



peace  
&  
ecommerce  
*a global systems view*

**China likely Winner**

OF THE INFORMATION AGE  
ECOMMERCE SUPPLY CHAIN  
BY MAINTAINING PEACE &  
CORPORATE PROPERTY RIGHTS

Peace and Ecommerce, A Global Systems View  
China likely Winner of the Information Age Ecommerce Supply Chain  
by Maintaining Peace and Corporate Property Rights

By Linda Lane, MSIM, 2008

Glenn Von Tersch, Policy, Law, and Ethics in Information Management, University of Washington

Common Name	Academic Name	Book Title
McDonalds Effect	Golden Arches Theory of Conflict Prevention, aka democratic peace theory	<a href="#">Lexus and the Olive Tree</a>
Dell Theory	The Dell Theory of Conflict Prevention	<a href="#">The World is Flat, A Brief History of the Twenty-First Century</a>
peace ecommerce	conflict prevention global economics	

**“In his book, *The Lexus and the Olive Tree*, Thomas L. Friedman proposed The Golden Arches Theory of Conflict Prevention, observing that no two countries with a McDonald’s franchise had ever gone to war with one another, a version of the democratic peace theory.”<sup>1</sup>**

“The Dell Theory stipulates: No two countries that are both part of a major global supply chain, like Dell’s, will ever fight a war against each other as long as they are both part of the same global supply chain.”<sup>2</sup>

### The Report

**Thesis:** China is a likely winner of the information age supply chain<sup>3</sup> through ecommerce by sticking with its successful strategy of continued steady growth, coupled with continuing (the appearance of) a transparent



society (where currently major decisions are made by top government and business officials behind closed doors) which manipulate and manage economies at large. In order to be considered a great global leader China should maintain peace and respect for corporate property rights. They need to immediately focus on their serious environment pollution problems to survive<sup>4</sup>. Politically China needs to resolve the long standing, grinding repression of the Tibetan people; it is too expensive in terms of public relations.

The evidence is clear: China has McDonalds restaurants, and with extensive factories they make Dell and other computers. Bill Gates is eagerly pursuing business with China, and the Chinese government has given Microsoft

the right to grant post-doctoral fellowships. Key companies invested in technology are willing to go to court to keep the most important Chinese corporate leaders. Kai-Fu Lee, once a vice-president at Microsoft is now Google’s manager in China. Mr. Lee was the person at the center of twin lawsuits (suit and countersuit), a battle over which of the two companies would win him to work for them - he may be the ultimate in ‘intellectual property.’

Personal information is the feeder fish at the bottom of the information age food chain. China does not

1 Golden Arches, definition on Wikipedia, the free encyclopedia [http://en.wikipedia.org/wiki/Golden\\_Arches](http://en.wikipedia.org/wiki/Golden_Arches), accessed March 13, 2008

2 **Readings** “The World Is Flat 3.0: A Brief History of the Twenty-first Century” by Thomas Friedman, p. 421

3 **Readings** p. 19 “What is information arbitrage? Arbitrage is a market terms. Technically speaking, it refers to the simultaneous buying and selling of the same securities, commodities or foreign exchange in different markets to predict from unequal prices and unequal information. The successful arbitrageur is a trader that knows...”

4 “Conservation groups say acid rain falls on a third of China’s territory and 70% of rivers and lakes are so full of toxins they can no longer be used for drinking water.” “Satellite data reveals Beijing as air pollution capital of world, Jonathan Watts in Beijing The Guardian, Monday October 31 2005, <http://www.guardian.co.uk/news/2005/oct/31/china.pollution>

believe people have a right to privacy because of how communism is structured; this is true of members of their society until that person is wealthy and thus powerful enough to opt out of it, and even then the appearance of opting in must be kept. Even in the West Intellectual property rights are eroding, which is as it should be, as it is not the same as owning a house, and can be damaging to others on a massive scale such as medical patents for aids, cancer, and other life saving drugs.

