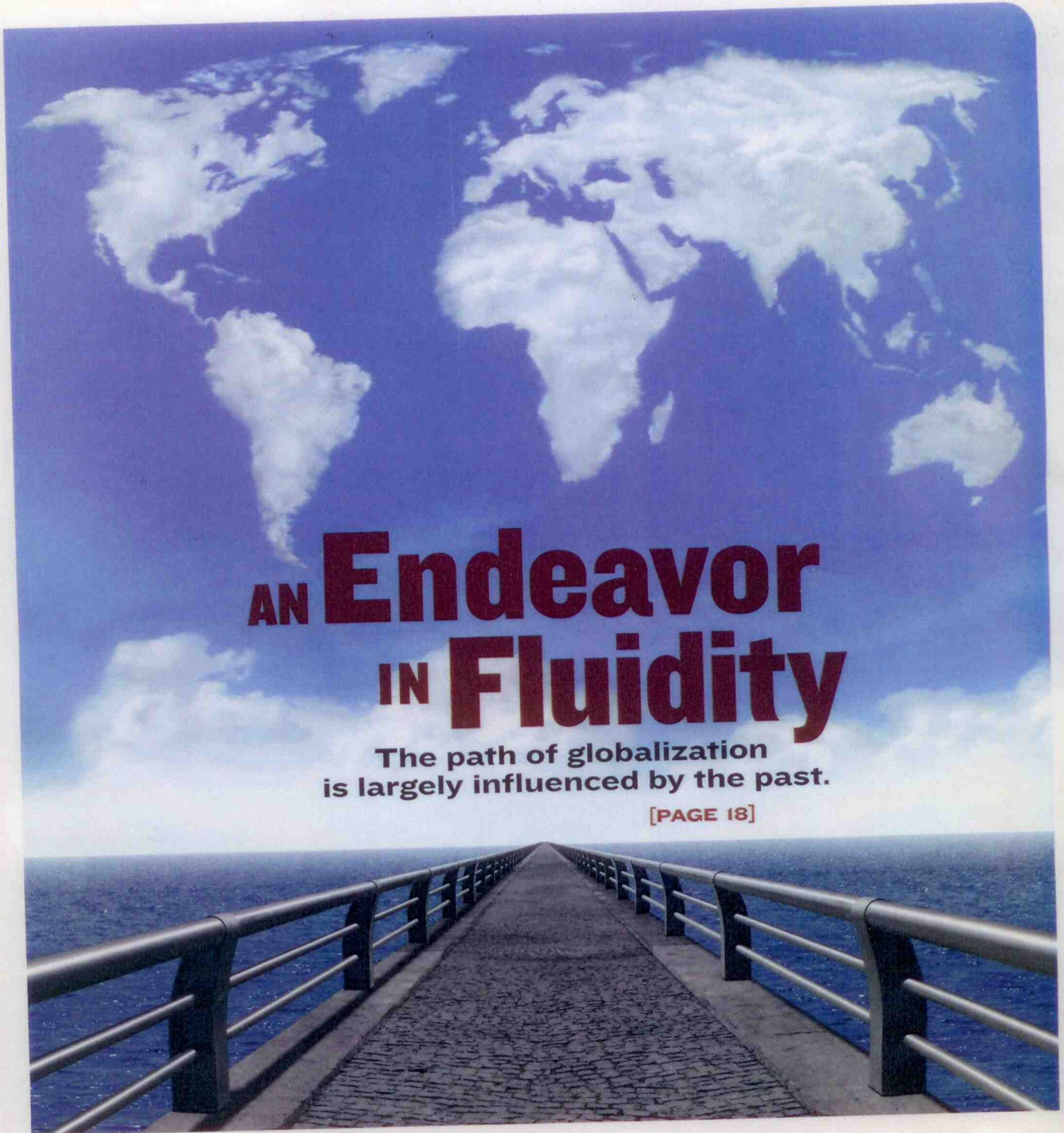


INSIDE **SUPPLY** MANAGEMENT



AN **Endeavor** IN **Fluidity**

The path of globalization
is largely influenced by the past.

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TAKE TO THE CLOUDS [PAGE 12] ▶ COMPLEX MATTERS IN MERGERS [PAGE 30]

DAVE BARRY IS NOT MAKING THIS UP [PAGE 26]



GLOBALIZATION:

By John Yuva

cover story

Like
clouds,
our global
environment is
always moving and
changing with the elements.

As the recessionary clouds recede and organizations pull up sail, what course is your ship going to take? This is a question that supply management executives are asking as they gauge the global landscape. What many realize is that globalization now requires a different approach than it did eight, five or even two years ago. This is not to suggest a slowing in global initiatives or even a reversal in sourcing distance, but rather a strategy that compensates for potential international shifts in geopolitics, manufacturing and commerce. It is all part of a sourcing evolution that supply managers can reference as a guide to the future. Often, examining where you've been is the best way to know where you're going and how to get there.

An Endeavor in Fluidity

What follows is an exploration of significant global trends over the last several years and how those trends culminate in shaping today's approach to globalization.

A Decade in Review

This brings us to the question: How has globalization and sourcing evolved? To help answer that question, *Inside Supply Management*[®] spoke with Fariborz Ghadar, Ph.D., the William A. Schreyer Professor of Global Management, Policies and Planning, and director for the Center for Global Business Studies at Pennsylvania State University in University Park. As organizations entered the 21st century, there was relative ease in moving goods between borders. Long supply chains flourished as U.S. organizations marketed

new innovations to emerging economies. Volatile changes, however, were on the horizon.

Early-decade — border and transportation restrictions. The 21st century brought a shift in global sourcing models. The earliest and most volatile shift occurred on September 11, 2001. This event forever altered the efficiencies of long supply chains, says Ghadar. "Following 9/11, moving goods across borders became more costly and time-consuming," he says. "While these constraints did not hinder globalization, they certainly introduced uncertainties into long supply chains that did not exist previously." The decade had just begun and more significant changes were ahead.

Mid-decade — politicized supply chains. In the years following 9/11, there

