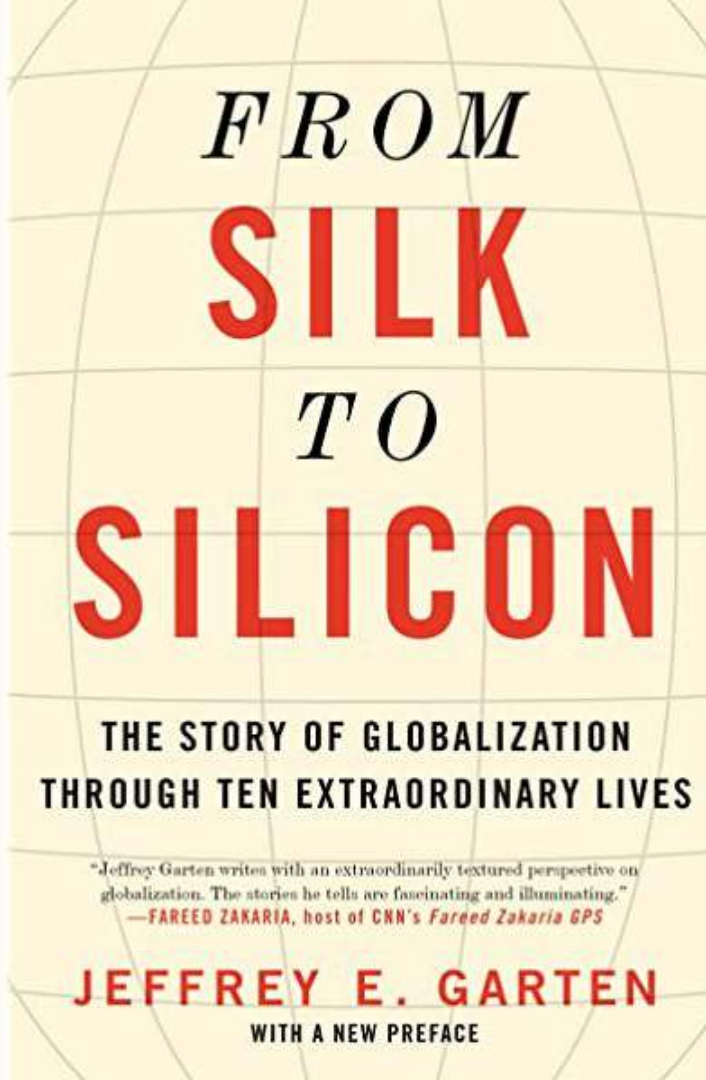




Book Summary

From Silk to Silicon

Group 5 - LSU101E(GD2-HK2-2223)59CTTTKT.1



FROM
SILK
TO
SILICON

THE STORY OF GLOBALIZATION
THROUGH TEN EXTRAORDINARY LIVES

"Jeffrey Garten writes with an extraordinarily textured perspective on globalization. The stories he tells are fascinating and illuminating."
—FAREED ZAKARIA, host of CNN's *Fareed Zakaria GPS*

JEFFREY E. GARTEN
WITH A NEW PREFACE



Contents



BRIEF INTRODUCTION OF THE BOOK



THE FIRST 5 CHAPTERS

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BRIEF INTRODUCTION OF THE BOOK



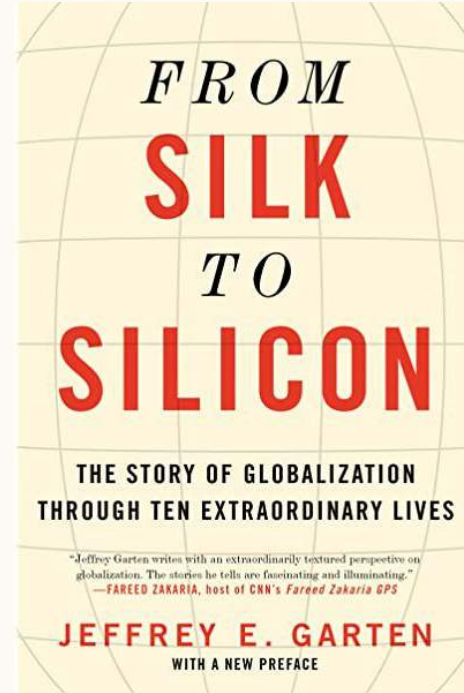
Jeffrey E. Garten

An American economist, author, businessman, former government and the Dean Emeritus at the Yale School of Management



'From Silk to Silicon'

- ❖ Published in March 2016
- ❖ About 10 individuals who broke through traditional barriers and helped to unite the world



01

Genghis Khan

The accidental empire builder
(1162 - 1227)



Life Summary

1162

Early life

- ❖ Born as a tribe leader's son, he grew up in a harsh environment, based on tribal affiliations
- ❖ Khan assumed leadership of his tribe at 13 yo and worked to unite Mongol tribes in the region

1201

Rise to Power

- ❖ The victory against a rival tribe expanded his influence and set the stage for his subsequent military campaigns
- ❖ He built alliances with other tribes, and established a merit-based system of government

1209 - 1227

Conquests and expansion of the Khan empire

- ❖ He conquered the Western Xia Kingdom, controlled parts of northwestern China
- ❖ He also defeated the Khwarezmian Empire, controlled parts of Persia and Central Asia, and established his empire as far west as the Caspian Sea

1227

Death and Succession

- ❖ Genghis Khan died while on a military campaign in China
- ❖ His empire was divided among his 4 sons and was later expanded by his grandsons, creating one of the largest empires in history that spanned Asia and parts of Europe

Main achievements

Uniting the Mongol tribes

- ❖ Overcome tribal divisions
- ❖ Unify the clans under his leadership

Building an effective military

Create a highly disciplined and mobile fighting force

Leaving a legacy of leadership

Leadership style and ideals of unity, discipline and meritocracy impacted Mongol culture and society

Fostering trade and cultural exchange

- ❖ Encourage trade and exchange along the Silk Road
- ❖ Stimulate economic growth and cultural exchange

Introducing political and social reforms

- ❖ Emphasize merit-based government
- ❖ Promote the rule of law and religious and cultural tolerance