The Chinese style of governance comes with a 5 thousand year old administrative history of ordering a society consisting of large numbers of people. Because most people in American and the West do not speak their language nor write it, much of China remains a society closed to the English speaking countries. Due to communication barriers the West does not have the very healthy level of respect for China that it should. Even the Chinese written language may give China advantages with online screens unknown in the West with their thousands of dense glyphs, pictographs, and phonetic parts<sup>5</sup>. Currently more than 1 billion people use some form of Chinese as their native language.



“On the Shanghai subway, rather than advertising computers for sale, Dell promotes job openings.”  
 Danburg Murmur  
[www.flickr.com/photos/danburgmurmur/247299162](http://www.flickr.com/photos/danburgmurmur/247299162)

It can be said that he who owns the resources wins; especially true when supply chains are consistent and reliable. This applies to personally identifiable information in the information age as it relates to sales, because personal information is a building block in the information supply chain. Creating mass marketing campaigns targeting not just individuals but very large groups of people is based on creating desire; an



example is Steve Jobs and the Apple iPod<sup>6</sup>. This is in addition to knowing what people want, not just what they need.

Meeting the needs of all people in the world is still a goal some people are working towards, while many more others try to capture wealth only for themselves and their investors. From the point of view that in the long run we’re all dead, many investors do not view themselves as breaking any moral or other rules, just trying to get ahead, or make a profit on their

investment, which they want right now. This uninformed short sighted view is killing people, and eroding the middle class of nations. Any country that has a middle class will miss it when it is gone; most countries are trying to build their middle class<sup>7</sup>.

Business to Business (B2B) resource supply chains control wealth. Only the wealthy have a reason to protect privacy of information, because the poor and the very poor have much more immediate concerns. Hopefully

<sup>5</sup> Wikipedia Definition [logograms](#): each symbol represents a [semanteme](#) or [morpheme](#). (a meaningful unit of language), as well as one [syllable](#); the written language can thus be termed a morphemo-syllabic script. [http://en.wikipedia.org/wiki/Chinese\\_language](http://en.wikipedia.org/wiki/Chinese_language) accessed March 3, 2008

<sup>6</sup> “...After watching Jobs unveil the iPhone, Alan Kay, a personal computer pioneer who has worked with him, put it this way who has worked with him, put it this way: “Steve understands desire.” ... Fortune CNN Magazine March 5, 2008, [http://money.cnn.com/2008/03/02/news/companies/elkind\\_jobs.fortune/index.htm?cnn=yes](http://money.cnn.com/2008/03/02/news/companies/elkind_jobs.fortune/index.htm?cnn=yes) accessed March 5, 2008

<sup>7</sup> Mac Margolis, “How Brazil Reversed the Curse, Latin America used to suffer the deepest gap between rich and poor. Now it is the only region narrowing the divide. Upwardly Mobile: Middle-class Brazilians” <http://www.newsweek.com/id/67850> NEWSWEEK Nov 12, 2007 Issue

the Chinese will learn as other countries like Malaysia are in the process of learning, that including diverse ethnic types is not just an ethical ideal, it is a strategy for long term success. This lesson continues to be a painful and costly lesson to the US, which in many ways is exclusionary. Viewing the poor as beggars while subsidizing production with huge remedies is one of the inadequacies that may be overturned as international growth is managed at a global level because it can not be justified as anything other than corrupt practices. By all accounts I read, generosity in international relationships is mythical and with the digital age has only grown worse<sup>8</sup>. Does it matter what you wear while you ask for money or how well educated you are? Apparently it does.



One size fits all privacy will never suit everyone because it is biological and the need increases with education, and its cousin, wealth. Increasingly to have the opt out choice in terms of privacy you need wealth. That too will change subtly because as ecommerce becomes pervasive, some system or sets of systems will always know that you are there in some way.

