

POLICY WATCH – October 2013

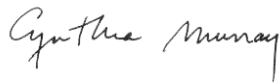
In this Issue

- NBLC Welcomes AT&T
- America's on the Rise!
- Obama Greatly Reducing Deficit Levels
- 5 Profound Insights on Success
- Members in the News



Welcome to Fall! In this issue, we are delighted to welcome AT&T as a new member of NBLC! And we present new information on how America is on the rise again. Read about how America is not only becoming energy independent but poised for a geopolitical resurgence. We also explore definitions of success and insights into ways you can achieve more success in your life. Don't miss the Members in the News to learn more about how NBLC's members are leading in new innovation and giving back to the community.

Best,



Cynthia

AT&T is New Member of North Bay Leadership Council

AT&T is North Bay Leadership Council's newest member. AT&T is a premier communications holding company and one of the most honored companies in the world. Its subsidiaries and affiliates – AT&T operating companies – are the providers of AT&T services in the United States and around the world. With a powerful array of network resources that includes the nation's largest 4G network, AT&T is a leading provider of wireless, Wi-Fi, high speed Internet, voice and cloud-based services. A leader in mobile Internet, AT&T also offers the best wireless coverage worldwide of any U.S. carrier, offering the most wireless phones that work in the most countries. It also offers advanced TV services under the AT&T U-verse® and AT&T | DIRECTV brands.



Mark Wood, NBLC's chair and BioMarin Pharmaceutical's Senior Vice President, Human Resources and Corporate Affairs, welcomed AT&T to the membership, saying "NBLC is delighted to have one of the nation's leading communications companies joining us. Having a prestigious brand like AT&T as a member is a great addition. We appreciate the global voice that AT&T will bring to our membership and our public policy work."

The member representative is Rhuenette Alums, Area Director – External Affairs. She said that AT&T is pleased to be a part of North Bay Leadership Council because of shared interests in education, especially encouraging more students to pursue science, technology, engineering and math (STEM) majors. Ms. Alums has over 30 years of telecom experience in a variety of management positions. Her district includes Marin,

Sonoma, Napa and Solano counties. She has held numerous volunteer leadership positions with a variety of non-profits, chambers of commerce and educational institutions throughout the North Bay.

AT&T and the AT&T Foundation have given more than \$97 million to support STEM initiatives since 1987. Projects supported by AT&T contributions range from STEM scholarship programs to science and math focused summer camps for at-risk youth to hands-on technology labs and elite robotics competitions at the nation's leading universities. In addition to its overall funding of innovative STEM programs, AT&T remains focused on improving opportunities for STEM learning in K-12 education while helping at-risk youth prepare for work in the 21st century.

America's Not in Decline – It's on the Rise!



In the October 18th issue of the Washington Post, Ely Ratner and Thomas Wright theorize that “America’s not in decline — it’s on the rise.” With all of the gloom and doom of the past month, it is important to gain a perspective of where the U.S. is heading and understand that its future can be brighter than ever. The authors make a compelling argument that “predicting the decline of the United States has always been risky business. In the 1970s and late 1980s, expectations of waning power were followed by periods of geopolitical resurgence.”

We may again be in a period of geopolitical resurgence. The authors say, “There’s every reason to believe that cycle is recurring today. Despite gridlock in Washington, America is recovering from the financial crisis and combining enduring strengths with new sources of influence, including energy. Meanwhile, emerging powers are running into troubles of their own. Taken together, these developments are ushering in a new era of American strategic advantage.”

And the authors point out, circumstances of who’s up and who’s down can change. They say, “Emerging economies were the darlings of the past decade, growing at an average of roughly 7 percent annually between 2003 and 2012. By some calculations, China was poised to surpass the United States in GDP by 2016. Today, the picture couldn’t look more different. Brazil’s growth rate has fallen from more than 7 percent in 2010 to just under 1 percent. Likewise, Indian growth tumbled to about 3 percent in 2012, down from double digits as recently as two years earlier. Perhaps most pronounced, China’s government is revising down its official growth targets. Analysts are no longer asking whether there will be a Chinese economic slowdown but rather how hard the landing will be.”

