



European-American Business Council
"Promoting Trans-Atlantic Growth"

EABC Ambassadors Dinner

July 10, 2007

Remarks by Michael C. Maibach
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- Allow me to close our evening with a few thoughts about three important things we all have in common:

1. Your Citizens Are Our Customers
2. The Future Belongs To The Adaptable
3. Horizontal Government Is The Future

First: Your Citizens Are Our Customers

- All of us in this room serve the same people.
- Everything the EABC does of lasting value must begin by asking not what is best for our companies, but for our *customers*. Such selflessness is the beginning of all successful investment, innovation, and true progress.
- Governments must ask the same thing. The issue is not the acquisition of additional governmental power, but the wise use of the trust you have been given to inform, empower and protect citizens. In anti-trust and competition policy, for example, we must keep our eyes on the customer interests, rather than on company rivalries.

Second: The Future Belongs To The Adaptable

- Since 1960 the world's population has *doubled* – from 3 to 6 billion. By 2040 it will grow to 9 billion. This rate of change is an astounding challenge for both government and industry. All the significant growth is in the Middle East, Africa & Latin America - in that order – not in the West. The West will decline from 11% to 9% of the world's people. Hold on to your seats!
- Compounding this rate of change rate are the *enormous forces* of The Information Age:
- One is Moore's Law – which is making it more & more *inexpensive* to implant human intelligence into everything that man does – in every corner of the globe.
- A second is Metcalf's Law of Network Effects. Global fiber optic networks are collapsing time and space - causing major disruptions in every single market – and government system - in the world.
- Given this rate of change – government will be well-served to listen more carefully to the insights of global companies such as ours. The reason is simple: Government feedback loops are necessarily measured in years and are called elections. Company feedback loops are called sales and their customers are “voting” every second - 24/7. The business networks of the companies here this evening are among the most sensitive and tactile antennae known to man. They are in touch with what customers want – and those customers are your citizens.

Finally: Horizontal Government Is the Future

- Ambassador Eizenstat listed four of the items on the EABC Policy Agenda. They exemplify the Trans-Atlantic regulatory cooperation that is the heart of our work.
- Company executives today spend at least as much time enhancing global alliances as they do fending off competitors. No matter how large they are, companies cannot meet all of their customers' needs without the collaboration of hundreds of other enterprises.

- Intra-Industry collaboration is today at the heart of global competitiveness.
- In turn, the future's most successful governments will be those with robust government-to-government regulatory processes and agreements. Intelligently designed and executed trans-national "regulatory strategies" will become the drivers of *global investment, innovation & wealth creation*.
- And on those three results, we can all agree!
- Thanks again for being with us this evening, and with us on the path we are pioneering.