The patent and copyright systems can be damaging to others on a massive scale by shutting down creativity, and unfairly favoring their protection even against life, due to medical patents for aids, cancer, and other life saving drugs being so expensive to produce or purchase that people are allowed to die as a result. Calls to action for multinational drug companies to reduce these costs, have changed little or nothing in the developing world. This has been featured so well in the headlines and news stories lately that it can hardly be a surprise to anyone that it is a problem – youth know because Digital Rights Management (DRM) is dead.

Ecommerce is a tool and can be used in many ways. Trading is already a cold transaction and to remove it from human context makes it even more so. In accounting they discuss “arms length transactions” - with ecommerce those arms get pretty long<sup>9</sup>. So we can expect that the human repercussions of global ecommerce, driven by the integration of B2B procurement systems, could stabilize and destabilize entire populations unless the planning is very good. That means everyone must hold the keys in some way, and be open to transparency at some level which runs counter to special interest groups<sup>10</sup>. Transparency in action does exactly what it needs to do, but which, for example, is not a match for the existing Chinese culture.

Real transparency in global governance with a goal to meet the basic needs of all people living sounds like science fiction, and that is what makes it exciting. It may only become possible due to radically unexpected causes, like education, religious idealism, or a shared social solution of the young through organizations such as <http://www.one.org>. Ironically one of the religions likely to have a positive effect in China, and is likely to benefit from is Tibetan Buddhism, long repressed by the current Chinese government.

Ecommerce will not cause peace in the world, educated people working with strong idealism in transparent cultures will. Still my conclusion remains that China is a likely winner of the information age supply chain through ecommerce. We should invest in China.

8 Mike Haynes, Theses on the Balkan War, “Capitalism is inherently a competitively expansionist and therefore conflict ridden system” Issue 83 of INTERNATIONAL SOCIALISM JOURNAL Published Summer 1999 Copyright © International Socialism, <http://pubs.socialistreviewindex.org.uk/isj83/haynes.htm/> accessed March 3, 2008. “The optimism that the end of the Cold War might lead to a new world order has been shown to be false. The hope that it would release a peace dividend that would enable a new generosity in international relations has been belied by experience, as some of us sadly predicted it would.<sup>3</sup> Though the arms burden has declined, there has been no outpouring of aid to Eastern Europe, no new ‘Marshall Plan’. The result has been that the burden of change has fallen on the broad masses of the population, wrecking lives across the old Soviet bloc in general and in one of its poorest components in south eastern Europe in particular. According to the World Bank, the number of people living in poverty (defined as having less than \$4 a day) in the former Soviet bloc has risen from 14 million in 1990 to 147 million in 1998.<sup>4</sup> Worse still, the advanced countries have continued to reduce further the miserly sums they devote to aid to the even poorer areas of the world. The OECD countries are rhetorically committed to an aid target of 0.7 percent of their output. In 1990 they gave 0.35 percent, and by 1997 the figure had fallen to 0.22 percent, with the United States under this heading giving 0.09 percent of its output, a figure in startling contrast to the expenditure devoted to destruction.”<sup>5</sup>

9 Readings p. 46 “There is a tale, “The ring of Gyges,” ... could any man resist the temptation of evil if he knew his acts could not be witnessed?”

10 Readings p. 58 “Attendance at Klan meetings began to fall ... of all the ideas Kennedy thought up to fight bigotry, this campaign was clearly the cleverest. ... He turned the Klan’s secrecy against itself by making its private information public: he converted heretofore precious knowledge into ammunition for mockery.”

## Readings

**Making Globalization Work** by Joseph E. Stiglitz

**The World Is Flat 3.0: A Brief History of the Twenty-first Century** by Thomas Friedman

**The World Is Flat?: A Critical Analysis of New York Times Bestseller by Thomas Friedman** by Ronald Aronica and Mtetwa Ramdoo

**Freakonomics: A Rogue Economist Explores the Hidden Side of Everything** by Steven D. Levitt and Stephen J. Dubner

**The Lexus and the Olive Tree: Understanding Globalization** by Thomas Friedman

**The World Is Flat 3.0: A Brief History of the Twenty-first Century** by Thomas Friedman

Larry Page, Google Co-Founder quoted by Thomas Friedman, p. 179, entire paragraph. “The more global Google’s user base becomes, the more powerful a flattener it becomes...”

