

SPECIAL POINTS

HOST: Samuel H. Clovis, Jr.,
MBA, DPA
impactwithsam@gmail.com

OF INTEREST:

- Listen to Sam every Sunday, 3-5 PM Central, on LATalkRadio.com, Channel 2
- The Gross Domestic Product is a crude, but important, measure of economic health.
- New trade deals are showing the strength of the Negotiator in Chief.
- The country will lose a lot if the Far Left gains power by taking the House of Representatives.

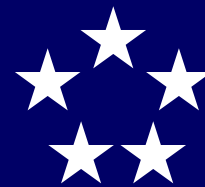
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IMPACT



WITH



SAM CLOVIS

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5-4

It is impossible to overstate the significance of having Judge Brett Kavanaugh confirmed as an Associate Justice to the United States Supreme Court. His placement on the court will have dramatic impact for at least the next decade, if not for the next generation. The make-up of the court now will be decidedly originalist oriented, much to the chagrin of the Democrats, the Far Left and the Main Stream Media. As most Americans do not fully appreciate history, and the fact that we have not had a conservative court for a generation and a half, the full impact of what just happened on October 6 is hard to describe.

What this court make-up means is that individual property rights will be protected from the government. It means that the right to keep and bare armes will be defended and reinforced. It means that school choice will have a fighting chance at the state and local level. It means that free speech will be protected, including the speech associated with the funding of campaigns. It means that special interests, particularly those associated with the environmental movement, will not have a free pass. It means that religious liberty will be defended and that the sanctity of the right to vote will be kept where it should be—with eligible American citizens.

The temperament of the court will be changed, as well. The unpredictable nature of Justice Kennedy will

be missing, which is a good thing, as we are likely to see some of the most brilliant conservative minds in America helping establish precedent for future cases.

What we will have to endure, however, is a full-blown effort on the part of the left and Democrats to diminish the authority of the court. It is their long-term goal to reduce the efficacy of the established institutions of the American republic. If one thinks this is crazy, examine the evidence that supports my point.

For the past 70 years, the progressive movement has worked tirelessly to diminish those institutions to which the people voluntarily belong. Think about what the left has done to attack individual liberty, the American traditional family, our religious institutions and our community social welfare organizations. This assault has the objective destroying community and forcing people to depend more on government—a government run by elites who seek power over service. The ruling elites seek to concentrate power in the central government that is staffed exclusively by those who are ideologically pure. They truly believe they know better how to run our lives than we do.

If the readers of this newsletter pray, please let them thank the Lord for a President who has the courage to do what is best for the American people. These court picks will go a long way in Making America Great Again.

STATE OF PLAY

I don't think it will serve any real purpose to rehash the despicable behavior of the media, the Left and the Democrats as they collectively tried to block a good man from assuming a position on the Supreme Court. What I do think is important is speaking frankly about the current state of play in this country and why being Iowa Nice is not working and will not work when it comes to dealing with those who wish to alter the results of a duly concluded election.

I was on the Simon Conway Show recently and a caller admonished Simon and me for being so hard over against seeking common ground with the "other side." The caller thought that nothing could ever be accomplished if "we" were not willing to have an open dialogue with the Left. Frankly, I thought the caller displayed a n incredible level of naivete'. I am not being critical, just observant. What my caller friend seems to not realize is that there is no give on the Left. Zero. Zip.

Nada.

I have studied the Far Left for more than two decades now. I have also studied conservatism, the founding of this nation, the Constitution and the unvarnished history of this nation. In all of that exposure, I can say without qualification that the Far Left has no intention of ever compromising on any level, on any point, on any issue.

The default position of the Far Left is to attack if they encounter disagreement. They attack their own and quickly bring errant children to heel. They look at dealing with conservatives as a blood sport and will do whatever it takes to take down the issue, and if they cannot do that, they will engage in the politics of personal destruction to destroy the individual.

I do not see the point of trying to find common ground with progressives. They consider us the enemy, so being forewarned is being forearmed, and the fight is not about right or left—it's about right and wrong.

GROSS DOMESTIC PRODUCT



“The Gross Domestic Product is a course measure of the income of the nation based on the value of final goods produced and other factors. The operative word is “course.” As precise as the talking heads would like to imply about the GDP, it is simply a crude aggregation.”

A busy port in Texas will be a good sign of a healthy economy and prosperity for the rest of the nation.



Every time I start to write about the economy, I worry that I might drill down too deep, because most people don't care as much about the details of the economy as they care about how much money is in their bank accounts and wallets. I get that, but I think it is important to offer some thoughts on the internals of the economy that may or may not be known to most. As I teach my students, it is the interconnectivity of things that really give us the best picture of what is really going on in the economy. Unfortunately, most of the talking heads on TV are quick to speak in jargon, spout numbers that are hedged by probabilities and predict economic performance without context.

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The GDP is most easily explained in the following formula: $GDP = C + I + G + (X - M)$. Here, C is consumption, I is investment, G is government spending and the rest is exports minus imports. In recent years, C + I is around 80%, G is about 25% and X - M is -5%. We could get into the accelerators, the Keynes Multiplier, etc., but I think it best to talk about the big chunks.

