

Is Secure Trade Replacing Free Trade?

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Introduction

The global liberal economic regime as we know it affords its participants certain expectations. There is an expectation that economic relations will be carried out following relatively stable patterns, and will not be subject to unexpected challenges that are without limit. We have ostensibly evolved from the trading age of piracy when the contents of vessels were regularly confiscated, a time when violence was considered a “great competitive advantage.”¹

Now, however, it appears we are entering a new, less orderly age—the “age of terrorism.” It is not that everyone is determined to undo order in the international system—just a relatively few people.² However, a small group is all it takes for terrorism to succeed:³ the method of “coercive intimidation” by the few.⁴

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¹ Kenneth Pomeranz and Steven Topik, *The World That Trade Created: Society, Culture, and the World Economy, 1400-the Present* (Armonk: New York, 1999), 151.

² Estimates range from a hundred to a few thousand, mostly Al-Qaeda, extremists. See Council on Foreign Relations, *Terrorist Financing, An Independent Task Force Report*, 2003.

³ That not much exertion is required to cause great damage in our high-tech, networked world is exemplified by both the cascade effect and the cultural rogue archetype of the 1990s—the teenaged computer hacker operating out of his parent’s basement and causing millions of dollars in losses to busi-