



Off the back of a lorry

**ILLICIT
HOW SMUGGLERS, TRAFFICKERS AND COPYCATS
ARE HIJACKING THE GLOBAL ECONOMY
MOISES NAIM**

Reviewed by Sam Chambers

You and I are both helping criminals day in, day out. Me, a lowly paid scribe, by purchasing knock off DVDs from Shenzhen, and you, the transportation industry, for inadvertently assisting in that other, less reported product of globalization – illicit trade, which has soared to become a trillion dollar business over the past decade.

In *Illicit: How Smugglers, Traffickers and Copycats Are Hijacking the Global Economy*, Moisés Naím, the editor of weighty American magazine *Foreign Policy*, has attempted to shed light on this murky sector of the world economy. What he manages to show quite brilliantly is how nimble and intertwined these shady deals are. Whether it's fake Viagra, organ smuggling, money laundering or weapons trafficking, all these antics have become far easier and far more common in line with the globalization of the world economy.

Money laundering, for instance, accounts for up to 10% of the world's GDP, or as much US\$5trn. Or while it took 400 years to shift 12 million slaves across the Atlantic, 30 million people have been sold into the sex trade in southeast Asia in the past decade alone.

Naím's work is the perfect antidote to Thomas L. Friedman's *The World Is Flat: A Brief History of the Twenty-first Century*, showing the flip side of the interconnected world economy.

The author suggests Washington's blinkered pursuit of terrorists is wrong; illicit trade is as big a threat as terrorism, perhaps even more destabilizing than the evil machinations of Osama bin Laden. Though, as Naím makes clear, where there is trafficking, more often than not terrorists are involved somewhere along the supply chain.

The titans of this underground economy use many of the same technologies that Nike or Wal-Mart do. Yet these are not like the cocaine cartels of the 1980s: they tend to be super flexible, de-centralised, borderless networks that are always leaps and bounds ahead of state jurisdictions.

Is there a solution to hand? Naím fails to offer one and this is the sole criticism one can level at him – the lack of original reporting. Naím's ability as an editor is undeniable. He has weaved together countless disparate clippings of trafficking tales yet the book needs an injection of originality. Nevertheless, for all of us involved in the supply chain business, his book is an essential, eye-opening read. ■



A bible for quick-change supply chains

LIVING SUPPLY CHAINS: HOW TO MOBILIZE THE ENTERPRISE AROUND DELIVERING WHAT YOUR CUSTOMERS WANT ("FINANCIAL TIMES")

JOHN GATTORNA

Reviewed by Paul Lim

Despite the accumulated body of knowledge and practical experience of the last 50 years, we are still largely ignorant about the underlying mechanisms at work in corporate logistics networks, and by extension, supply chains.

This continuing situation is leading to diminished or unfulfilled performance at best, and large-scale failures of transformational programs at worst, all evident in the pages of the world's business and financial press on a daily basis.

The missing 'ingredient' in this whole-of-enterprise performance equation is the pivotal role played by humans, both on the outside (in the form of customers/end-users/consumers), and on the inside (in the form of Boards, management and employees).

However, simply knowing more about human behaviour in vacuum is not enough; rather, it is the linkages and interactions between the 'hard' tangible assets and resources of an enterprise, and the 'softer' human side that must be more fully comprehended and operationalized.

The book is designed to fill this void in our knowledge by providing a robust framework that links customers/markets, operational strategy, cultural capability, and the leadership style of the enterprise, and Gattorna achieves this objective with ease.

Perhaps most telling of its quality is that *Living Supply Chains* was nominated by its publisher FT Pearson, for the FT Goldman Sachs Global Business Book Award, and the MCA/Management Today Best Management Book Award. It is rare that you come across books that look so deeply at supply chain practice that are nominated for general business book awards and Gattorna's contribution to the supply chain world is well worth the accolades. ■