Legacy and values

The Mongol Empire

One of the largest empires in history, stretched from China to Eastern Europe

Military strategy

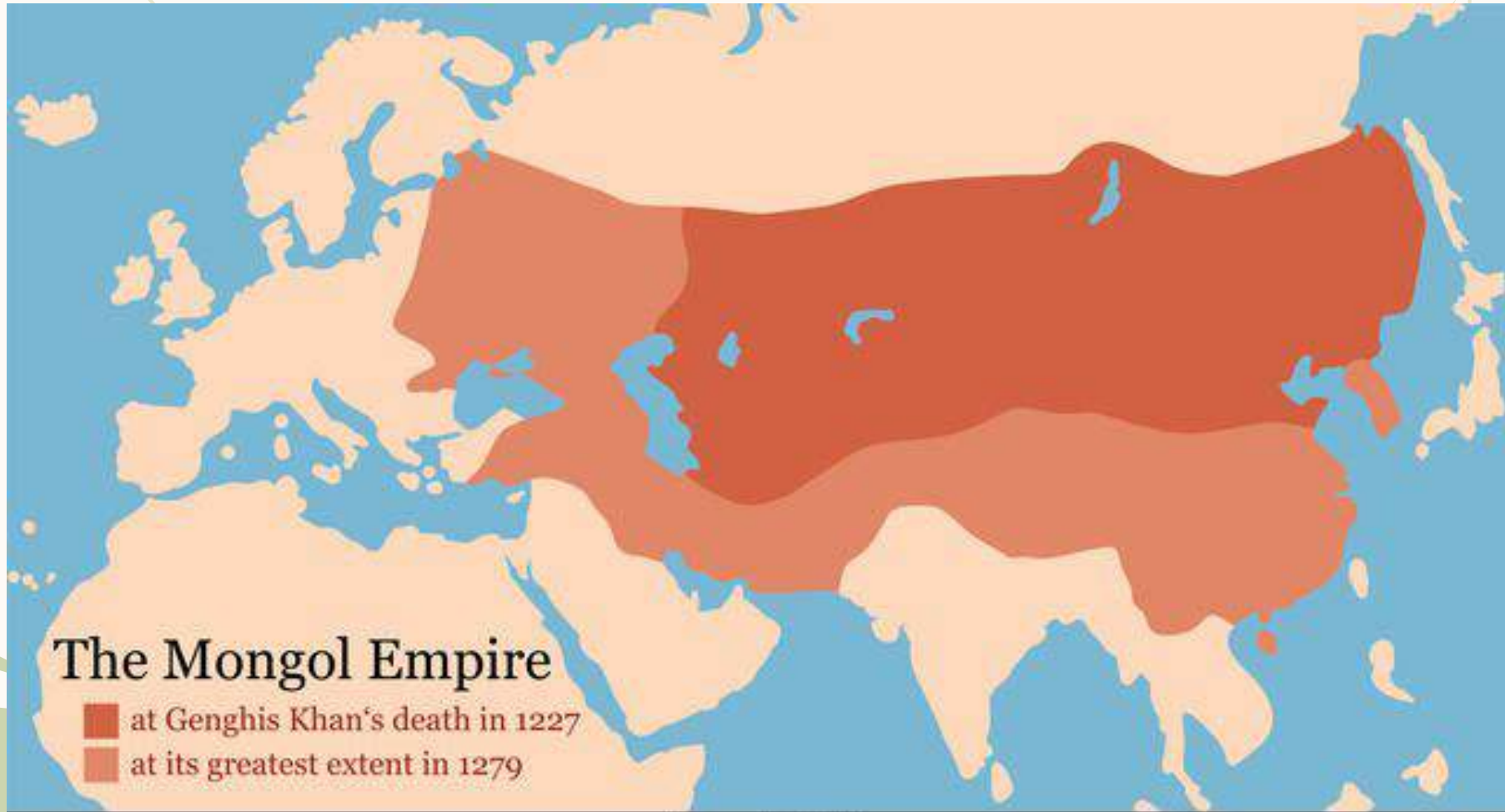
- ❖ Emphasized espionage, intelligence gathering, and the disciplined training of soldiers
- ❖ Used tactics such as feigning weakness and dividing and conquering to unsettle and disorient his opponents

Governance

- ❖ Governance was based on meritocracy
- ❖ Facilitating trade and commerce across the Silk Road
- ❖ Fostered diplomatic relations between different groups and cultures

Social values

- ❖ Rich legacy of literature, music, art, and architecture
- ❖ Shaped the ecological landscape of Mongolia and surrounding territories
- ❖ Emphasis on fairness, impartiality, and meritocracy





02

Prince Henry

The explorer who made a
science of discovery
(1394 - 1460)