And the authors note that, “The political systems in emerging powers are fraying, too. There have been huge protests in Brazil over wasteful government spending and inadequate social programs. Russia looks more authoritarian by the day. And the Chinese Communist Party is stepping up efforts to crack down on journalists, academics and bloggers in what seems to be an attempt to control the discontent that accompanies slower growth and painful economic reforms. These “rising powers” are hardly faring better collectively. The international institutions they established — BRICS, the Shanghai Cooperation Organization and IBSA — continue to disappoint.”



The bright spot is the U.S.! While our death has been predicted, we are doing better on many fronts. The authors say, at the same time, the United States is experiencing a turnaround of fortunes. The

unemployment rate has fallen to just over 7 percent from an October 2009 peak of 10 percent. By contrast, euro-zone unemployment remains stuck at around 12 percent.



The U.S. fiscal picture is also looking up. The nonpartisan Congressional Budget Office estimates that the annual budget deficit will drop below \$650 billion in 2013, the smallest shortfall since 2008 and approximately half the size it was in 2011. Meanwhile, the dollar remains the world's top reserve currency.

Even more transformative, the United States is experiencing an energy revolution that the McKinsey Global Institute estimates could add as much as 4 percent to annual GDP and create up to 1.7 million new jobs by 2020.

America is poised to overtake Russia as the world's largest producer of oil and natural gas, and there are signs that low-cost and abundant energy is driving a revival of the U.S. manufacturing industry. Although the United States will have an enduring interest in stable global energy prices, it will no longer rely on direct and uncertain access to Middle Eastern oil, in sharp contrast to energy-starved countries in Asia.

In his article in *Forbes* (9/13/13), "America's True Power In the NAFTA Century," author Joel Kotkin says, "it's our politicians who have gotten small, not America. In our embarrassment, we tend not to notice that our rivals are also shrinking. Take the Middle East — please. Increasingly, we don't need it because of North America's unparalleled resources and economic vitality." Kotkin states, "Welcome then to the NAFTA century, in which our power is fundamentally based on developing a common economic region with our two large neighbors. Since its origins in 1994, NAFTA has emerged as the world's largest trading bloc, linking 450 million people that produce \$17 trillion in output. Foreign policy elites in both parties may focus on Europe, Asia and the Middle East, but our long-term fate lies more with Canada, Mexico and the rest of the Americas.

He emphasizes, "Nowhere is this shift in power more obvious than in the critical energy arena, the wellspring of our deep involvement in the lunatic Middle East. Massive finds have given us a new energy lifeline in places like the Gulf coast, the Alberta tar sands, the Great Plains, the Inland West, Ohio, Pennsylvania and potentially California. And if Mexico successfully reforms its state-owned energy monopoly, PEMEX, the world energy — and economic — balance of power will likely shift more decisively to North America. Taken together, the NAFTA countries now boast larger reserves of oil, gas (and if we want it, coal) than any other part of the world. More important, given our concerns with greenhouse gases, NAFTA countries now possess, by some estimates, more clean-burning natural gas than Russia, Iran and Qatar put together. All this at a time when U.S. energy use is declining, further eroding the leverage of these troublesome countries."





And it gets better! America can grow economically and lose the hairshirt of worrying about the Middle East cutting off our oil. Says Kotkin, “In terms of the Middle East, the NAFTA century means we can disengage, when it threatens our actual strategic interests. Afraid of a shut off of oil from the Persian Gulf? Our response should be: Make my day. Energy prices will rise, but this will hurt Europe and China more than us, and also will stimulate more jobs and economic growth in much of the country, particularly the energy belts of the Gulf Coast and the Great Plains. China and India have boosted energy imports as we decrease ours; China is expected to surpass the United States as the world’s largest oil importer this year. At the same time, in the EU, bans on fracking and over-reliance on unreliable, expensive “green” energy has driven up prices for both gas and electricity.

