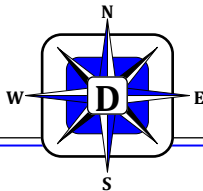


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*“The global war for jobs determines the leader of the free world. If the United States allows China or any country or region to out-enterprise it, out-job-create it, out-grow its GDP, everything changes. This is America's next war for everything.”*

Jim Clifton, Chairman & CEO, Gallup  
*The Coming Jobs War*

## **Like WWII, the U.S. Must Fight and Win Two Wars: The U.S./European Sovereign Debt War and the U.S./Asian Global Competitiveness War. *How to Win the Jobs War with 1,700 Rupees***

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### **Underdog to Superpower: WWII Model for Winning Today's Economic Wars**

Today, we honor those who lost their lives in the Japanese bombing raid on our ships and airfields at Pearl Harbor, Hawaii, on December 7, 1941, and those who died in the ensuing battles in the two great theaters of World War II, the European and the Asian-Pacific.

Up until today, 70 years ago, most Americans were isolationists. Despite daily news of the devastation in Britain and other European nations during two years of attacks by Nazi Germany and Fascist Italy, we didn't want to get involved; didn't want to make the sacrifices.

Frankly, we were ill-equipped to get involved after a decade of 25% unemployment, low personal income and tax revenues during The Great Depression. Foreign trade was down to half of what it was before the nation's worst economic crisis; crop prices were cut in half as well.

Until I read a review of the book [Pacific Crucible: War at Sea in the Pacific, 1941-1942](#) by Ian W. Toli, in *The Wall Street Journal* on November 26, I did not realize how unprepared we were to engage in global conflict. According to Toli, the United States was an underdog during the

first year of the war with Japan in terms of inferior numbers of men, inferior equipment, warships, planes and technology.

However, immediately after Pearl Harbor the United States became a nation united in purpose and willingness to sacrifice. We were united by the threat to our country and our freedoms; united by the realization that if we did not win both wars our right of self-determination would be in the hands of an occupying power.

Within two years, the United States was transformed from underdog to a military superpower because of unity, sacrifice, ingenuity and productivity ... and many war heroes. Consider these facts from *Pacific Crucible: War at Sea in the Pacific, 1941-1942*:

- Two years after Pearl Harbor, the United States was producing 89,000 aircraft a year
- The U.S. built 40% more aircraft annually than the British and Germans combined
- The U.S. built 29,000 tanks in 1943, twice as many as the Germans
- In 1943, the U.S. built 369 major warships, five times the combined totals built by the British, Germans and the Soviet Union
- Two years after Pearl Harbor, the U.S. built 2,000 cargo ships, 13 times the number lost to German U-boats that same year

### **Two Must-Win Economic Wars: Sovereign Debt and Global Jobs Competitiveness**

Today, our nation is fighting two economic world wars on two fronts just like in WWII.

The Sovereign Debt Front is being fought by financially irresponsible countries like the United States and the “European Theatre” countries like Spain, Greece, Italy and Portugal. Those countries can’t pay their sovereign debts; they fund their budgets with borrowed money thereby raising concerns worldwide about fiscal competence and trustworthiness.

The second front is the Global Jobs Competitiveness Front being fought by the United States and the “Asian-Pacific Theatre,” in countries like China and India.

The consequences of losing either war are as potentially devastating as they were during WWII.

A bankrupt country is a defenseless country that cannot well maintain the health, education and general welfare of its citizens. Businesses and industries in a bankrupt country bear the disruptive and costly burden of public sector instability, limiting their ability to compete with their peers in financially stable nations.

So, how do we win both wars?

### **Solutions: Unity, Sacrifice, Innovation, Productivity ... and Medal of Honor Winners**

The greatest problems limiting the ability of the United States to win both economic wars are:

- No unity of Purpose (partisan/ideological estrangement)

- No willingness to Sacrifice (you go first)
- No interest in Innovation (not in my job description)
- Manufacturing Productivity (that's an offshore thing)
- No Medal of Honor Winners (am I my brother's keeper?)

On November 22, in my report titled, *Dear Lord: We Thank Thee for the Blessing of the Super Committee*, I stated that the U.S. Congress has confirm what 90% of Americans already know: our nation's greatest obstacle to winning the debt and jobs economic wars is political gridlock. I concluded that the only solution is to throw out all Senators and Representatives who are not willing to compromise ... especially the Republicans and the Democrats.

For clarification: The intent is not to get rid of the ideological extremists in both camps, the most liberal and most conservative, the intent is to get rid of all who refuse to collaborate and compromise. We cannot win these two wars without leaders willing to sacrifice for the common good.

Any Republican who says "No" to \$10 in cuts to \$1 in taxes needs to be replaced. Here's why: You may be able to win the sovereign debt war with cuts in programs and services, *but you cannot win the global jobs competitiveness war without investment paid for with new revenue ...* governmental investment in infrastructure, especially educational infrastructure.

