



The Award Winning

## Malibu Rotary Club Surfwriter

July 30, 2014

Official Newsletter of the Rotary Club of Malibu  
Malibu Rotary Club President Margo Neal

Edited by Dr. John W. Elman  
Pictures by Dr. John W. Elman

In This Issue (click underlined topics for web link when connected to the Internet)

**Next Malibu Rotary Club Meeting Wednesday August 6 at noon at Pepperdine University Drescher Graduate campus in LC 152 (with fellowship starting at 11:30 a.m.) Speaker will be Laura Cazares. Her topic will be “Master Your Mind, Master Your Cash Flow”**

What would you love for your life...more money? Well, what are you thinking? Laura Cazares addresses the power of our thoughts and beliefs in creating the results we want. She also discusses three questions that empower and one that will instantly derail you.

- **Last week: Qadir Mohiuddin Ph.D, Associate Professor of Economics, New York Institute of Technology at Nanjing, Jiangusu, China talks about his Personal Observations of GeoPolitics and Economics.**
- Check [Calendar](#) on Malibu Rotary website [www.maliburotary.org](http://www.maliburotary.org)

- Rotary International Website: [www.Rotary.org](http://www.Rotary.org)
- Rotary District 5280 Website: [www.rotary5280.org/](http://www.rotary5280.org/)
- RI President (2014-2015) Gary CK Huang
- Rotary District 5280 Governor (2014-2015): Elsa Gilham
- Assistant Governor for Malibu Rotary Club: Neil Godsey (2014-15)

**Qadir Mohiuddin Ph.D,**

**Talks about his Personal Observations of GeoPolitics and  
Economics**



**Qadir Mohiuddin Ph.D,** is Associate Professor of Economics, New York Institute of Technology at Nanjing, Jiangusu, China. Fortunately for the members of the Rotary Club of Malibu, he is also the husband of one Malibu Rotary Club's newest members, Beth Mohiuddin. We say fortunate, because if it were not for Beth, we probably would not have been able to get such an international expert on geopolitics and the economy and historical events that are shaping today's world news.

What Dr Mohiuddin told us is not something that you would hear in his economics class in China. It was a thoughtful assessment of areas of the world that are always in the news. Pakistan and Afghanistan was a place that few Americans were aware of before 9/11. After that we only knew what we read in the newspaper. For Qadir, Pakistan is where he began his life and he has been studying the geopolitics and economy of the area for many years. He father was the first Pakistani pilot in the British Air Force and became the main Air Traffic Controller in Pakistan.

Qadir's formal education includes a B.A. from UCLA in 1977 – in Political Science-international relations and Economics. While at UCLA he was Elected Coordinator, Head of Foreign Students Association at UCLA. He then received a Masters Degree in Planning at USC 1979 – Regional Planning and (country) Development. He interned at the City of Los Angeles, but also studied in France and traveled Western Europe and around the world. He then received a second Masters Degree, a MSSM, at USC in 1983 – Management and MIS. At that time he Authored/consulted possible Soviet plans to reach the warm waters of the Indian Ocean – A Dream going as far back as the Russian Czars. He then received a PhD at the University of Pennsylvania in 1991. Thesis/Dissertation Title: 'Multinational Enterprise Direct International Business Investment...' (US-MNE-DFI: *A Theoretical and Empirical Study of National-Policies Trade & Monetary, Location-Industrial, Financial Market-Arbitrage & Strategic Planning-Management Considerations in 12 Industrial Countries*), using then advanced econometric techniques to study U.S. Multinational corporations' investment in Western Europe: Holland, Belgium, UK, Sweden, Norway, France, Italy, 'West' Germany, Ireland, Japan, Canada, Australia.

Qadir authored a report in 1979, later copyrighted (Library of Congress), for the development of an industrial export zone in Pakistan, along with military bases to prevent a Soviet invasion of Pakistan. This effort culminated with an offer of funding for further study through an alumnus of the University of Pennsylvania at the CSIS-Center for Strategic and International Studies, Washington, D.C

In arriving at today's topic on the relationship between GeoPolitics and Economics Dr Mohiuddin drew on studies and collaborations he has had with various people and organizations. He defines several terms for us:

**GeoPolitics** is international relations influenced by geography, and **GeoStrategy** is **Geopolitics** influenced by **Strategy** (1979-1981).

