Introduction to the flatteners

How so? Just as we finished creating this new, more horizontal playing field, and companies and individuals primarily in the West started quickly adapting to it, 3 billion people who had been frozen out of the field suddenly found themselves liberated to plug and play with everybody else.

Save for a tiny minority, these 3 billion people had never been allowed to compete and collaborate before, because they lived in largely closed economies with very vertical, hierarchical political and economic structures. I am talking about the people of China, India, Russia, Eastern Europe, Latin America, and Central Asia. Their economies and political systems all opened up during the course of the 1990s, so that their people were increasingly free to join the free-market game. And when did these 3 billion people converge with the new playing field and the new processes? Right when the field was being flattened, right when millions of them could compete and collaborate more equally, more horizontally, and with cheaper and more readily available tools then ever before. Indeed, thanks to the flattening of the world, many of these new entrants didn't even have to leave home to participate. Thanks to the ten flatteners, the playing field came to them!

It is this triple convergence – of new players, on a new playing field, developing new processes and habits for horizontal collaboration – that I believe is the most important force shaping global economies and politics in the early twenty-first century. Giving so many people access to all these tools of collaboration, along with the ability through search engines and the Web to access billions of pages of raw information, ensures that the next generation of innovations will come from all over Planet Flat. The scale of the global community that is soon going to be able to participate in all sorts of discovery and innovation is something the world has simply never seen before.

The Ten Forces That Flattened the World

Flattener #1   (11/9/89)   When the Walls Came Down and the Windows Went Up
- *Fall of the Berlin Wall; elimination of communism; outbreak of freedom; enhanced free movement of best practices; diffusion of personal computers, fax machines, Windows and dial-up modems*

Flattener #2   (8/9/95)   When Netscape Went Public
- *Move from a PC-based computing platform to an internet-based platform; emergence of one computing platform; dotcom stock bubble; overinvestment in the fiber-optic cable which made it cheaper and easier to transmit voices and data*

Flattener #3   Work Flow Software
- *Software that made it possible for all kinds of computer applications to connect and work together, which allowed seamless cooperation by people working anywhere*

Flattener #4   Open-Sourcing
Self-Organizing Collaborative Communities
- *Software that is shared, constantly improved by its users and made available for free to anyone*

Flattener #5   Outsourcing
Y2K
- *American companies moving work overseas*

Flattener #6   Offshoring
- *When a company takes ones of its factories that is it is operating and moves the whole factory offshore*

Flattener #7   Supply-Chaining
- *A method of collaborating horizontally among suppliers, retailers, and customers to create value. It forces the adoption of common standards between companies*

Flattener #8   Insourcing
- *Synchronyzing global supply chains, eliminating the middle steps*

Flattener #9   In-Forming
Google, Yahoo!, MSN Web Search
- *The ability for anyone to find so much information about so many things and so many other people. The ability to build and supply your own personal supply chain.*

Flattener #10   The Steroids
Digital, Mobile, Personal, and Virtual
- *Certain new technologies that are amplifying and turbo-charging all other flatteners. Can do outsourcing, offshoring, open-sourcing, supply-chaining, insourcing, and informing in a way that is digital, mobile, virtual and personal*