

# FOREIGN AFFAIRS

JULY / AUGUST 2002



## American Primacy

*Stephen Brooks & William Wohlforth*

The Palestinian H-Bomb

GAL LUFT

When Countries Go Bankrupt

RICHARD COOPER

The Clash of Globalizations

STANLEY HOFFMANN

## The War on Terrorism

Why Winning Is Impossible *Grenville Byford*  
A New Afghan Army *Anja Manuel & P. W. Singer*  
Taking the Fight to Southeast Asia *John Gershman*  
China's Islamist Problem *Chien-peng Chung*

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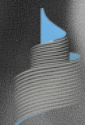
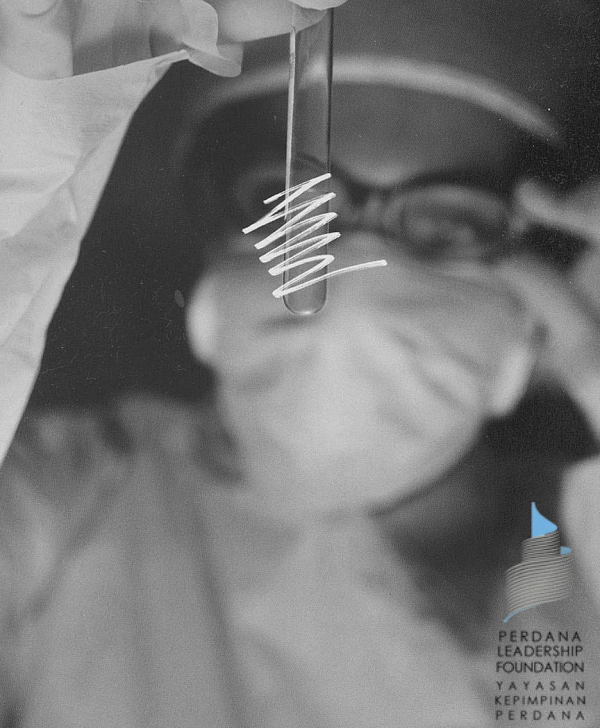
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# It's What's Behind That Sets Us Apart

America's top minds in counterterrorism. Former leaders of law enforcement agencies. Experts in organized crime, executive protection, workplace violence and foreign intelligence. And in their midst, an army of extraordinary people working hard to do the right thing every day. We are diverse in background and experience, yet brought together in one respect—a unifying culture of excellence. We are the men and women of Guardsmark, the premier private security services firm that many security experts consider to be the best firm in the business, according to *Time* magazine. We are 17,000 employees in more than 135 offices serving 400 cities across North America—making us one of the world's largest security companies.

We protect the security and safety of hundreds of thousands, including clients, their employees, their visitors and their shareholders, in a wide range of industries and settings, from corporate headquarters and high-technology facilities to manufacturing plants, research and development centers, banks, office buildings and hospitals.

Meet our managers—the people who visit the facilities we serve and respond to customer needs on a daily basis: former high-ranking FBI officials, Secret Service agents, state and local police officers and distinguished military officers, as well as graduates of Harvard, Wharton, Stanford, Michigan State, UCLA and other institutions of higher learning. They are complemented by company veterans who have risen to the top through hard work, education and a passion for client service. By bringing together keen security expertise with

raw talent and real life experience, we have created a vibrant laboratory for industry leadership and innovation.

Excellence at the top leads to excellence throughout. Superior managers surround themselves with superior employees and motivate team members to perform at a level that exceeds expectations. By building a culture that embraces diversity, a commitment to ethical conduct and a strong work ethic, we create a work environment that attracts like-minded people with an honest desire to demonstrate the Guardsmark excellence. Through this cooperative team culture, Guardsmark managers infuse our entire force of security professionals with the confidence of experience and technical expertise. Our employees have access to cutting-edge learning and development materials on critical topics that range from biological terrorism and bomb threats to prevention of workplace violence incidents. Whatever security-related problem our client may face, we can build a team to tackle it.

Working for Guardsmark is not a job—it's a career. Our mission is simple: to recruit the best security professionals in the business and then to retain, motivate and develop our men and women to reach their full potential. Only 1 in 50 applicants is selected. Our selection process includes an

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*Federal Bureau of Investigation, Assistant Director  
New York Division, Retired  
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**James E. Tomlinson**  
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Recipient of the U.S. President's  
Distinguished Rank Award,  
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Group Executive*

The five former leaders of the Federal Bureau of Investigation pictured are among the FBI team at Guardsmark. Guardsmark is the largest employer of former FBI agents in the world.

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# Our Management From The Rest.

extensive 40-page application, a thorough employment and neighborhood reference review, a criminal background check and a comprehensive drug test that screens for the five most commonly used illegal substances, the five most commonly abused legal substances, and Ecstasy. Once employed, all individuals are subject to ongoing random testing to ensure a drug-free workforce. Any risk manager would be impressed with the benefits of our diligence as demonstrated in Guardsmark's workers' compensation record: a 20-year average experience modification factor of .54—approximately half the industry average.

We encourage personal and professional growth by offering a tuition reimbursement plan and ongoing learning and development programs. In fact, 96% of management hold four-year degrees, including 24% with postgraduate degrees, and approximately 30% of our security officers have attended college, leading a major trade journal to name us the best-educated workforce in the field.