From Friedman’s conversation with Google’s director of operations in China, Kai-Fu Lee, p. 181 entire paragraph “In time individuals will have the power to find anything in the world at any time on all kinds of devices – and that will be enormously empowering.”

The Quiet Crisis, entire pages 368, 369, chapter on research in China, beating out American innovation in research. “The Chinese government gave Microsoft the right to grant post-docs.” “They work through their holidays because their dream is to get to Microsoft.”

“What are those?” She said the researchers get them from Microsoft every time they invent something that gets patented. How do you say Ferrari in Chinese.”

p. 370 “... whether we are going to implement or China is going to beat us to our own plan.” Council on Creativeness, regarding the Innovate America report, comment to Friedman by Deborah Wince-Smith.

Introduction p. X, Thomas Friedman, “Of course the world is not flat. But it isn’t round anymore either. I have been using the simple notion of flatness to describe how more people can plug, play, compete, connect, and collaborate with more equal power than ever before – which is what is happening in the world. ... the essential impact of all the technological changes coming together in the world today. ... My use of the word flat doesn’t mean equal (as in ‘equal incomes’) and never did. It means equalizing.”

**The Lexus and the Olive Tree: Understanding Globalization** by Thomas Friedman

Forward to the Anchor Edition, Thomas Friedman, “... my Golden Arches Theory – that no two countries that both have McDonald’s have ever fought a war again each other since the each got their McDonald’s.”

p. 7 “When I say that globalization has replaced the Cold War as the defining international system, what exactly do I mean?”

p. 8 “The cold war system was symbolized by a single word, the *wall* ... “You can’t handle the truth,” Says Nickleson. “Son we live in a world that has walls...”

p. 8 “This Globalization system is also characterized by a single word: the Web. ... we have gone from a system built around divisions and walls to a system built around integration and webs.”

p. 19 “What is information arbitrage? Arbitrage is a market terms. Technically speaking, it refers to the simultaneous buying and selling of the same securities, commodities or foreign exchange in different markets to predict from unequal prices and unequal information. The successful arbitrageur is a trader that knows...”

Chapter 3, p. 29. The Lexus and the Olive Tree

Photo: Jerusalem, December 29, 1998: Simon Biton places his cellular phone up to the Western Wall so

a relative in France can say a prayer at the holy site. (Photo: Menahem Kahana, Agence France-Presse)  
[Caused my spontaneous tears]

p. 47 “advertising jingle “Let us put a bank in your home” ... office ... newspaper ... bookstore ...  
brokerage firm ... factory ... investment firm ... school in our homes.”

**The World Is Flat?: A Critical Analysis of New York Times Bestseller by Thomas Friedman** by Ronald Aronica and Mtetwa Ramdoo

**Freakonomics [Revised and Expanded]: A Rogue Economist Explores the Hidden Side of Everything**  
by Steven D. Levitt and Stephen J. Dubner

Chapter 5 “Why do Drug Dealers Still Live with Their Moms?” p. 89 “So how *did* the gang work? An awful lot like most American businesses, actually, though perhaps none more so than McDonald’s. In fact, if you were to hold a McDonald’s organizational chart and a Black Disciples org chart side by side, you could hardly tell the difference.”

p. 46 “There is a tale, “The ring of Gygnes,” ... could any man resist the temptation of evil if he knew his acts could not be witnessed?”

p. 58 “Attendance at Klan meetings began to fall ... of all the ideas Kennedy thought up to fight bigotry, this campaign was clearly the cleverest. ... He turned the Klan’s secrecy against itself by making its private information public: he converted heretofore precious knowledge into ammunition for mockery.”

**Making Globalization Work** by Joseph E. Stiglitz

My favorite – the entire book was used to write this paper.

