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### East, West, and the King's View

There's been so much news about events in the Middle East and the velocity of change that our heads spinning with awareness. In January, we listened to the 50<sup>th</sup> anniversary commemorations of JFK's inaugural speech, "Ask not what your country can do for you – ask what you can do for your country". Now we see that lesson implementing itself at warp speed worldwide. It seems what has been happening in North Africa is a result of that question – citizens heretofore frustrated and now demanding a new set of opportunities.

Isn't it marvelous that this week's Oscar winning movie "The King's Speech" was also about overcoming formidable obstacles — the film personifies how one can overcome the boundaries of human capability and how far one can go beyond historic restrictions and inherited impediments. It's quite remarkable that a low-tech, slow rhythm, and straightforward film should capture the minds of so many people simultaneously.

Overcoming inherited obstacles and finding opportunity appears to be what matters most for a large segment of the world's population. Having just returned from trips to the Middle East and Asia, I'd like to suggest that in addition to all the news, all the noise, and all the confusion, there is a clear consistency of aspirations worldwide. There are ever more educated and digitally interconnected people around the world and in the BRIC countries we've seen the recent creation of a few hundred million new middle class citizens. That's no small accomplishment. On the other hand, in North Africa, while the level of education has risen, the chance to move ahead in life has largely been denied.

What has happened in China could be a lesson for North Africa. History shows that China was seriously mismanaged during the decades following WWII through the Cultural Revolution. China's economic opportunity was stifled. Creative energy had to emigrate and any aspiration of achievement implied exodus. But thanks to a 180 degree turn of the government, an unprecedented wave of growth has been unleashed. The Chinese believe in China. The Chinese love China's possibilities. China loves China.

If you believe in something, you can achieve the impossible. If you don't believe and there is no love, even the obvious and minimal become burdensome and impossible. If you do believe, you can overcome great odds, especially at times of great difficulty. For me, that's the thread that ties together "The King's Speech", China, and the Middle East. The conviction to change what's not working and take personal responsibility to overcome overwhelming obstacles.

Athens, Wisconsin, Illinois, Dublin, Freddie, Fannie, Sallie, Sacramento, and more are struggling to come to grips with long-standing and increasingly obvious dysfunctions. The BRICs on the other hand, particularly within the last decade have largely abandoned useless policies and are pursuing productivity rather than privilege.

In the US, private sector companies small and large have restructured and reengineered and are in the middle of significant productivity gains. To understand what's possible, look at the west coast tech industry. That industry has completely reinvented itself since the crash in 2000 and is now providing a variety of technologies that are making the world ever more productive and are doing so without financial leverage. On the other hand, at the municipal and state levels, we have lots of financial leverage and the recalcitrant debate about how to implement inevitable productivity enhancements; it's as if Abbott and Costello continue to debate, "Who's on first?"

Perhaps there's a lesson in the renaissance of both Silicon Valley and George VI during the movie, and it might apply to what's happening in the Middle East. Somehow, the tech kings and the future King manage to unleash the potential of their constituents to meet the extreme challenges at hand. The citizens of North Africa are aware of what has happened in Asia, as historically ineffective governments now struggle to reengineer themselves to unleash the potential of their people. They all see Southeast Asia's growth has been extraordinary and the potential of its people just beginning to manifest itself. Perhaps the opportunity, east and west, is for us all to apply the lesson of the King's speech that leaders like Deng Xiaoping and Lee Kuan Yew have done so effectively. In the same way we were all so surprised by The King's Speech, we might also be underestimating the ability of Middle East citizens to implement the Asian economic model.

Best wishes,

**Clark**