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1 – COOLING LOOMS ON EARTH

Cooling, not warming, looms as Earth's true climate calamity. So [writes](#) Jay Lehr, senior fellow and science director of The Heartland Institute.

Although we have been enmeshed in a long debate over global warming and climate change, this controversy has been politically motivated, not a response to actual global warming, as there has been no warming for 16 years. In fact, it is likely we will soon need to take a long, hard look at adjustments in behavior based not on warmth, which by and large results in good things, but rather on cold, which creates endless problems for both individuals and society.

Scientists from Pulkovo Observatory in St. Petersburg, Russia have established that solar activity is waning to such an extent that the global average yearly temperature will soon begin to decline. There is no reason to believe there will be any warming during the remainder of this century. Coming generations will have to grapple with temperatures several degrees lower than those today.

As cited on NASA's Science News website, Matt Penn and William Livingston of the National Solar Observatory have noted that we are now in the final stages of Solar Cycle 24, which has been "the weakest in more than 50 years." By the time Solar Cycle 25 arrives shortly, they predict, "magnetic fields on the sun will be so weak that few if any sunspots will be formed."

The effects of this weak solar activity have been notable. The United Kingdom just suffered

through a winter with temperatures 5 to 10 degrees Celsius below normal, and German meteorologists report 2013 has been the coldest year in 208 years. Writing in the *Sunday Telegraph*, Christopher Booker noted that 3,318 places in the United States had recorded their lowest temperatures for that time of year since records began. Similar records were set in every province of Canada, and the Russian winter has seen its deepest snowfall in 134 years.

Anthony Watts, at his *Watts Up With That* blog, shows that in this century, average US winter temperatures have dropped by 1.45 degrees C, more than twice as much as their rise from 1850-1999 and twice as much as the net rise in the 20th century.

This cooling has come as a big surprise to many. All of mankind's new carbon dioxide emissions were supposed to make things too warm, with climate models indicating the world would heat up by 0.3 degrees C every decade. An understanding of solar cycles, however, reveals that the warming of the past century was simply what should be expected when coming out of a mini ice age, rather than any changes caused by man's activities.

Cold causes more disruptions for people than warming, and mankind always has been more prosperous during warmer periods. However, with modern technology, we have the ability to plan accordingly and manage the slow change toward cooling that is likely upon us. But unless the governments of the world turn off the spigots

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that have fed tens of billions of dollars annually to support only research on man-caused warming, and begin to fund serious science intent on determining what the real global temperature trends are, it will be a decade or more before the truth is told.

The suggestion that the Earth may actually be cooling, not warming, is based not on science-fiction computer projections but, instead, on

centuries of real data of how our planetary system actually works. It is time, concludes Lehr, to direct our attention to reality.

[Editor's note: Many scientists in recent years have noted the recent global cooling and have predicted many years, or decades, or centuries, of more global cooling. A sampling of scientists and studies on global cooling may be found [here](#).

See also [here](#), and [here](#).]

2 – AMERICA'S PATRIOTIC ASSIMILATION SYSTEM IS BROKEN

As Congress debates immigration reform legislation, many argue that our immigration system is broken and needs to be fixed. In a new quantitative analysis of Harris Interactive survey data, Hudson Institute scholars find that the patriotic assimilation of immigrants to American identity is weak and ambivalent, suggesting that our patriotic assimilation system is also broken and needs to be fixed.

The authors have found that a large “patriotic gap” exists between native-born citizens and immigrant citizens on issues of patriotic attachment and civic knowledge. Despite what some may believe, native-born citizens have a much higher degree of patriotic attachment to the United States than naturalized citizens.

Below are some additional findings:

- By 21 percentage points (65% to 44%), native-born citizens are more likely than naturalized immigrants to view America as “better” than other countries as opposed to “no better, no worse.”
- By about 30 points (85% to 54%), the native-born are more likely to consider themselves American citizens rather than “citizens of the world.”

- By 30 points (67% to 37%), the native-born are more likely to believe that the US Constitution is a higher legal authority for Americans than international law.
- By roughly 31 points (81% to 50%), the native-born are more likely than immigrant citizens to believe that schools should focus on American citizenship rather than ethnic pride.
- By 23 percentage points (82% to 59%), the native-born are more likely to believe that it is very important for the future of the American political system that all citizens understand English.
- By roughly 15 points (77% to 62%), the native-born are more likely to believe that there is a unique American culture that defines what it means to be an American.
- By 15 points (82% to 67%), the native-born are more likely than immigrant citizens to support an emphasis in schools on learning about the nation's founding documents.

The full report may be found [here](#).

[See also [“Immigration and America's Broken Civics Education System”](#)]

- Market and industry analysis
- Strategic business direction
- Growth dynamics

- Trend identification and analysis
- Keynotes and presentations
- Proprietary research and reports

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3 – RISK-AVERSE CULTURE (WHERE ARE THE ENTREPRENEURS?)

ONCE BURNED, TWICE SHY?

Long-running trends suggest the US economy has turned soft on risk. These changes reflect broader, more permanent shifts, including an aging population and the new dominance of large corporations in many industries.