### Web Resources

Please view <http://www.crito.uci.edu/pubs/2004/ChinaGECIII.pdf> regarding the reasons one study concludes that hold China back in ecommerce.

Credits: Some of the technical research in this paper was provided by Jeremy Hansen of Seattle, Washington, USA. Mr. Hansen’s email regarding economics served to inform me on this topic.

### *The Research Diary*

#### **Education justifies everything.<sup>11</sup>**

Attending a required Masters class “Policy, Law, and Ethics in Information Management” it was only ethical to admit that I worked three months drafting and publishing policy documents for Microsoft, which was our assignment, to research Web based privacy policies and other related documents such as terms of use, conditions of use, code of conduct and learn more about them, with a diary of examples in the wild, and related materials. The educational idea is that we would then be able to contribute meaningfully to creating policy statements, and understand their underlying implications to end users and companies.

The instructor of the class, Glenn Von Tersch is that valuable-to-me teacher because he is a rare working professional in the field in which he instructs, he’s an intellectual property lawyer working in California, teaching in person in Seattle, and in my lingo, a local boy made good. Von Tersch assigned me to present information on freedom of speech, a topic I fell in love with, and wanted to research more. But for my final research I *needed* something else.

One of my favorite things to discuss in job interviews, or with anyone in earshot, is that I believe that the networked spread of ecommerce over the Web, filtering into even the poorest nations will aid in

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<sup>11</sup> Waiting until the time is right, one is good at something, or has collected all the facts, without making any attempts isn’t effective. I had to begin someplace even if it is incomplete so I started with the World Wide Web. “If something is worth doing well, at all, it is also worth doing poorly.” I am not sure where that quote came from but I read it in an article where someone presented their reasoning.

understanding through communication; that ecommerce leads to peace. In effect I believed that ecommerce contributes in a direct way to peace because it provides the fuel to grow and maintain the Internet. Also it seemed obvious that people and countries that are invested in and perform transactions with each other are less likely to go war against their own interests. Von Tersch said, "These topics you are interested in have more research value than freedom of speech, because 1st amendment rights have been heavily legislated, written about, and researched."<sup>12</sup> He mentioned something called "The McDonald's Effect", how having a McDonald's outlet or franchise appears to contribute to peace between countries. So peace and ecommerce became my topic.

What I did not expect to discover is in human society war is considered the norm and peace the exception. I did not expect to learn about how ugly the 3rd world poverty creating monster of WTO became according to one economist, even though I live in Seattle where the initial protests were. I was surprised to know how Regonomics theory hangs on, like an old B-grade movie on late night TV, because someone somewhere in the supply chain makes money. I did not expect to find that privacy and intellectual rights are so tightly interwoven, or how they relate to conflict, security, potential world dominance and growth.

I had no way to guess that I would enjoy the study of economics – statistical, yes, nicely so, but dull no; as a global topic it is juicy-rotten, full of international spies<sup>13</sup>, botched security<sup>14</sup>, with rogue pirate computer chips<sup>15</sup>, and unintended consequences.

Who can accurately predict how patterns of global economics relate to peace, privacy, property rights, policies and their outcome in the one breath away from today, the next 20-40 years? Who would think that China - the nation, McDonalds - the corporation, and Chicago crack dealers and foot soldiers share so much in common when you view their information through these fascinating multi-dimensional facets?

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12 You never know where something will come from in free rights actions or what it will mean later. For example the person at the center of the Alaskan "Bong hits For Jesus" case, Frederick Morse, now teaches English to Chinese students in China. As an adult it appears he has his head on straight in his wish to help others communicate, more so that those he fought in court.

