

rities company, bank and insurance firm must decide now. Many more firms will commit to a global strategy than will be successful. But any who do not commit now, and commit fully, will surely fail. You cannot be just partly global...

“...Consolidation is being driven by clients. Institutional and corporate customers want investment banks, commercial banks and asset managers who can service all of their needs on a worldwide basis. They want research, product and liquidity across all geographic markets and all products. And they are focusing their resources on fewer firms who add the most value. At the retail level, customers have become more sophisticated and are demanding a global product backed by more technology.

“Even domestic clients who want to raise capital insist on access to all global markets to ensure the lowest funding costs and the deepest pools of equity capital. This means that European and Asian companies want to be served by firms with access to U.S. equity markets because that is where over half of all the global equity money comes from. And if you are a commercial bank or investment bank providing global services, your economics dictate that you want to be in the top three or four, rather than number 10, when it comes to the amount of overall business you provide for each client. In other words, clients are becoming dependent on fewer global providers. Financial services firms are therefore looking for a greater share of each client’s business and this is driving consolidation...

“...The U.S. equity market is bigger than the rest of the world’s combined. In fact, the market cap of one New York Stock Exchange Company, General Electric, is bigger than the equity markets of Thailand, Korea, Malaysia, the Philippines and Indonesia combined. The sheer size of the U.S. capital markets should give American firms a big advantage in the next stage of global expansion. We’re already here. We also have the experience of competing in the fairest, most efficient, most deregulated financial market in the world. As the

other markets try to catch up, a number of U.S. based firms, including my own, Citibank, Merrill, Goldman Sachs, have already been able to build a global presence. That that’s largely because we have been able to export experience gained in the world’s most competitive market.”

**Ted Turner:
On Himself and the World**

Ted Turner, founder of CNN, world-class sailor and, as always, unpredictable, addressed The Economic Club of Chicago on April 16, 1998. His cable news business had been sold to Time-Warner, where he was vice chairman. He had just announced a \$1 billion contribution to the U.N.



“I want to go back and talk about how I got to where I am, and why I have some concerns about the future of the human species and the planet...

“When I was a young man I concentrated on my business and my family and my yacht-racing career. Because I didn’t worry too much about the nation or the world because I didn’t feel like I had much opportunity, to make a difference or make an impact. That was, it was out of my area of responsibility. Also, I was very young. And when you’re very young, you know, you’re usually thinking about, you’re not thinking about global issues as much as you are more local issues, you know. Like, God, that’s a good-looking woman—you know, that kind of thing.

“Where am I gonna make a dollar or a peso you know? Because I wanted to be rich. I did want to be rich because my father, who passed away when I was 23, wanted me to be rich; he thought that rich was better than poor, and you know I had to admit, remembering those experiences I had, hitchhiking,

you know... I wanted to be able to have a car...or at least a bus ticket...

“At any rate...in the 70s, when I decided to get on the satellite with the super-stations and try to create a national network with my little UHF station in Atlanta, I thought, well, what would be nice? Home Box Office was already in existence. They had new movies, and I was carrying the Braves, the Hawks, and the Atlanta Flames hockey. It wasn't long before there was an ESPN, and I said, what would be the next channel that people would like to see?

“And it hit me right in the face: a news channel, you know, where you could see news all the time, because in those days the news was only on at six o'clock and eleven o'clock in the Eastern time zone, five and ten here in Chicago, the Central time zone. So I felt that would be a good idea and I was just amazed that from 1975, when I first came up with the idea, until about 1978, about four years had passed. And I thought ABC, CBS, or NBC, who had the infrastructure, they already had news-gathering all over the world. All they would have had to do is keep the lights on in the studio you know, 24 hours a day and keep the cameramen working...

“Dan Rather or Walter Cronkite was sitting there, and he was only working 22 minutes a day. He could work four or five hours like anybody else, it wouldn't have cost them hardly anything to do, but they had their heads right in the sand. They were hoping that if they didn't do anything to help cable, maybe it would go away. So nobody was doing it.

“And by then we had not really started to make money with the super-station, we were way ahead of our time, but somebody has to be first, and we were first. And we were surviving, and I could see that it was going to work. So I said, since nobody else is going to do it, I'll give it a try. I'll give news a try. And I had my previous journalistic experience, consisting of selling newspapers in Cincinnati when I was seven years old at the streetcar stop in the afternoon for a nickel apiece

when people got off the streetcar, and I think I got a penny for each one I sold, and I'd sell maybe ten a day.