Portugal was on the verge of war

Motivations

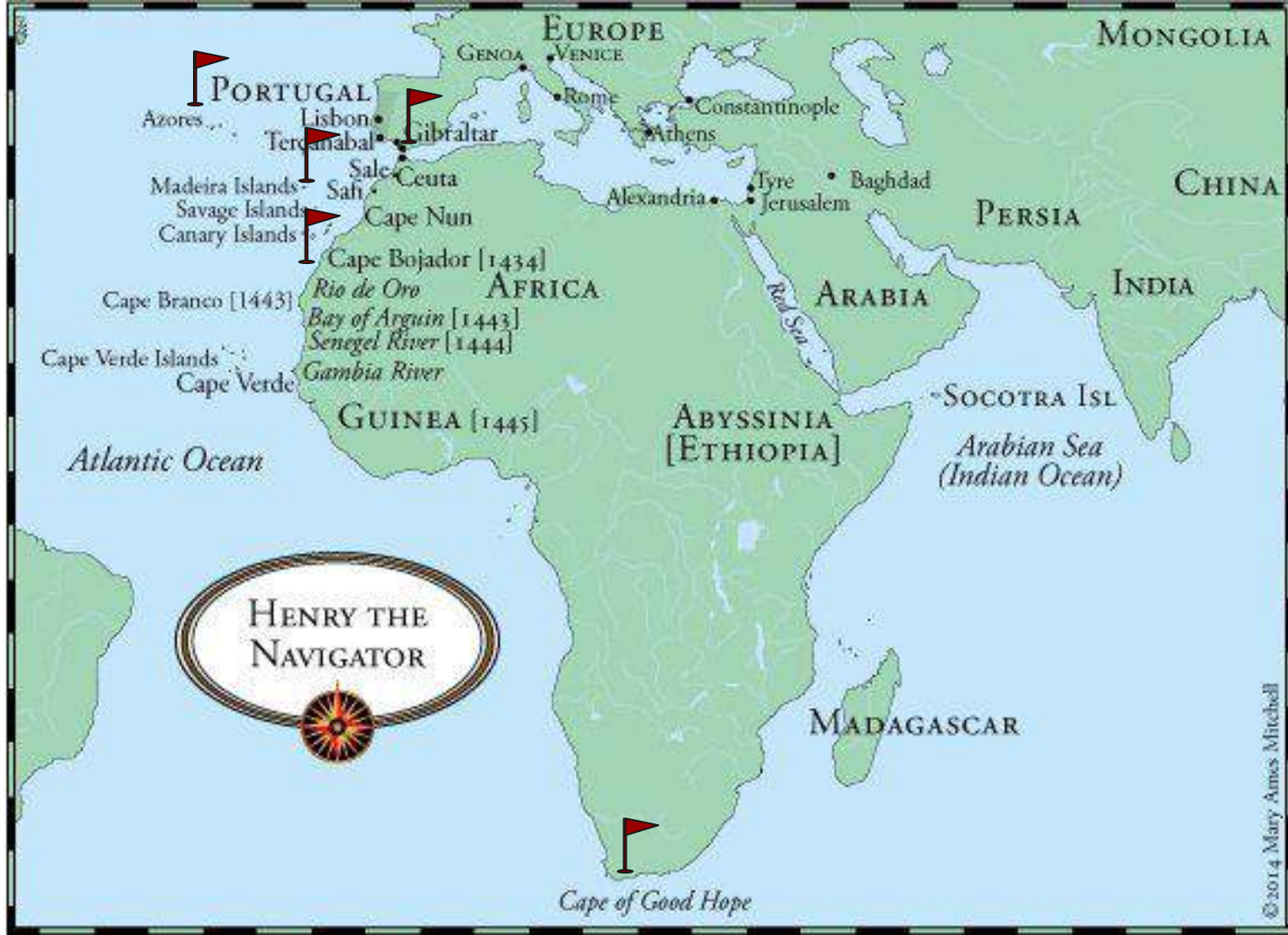
- ❖ Portugal needed a target to earn the spoils of land, treasure and honor acquired in combat
- ❖ Rival European states had to face civil struggles or foreign foes
- ❖ Ceuta was a country with great geographical advantages and mining resources

Challenges

- ❖ Castile might intervene on behalf of Ceuta
- ❖ Strained finance to support seaborne expeditions

Prince Henry advocated the war & convinced his father to entrust him with the venture to promote his stature as a military statesman

Main events



After Henry's death



Christopher Columbus

1491: discovered the Americas



Vasco Núñez de Balboa

1510: founded Panama



Ferdinand Magellan

1519–1522: circumnavigated
the globe from Spain

The legacy of Henry's voyages



Pushed about 1,500 miles down the west coast of Africa.



Created the pattern for future expeditions, especially the partnerships with private financiers.



Set in motion the Age of Exploration.



Helped inaugurate centuries of Western commercial dominance around the globe.

The world was becoming a single network thanks to the continuous trade established – the second golden age of globalization.



03

Robert Clive

The Rouge who Captured India for
the British Empire
(1725 - 1774)



Age of Enlightenment

- ❖ Intense competition between European powers
- ❖ Growth of global trade and imperialism
- ❖ Rise of middle class and new economic theories (mercantilism)



The East India Company

- ❖ Facilitate trade between Britain and India
- ❖ Involve in politics, diplomacy and military activities
- ❖ Expand its influence in India through trade monopoly and manipulation of local aristocrats



A period of **European expansionism and imperialism**, where the pursuit of power, wealth, and resources led to conflict and competition between nations.

About Robert Clive



A military officer

- ❖ Key role: commander in the East India Company's military forces (18th century)
- ❖ Lead victorious military campaigns: Arcot's defense (1741) and Battle of Plassey (1757)



A politician

- ❖ A member of Parliament (1761 - 1774)
- ❖ Governor of Bengal (1765)
- ❖ Controversies: "Black Hole of Calcutta" (1756) and allegations of corruption



Characteristics

- ❖ Highly ambitious, driven by a thirst for success and recognition
- ❖ Exemplified the values and attitudes prevalent in 18th-century England

Main achievements

Paving the way for British rule

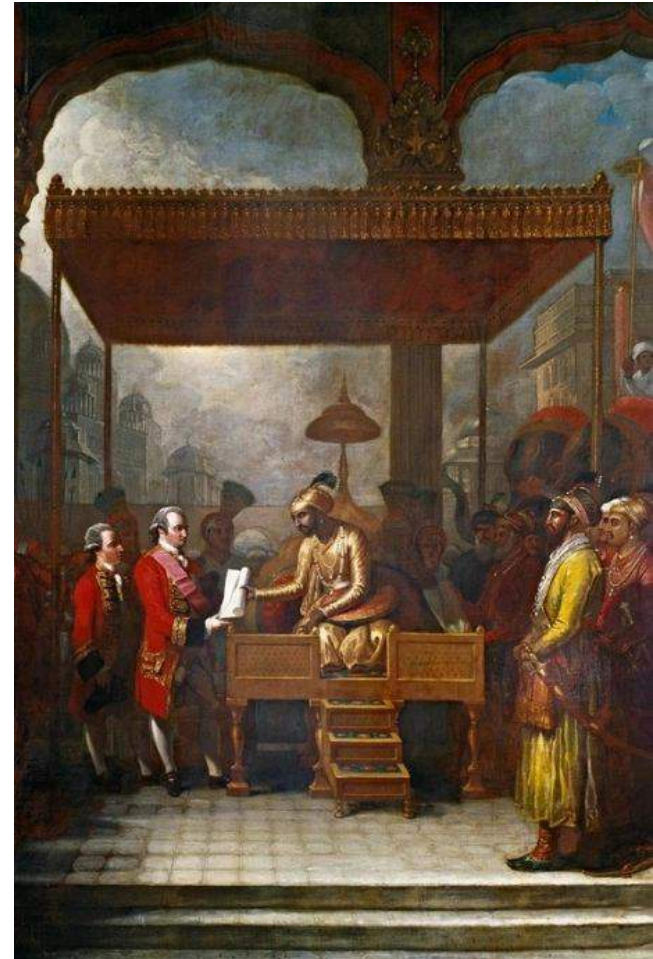
- ❖ Victories in the Battle of Arcot and the Battle of Plassey
- ❖ Action as governor of British India