If we have more money in our pockets and businesses have more money to invest, then one can see that the GDP will grow. Of course, some would argue that giving more income to the people and business will reduce the amount of money that Government can spend. This does not play out. If consumers and businesses have more money to spend, that means the tax base has broadened and that there will be more

money coming into the treasury. Art Laffer, with his famous Laffer Curve, provides graphic proof that reducing marginal tax rates actually works to the advantage of government revenue collection. By the way, this has always been the case whenever tax cuts have been tried. The Kennedy tax cuts led to positive GDP growth for over a decade as did the Reagan era tax cuts.

What is often overlooked is the impact that adjusting the trade balance has on the GDP. The US has a negative trade balance of around \$800 billion. That is roughly 4% of the total GDP. Imagine if we were able to change the trade imbalance by \$400 billion. That would allow that money to be shifted to the positive side instead of being a negative. The \$400 billion would be used for investment or consumption, thus doubling the impact of that shift in trade balance.

One other factor that is often overlooked is the impact of foreign direct investment. This is the money brought into the country by foreign enterprises that counts in the investment numbers. If Mercedes Benz builds a billion dollar plant in Tuscaloosa, AL, then that billion dollars is counted in the GDP. By having a business-friendly tax structure, foreign companies are more likely to invest. The greater the investment, the greater the GDP.

I do not hang my hat on any single economic indicator, but I do think looking at the GDP is a great way to look at the interaction of economic factors at play in the US and world economy. The US produces roughly 20% of the world GDP, placing the US as clearly the strongest economic engine in the world. Like good real estate attracts more money, a strong economy attracts stronger investment. More Promises Made and Promises Kept.

USMC + A

The United States Mexico Canada Agreement, revamped and cosmetically altered NAFTA arrangement, is a breath of fresh air in the very stagnant world of trade negotiations. It looks like the President has been able to get much of what he wanted for the United States in this latest round of doing what he says he is going to do. Canada, reluctant to give in on some agriculture issues, finally relented. Though not as good as it could be, it is still way better than what we had.

I am most appreciative for the impact with will have on agriculture producers in America. Things were pretty good under NAFTA, but things are going to be even better under USMCA.

As was outlined above, trade has a significant impact on the GDP. If we are able to bring the trade effort more into balance, we actually double the impact on our own economy. With good trading partners on both borders, the free flow of goods back and forth cannot help but be a good thing.

The Trump Administration has always had as its goal in trade negotiations the elimination of trade barriers altogether. This is only possible if nations commit to true free trade. If countries continue to subsidize production in certain industries or build protectionist barriers for others, then free trade is not really possible.

What we are seeing is a recognition that Donald Trump is serious and is a serious negotiator. His team has been relentless in pursuing arrangements that are beneficial to all parties. After all, that is what real business is about—both sides feel like they have gained from the exchange.

There will be opposition to this arrangement, most of that resistance based on the simple fact that Donald Trump was behind it. This is sad, because everyone will benefit from stronger, fairer trade arrangements. Let's hope all sides can come together on something that is really best for the American people.

WHAT'S AT STAKE

I probably would not indulge in cheerleading about the midterms, but I worry for the country and our liberty if the radicalized left gets control of the House of Representatives and, God forbid, the United States Senate. The fury of the vengeful actions that will be taken will be unprecedented in our history and will leave the nation reeling from its impact on liberty. Here is what is at stake if the Republicans fail to hold Congress:

- The tax cuts passed in this latest Congress will be dismantled. This will throw the economy into a downward spiral and we will return to less than 2% GDP growth.
- The new trade arrangements done by this administration will never be ratified and we will become embroiled in more fallacious global warming redistribution schemes that will further erode economic stability.
- The military recapitalization going on right now will come to a halt and our readiness will become stagnate because there will not be enough resources to revitalize our forces to top efficiency.
- No more conservative judges will be confirmed to the court system.
- Those who are part of the deep state will be encouraged to openly resist the Trump administration. Special interests will run roughshod through the Congress and will reinforce their strangle hold on the legislative agenda of Congress.

- Gun rights, religious liberty, free speech and criminal protections will be under assault.
- Every grievance with the last election will be weaponized and no American will be safe from scrutiny.
- Every department secretary and agency head will need a permanent parking spot on Capitol Hill as far left controlled committees will be constantly asking for testimony to destroy the Trump administration.
- The Electoral College will come under assault as will other Constitutional protections set aside to protect our electoral processes.

It cannot be overstated how dangerous the far left has become. This movement has been on the long march to gain the power that would eventually allow them to deconstruct the Constitution permanently. Their disdain for American exceptionalism and sovereignty makes one question what their real motivations may be. Through casual observation, one can draw the conclusion their goal is the demise of the American culture and the reordering of a global world order.

I am hopeful the events of the past year or so would enrage Americans enough that they would take matters into their own hands and vote to stop this lunacy. We are a great nation, but we will remain great only through the actions of Americans acting in a vici way

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Citizenship is a participation sport. You have to get off the bench to make a difference. Voting is the first step.