From the CNN news article, published June 26, 2007, "In dissent, Justice John Paul Stevens said, "This case began with a silly nonsensical banner, (and) ends with the court inventing out of whole cloth a special First Amendment rule permitting the censorship of any student speech that mentions drugs, so long as someone could perceive that speech to contain a latent pro-drug message." He was backed by Justices David Souter and Ruth Bader Ginsburg." <http://www.cnn.com/2007/LAW/06/25/free.speech/index.html> downloaded March 13, 2008

13 Pentagon attack last June stole an "amazing amount" of data" Joel Hruska | Published: March 06, 2008 - 07:13PM CT <http://arstechnica.com/news/ars/post/20080306-pentagon-attack-last-june-stole-an-amazing-amount-of-data.html> from "blueton tips us to a brief story about recent revelations from the Pentagon which indicate that the attack on their computer network in June 2007 was more serious than they originally claimed. A DoD official recently remarked that the hackers were able to obtain an "amazing amount" of data.

We previously discussed rumors that the Chinese People's Liberation Army was behind the attack. "CNN has an article about Chinese hackers who claim to have successfully stolen information from the Pentagon." Quoting Ars Technica: "The intrusion was first detected during an IT restructuring that was underway at the time. By the time it was detected, malicious code had been in the system for at least two months, and was propagating via a known Windows exploit. The bug spread itself by e-mailing malicious payloads from one system on the network to another." Via email from Jeremy Hansen on <http://slashdot.org/>

14 "Chinese backdoors "hidden in router firmware" Matthew Sparkes News [Security], Tuesday 4th March 2008 3:17PM, Tuesday 4th March 2008 <http://www.pcpro.co.uk/news/173883/chinese-backdoors-hidden-in-router-firmware.html> The UK's communication networks could be at risk from Chinese backdoors hidden in firmware, according to a security company.

SecureTest believes spyware could be easily built into Asian-manufactured devices such as switches and routers, providing a simple backdoor for companies or governments in the Far East to listen in on communications. "Organisations should change their security policies and procedures immediately," says Ken Munro, managing director of SecureTest. "This is a very real loophole that needs closing. The government needs to act fast."

"Would they buy a missile from China, then deploy it untested into a Western missile silo and expect it to function when directed at the Far East? That's essentially what they're doing by installing network infrastructure produced in the Far East, such as switches and routers, untested into government and corporate networks." Late last year MI5 sent a letter to 300 UK companies warning of the threat from Chinese hackers attempting to steal sensitive data. Reports at the time suggested that both Rolls Royce and Royal Dutch Shell had been subjected to "sustained spying assaults".

The issue has been debated by government for some time. In 2001, the then foreign secretary Robin Cook, warned that international computer espionage could pose a bigger threat to the UK than terrorism.

15 Chip Piracy Might End With Public Key Cryptography. A Web Exclusive from Windows IT Pro

Mark Joseph Edwards, Security News, InstantDoc #98491, Windows IT Pro "A group of researchers from two universities have proposed a way to prevent chip piracy. The technique uses public key cryptography to lock down circuitry.

In a whitepaper published this month, Jarrod A. Roy and Igor L. Markov (of the University of Michigan) and Farinaz Koushanfar (of Rice University) outline the problem and details of how their proposed technology will help solve it.

Chip designers sometimes outsource manufacturing and that opens the door to piracy, should someone copy the design plans. The copied plans are then used to create 'clone' chips for a wide range of devices, including computers, MP3 players, and more.

"Pirated chips are sometimes being sold for pennies, but they are exactly the same as normal chips," said Igor Markov, associate professor in the Department of Electrical Engineering and Computer Science at the University of Michigan. "They were designed in the United States and usually manufactured overseas, where intellectual property law is more lax. Someone copies the blueprints or manufactures the chips without authorization."

The groups propose the use of public key cryptography, which would be embedded into circuitry designs. Each chip would produce its own random identification number, which would be generated during an activation phase. Chips would not function until activated, and activation would take place in a manner somewhat similar to that seen with many applications in use today. Via email from Jeremy Hansen.