Securing British control over the region

- ❖ Built alliances with local India rulers
- ❖ Gained access to valuable resources: silk, spices and cotton

Laying foundation for the eventual establishment of British colonial rule in India

- ❖ Reformed East India Co.'s governance structure
- ❖ Established the Bengal Military Fund
- ❖ Expanded British infrastructure: roads, bridges



Legacy on India

Positive

Negative

Governance

- ❖ Introduction of British common law and British courts in India
- ❖ The Dual System of Administration

Questionable methods of acquiring wealth and power

Economy

Growth of trade and commerce

- ❖ Economic and social inequalities
- ❖ Decline of India's traditional industries (eg. textiles)





04

Mayer Amschel Rothschild

The Godfather of Global Banking
(1744 - 1812)

Early life

- ❖ Mayer Amschel Rothschild grew up in the **impoverished and cramped Jewish ghetto** of Frankfurt.
- ❖ Mayer had **early exposure** through tasks at trade fairs, sorting coins, and his **apprenticeship with Wolf Jakob Oppenheimer**, a Jewish banking house in Hanover.
- ❖ He interacted with wealthy princes and collectors, **gaining insight** into the role of a Jew serving powerful individuals.



The coin dealer gets a break

- ❖ First business: trading rare coins, medals, precious stones, carved figures, and antiques.
- ❖ Appointed as the **occasional buying agent for Prince William**, facilitating the redemption of British war notes.
- ❖ Drove out competition and profit on volume by accepting thin margins.

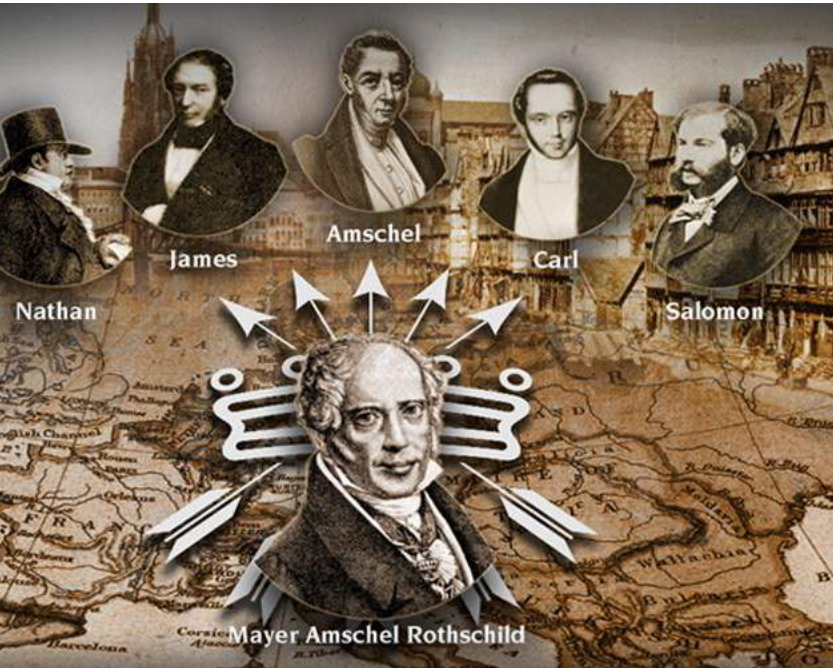
Becoming international bankers

- ❖ **Expanded his business ventures** as a general merchant, trading various goods, extended loans to shopkeepers and provided credit to some of his coin customers
- ❖ Political landscape in Europe was marked by constant turmoil and Napoleon's power
- ❖ The Rothschilds recognized the opportunities in **helping governments raise funds for armies, refinancing war debts, and assisting nations** in bypassing trade embargoes.

Mayer and his five sons developed a multinational team with exceptional financial expertise and a clandestine culture akin to a smuggling operation

The Bond Market Pioneers

- ❖ Mayer and his son Amschel engaged in **complex bond issues** for multiple governments
- ❖ Mayer transformed his trading operation into a **multinational bank**, making loans to French entities and establishing alliances on all political sides.



Creating a Global Market

- ❖ The Rothschilds served their clients across borders by **offering tailored financial products** in large amounts and with utmost confidentiality.
- ❖ They established a **clearing house** for international finance with branches in London, Frankfurt, Paris, Vienna, and Naples.

A true international bank with the capacity to make reliable interest payments in local currencies from their bank branches across the continent

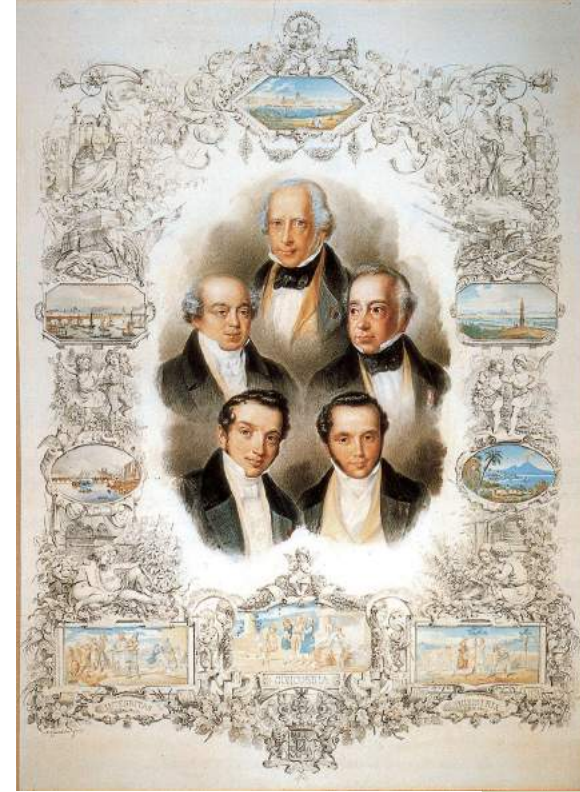
Legacy

The Rothschild Company

- ❖ After Mayer's death, the Rothschilds became **a dominant force in international finance** with large-scale and sophisticated operations.
- ❖ They **shaped the political and social structure** by deciding who received funds, determining creditworthiness, and supporting new ideas.
- ❖ The company remains until today.

