

The Virgin of Guadalupe

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**Tonight I want to talk about where the world economy is headed,
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**what questions we need to ask ourselves about being
successful in that world**

**And provide some suggestions on what we can do to make
Hopkinsville/Christian County more competitive.**

Hopkinsville is on a road.

It is not US 41a or Highway 68.

Nor is it the proposed Interstate - 69.

This road crosses all international boundaries.

**And on this road we can move up or down in economic
development.**

***The World is Flat*, a book by Thomas Friedman describes this
road and the impact it's having on the economies of various
countries throughout the world.**

**For example, he describes China, exporting the Statuettes of the
Virgin of Guadalupe, to Mexico.**

**The Chinese can make the patron Saint of Mexico cheaper than
the Mexicans can.**

**And the cost includes transportation to Mexico from China, a
trip that is over 2,000 miles across the ocean.**

**Halfway around the world, Egyptians buy Chinese Ramadan
Lanterns for their children.**

Traditionally the Egyptian lanterns were made by hand.

Is our educational system designed to get more people innovating on the worldwide platform? Are we creating intellectual property such as patents and trademarks?

And lastly, is there the right governance in our city, with a directed and focused Fiscal Policy?

Make no mistake about it --- Ireland got it right.

Ireland is a member of the European Union.

Ireland's Gross Domestic Product (that is the the gross national product excluding the value of net income earned abroad) is higher per capita than Germany, France and Britain.

How did they do it?

First, they eliminated fees on secondary education, creating more high school graduates.

Then they made a college education free.

I repeat, anyone who chose to, could get a free college education.

And finally, they eliminated the concept of "tax and spend".

Companies now flock to Ireland as a result.

The Ireland success story disproves the theory that capital must move to those areas that pay the lowest wages.

John Chamber, president of Cisco, a multi-billion dollar software company says, "We want the most productive labor at the lowest possible cost --- that is what matters."

Ireland gives us a model of what we could be like.

What we could have right here in this community, if we had the leadership and vision to accomplish it!

It is not only education, infrastructure and fiscal governance that matters it is also the intangible of culture.

In the book "The Wealth and Power of Nations" the author contends that...

Although climate, natural resources, and geography all play roles in explaining why some countries make the leap to industrialization and others do not,

The key factor is actually the country's cultural endowments, in particular the degree to which it has internalized the values of hard work, thrift, honesty, patience and tenacity,

As well as how open it is to change, new technology and equality for women.

The successful cultures in the world economy have an outward culture with openness to foreign influences and ideas.

A successful culture has influential citizens concerned with the people in their own community, and are ready to invest at home,

The unsuccessful ones are indifferent to their own poor and more interested in investing elsewhere.

There are two other intangible Qualities

The first quality is a society's willingness and ability to pull together and sacrifice for the sake of economic development.

The second requires the presence of leaders with the vision to see what needs to be done in terms of development, and the willingness to use power to push for change rather than enrich themselves and preserve the status quo.

Will Rogers said "Even if you're on the right track, you will get run over if you just sit there"

Again back to Mexico versus China

In China they have a long history of Chinese leaders as public servants.

The Chinese culture prizes education.

The Chinese work diligently to improve the skills of their workers.

Mexico suffers under a general malaise of single party rule.

A party focused on enriching only themselves.

The question before us is will Hopkinsville/Christian County become more like Mexico or China in terms of economic development?

Is Hopkinsville advancing fast enough to not be left behind by the flattening of the world?

Is Hopkinsville taking advantage of the new flattened world platform to collaborate and compete successfully?

I have my doubts and concerns.

For example, our neighbor city Princeton offers wireless access in their community, we do not.

We have plenty of broadband Internet providers. The service cost over \$300 a year.

I implore you to understand that access to the Internet is crucial for small business.

Small businesses can start up for free using free web applications of e-mail services, spreadsheets and storage servers.