We are the only international or national security firm to offer free comprehensive health insurance to 100% of its full-time security officers. Our unmatched benefits package also includes a matching 401(k) retirement savings plan, paid holidays and vacations, company-paid life insurance, an ongoing wellness program, as well as a variety of award and incentive programs. We are committed to our employees,

and they are committed to us: Guardsmark's employee turnover rate is less than 25% of independent industry estimates. Since our founding in 1963, we have continuously raised the bar in the security services industry, earning a reputation for innovation and excellence. The quality-assurance procedures in place since the company's early years have enabled us to attain ISO 9001 registration at our U.S. headquarters and a growing number of branch offices—the only security services firm to have accomplished this feat. The results of our relentless dedication to excellence can be seen in our client retention rate of more than 92%, year after year. ***Our superior standard of service has propelled us to an unmatched pace of organic growth at a compounded annual rate of more than 12% over the past 24 years without acquisition.***

In this period of uncertainty, safety and security are top priorities for our nation. At Guardsmark, we understand that any facility is only as secure as its most vulnerable point. Each of our employees is that critical ingredient in securing some facility somewhere. Who that person is, what that person thinks and how that person reacts may make the difference between calm and calamity in many situations. Years of experience have proven to us that only by nurturing a culture of management excellence, team diversity and ethical commitment can we attract the best and most responsible people, developing the highest potential in each person we employ. That is our vision. And we believe that is the vision you want for your security partner.


*Weldon L. Kennedy  
Federal Bureau of Investigation,  
Deputy Director, Retired  
Two-time Recipient of the  
U.S. President's Distinguished Rank Award  
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# What good are you?

Almost an insult, the question in the title is frequently asked of businesses such as ours that operate in the developing world. Well, what good is an international business, and why should we be welcomed?

Let us count the ways.

Start with the most obvious. We sell what we produce, and much of the money received is paid in taxes to support local and national governments.

Then there is employment. We hire country nationals to work directly in our operations, while others find jobs in companies that supply our projects.

The people who work in an international business must be trained and skilled. They receive important knowledge about project design and operations. They learn less-exotic but still-vital skills such as how to drive trucks and operate construction equipment.

To support projects, we must often build related infrastructure. This includes roads, housing for national workers, and schools for their children.

Along with these activities come others that contribute directly to public health: clinics for workers and their families, development of potable water resources, and greater availability of medicines and vaccines. Wages that are paid can also be used to purchase medical care and better foods, all critical to improving health.

Workers are trained to have greater awareness of safety procedures. On our projects, injuries approach or equal the low level experienced in the developed world.

Another important aspect is environmental protection. This means that resources are used efficiently, emissions and discharges from facilities are limited, and we try to restore natural areas that may be disrupted by initial project construction.

Because we become a part of the national and community life, we make a concerted effort to support important local groups. This includes respected charities, traditional cultural organizations and celebrations of unique national importance.

Perhaps less obvious, but of enormous significance, we try to set an example of conduct that will underpin the accelerated modernization of countries in

which we operate:

We refuse to become engaged in bribery or other corrupt practices that can so enervate the places where these exist.

The rule of law is insisted upon. This dramatically underscores the central role and importance of a trustworthy legal system.

Nondiscrimination is required in all hiring and advancement, thereby underlining the value that is placed on ability as the primary determinant of employment and promotion.

In summary, we make good things happen through know-how, best practices, technology, and example.

An international business such as ours operates this way because no other approach can be relied upon to obtain government partnership, the loyalty of employees, and an assurance of no harm. And, yes, long-term profitability.

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## Know-how, best practices, technology, example

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Suicide bombing, once the tool of religious fanatics, has won wide acceptance among Palestinians as a legitimate weapon. Neither retaliation nor a fence will stop the bloodshed. Only deploying Palestinian hopes of independence can do that.
- China's "War on Terror" *Chien-peng Chung* 8  
In the wake of September 11, China has launched its own "war on terror" against Uighur separatists in Xinjiang. But Beijing is employing the wrong strategy; the way to improve the situation is by addressing the Uighurs' legitimate grievances.
- The Corporate Key *George C. Lodge* 13  
Past attempts to combat global poverty have failed for a simple reason: they have not attacked the problem at its roots. It is therefore time for a new approach, a global corporate alliance that brings business know-how and the profit motive into play.

## Essays

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If America's current global predominance does not constitute unipolarity, then nothing ever will. And despite what many have argued, no serious attempts by others to balance U.S. power are likely for the foreseeable future. The sources of American strength are so varied and so durable that the country now enjoys more freedom in its foreign policy choices than has any other power in modern history. But just because the United States can bully others does not mean it should. If it wants to be loved as well as feared, the policy answers are not difficult to find.



- The Wrong War** *Grenville Byford* 34  
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- Chapter 11 for Countries?** *Richard N. Cooper* 90  
 A debate is unfolding over a new IMF proposal to avert future Argentina-style financial meltdowns: an international “Chapter 11” that would let a country declare bankruptcy, just like a troubled firm. Such a plan would represent an improvement over the current approach—but it will not eliminate financial crises altogether.
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