BELOW THE RADAR

Accountability is a word one hears tossed around a lot in DC. Of course, it means little but it is used a lot. One of the greatest disappointments of my time spent in Washington was that there was little observable leadership and that there was virtually no accountability to found anywhere in government. I bring this up because now that the Kavanaugh mess is behind us, I am skeptical that the greatest political scandal in American history will be swept under the rug with no one being held to account. Of course, I am talking about the attempted soft coup perpetrated by ideological activists in the past administration as they attempted to unseat the duly elected President of the United States.

Senator Grassley, chairman of Senate Judiciary Committee, holds the cards that could force this issue to the front burner. His committee has oversight of the Department of Justice, the agency where most of the perpetrators called home. Of course, he will have to subpoena John Brennan, former head of the CIA, James Clapper, former head of National Intelligence, Loretta Lynch, former Attorney General, Susan Rice and Samantha Powers, former Obama operatives and Valerie Jarrett, confidante of the President. These individuals potentially directed and oversaw the actions of operatives in the FBI and other agencies that created circumstances that were intended to end the Presidency of Donald J. Trump. Treason is a harsh word, but

it one with which we need to become familiar.

It is still hard to fathom just how corrupt the leadership of an administration must be to end up where we are. People who behave as those mentioned above have lead one to believe that they have no moral compass whatsoever and that power is sole motivating factor for their actions. The hubris with which these people operated is unbelievable and should give pause to every American that may not meet their ideological standards.

It is impossible to fully understand how we got to this point, but I do know that we have remedies. I also know that if Chuck Grassley continues to show the courage he has shown over the past several years, I am confident justice will be done.

Dozens of people have been personally injured by the actions of these few. The lives of millions of Americans have been affected, as well. A government that thinks it is not accountable to the people is a dangerous government, because there is nothing that checks the expansion of reach that aggressive, ideologically driven individuals will seek.

Silence is consent. Thus, I am hoping that Senator Grassley will go after these derelicts and bring them to justice before the American people. The people of America must have confidence that rogue agents cannot operate with impunity.



Samuel H. Clovis, Jr., MBA, DPA

23689 C-60

Hinton, IA 51024

impactwithsam@gmail.com

www.impactwithsamclovis.com

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Sam Clovis is a successful businessman, college professor, political advisor and military officer who hosts IMPACT with Sam Clovis every Sunday afternoon on LATalkRadio. His resume is lengthy and impressive. As a 25 year Air Force fighter pilot, a highly successful private sector business operator, distinguished Fellow at a prestigious think-tank, top-rated radio talk show host, national co-chair and chief policy advisor to a successful presidential campaign, policy director for the presidential transition team and Senior White House Advisor to the Department of Agriculture, one can see why Sam is one of the most sought after consultants in the region. Not afraid to take on the toughest issues, he has blazed a trail in modern politics that has seldom been matched.

His internet radio program examines current events through the lens of contemporary business, economics, politics and culture. One might also find a bit of humor along the way, as he examines how seriously some people take not-so-serious issues. When all is said and done, the listener will get it straight without flowers and ruffles. Listen every Sunday afternoon, 3-5 PM Central. Download the program from the LATalkRadio website.

SHOW HIGHLIGHTS – UPCOMING EVENTS

After having to deal with technical issues and a lot of dead air at the start of the program, we got the second installment of IMPACT with Sam Clovis broadcast and posted on the LATalkRadio.com website. I covered a great deal of information and history about the Progressive movement in the United States. I wanted to provide context for what had happened during the Kavanaugh nomination and confirmation process. I hope those listening found the program instructive. Please do all you can to promote the radio program. Also note to those to whom you speak that the program can be listened to at any time and can be downloaded on any device.

The most helpful aspect of doing this new program is having a sponsor. The principal sponsor for the broadcasts will be Charles W. Herbster, owner and CEO of Conklin Company, Herbster Angus Farms, North American Breeders and Carico Farms. Mr. Herbster is chairman of the Trump National Advisory Committee on Agriculture and Rural Issues. This group was instrumental in raising funds and turning out votes for the 2016 election. This advisory group remains active and a strong influence on the President.

There will be more sponsors coming on line once we can prove we can attract an audience. I am hopeful we will be able to reach thousands in the not too distant future. I could use your help in spreading the word. Here are the events scheduled to date:

Weekly—The Ed Martin Movement, Salem Radio, St. Louis, MO.

October 7—IMPACT with Sam Clovis. LATalkRadio, Channel 2, 3-5 PM Central. LATalkRadio.com.

October 14—IMPACT with Sam Clovis.

October 21—IMPACT with Sam Clovis.

October 25—Campaign event for Jon Jacobsen, Council Bluffs, IA, 5:30 PM.

October 28—IMPACT with Sam Clovis.

November 4—IMPACT with Sam Clovis.

November 11—IMPACT with Sam Clovis.

November 18—IMPACT with Sam Clovis.

November 25—IMPACT with Sam Clovis.

December 2—IMPACT with Sam Clovis.

December 9—IMPACT with Sam Clovis.

December 16—IMPACT with Sam Clovis.

December 23—IMPACT with Sam Clovis.

December 30—IMPACT with Sam Clovis.