Impact on the finance world

- ❖ Rothschild played a **pioneering role in expanding global finance** and addressing the consequences of periodic crises.
- ❖ Finance remains central to our interconnected world economy, and Mayer stands as an important model for **effective global bankers**.



05

Cyrus Field

The Tycoon Who Wired the Atlantic
(1819 - 1892)



Context

In the early 1600s

6 weeks to 4 months for a ship to cross the Atlantic Ocean



After steamships appeared

10 days to 2 weeks for American traders' mails to reach the UK



Field's background

Family

Involved in the paper manufacturing business



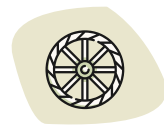
Early career

Worked in brother's paper business and later established his own firm



Passion

The field of communication and technology



Transatlantic cable setup process

1854

Formation of the Atlantic Telegraph Company

- ❖ Field envisioned a transatlantic cable that enables almost instant transmission of messages between continents.
- ❖ He co-founded the New York, Newfoundland, and London Telegraph Company, later known as the Atlantic Telegraph Company.

1857

-

1858

Initial Cable Laying Attempts

- ❖ 1857: First cable was laid from the telegraph ship USS Niagara towards Ireland, but broke after 380 miles (610km).
- ❖ 1858: First telegraph message was transmitted across the Atlantic ocean, but abandoned due to unreliable connect.

Transatlantic cable setup process

1859
-
1865

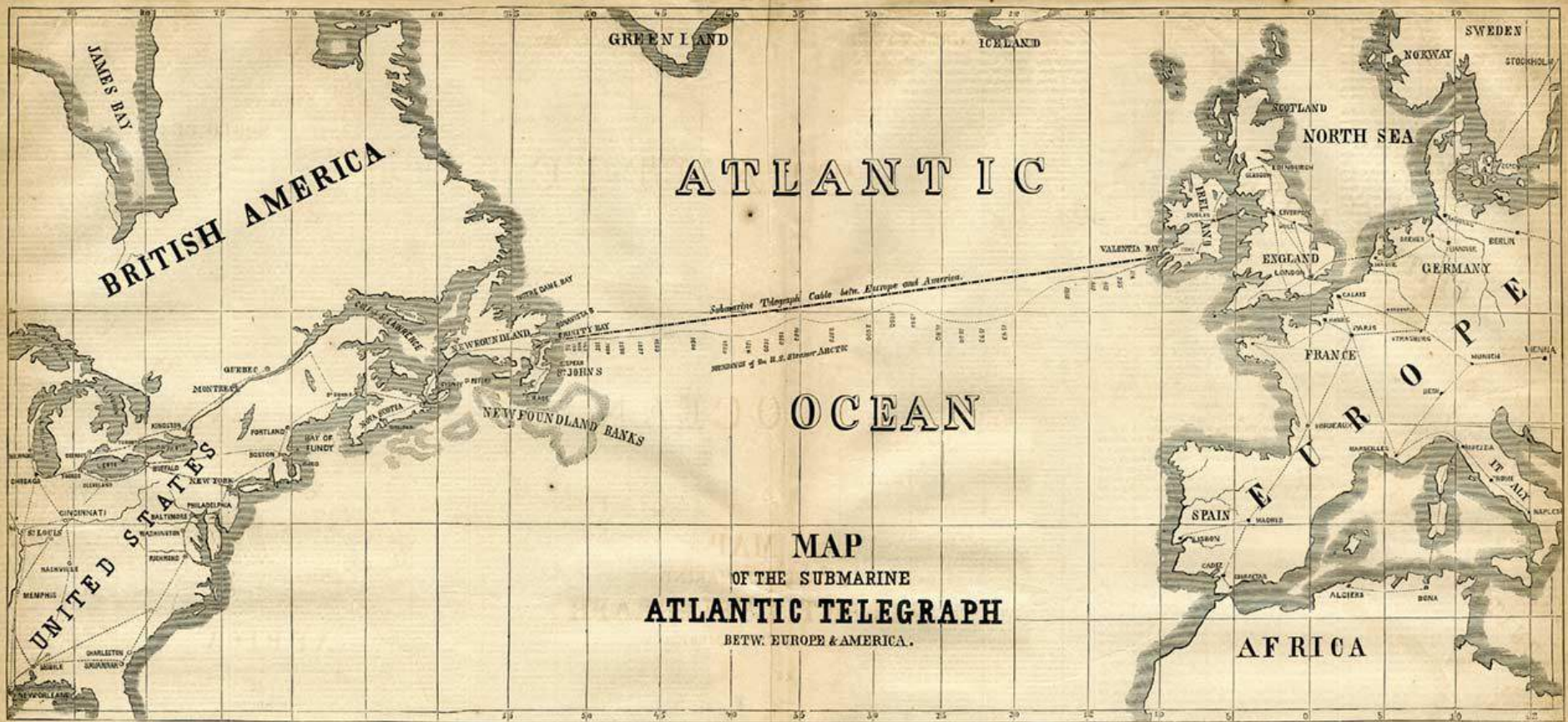
Continuous Efforts and Funding

Field continued his efforts to secure funding and support for a transatlantic cable project.

1866

Successful Cable Laying

- ❖ July 23, 1866: Cable-laying process began from Valentia, Ireland toward Heart's Content, Newfoundland.
- ❖ July 27, 1866: First transatlantic telegraph message was sent.



ATLANTIC OCEAN

MAP OF THE SUBMARINE ATLANTIC TELEGRAPH BETW. EUROPE & AMERICA.

MAP SHOWING THE POSITION OF THE CABLE FROM LONDON TO NEW YORK.