Kotkin asserts, “These high prices have not only eroded depleted consumer spending but is leading some manufacturers, including in Germany, to look at relocating production , notably to energy-rich regions of the United States. This shift in industrial production is still nascent, but is evidenced by growing U.S. manufacturing at a time when Europe and Asia, particularly China, are facing stagnation or even declines. Europe’s industry minister recently warned of “an industrial massacre” brought on in large part by unsustainably high energy prices.”

And if the energy boom in the U.S. isn’t predictive enough, the Washington Post authors explain that “In terms of hard power, the U.S. military is at the forefront of next-generation technologies, including unmanned systems, robotics and lasers. Even more superior than its hardware is its software: the command and control systems to conduct highly advanced joint operations and major wars.”

While we may lament the political dysfunction at home, overseas we are doing better. Says Ratner and Wright, “The United States also remains the linchpin of the international community. Through hard-nosed diplomacy, economic pressure and the specter of military action, Washington has retained its ability to marshal effective multinational coalitions, bringing down Libya’s Moammar Gaddafi, getting weapons inspectors on the ground in Syria and embarking on serious negotiations to curb Iran’s nuclear weapons program. You can quibble with process and style, but it’s hard to argue that any of these would have happened without the United States.”

These authors conclude, ‘More broadly, and most important, the United States is blessed with a superior combination of sound fundamentals in demography, geography, higher education and innovation. That ensures it has the people, ideas and security to thrive at home and on the world stage. There’s a reason elites around the world remain eager to send their fortunes, and often their families, to the United States.



