

The combination of its central location, the benefits of its port (or wider: its excellent port facilities) and the presence of so much logistics know-how is why so many multinational companies have decided to establish their European distribution centres in the Antwerp region".



V.U.: Cathy Berx, Governor of the Belgian
Province of Antwerp
Koningin Elisabethlei 22 | 2018 Antwerp