Impact and Legacy



Fast transatlantic communication

- ❖ 1858: 16 hours to deliver from Queen Victoria to the President of the US
 - ❖ 1866: only 7 minutes
- Speed: 7.36 words per minute,
a thousand messages per month



Revolutionized communication

- ❖ Enable near-instantaneous transmission of messages
- ❖ Pave the way for further advancements in global telecommunication and undersea cables



From Silk to Silicon

Chap 6 – 11



Group 9



Managing Director of Lehman Brothers
and the Blackstone Group

1993 - 1995

Dean of the
Yale School of Management

2005 - now

1979 - 1992

Undersecretary of commerce
for international trade

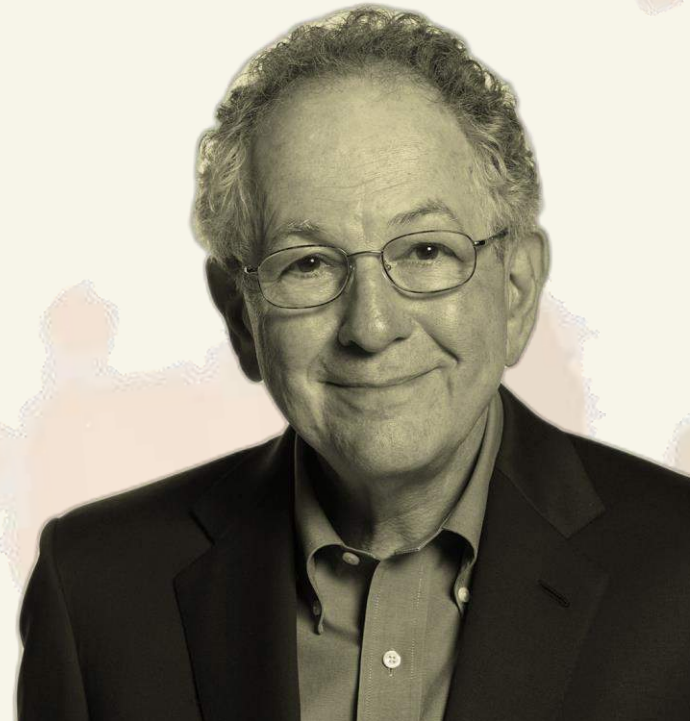
1995 - 2005

Professor at the
Yale School of Management

Author

Jeffrey E. Garten

*Author, economists, educator,
government official, director, speaker*



- *Book* -

2016

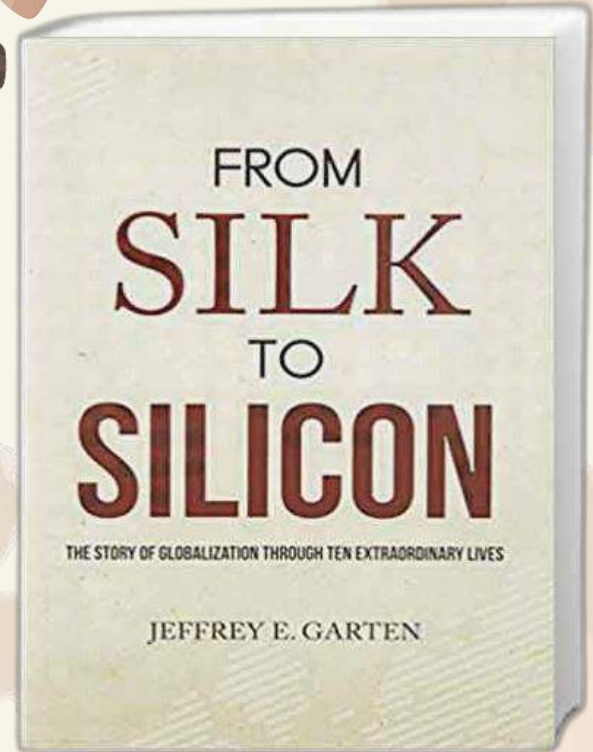
The book was published

1st

Book to explore globalization history

10

Key figures with transformative achievements



“Impressive, fascinating, and very creative. Jeffrey Garten draws on decades of experience in the modern world economy to tell the story of globalization and, in so doing, not only brings the creation of our present world into focus but also widens our understanding of how the world may well evolve in the future.”

— Daniel Yergin

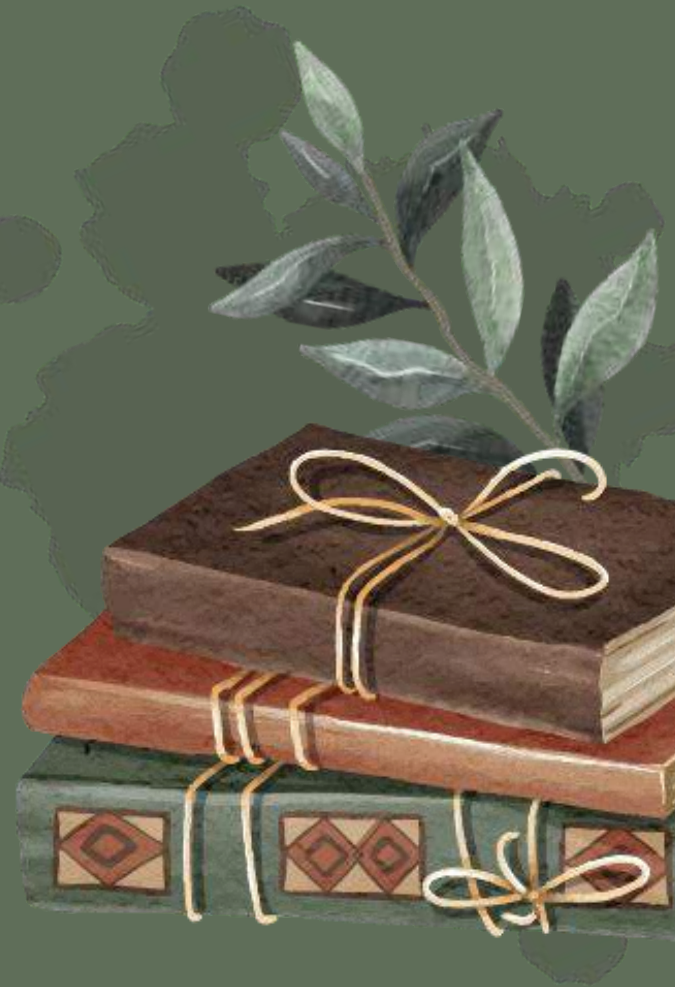


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The Best: Yet To Come





-01-

*John D.
Rockefeller*

The titan who built the energy industry and also
launched global philanthropy



Life and Career of *John D. Rockefeller*

— 1839 —

- Born in Richford
- By a hell-raising father and a God-fearing mother

— 1855 —

Became an assistant bookkeeper for Hewitt and Tuttle

— 1858 —

Partnered with Maurice B. Clark to establish Clark and Rockefeller, a new agricultural trading venture