Original source - EPIC: Ending Piracy of Integrated Circuits Jarrod A. Roy, Farinaz Koushanfar and Igor L. Markov, The University of Michigan, Department of EECS, 2260 Hayward Ave., Ann Arbor, MI 48109-2121, Rice University, ECE and CS Departments, 6100 South Main, Houston, TX 77005 <http://www.eecs.umich.edu/~imarkov/pubs/conf/date08-epic.pdf> March 06, 2008

I also learned one must be educated to search effectively for information. This knowing about the nature of search is not just intellectual knowledge; this is conditionalized through my own experience of failure to produce relevant search results within massive library databases.

My education began with a simple query on the Web “peace + ecommerce” which returned from Google “Theses on the Balkan War,” by Mike Haynes, from the International Socialism Journal, “Capitalism is inherently a competitively expansionist and therefore conflict ridden system”<sup>16</sup>, effectively laying the blame for war on the US and Western capitalist nations and on any one claiming to be fighting a war with good intentions. I read it, thinking I would not see this relate to my project – also surprising very similar material was presented in the global economic books I read later.

As mentioned the pursuit of ‘education justifies anything’, like looking at any results, so I also clicked on an article entitled “Dinosaur Extinction linked to change in Dinosaur Culture”<sup>17</sup> I read it, and it made sense that something like author Daniel Quinn’s theory of “The Law of Limited Competition” is an operant factor in global markets today, with war being genocide, and countries struggling to win economically laying waste to the very place they live. A notable example is Beijing, the air pollution capital of the world<sup>18</sup> struggling to host the Olympic Games this year. I stored that URL for future reference. The theory and the reality imply that in the race to catch up and compete in global economics, the Chinese are killing themselves off before they arrive at their desired goal.

Then I queried in several of the University of Washington interconnected and extensive library databases on the same thing “peace + ecommerce” and found in all of them, zero returns, “0 Results”. My teacher was surprised and advised me to extrapolate and offer conjecture on what was likely, if few sources were available. I notified a friend studying economics who emailed related articles.

Very frustrated I tried related queries and turned up articles on the economies of war<sup>19</sup>. How perverse, I thought. I contacted a librarian through the online tool and chatted with her, explaining my quest. She suggested I query on “economics and public policy”. “How is public policy related to peace and ecommerce?” I asked. “Try Conflict Resolution” she replied.

Thus the reason I couldn’t find ‘peace’ is because educated facet writers metadata designed to expose to search, the vocabulary is ‘conflict resolution’ or ‘conflict prevention’. Oddly the social implication is that war is the norm. Maybe peace doesn’t exist anywhere. A reason I used ‘ecommerce’ instead of ‘global economics’ is I consulted in that field for technology firms. Searching again returned few meaningful results, and the user interface was strange, very slow, and clunky. I longed for Google.

Then I remembered the “McDonald’s Effect” our teacher mentioned, and quickly I located a reference on the Web, but it was deeply nested in a staggering number of oddly worded articles. I stopped without uncovering where the concept originated. The next night I searched again, and found the author Thomas Friedman and his related books. I briefly scanned all the related Wikipedia articles. I realized quickly that to become educated enough on my two topics, I had to some understanding of economics. This is because even to scrape by enough to search among the many interrelated topics one needs to know the central facet<sup>20</sup>. Very esoteric topics require specialized language and deep knowledge of the subject.

More searches turned up substantial evidence that China lags behind other nations in ecommerce.<sup>21</sup>

16 <http://pubs.socialistreviewindex.org.uk/isj83/haynes.htm>

17 Shared by miles on Feb 13, 2006 3:39 pm that I located through a [http://mail.google.com/mail/?ui=1&realattid=f\\_fd935gd&attid=0.1&disp=vah&view=att&th=118998918e57e2e4](http://mail.google.com/mail/?ui=1&realattid=f_fd935gd&attid=0.1&disp=vah&view=att&th=118998918e57e2e4)

18 “As it gears up to host the 2008 Olympic Games Beijing has been awarded an unwelcome new accolade: the air pollution capital of the world. Satellite data has revealed that the city is one of the worst environmental victims of China’s spectacular economic growth, which has brought with it air pollution levels that are blamed for more than 400,000 premature deaths a year” <http://www.guardian.co.uk/news/2005/oct/31/china.pollution>