## Soviet Invasion of Afghanistan – Its impact on Pakistan & the USA



In the 1970's the USSR bordered Afghanistan and Pakistan, and represented the only land that kept Russia from having a warm water in Gulf of Oman, near the Persian Gulf. They really wanted the Karachi, Pakistan port. The fact is the Russian Czars were considering invading Pakistan in the early twentieth century. The **Soviet war in Afghanistan** lasted nine years from December 1979 to February 1989. It was fought between **Soviet-led Afghan forces** against multi-national insurgent groups called the **Mujahideen**. The Mujahideen were the local Muslim warlords who ended up controlling the country after the war. Mujahideen has been most closely associated by the west with radical Islam, encompassing several militant groups and struggles. After 9/11 they were among the people the US was fighting in Afghanistan, but in 1979, because they were fighting Soviet Russia, the US supported them.

Although Dr Mohiuddin didn't talk about this (it is documented in Wikipedia and cited by Editor John) it was through an increasing project of military assistance via the US CIA and partly funded by Saudi Arabia, the USA started to supply the Mujahideen with its man-portable anti-aircraft missile system called the **Stinger**. The US supplied at least 250 launcher systems and at least 500 individual Stinger missiles to the Mujahideen as well as the training needed to operate the system. US Congressman **Charlie Wilson** who was instrumental in funding the Stingers for the Mujahideen said that before the Stinger the Mujahideen never won a set piece battle with the Soviets but after it was introduced, the Mujahideen never again lost one.

- Building an industrial town (1979) & military bases (1980).
- (New Town: Alan, Peter, Jack, USC 1980)
- (Bases: Retired Admiral Thomas Moorer, Chairman Joint Chief of Staff, and

Dr. Alvin Cottrell, CSIS) 1980-1981

- (Retired Rear Admiral Bob Hanks, FPI) 1980

### **The Relationship between the Economy and GeoPolitical and GeoStrategic Strength**

In 1989 Dr Mohiuddin co-authored as Co-Consultant to the US Business RoundTable (a formal group of nationwide American CEO's, and at that time chaired by the CEO of General Mills) a confidential report with Nobel Laureate in Economics (and past economics advisor to the President of the United States), and two Professors in Finance one in Wharton finance, (one later became the Governor of the Turkey's Central Bank). The report, requested by a US Congressman, researched and analyzed US economic, business, and financial conditions until 1989. The study further evaluated any consequent impact of the increasing US debt burden in 1989 on the US economy. Among other topics, examined the impact of junk bonds, private corporation issues, and carried out forecasting.

In 1989, President of the US was George Bush, Senior. The buildup of US debt was during President Ronald Reagan, who was President 1982-1989. The USSR fell in 1991. During Jimmy Carter 1977-1981, inflation rates and interest rates were high. Mortgage rates were double digits. The Economy was strong in 1988 and 1989, but the concern was how the US debt and Household debt, combined with High inflation, and High interest rates would undermine the economy in 1989 and beyond. We survived the high debt levels, because the conclusion of US Business RoundTable authors (including Dr Mohiuddin) was that the US economy was resilient.

### **What does this mean to us in 2014?**

Does a weak economy lead to a weak Defense? Probably not.

But it could weaken Global Reach and GeoPolitical Strength. There was a concern in 1989 that with our huge debt we could not afford the Defense budget. The debt is even greater now. The US Gross Domestic Production (GDP) is \$16 trillion and the debt is also \$16 trillion.

**National US Debt in: 1989  
2012 and 2013**

<b>End of Fiscal Year</b>	<b>Debt (in billions)</b>	<b>GDP (in billions)</b>	<b>Debt/GDP Ratio</b>
<b>2013</b>	<b>\$16,738</b>	<b>\$16,913</b>	<b>Q3 99%</b>
<b>2012</b>	<b>\$16,066</b>	<b>\$16,356</b>	<b>98%</b>

**CONTRASTING THE ECONOMY - 1989 AND NOW**

Stock market crash of 1987 was due to a computer glitch-- automatic computer trading caused a sell-off. It was not the high levels of Household or Federal debt.

