

www.better-management.org provides invaluable insights that will help you understand and deliver better organizational performance.

Better-Management Newsletter 16 May 2015

Middle Eastern turmoil / Greece needs a political solution / Batteries are extra / UK election victory / Dairy industry depression / China and gold / Economics a bankrupt profession / More energy problems

Middle Eastern turmoil

The region will seemingly generate a lot of friction and it remains to be seen whether this will affect oil in the months ahead. The effect of low prices elsewhere will slow down any reaction from non-OPEC countries...from Seeking Alpha...

“[Saudi Arabia says its strategy](#) of squeezing high-cost rivals such as U.S. shale producers is succeeding, as it seeks to reassert itself as the dominant force in the global oil market. "There is no doubt about it, the price fall of the last several months has deterred investors away from expensive oil including U.S. shale, deep offshore and heavy oils," a Saudi official told the *FT*. The kingdom's production rose to a record high of 10.3M bpd in April and there is no sign it will reverse its policy at the OPEC meeting next month in Vienna.”

The quarrels between the Shiites of Iran and the Sunni extremists need to be put in perspective...

https://www.stratfor.com/analysis/why-shiite-expansion-will-be-short-lived?utm_source=freelist-f&utm_medium=email&utm_term=article&utm_campaign=20150514&mc_cid=0ac147a275&mc_eid=f6520e17b6

But the Iranians are playing some naughty games...

<http://www.foxnews.com/world/2015/05/14/report-iranian-boats-fire-at-oil-tanker-in-persian-gulf/>

Greece needs a political solution

Time is running out...from Seeking Alpha...

“[Greece's debt is not viable](#) and the country's debt repayments to the ECB should be delayed, Greece's finance minister declared on Thursday. "Over July-August the finance ministry will have to borrow €6.7B from our partners in one way or the other to repay bonds from the SMP program," said Yanis Varoufakis. "About €27B of those bonds are still left...and should be pushed back to the distant future." Yesterday, data confirmed that Athens slipped back into recession in Q1. GDP fell 0.2% during the period, following a 0.4% contraction in Q4.”

Will the efforts being made by Greece be enough for the EU creditors to take the foot off their throat?

<http://www.telegraph.co.uk/finance/economics/11604518/Why-Syriza-are-doing-everything-EU-creditors-demand.html>

Batteries are extra

Lithium-ion batteries may have around 150 whrs per kg of energy density but they will likely never overcome the expense or be able to use the whole charge as they self destruct when discharged to 50% or less. So only 75 whrs/kg is usable. Here is the latest on aluminium-ion battery progress...

http://insights.globalspec.com/article/799/aluminum-batteries-could-challenge-lithium-ion-on-cost-and-safety#.VVLEnXD_gNw.email

Dreams are free and our farmers need distributed energy capture/storage...

<http://www.lowtechmagazine.com/2015/05/sustainability-off-grid-solar-power.html>

There is also nothing like hard graft...

<http://www.impomag.com/news/2015/05/stubborn-ge-scientist-creates-new-fuel-saving-material>

UK election victory

With Britain's "recovery" slipping back Mr Cameron will have a torrid time ahead...

http://www.businessspectator.com.au/article/2015/5/14/europe/pyrrhic-victory-cameron?utm_source=exact&utm_medium=email&utm_content=1356357&utm_campaign=kbg&modapt=

The British enjoy self-delusion...

http://seekingalpha.com/article/3178386-the-myth-of-the-u-k-s-fiscal-austerity?source=email_macro_view_eco_25_57&ifp=0

Dairy industry depression

Farmers on both sides of the Tasman must now cut costs to survive...

http://www.businessspectator.com.au/article/2015/5/14/agribusiness/energy-costs-take-cream-dairy-returns?utm_source=exact&utm_medium=email&utm_content=1358029&utm_campaign=kbg&modapt=

China and gold

http://seekingalpha.com/article/3178896-the-real-reason-china-is-buying-up-the-worlds-gold?source=email_macro_view_gol_pre_met_2_19&ifp=0

et tu Deutschland?

<http://www.telegraph.co.uk/finance/personalfinance/investing/gold/11604659/Germans-pile-into-gold-amid-Greek-eurozone-default-fears.html>

Looks like California is on the skids if the rains don't come in September? Watch the trends...

<http://theeconomiccollapseblog.com/archives/the-greatest-water-crisis-in-the-history-of-the-united-states>

Economics a bankrupt profession

Economists can help governments govern but the economists cannot either predict or stop crashes. There are numerous critics, including Australia's Prof Steve Keane. But also there are others...

<http://wagingnonviolence.org/feature/time-new-political-economic-system-talk-gar-alperovitz/>

I have just read Prof James K. Galbraith's ("the End of Normal") book in which he even argues that growth is dead...for the following reasons..

1. Resource and fossil fuel depletion and escalating cost. (never factored into projections by economists)
2. The end of global peace now the USA moves into retreat. (reductions to armed forces in USA – but build-up elsewhere)
3. The impact of new technology is destroying far more jobs than it creates. (I agree, but this is due to lack of focus on the essential rather than what will earn quick bucks).
4. Banks have ceased being enablers for business and private citizens, and are now gamblers.

Along the way, James gives an elegant criticism of economics and economists.

Under the heading of "Lies, Damn Lies and Statistics" we could include something on the US jobs position that shows how inadequate the April new jobs report was...

http://seekingalpha.com/article/3182376-see-no-evil-what-we-chose-to-ignore-in-the-april-jobs-report?source=email_macro_view_edipic_3_3&ifp=0

But we need to realise that with more than 2.4 million school and university students leaving school this year they really need a minimum of 240,000 extra jobs per month because anything less adds to underemployment and or unemployment.

Bring on the robots.

More energy problems

Meantime the scientific community figures out how to waste really serious amounts of money on the LHC and ITER

Well, let's stick with ITER for now. Bob Hirsch wrote in 2006 that the Tokamak fusion process was a waste of money. He should know. But like his thesis on oil for (and paid for by) GW Bush, his criticisms were ignored...seems he was right...but hopefully something will be salvageable.

[http://www.yournuclearnews.com/major+flaw+found+in+%22iter%22+-+36-nation+\\$14+billion+nuclear+fusion+reactor+now+in+5th+year+of+construction+in+france+116622.html](http://www.yournuclearnews.com/major+flaw+found+in+%22iter%22+-+36-nation+$14+billion+nuclear+fusion+reactor+now+in+5th+year+of+construction+in+france+116622.html)

Then of course there are folk like Dick Weir and of course, let's not forget Elon Musk...

<http://www.bloomberg.com/graphics/2015-elon-musk-spacex/>

A case study of an oil company engaged in a fight back

Low prices have savaged all oil companies and the case of Penn West is similar to many....

http://seekingalpha.com/article/3184556-penn-west-petroleum-time-to-go-bottom-fishing?source=email_alternative_energy_investing_oil_gas_dri_exp_1_12&ifp=0