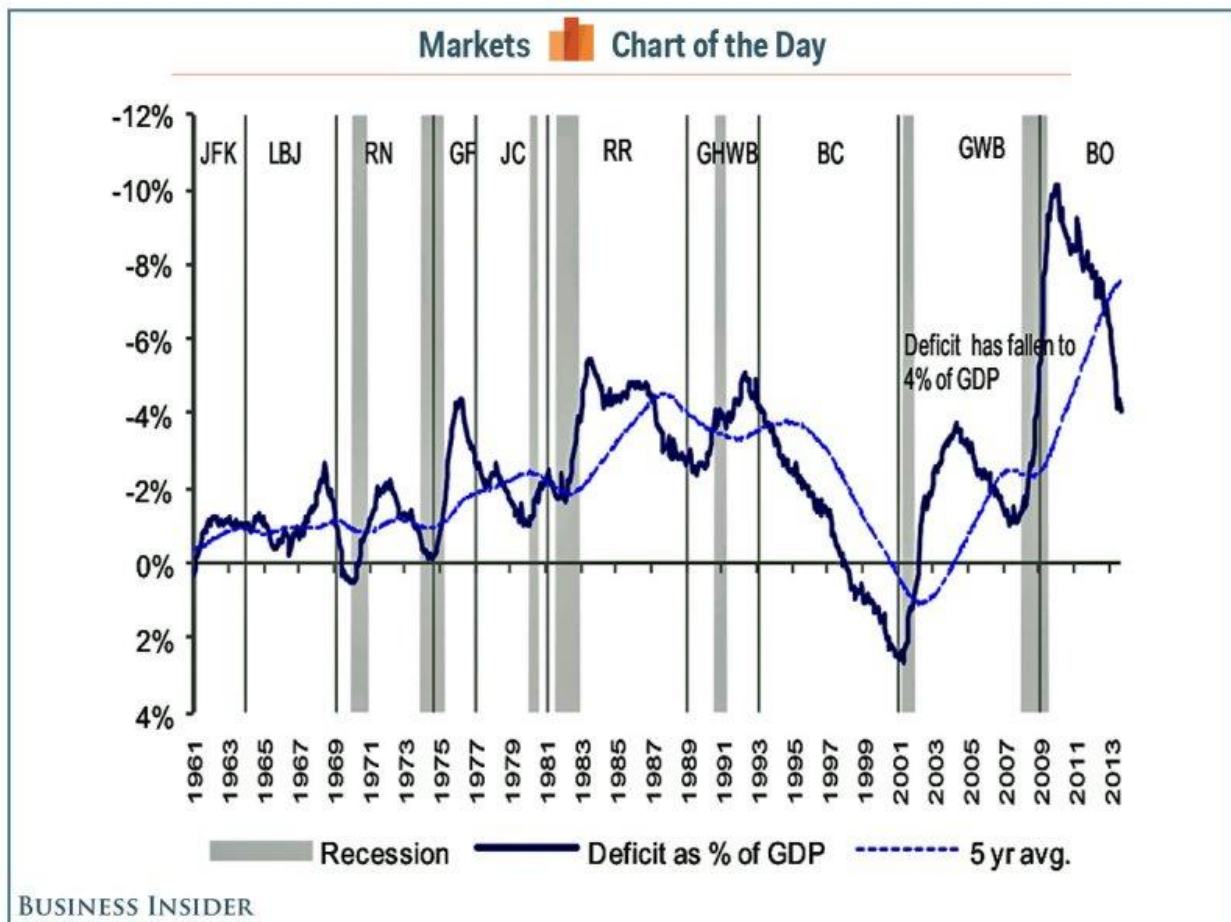
And turning to home, Ratner and Wright note, “As partisan as Washington is today, the United States has overcome episodes of far greater social discord and political turmoil. The recent souring of public opinion on the obstructionists in Congress is a healthy reminder of America’s propensity for political renewal. In this dawning era of strategic advantage, the United States will confront foreign policy challenges largely associated with weakness and instability abroad. But being lonely at the top will also engender huge opportunities to build the kind of liberal order that the United States failed to consolidate in the 1990s. Washington will have new leverage to renegotiate its relationships and engagements with the Middle East; the success of U.S. sanctions on Iran is only the

first manifestation of America as an energy powerhouse. And Washington can use its newfound strength to exercise restraint and develop international rules around emerging security issues such as drone warfare and offensive cyber-capabilities. All of this will contribute to a more prosperous and secure United States.

Says Ratner and Wright, “Rather than bracing for American decline, Washington should prepare to lead the world anew.” And this preparation should also be occurring right here in California, where innovation abounds and solving world problems is what our industry titans like to have on the menu.

Big Secret: Obama Reducing the Deficit

In the Business Insider (<http://www.businessinsider.com/deficit-to-gdp-falling-obama-chart-2013-10#ixzz2igbi9Nlq>) we find more evidence that things are getting better. As the chart below shows the deficit has shrunk from 10% of GDP to just 3% under Obama. Why do only 6% of Americans know this great news?



5 Profound Insights on Success

A Wharton Business School professor, Richard Shell, wanted to understand why so many Americans (60%) regret their career choices. Mark Crowley, writing in FastCompany.com (September 3, 2013),

discusses Shell's research and conclusions now published in his new book, [Springboard: Launching Your Personal Search for Success](#).

Here are some of Shell's insights and what he wishes he had been taught as a college senior about to embark on a career path:

- 1. You Must Decide What Success Means to You.**
Shell found that family expectations and cultural beliefs shape many career choices. Rather than relying on that, search for the answer within yourself and discover what makes your heart sing. You must create your own definition of success, not accept someone else's.
- 2. We Discover Our Purpose By Trial and Error**
Be brave! Shell says, "Finding out what success means to you ... involves taking risks and experimentation. Success is not a static, one-done process; it's dynamic." Pay attention to experiences that light you up and those that make you feel empty, hollow cynical or unsatisfied. Reject the latter!
- 3. Discover What You Do Better Than Most**
Says Shell, "The future opens up when your past interests, experiences and skills start resonating perfectly with an opportunity you find in the present." You need to realize that you do have unique talents and to value them. Human nature leads us to negate them – ask others for their appraisal of your talents to gain a better assessment of your capabilities.
- 4. There Are Two Sides to Success**
Shell says, "While some people measure their success primarily in terms of achievements – and others in terms of inner satisfaction and fulfillment – most of us want a balance between the two. The road to real success is striking that balance.
- 5. Ask the Lottery Question**
All of us would be better if we listened to our answer to the following question and followed our hearts: "Imagine you've won the lottery, and money no longer is a primary motivator. Your family is now taken care of, and you've earned a certain amount of notoriety by having the winning ticket. What would you do next in life?"

Members in the News

Basin Street Properties Acquires Marquee Waterfront Property, Shoreline Office Center, in Southern Marin

Rapidly Growing Startup Glassdoor to Anchor the Two-Building Office Complex that Boasts a Bayside Location, Stellar Views and Numerous Small-Midsize Suite Options

Redwood Credit Union Creates Miracles on International Credit Union Day

RCU Donates \$32,000 to Credit Unions for Kids, Benefiting Children's Miracle Network Hospitals

Sonoma State University Ranks Among Most Affordable Colleges

Sonoma State University has been named one of 62 California colleges and universities with the greatest lifetime return on investment according to rankings announced by [AffordableCollegesOnline.org](#)

Sutter Health's Novato Community Hospital the Only California Hospital to Achieve 2013 Healthgrades Honors for Both Patient Safety Excellence and Outstanding Patient Experience

Healthgrades named Novato Community Hospital (NCH) as the top hospital in California for both patient safety and patient experience in 2013 -- among just 95 hospitals (2%) nationwide to win both excellence awards.

Kaiser Receives Trauma Designation in Solano County

Kaiser Permanente's Vacaville Medical Center on Thursday was awarded level 2 trauma designation, beating out Fairfield-based NorthBay Healthcare, after the Solano County Emergency Medical Services Board accepted a recommendation from the American College of Surgeons.

Congratulations to The 2013 Champions For Children Awards Recipients

North Bay Leadership Council wants to congratulate our members and all of the award recipients for the 2013 Champions for Children Awards.

Redwood Credit Union Hosts Blood Drive

RCU Employees and Community Members Donate Blood to Save Up to 39 Lives.

Redwood Credit Union Pledges \$1M in Microbusiness Loans

Redwood Credit Union and Community Action Partnership of Sonoma County have launched a new collaborative lending program that aims to provide up to \$1 million in loans to so-called microbusinesses and startups, the two organizations announced.

Agilent's New Enterprise Expected to Grow

About 80 new positions will be created in Santa Rosa by the new electronic measurement company that will be headquartered here after it is spun off from Agilent Technologies, company officials said.

Redwood Credit Union Exceeds United Way Campaign Goal

RCU's Employee Giving Campaign Contributes Over \$96,000 to Local United Ways

Basin Street Properties to Break Ground on New Building for Cyan, Inc. at Redwood Business Center

New Office Facility is Sonoma County's First in Several Years

Redwood Credit Union Helps Community Shred 28 Tons of Confidential Documents

Nearly 1,400 Attend RCU's 2013 Annual Shred-a-Thon Security Events

Read more online at www.northbayleadership.org/news



Who We Are

Over twenty years ago, business leaders founded the North Bay Leadership Council on a simple premise: We can accomplish more by working together. Today, the Council includes 44 leading employers in the North Bay. Our members represent a wide variety of businesses, non-profits and educational institutions, with a workforce in excess of 25,000. As business and civic leaders, our goal is to promote sound public policy, innovation and sustainability to make our region a better place to live and work. For more information: Call

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www.northbayleadership.org