Dr Mohiuddin says that each of us knows what happened in the most recent recession, so he did not discuss the causes, except to NOTE that the causes were again related to extremely high Household and Federal debt.

A worry that the government has is that we won't have enough money to pay for our military. Dr Mohiuddin cited examples of how the U.S. compares to other major powers in that regard. In article by Zachary Keck in the April 2014 *The Diplomat* online the author notes Russia spends more of its wealth on arms than US. In 2013 Russian defence spending rises by 4.8% to \$88bn, devoting larger share of GDP on military than US for first time since 2003. Russia's defense spending will increase by 18% in 2014, and another 33% over the next two years.

**Are we Ok in our military spending?**

**Dr Mohiuddin:** I would say YES, But the Cost of the military and defense is Cheaper in China and Russia. However, should we increase military spending to project US strategic interests?

Dr M. then showed us a graph which illustrated that the US spends more on defense than the next 8 countries combined.

**Are we Ok Geo-Strategically?**

**Dr Mohiuddin:** I would say YES.

- But the Cost of the military and defense is Cheaper in China and Russia
- However, should we increase military spending to project US strategic interests? The Answer is YES.
- Why? Others and Russia are taking the initiative to redesign the world, and this could lead to chaos, as the US sees it, and become more costly for the US to project geo-strategic power in the future.

Dr Hohiuddin says that Putin has ambitious designs on the world. Putin, whose father was a cook in the Czar's kitchen, needs to know that the US is serious about protecting its world interests.

When asked about the threat from the Islamic terrorist organizations versus the threat from Russia or China, Dr Huhiuddin says he worries about the super powers more, because they have nuclear weapons, and their nuclear weapons could end up in the hands of the terrorists, so we have to keep both Russia and China in check.

## **Other News and Guests at the Last Meeting**

While Margo Neal was again out of town (Geneva this week) Mailbu Rotary Club Past President **Bill Wishard** again presided over the meeting. Members are encouraged to make reservations to go to the Literacy Breakfast at Lawry's on August 13 which will have two speakers, the Founder and Chair of Vision to Learn Austin Beutner and Los Angeles County District Attorney Jackie Lacey.

"Hollywood Halloween" Malibu Rotary Club Fundraiser Griselda Espinoza was again not the Malibu Rotary club meeting July 30. The previous week **David Zielski** said we ought to consider changing the venue of this event and the date of this event to the Malibu West Beach Club. Originally it was supposed to be rooftop patio of a building on PCH. David said the weather is unpredictable in October—for an outdoor event we will need a large tent which will cost over \$1000. We apparently could not get Saturday October 25<sup>th</sup>—it is a popular venue for wedding parties. **Maggie Luckerath**, who is a member of the Malibu West Home Owners Association, was able to reserve Friday October 24<sup>th</sup> for the event from 7:00 p.m. to 11:00 p.m. She was also able to arrange catering and parking with Vintage grocers, who are located across the street at the corner of Pacific Coast Highway and Trancas in Malibu. Certain stipulations had to be made for use of the Malibu West Beach Club: No money can be collected at the door—all tickets must be sold and paid for in advance. Also, although wine can be served at the event, it cannot be sold. Price of the \$100 ticket will therefore include the food and 2 drinks. After discussion it was recommended that there be a "Tip Jar" for drinks to accommodate those that want more (maybe a designated driver too!). The party fund raising committee will discuss the event further when Griselda returns.

Malibu Rotary will again be selling water and watermelon at the Malibu Kiwanis Chili Cook off on Labor Day weekend. **Maggie Luckerath**, chair of this event for the Malibu Rotary Club, was able to get Vintage Grocers to donate watermelon to the Malibu Rotary Club. Still unresolved: Certain members who have been unable to attend our recent meetings have helped make past participation at the Chili Cook Off a success. Specifically Jack Corrodi has supplied table, chairs, and buckets for ice and Chris Bauman has used his pick up truck to make multiple runs to Peppertine to keep the buckets filled with ice. Chris' wife Leslie is expecting their second child in August and Jack has been unable to attend any events recently because of health problems.