“They said, ‘Who is he to do news?’ And I said, well, you know, I read the newspapers, I've watched a little television news. I said, well, you know, what's it take to be journalist, you know, I mean it's pretty damn simple. It looks pretty simple to me. I said, I've been interviewed a few times, you know, it doesn't look like it's all that difficult. You gotta have bureaus, you know, you got cameras, you take pictures and ask questions, and then you assemble it in a place on videotape and run it, you know, get some anchors, somebody that can read...Don't have to be but a high school graduate.

“So anyway, I said, let there be news, and there was news, you know? But then I said, well, now that I'm here. It was 1979, and we were getting ready to roll. I said, now that I'm going to be responsible for this news organization, and unlike a lot of news executives at the time, they all said, well, we're, we don't have anything to do with the news; we just, we work here, but we don't have, we give the news people editorial control.

“Well, I would plan to do that within broad parameters, but I wanted CNN to stand for something. I wanted it to stand for honesty, I wanted it to stand... I didn't like the way CBS News, I mean, the President would make a speech, Walter Cronkite would come on right afterwards — and I like Walter Cronkite; I was with him last night at another black-tie dinner in New York. He's getting old, but so are the rest of us...but Walter would come on after the President, and he'd say, “What did the President really mean?”...You know, we didn't elect Walter Cronkite President. If somebody was going to get up here and interpret my speech afterwards, I wouldn't speak.

“And I said, we won't do that. We're not going to criticize the president's speeches; we'll let the people make up their own minds. We'll present both sides of opposing viewpoints and let the

people make up their own mind instead of trying to push you in one direction, depending on who the news anchor is, what his personal opinions are...

“So, I said, well, I better learn about what are the most important national and international issues, and make sure that this new news organization focuses on them, because I believe that if you’re in the journalism business, that you have a responsibility to point out to your viewers what dangers, pitfalls and opportunities lie ahead...

“So I started really reading some important stuff, and I always like to prioritize on a piece of paper. And it didn't take me long to realize that this was 1980. Reagan had just been elected president. He called the Soviet Union an ‘evil empire,’ so the danger of nuclear war, the Cold War and the danger of nuclear war, it was very clear, was the greatest problem facing the nation and the world.

“And then it didn't take me long to figure that the next biggest problem was back 18 years ago. The world population was half what it is today, it was about three billion, in 18 years it's doubled, approximately. When I was born, in the mid-30s - I was actually born in the late 30s - but in the late 30s the world population hit two billion, and next year it'll hit six billion. So in 60 years, the world population has tripled. But the size of the world had not tripled. Now, we have tripled the amount of food that we produce, but we've done so to a very large degree in an unsustainable manner, with irrigation drawing down water tables; we're basically...

“Anyway, the population, it was clear to me that you could not just put an infinite number of people on a finite world. And so that really, and I studied it, and realized that's the second greatest problem.

“And then the third greatest problem...the last thing is: we have to take care of our environment, because we only have one environment...

“I don't mind about paying taxes; I just gave a billion dollars away. I'm shoveling it out the door faster than I'm making it. You can't take it with

you; you might as well enjoy investing it. And I consider it an investment rather than giving it away, an investment in the future of humanity...

“A perfect example, instead of taxing income, how about taxing those things that pollute, like taxing emissions, if you, a bigger tax on gasoline, a tax on consumption, particularly of virgin resources, you know, have incentives to recycle. Because certain things, like aluminum and copper you can use over and over again...

“I love being a fundraiser, and I'm going to try and raise money for the United Nations Foundation. Because very, very little, like less than one-tenth of one percent of the gross national product of the United States, goes to international aid. We are, we're taking all our money and sitting on it. Now, it's not easy to give internationally and be sure that your money is being used intelligently.

“Another thing that everybody in this room could do is contact your Congressmen and Senators. This is a club and if you don't pay your dues here, after a while, they post your name on the board and then they throw you out, right? Don't they? The dues are very low here, though. But the dues are low at the United Nations; I mean, a lousy billion dollars, you know. I mean, that wouldn't even buy you three or four nuclear missiles on a nuclear submarine; a submarine is eight billion today. We're still making them.

“And we already owe that money to the U.N. The U.N. is having a real hard time making ends meet because the biggest member won't pay his dues...that's really bad for any organization. If your biggest dues-paying member doesn't pay what they've contracted and agreed to pay, how do you make the payroll? It's not easy to do. You're going to go broke. So, and we need the U.N.; we need the U.N.”