Is our education system in our community designed to get more people innovating on the worldwide platform?

Right now only a third of the population over 25 in Christian County holds a high school diploma.

To me that is deplorable.

And currently only a small percentage of Christian county high school graduates are pursuing two or four year degrees.

Less than 8% of the population over 25 holds a bachelor degree.

Education does pay; a lack of it does not!

Our workforce is about to get steamrolled in the flattening of the world economy.

Do we have the right governance to compete in a flattening world?

Has our City's fiscal policy has run amok?

While our fair City,

Resisted privatizing Garbage Collection yet now it wants charge me for two herbies,

Builds a \$3 million dollar water park that can only be used 3 months out of the year and is located on the fringes of the community,

Has fire stations to meet the needs of the next decade and beyond yet we shield city employees from the insurance increases that most workers are subject too.

One has to wonder if indeed we do have a fiscally responsible city government.

Meanwhile every cow path in our county is a paved road.

This represents a bicyclist dream for sure --- and I am a bicyclist and appreciate this – the truth is the Asphalt Association of Kentucky has made out like bandits.

One wonders how our priorities got so far out of whack.

With the short answer being we voted for the people who made the decisions to do these things.

Now to review the intangibles,

How does our Hopkinsville culture measure up?

Our Teen pregnancy rates are much higher than the state including the number of repeat births.

Relocated Military spouses are underutilized in the workforce.

What does this say about us as a community when women are not valued?

What are the results from our narrow focus on water parks and fire stations and our culture of we/they?

Christian County's real per capita income is substantially lower than the national average: \$24,000 compared to \$31,000 in the nation.

Our home ownership rate is 55% versus 66% for the nation.

Only 30 patents were issued to members of this community over the last several years. I think my Dad holds 27 of them.

Poverty strikes 1 in 4 children in Christian county.

The area has low employment concentrations in the high paying jobs of transportation and warehousing, information, finance and insurance, and technical services

Our unemployment rate is now over 7%

Our Non-farm proprietorships are less than half the national average

Our SBA loan activity amounts to \$100 less per capita than Montgomery County – what must this say about the community's ability to attract and retain small business?

Is it possible that the city's business license and tax is simply driving business to surrounding communities?

And in case you are not aware you should know that our local property Crime Rate is more that double that of other communities in Kentucky.

We must accept these harsh realities that make us distinctive but do not make us better!

What can we do?

We can:

We simply can no longer continue with the status quo.

We must elect leaders with vision and commitment to making our community a more desirable and prosperous place to live and work.

We simply can't continue with things as they are or elect those who will maintain a status quo.

We must support our educational system.

We can serve as mentors for Junior Achievement programs in the schools and encourage our children to become involved in the capitalistic system where hard work and perseverance is rewarded.

Allow in our estate planning the establishment of scholarships that will help those who need it to get a higher education.

Increase our donations to Rotary Auction and other worthwhile civic organizations that are committed to financing the higher education of our youth.

Support infrastructure changes that demand that our providers of electricity extend affordable broadband into every home.

Finally, we must view the issue of poverty in our community as a personal affront.

We should resolve to support our Community Vision and support candidates for elected office that can articulate a vision for our future and that have the ability to deliver it.

China provides Mexico the statuette of the Virgin of Guadalupe at discount prices.

China provides innovative Ramadan lanterns to the Egyptians.

China races to the top without a geographic advantage.

Ireland generates policies to make it a top European nation.

It uses higher education and lower taxes to achieve greatness.

We need achieve greatness in Hopkinsville and move faster down the right track.

We must have leadership that is willing to break from the status quo – take risks – support and help implement a collaborative vision.

We must increase the pace of improvement.

Support educational advancement, elect servant leaders who understand the importance of public accountability and reject poverty as a certainty in our community.

Will Rogers once said "Even if you are on the right track, you will get run over if you just sit there.

I believe it is time to move boldly into the future and I challenge you to come with me.