— 1863 —

Rockefeller and Clark purchased half the working capital of a refinery owned by Clark's friend

— 1865 —

The partnership with Clark had turned sour, and John decided to buy him out

Later that year, he proceeded to buy the largest refinery in Cleveland, with other purchases following.

Rockefeller's Empire grew quickly

He sent his brother William to NY City to **launch a new company**, Rockefeller and Company, to oversee its growing foreign sales

— **1866** —

— **1868** —

Rockefeller **owned the largest set of refineries** not only in Cleveland but in the world.

Standard Oil was a **global and smoothly functioning machine**.

— **1890s** —

By the late 1890s, dark clouds were gathering for Standard Oil in political arena. By 1896, he had **stopped going to the office**.

Some companies **reached 500% of their original value**, making him become the richest man in the world

— **1911** —

The Supreme Court found Rockefeller's company **guilty of gross violations** of the Sherman Antitrust Act and ordered it to divest itself of all subsidiaries.

— **1920s** —

His Management & Leader Style

Tough number



- Cutting Spending
- Large Reserve

Interdependence system



- A global company to dominate and unify this fragmented industry
- break the competitive pressures and tightly control their prices

Exceptional talent



- Bringing in experienced managers after each takeover
- Making decisions by consensus

Cheerleader



- Paying well, reduce working hours
- Using the specter of competition

His Philanthropy



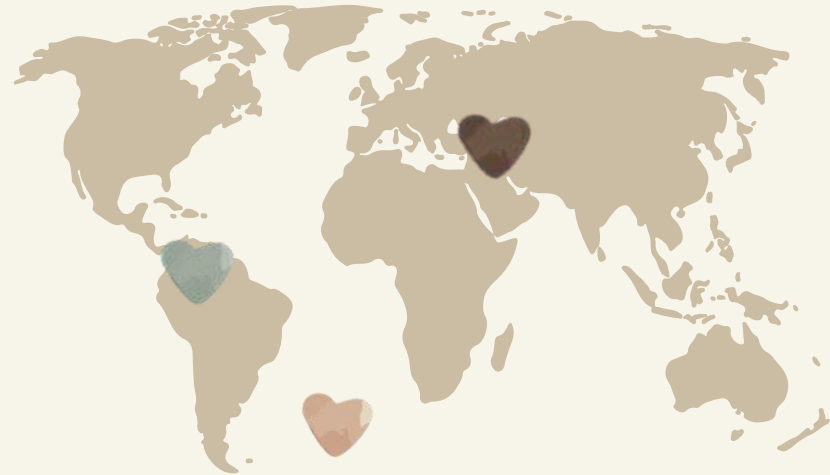
He used his vast fortune to **establish another industry** - the **global charity industry**



A business **focused on challenges** like health and education around the world, **filling the gap between the international activities of governments and those of multinational companies**



He professionalized philanthropy, running his fund as a highly focused and competitive business, which devoted to **producing groundbreaking research**





-02-

Jean Monnet



The Diplomat who Reinvented Europe (1888–1979)





Early years



Family

- His father: a visionary with big ideas, a sense of creative vision
- His mother: success relied not only on ideas but also on execution

Going abroad

- Exposure to the cultural nuances
 - Broaden his horizon
 - Awake interest in international affairs and economic cooperation



World War 1

Conclusion



First: Leaving the civilian war effort in the hands of **naturally competitive private companies** from the two countries was undercutting the efforts of both nations.

Second: The allies could not **pursue their national interests separately** and then hope to **coordinate their actions successfully**. They had to **pool interests** at the start, creating a totally different mind-set and strategy on both sides. They had to act as one entity.

→ The establishment of the **Wheat Executive and the Allied Maritime Transport Council (1916)**

World War 2



Strengthening the relationship between the USA and the European countries



Establishing the High Authority of the **European Coal and Steel Community** (ECSC) in 1941



Encouraging the creation of the **European Atomic Energy Community** (EAEC) in 1958.

→ *“He envisioned a **single capital** for all major political institutions of Europe, including its executive, judicial, and legislative branches. Above all, he desired to see genuine political integration - a European government.”*

Impact



The EU is now a worthy **counterweight** to **the US** in shaping a global trading system, becoming a **model** for ASEAN and many other organizations in the world.

Jean Monnet was declared as an **Honorary Citizen of Europe (1976)**





-03-

Margaret Thatcher

The Iron Lady who Revived Free Markets (1925–2013)



Political career



Advocacy for free trade



Privatization of state-owned companies



Weakening of Labor Unions



Promotion of Globalization



Early Life and Influence



Active participation in her father's political campaign for the Conservative Party.



Values instilled by her father: **hard work**, **entrepreneurship**, and **standing up** for one's beliefs.



Experience of **sacrifice** and **courage** during World War II shaping her foreign policy stance.





*Thatcher's opposition to socialism
and government control:*

- Inspiration from conservative classics and development of public speaking skills
- Themes in her speeches:
 - + Threat of Labour's proposals
 - + Self-reliance
 - + Sound economic management
 - + Restoring British Empire's strength

Historic achievement in 1975:

- Becoming the **first** woman to **lead a major Western political party** by winning the leadership of the Conservative Party
- Positioning herself as a **champion of individual freedom** and **opponent of excessive state power**



Implementation of transformative agenda as Prime Minister

- Pursuit of economic revival and strong global standing
- Policies: privatization, deregulation, and diminishing trade union influence
- Positive impact: increased global economic activity
- Negative consequences: decimation of communities and rising inequality
- Falklands War and Thatcher's leadership
→ ***Enhanced reputation and support for her conservative agenda***

Second term as Prime Minister

- Improved economic results, lower inflation, and higher industrial production.
- Growing divide between the wealthy and unemployed.
- Focus on privatization and promoting citizen ownership.
- Confrontation with labor unions: curtail union power and demonstrate governability.