Someone who is normally at each Malibu Rotary Club meeting missed the previous one -- **Fred Cornett**. His son took Fred to lunch to celebrate Fred's 90<sup>th</sup> birthday last—this week we sang him Happy Birthday.

## Happy Dollars

There were several members with Happy Dollars. **Carlye Rudkin** reported that while she was sad when her 14 year old dog went to “Doggie Heaven,” she went to the Agoura Animal Shelter and now has Oliver. **Bill Wishard** was happy that he just received his check for being Election Inspector and was already told he will have the job at the next election. He thanked **Irene Bettler** for holding the election information for him while he slipped out of town following the election. He went to Tuscon for “Up With People” original group reunion.

## Guests

Guests at the meeting included **Delvin Glymph**, career counselor at Pepperdine and **Eric Woodhouse** of the Rotary Club of San Luis Obispo

## Upcoming Speakers (yet to be confirmed)

Randy Klingensberg, Performing Arts Studio West (who trains disabled artists to perform-- school attended by blind autistic musical savant Rex Lewis)

Founder of the National Veterans Foundation, Floyd ‘Shad’ Meshad

Dana Sherman of the Fleet Street Bike Project

Dan Wise on history of the 25,000 acres from Marina del Rey to PV Peninsula to Western Ave

Please see Malibu Rotary Club Website [www.maliburotary.org](http://www.maliburotary.org) for latest Calendar and future speakers and facebook pages for other news.

Like Rotary Club of Malibu on 

## Calendar

Laura Cazares Aug 06, 2014

Master your Mind, Master your Cash Flow

What would you love for your life...more money? Well, what are you thinking? Laura Cazares addresses the power of our thoughts and beliefs in creating the results we want. She also discusses three questions that empower and one that will instantly derail you.

David Sagona and Quinn Carter Aug 13, 2014

Youth Commission, Helping Malibu

Rotary District Governor Elsa Gilham Aug 20, 2014

#### Rotary District Governor Official Visit (in Pepperdine Villa Graziadio Room EC 116)

Rotary District Governor Elsa Gilham, who is no stranger to the Malibu Rotary Club, will have her "official" visit to the Malibu Rotary Club, to talk about the state of the district and district events. There will be a special meeting of the Malibu Rotary Club Board of Directors with the governor in the meeting room at 10:45 a.m., where the Malibu Rotary Club officers will tell the governor what the club plans are for this Rotary year.

Carl Christman Aug 27, 2014

#### Carl Reads Minds

Carl Christman is a mentalist at the Magic Castle in Hollywood. His Rotary presentations are educational and entertaining. Rotarians and guests at this special meeting will learn about the power of their own mind and have a once in a lifetime experience. You can find out more about Carl and see a demo video at [www.CarlReadsMinds.com](http://www.CarlReadsMinds.com). This should be a fun Rotary meeting. Come and bring a friend.

Dr Alison Gallwey Wishard Guerra Sep 10, 2014

#### Early Childhood Development

Assistant Professor , UC San Diego Education Studies, Dr. Wishard is an alumna of Juan Cabrillo Elementary School, Student Body Pres. Malibu Park Junior High School '89, UC Santa Cruz '97, UCLA PhD School of Psychological Studies in Education '05, speciality in early childhood development and multicultural children.

Her husband Eduardo Guerra, UC Santa Cruz '97, a club leader of Del Mar Solana Beach Rotary, son of Malibu Rotarian Pompeya Monteros, was born in Ecuador ,raised in Manhattan Beach,CA

They have 2 daughters, Sofia Alexandra Wishard Guerra 6 y.o., Alina Luz Guerra, 4 y.o. expected to accompany her 10 Sept.

UCSD Dean Elman noted: "her work is sophisticated, important, thoughtful, and impactful," in recently announcing her being tenured and promoted.