Any Democrat who says "No" to putting every program on the table for cost cutting reform, especially all entitlement programs, needs to be replaced. Here's why: You may be able to win the global jobs competitiveness war with investment in infrastructure paid for with new revenue, *but you can't win the sovereign debt war without cuts in programs and services ... especially entitlements.*

### **How to Win the Global Jobs Competitiveness War with 1,700 Rupees**

India's Department of Human Resources sponsored a competition worldwide for a \$10 smart tablet computer. The goal was to get 220 million children online in India, a very poor county where few could afford a \$500 Apple iPad or even a \$199 Kindle Fire.

After five years, no one had come up with a \$10 smart tablet. However, a London-based company *Datawind* did develop one for 2433 Indian Rupees (INR), about \$47. With a \$15 subsidy from the government, the tablet, named *Askash*, is available to teachers and students for 1,700 Rupees, about \$32.

*Datawind* is making 100,000 units a month, giving Indian children word processing, web browsing and video conferencing capabilities ... for 1,700 Rupees. Production capability will increase over time with the goal still being to get all 220 million of India's children online.

As far as the \$10 goal, it's still on the table. ["The intent is to start a price war," said \*Datawind's\* chief executive, Suneet Singh Tuli.](#)

I have always wondered what would happen if everybody in the world had immediate access to all of the information in the world. Well, we are about to find out ... India is about to find out.

### **War for Global Jobs is America's next War for Everything**

Jim Clifton, Chairman and CEO of [Gallup](#), in his new book, [The Coming Jobs War](#), writes, "Losing World War II would have ended America as the world knew it, not to mention much of the democratic Western world." He writes, "It was a war for America's very freedom, for the West's freedom, for leadership of the free world. It was a war for all the marbles. Everything was on the line, and a loss would have changed everything."

Clifton concludes, "The global war for jobs determines the leader of the free world. If the United States allows China or any country or region to out-enterprise it, out-job-create it, out-grow its GDP, everything changes. This is America's next war for everything."

### **The Next Economic Empires, the Potential Societal Hell**

As to leadership, Clifton says that "traditional leadership through politics, military force, religion, or personal values won't work in the future like it has in the past."

Here's why:

*"As of 2010, the world has a total gross domestic product (GDP) -- or the sum of countries' total goods and services for one year -- of \$60 trillion. Of this, the United States has nearly \$15 trillion or about 25%, which is huge. Over the next 30 years, the global GDP will grow to an estimated \$200 trillion. So a new \$140 trillion of customers, employees, new businesses, and equity will come into the global mix. The global war for jobs will be an all-out battle for that \$140 trillion because within that sum of money is the next evolution of the best jobs in the world. Within that \$140 trillion will rise the next economic empires, as well as the potential for societal hell."*

For emphasis: ***"Within that \$140 trillion will rise the next economic empires, as well as the potential societal hell."***

### **December 7: A Salute to all Veterans**

On November 9, I was honored by my friend Glenn Jernigan with an invitation to attend a ***Salute to the Veterans*** at the Capital City Club in Raleigh. I had the distinct pleasure of sitting with ***Medal of Honor*** award winner Joe Marm. Since 1861, the ***Medal of Honor*** has been awarded by the President of the United States to our nation's bravest Soldiers, Sailors, Airmen, Marines and Coast Guardsmen.

You can [read Marm's story here](#). It's a story of one man risking his life in the heat of battle during the Vietnam War for the greater good of his company and country. Citation: *For conspicuous gallantry and intrepidity at the risk of life above and beyond the call of duty.*

Throughout the year, the nation has watch the 535 members of the U.S. Congress fighting the legislative battles in the effort to win the two economic world wars our country is engaged in: the war against sovereign debt and the war for global jobs competitiveness.

Can you name a single member of the U.S. Senate or U.S. House willing to sacrifice their party or their ideology for the greater good? Willing to make the kind of sacrifices that would earn them a “Medal of Honor” in the war against sovereign debt and global jobs competitiveness.

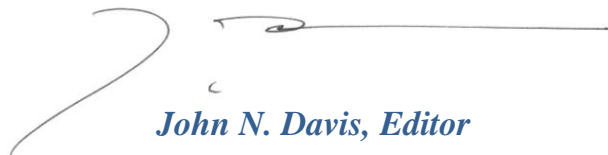
I didn’t think so. That’s why they are in trouble next year with the American voters.

Today, as we honor those who lost their lives in the Japanese bombing raid on our ships and airfields at Pearl Harbor, Hawaii, on December 7, 1941, and those who died in the ensuing battles in the two great theaters of World War II, the European and the Asian-Pacific, may we remember that winning takes unity of purpose, a willingness to sacrifice, innovation, productivity ... and a few Medal of Honor winners.

May God bless all who have served ... and all who are serving.

- END -

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***John N. Davis, Editor***

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