19 “What we call ‘war’ is not all bad,” according to Virginia Johnson, who reminded me, “Without conflict there is no life. You don’t want ‘perfect peace’ there is no movement. The human standard is actually what we broadly call ‘war’; but without conflict, change, motion, we would learn nothing, we would have nothing, we would be dead.” Personal conversation, March 14, 2008, Seattle, Washington

20 Ranganathan, Faceted Search.

21 <http://www.crito.uci.edu/pubs/2004/ChinaGECIII.pdf>

For years I worked in ecommerce designing interfaces (for Microsoft 2003 and Amazon 2007-2008), and working with supply chain software<sup>22</sup> (as a director of an ecommerce company). But because I didn't realize that one could understand it better, and that it is not as dull as computer science and its requisite cash register receipts<sup>23</sup>, I never tried.

The "McDonald's Effect" is named after "The Golden Arches Theory of Conflict Prevention" created by the author Thomas Friedman's slightly in cheek comments and his book, "The Lexus and the Olive Tree" (the update now titled "The Lexus and the Olive Tree: Understanding Globalization").

Those books lead me to order Amazon ecommerce overnight book delivery, and I read, 'The World Is Flat?: A Critical Analysis of New York Times Bestseller by Thomas Friedman', 'Freakonomics: A Rogue Economist Explores the Hidden Side of Everything'<sup>24</sup>, 'Making Globalization Work' which reports that there is hope in the world for peace. The Nobel Prize winning author helps the reader extrapolate based on significant knowledge of statistics and global economic analysis through his personal, professional, and academic connections.

"In his book, The Lexus and the Olive Tree, Thomas L. Friedman proposed The Golden Arches Theory of Conflict Prevention, observing that no two countries with a McDonald's franchise had ever gone to war with one another, a version of the democratic peace theory." Wikipedia

"The Dell Theory stipulates: No two countries that are both part of a major global supply chain, like Dell's, will ever fight a war against each other as long as they are both part of the same global supply chain." the book World is Flat.

## Web Resources

Appendix <http://www.crito.uci.edu/pubs/2004/ChinaGECIII.pdf>

## Afterwords

### Outside the Gates of Eden

"There are no truths outside the gates of Eden. There none inside either. Truths tend to be defined. The domain of no definition is bliss. Bliss is orgasmic reality without center or boundary. On the outside of the gates, this is well conceived as the structure of a mandala. There are male and female aspects. The chip is material, and like the male principle, represents the structure of the mandala. The software -- particularly the OS, is basically female, and represents the intuitive power of consciousness -- the thing that gives it life.

...

Humanity is at constant war, whether it be war for good or war for conquest, or just to prove who is better or worse. The trials that determine who is right and who is wrong are only functional where the binary reality structure has been imposed on experiential truth -- at the level of total intermesh between OS and hardware -- life and earth -- yab and yum -- at this level all binaries are conventionalities at best. ..Information regarding the endlessness and painful condition of Samsara would tend to be depressing, as there is no real hope for consummate orgasmic awareness to override the dualistic binaries that dwell outside the gates of Eden."

## *Christopher Wilkinson*

<http://wonderlane.blogspot.com/2008/02/behind-gates.html>

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22 I learned about supply chain management mainly from Web entrepreneur and ecommerce product engineer Adam Kalsey, and our mutual friend the supply chain wizard Marc Lamonica, Regional Chief Financial Officer at Sutter Connect, <http://www.sutterconnect.org/>, and teacher Stuart Williams, of Blitz-keigsoftware.net, <http://blitzkriegsoftware.net/StuartWilliams/default.asp>

23 Introduction to Computer software classes in the 1970s consisted of FORTRAN cash register receipt programming, which is by implication is what ecommerce actually does.

24 Freakonomics is a must read book of comedy and connections.