They also may help explain the increasingly sluggish economic recoveries after the past three recessions.

So writes Ben Casselman in the [Wall Street Journal](#), citing statistics that reveal:

- A smaller share of US businesses are new companies, and the share of the labor force working at new companies has fallen.
- The startup rate is falling, a declining share of venture capital is going to seed new firms, and more than 40% is going to one place: Silicon Valley.
- Migration rates have been falling for more than 20 years, fewer workers are quitting their jobs, and adults are changing jobs less often.
- Fewer new jobs are being created, and companies are keeping more cash on hand.

THE TRAVAILS OF THE US SMALL-FIRM SECTOR

Nathan Sheets, Citigroup economist, writes the following:

Our past work has emphasized the important role of small firms as engines of growth for the economy and, particularly, as job creators. From the late 1970s to the time of the financial crisis, the share of net job creation accounted for by small firms declined some, but remained above 60%.

During the financial crisis, small firms bore the brunt of the job loss, as they were hit hard by the decline in construction and real estate

(where small firms predominate) and by a sharp pull-back in bank lending. Since early 2010, small firm employment has rebounded but has not yet come close to reversing the job losses sustained during the financial crisis. This is an issue that we are watching as a key indicator of the cyclical performance of the US economy. Another concerning development is the steady decline since the early 1980s in the rate at which small businesses are being established. Research indicates that young firms – new start-ups – are especially powerful engines for job creation and real GDP growth.

COMPANIES STILL WARY DESPITE HEFTY PROFITS

The US economy has spent four years shaking off damage from a brutal recession. But American businesses still haven't shed their caution.

Despite stellar profits and lean payrolls, US firms remain scarred by the deep downturn, surveys of businesses show. Their appetite for investing continues to be patchy and their hiring slow, a reflection of the global turbulence.

So reports Sudeep Reddy in the [Wall Street Journal](#).

As the US recovery enters its fifth year, a new round of financial-market turmoil risks spurring another bout of anxiety across the business sector. Exports have already retrenched alongside rising uncertainty in Asia, Europe and the Middle East. Recent signals that the Federal Reserve may start easing off the gas pedal threaten to raise more doubts about whether the economy is strong enough to accelerate on its own.

The latest reading of the US economy underscores the choppy picture. Business investment rose at a scant 0.4% pace in the first quarter, one

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factor that kept growth in the overall economy at a relatively slow 1.8% annualized rate.

Nonfinancial US corporations are sitting on more than \$1.8 trillion in cash and liquid assets, up 30% from 2008, according to Federal Reserve estimates. All of that helped push US corporate profits last year to more than 12% of the overall economy, a post-World War II high.

But capital spending by business in the US remains 4% below its pre-recession level. Total output by manufacturers last month sat 5% below its 2007 average. A key measure of small-business sentiment trails its pre-2008 average, while a separate reading of confidence among big-company CEOs

is hovering at middling levels as firms seek signs of stronger demand.

Businesses should have plenty of cause for optimism. Low interest rates have helped creditworthy companies borrow cheaply, while a boom in domestic energy production has lowered costs and boosted US competitiveness. And indeed, during the first year of the recovery, a surge in manufacturing and worker productivity sent exports soaring and boosted earnings. The strong early performance offered hope – since dashed – that the rebound from a deep downturn would be quicker than the grinding recoveries after the 2001 and 1990-91 recessions.

4 – DIAGNOSIS: WE'RE OUT OF BALANCE. CURE: REDISCOVER OUR EXCEPTIONALISM

Why did the great civilizations of history – Roman, British, Spanish, Ottoman, Ming – decline and collapse? What is at the root of their demise? Glenn Hubbard and Tim Kane ask that question in [Balance: The Economics of Great Powers from Ancient Rome to Modern America](#).

Their answer is that in every case, decline is a result of stagnation instead of innovation and growth; centralization instead of decentralized empowerment and entrepreneurship; closed-mindedness (protectionism and an inward-focus) instead of open markets; redistribution of wealth instead of creation of wealth (the key here is property rights); and fiscal profligacy (overspending on the present) instead of fiscal prudence (marshalling reserves for the future). These errors coincide with the breakdown of political institutions and the result is economic imbalance and decline.

Sound familiar? Yes, 21st century America is headed in the same direction.

What is the cure so that we may avoid this fate? According to [Charles Murray](#) of the American

Enterprise Institute, we must [rediscover American exceptionalism](#), the things that made us (and make us still) unique among all nations.

What are these things? They include our ideology, which is founded on a core belief of self-governance and self-reliance; and several other distinct American qualities such as industriousness, egalitarianism, religiosity, and community life (also known as civic culture).

These qualities made us distinct at our founding and throughout our first century as a nation. Do they still?

America remains a land of opportunity, writes Murray, yet we have also become a people whose most worthy qualities have largely diminished. Today, we are far less industrious, egalitarian, religious and self-reliant than we used to be. And our civic culture has frayed.

We are quickly nearing the time, writes Murray, when as Americans we must reinvent ourselves, and the best way forward is to rediscover the qualities that made us unique and distinct at our beginning.