Ongoing debate on Thatcher's legacy

Supporters' perspective



- Revitalizing the economy
- Restoring national pride
- Championing free-market principles

Critics' perspective



- Social inequality
- Erosion of public services



Undeniable impact on British politics and society





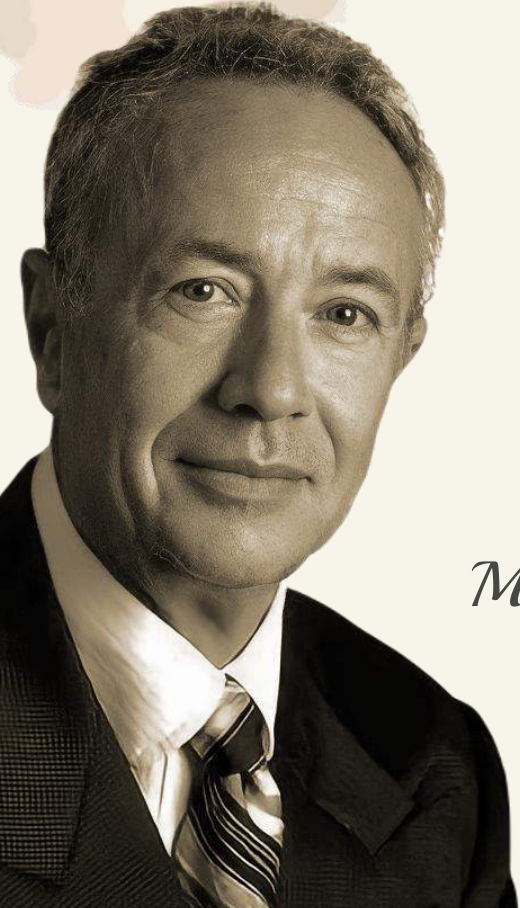
-04-

Andrew Grove

The man behind the third industrial revolution



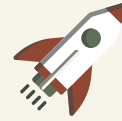
Andrew Grove



Early Life



Achievements at Intel



Management Style



Legacy



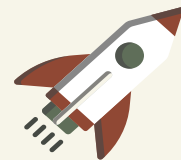
Early life

BORN in 1936 in Hungary in a Jewish family under the fascist regime.

Constantly hid from the **GENOCIDE** that killed millions of his people.

FLED to the U.S. where he later joined Intel.

Achievements at Intel



Solved execution problem



Enabled Moore's Law



**Contributed to the invention
of Microprocessors**



Drove Intel out of crises



Management Style



result-oriented
disciplined
analytical
resilient
visionary
direct
cautious
decisive
agile



Legacy

*Father of the
third industrial revolution*

Management ideals

Corporate culture

The background is a dark green color with various decorative elements. On the left, there is a stack of three books. The top book is bound with a yellow string. Below it is a cup of coffee with a white stripe. On the right, there are some brown leaves. In the center, there are several small hearts in different colors (orange, blue, red).

-05-

Deng Xiaoping

The Pragmatist who Relaunched China: (1904–1997)

Background

1904

Born in a tiny village deep in Sichuan Province

1920

Joined work-study program in France

1922

Exposed to Marxist ideology

1926

Fled to Moscow - the center of the growing worldwide Communist movement

Overall, Deng Xiaoping's time in France exposed him to Marxist ideology, provided him with a broad education and intellectual foundation, expanded his international networks, and influenced his thinking on governance, economic development, and foreign policy.



Career under Mao era

Emerging



Promoted to **political commissioner** in one of the **Communist Party armies**

Early 1934, Nationalist troops encircled Mao's troops, threatening the survival of the Communist Party

October 10, joined the **Long March** covering **6000 miles**, ending in the northwest province of Shaanxi.

Final summary of a historic debate, the Communist Party ratified Mao's military leadership → Mao era started



Early Experiments in Pragmatic Reform

From 1937-1945, Deng emerged as a political commissar in the army and a trusted aide to Mao

Huai-hai Campaign in 1948, Deng acted as the party secretary for the command structure

January 1 1949, China was united

→ China was in a catastrophic state after the wars

→ Deng's "Capitalist leanings" perfecting the Socialist ideal

→ The need to apply Mao's doctrines to specific situations with some flexibility

Mistakes:

Support failed policies by Mao

- "Let one hundred flowers bloom, let one hundred schools of thought contend."
- The Great Leap Forward in 1958



● By 1962, Deng's pragmatic policy to tackle the mistakes

● 1966: Great Proletarian Cultural Revolution - Deng: "capitalist roader"

● Early 1973: Deng was allowed to return and was responsible for the economy, military reform, rejuvenation of a demoralized party, even for substituting for the ailing Zhou at diplomatic receptions.

● January 1976: Deng was accused of putting China in capitalist road and The Group of Four managed to purge Deng from the leadership

● 1977: Back in government



Great Proletarian Cultural Revolution

The Deng era



Deng Xiaoping relaunched China and transformed it into a global economic powerhouse.

Push for significant economic and social reforms

Conduct economic reforms based on a market-oriented approach

Improve political governance, the need for stability and order in China

Serve the people and promoted their well-being

Improve education, healthcare, social welfare programs

→ His legacy is still felt in modern China, where economic growth and social development continue to be prioritized under the leadership of the Communist Party.



-06-

*The Best is
Yet to Come*

Common traits among 10 protagonists





Common traits among 10 protagonists



They are Hedgehogs

- Relentlessly pursue **one big idea**
- Have **missionary-like faith** in their endeavors
- Focus on their goals for **extended periods**
- **Refuse to accept failure**
- Be **bold risk-takers**

They rode the tides of history

- Align themselves with **emerging opportunities**
- Be close to become **first movers** in their fields

They were all accidental globalists

- Driven by **personal motivations** (*power, fortune, or solving immediate problems*)
 - Their accomplishments were often the result of **serendipity and seizing opportunities**
- 