

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

Better-Management Newsletter 16 June 2015

Grexit soon / Anatomy of a Chinese bubble / The climate change sting / The fossil fuel fandango / Conspiracy theories or reality?

Grexit soon

Greece is now stirring the markets...default and Grexit looking more likely...from Seeking Alpha...

“**Traders were greeted with a sea of red** on Monday after debt discussions between Greece and its European creditors collapsed, pushing Athens closer to a debt default that threatens its future in the eurozone. With both sides refusing to soften their long-held bargaining positions, talks on Sunday broke down after just 45 minutes. Many officials now see a Eurogroup meeting on June 18 as the last chance for Greece to secure a deal on an agreed list of the economic reforms. Athens' ATG stock index **-5.5%**.”

The EU is worried...

<http://www.telegraph.co.uk/finance/economics/11674609/Greek-talks-break-down-live.html>

All on, for young and old?...

<http://www.telegraph.co.uk/finance/economics/11676867/Greece-accuses-Europe-of-plotting-regime-change-as-creditors-draw-up-ultimatum.html>

Olivier Blanchard of IMF has this to say...about how a compromise could be achieved...

http://www.businessspectator.com.au/article/2015/6/15/european-crisis/credible-greek-deal-means-tough-choices?utm_source=exact&utm_medium=email&utm_content=1411724&utm_campaign=kgb&modapt=

I am always amazed to see rubbish touted in the mainstream media as news – when it is factually incorrect. By 2010 the UK was importing huge quantities of oil and gas ...

From Seeking Alpha...

“**Fracking is likely coming to the U.K.** after Lancashire County Council planners recommended the approval of gas exploration company Cuadrilla's application to frack at a site in north England. The step comes as the U.K. moves from being a net exporter of oil and gas to a net importer, as supply in the North Sea dwindles. A final decision on whether the controversial gas extraction method will be permitted will conclude on Friday.”

To me it seems the UK government is panicking...

Anatomy of a Chinese bubble

When will the Chinese share market take a dive? From Seeking Alpha...

“[According to data compiled by Bloomberg](#), stocks with primary listings in China are now valued at \$10.05T, an increase of \$6.7T in the past 12 months. Many consider the heavy expansion as worrisome. No other stock market has grown as much in dollar terms over a 12-month period, valuations are now their greatest in five years and margin debt has climbed to record highs, all while the economy is mired in its weakest expansion since 1990. Putting it into perspective: The size of Japan's stock market is \$5T. The U.S. market is valued at almost \$25T.”

Even the insiders are bailing out...from Sinocism...

“[China company insiders skim the cream off frothy stock market | Reuters](#) Senior executives of listed firms in China have stepped up the pace at which they are selling shares in their own companies, suggesting they may have doubts about whether their stock prices can go much higher. In May company insiders - senior executives or their relatives - sold a combined 1.68 billion shares, a tripling from April, and much more than in each of the previous months of this year, according to data compiled by Reuters.”

For a further – more in-depth - look at China’s debt issues, this article on “the People’s Republic of Debt” may prove interesting...

http://www.investorsinsight.com/blogs/thoughts_from_the_frontline/archive/2015/06/15/the-people-s-republic-of-debt.aspx

The climate change sting

I have vivid memories of the 10 April 1968 before climate change was even a twinkle in a scientist's eye. That was the year of my marriage. The “Wahine Storm” (not connected) when my glasses and watch were washed away as I leapt off the Lyall Bay sea wall to catch waves going out ...then body-surfed back in again. And another storm that threw boulders over the road at Moa Point occurred in May just before our wedding. So two storms just about wiped out three surf clubs and the Lyall Bay sea wall (in places) and that was not due to man-made climate change?

So why does Wellington’s mayor think the high swells this week that threw a few rocks around were caused by man-made climate change?

Is she for real? But no-one will question her. After all if Pope Francis, Frau Merkel and Bro Obama think climate change is responsible for everything under the sun, why would anyone question such a “knowledgeable” mayor?

Few people know that fossil fuel subsidies are largest in countries that are net exporters. Net importers like the EU, Australia and NZ, already tax petrol and diesel heavily, so what is all this rubbish below about?

<http://peaksurfer.blogspot.co.uk/2015/06/fighting-extinction.html>

The fossil fuel fandango

The estimate of subsidy for fossil fuels includes both cash and imputed costs of environmental damage. The calculation is therefore grossly subjective.

Let me phrase it this way. We can try to have business as usual... and quietly try to introduce new technology to replace finite and depleting fossil fuels.

OR, We can crash the global economy (with massive species die-back) to stop using fossil fuels for anything but renewable energy technology.

But we certainly cannot have both...why is that?

It is because we already have insufficient oil to support positive economic growth, without the increasing costs of extraction already killing off economic growth.

What next? Perhaps we should ban the sun; because it – far more than anything - else heats up our planet.

This is just a plea for the exercise of common sense – nothing more. The climate changes all the time, but anyone who drives up the road to the Fox Glacier in New Zealand can see that the Glacier was already retreating during the 19th century. Between ice ages, the ice cover always retreats, until the next ice age arrives. It is what happens between all ice ages.

Some folk still use the Hurricane Katrina devastation of New Orleans as evidence of climate change. They forget that in the year 1900, a hurricane destroyed the city of Galveston with loss of 20,000 lives.

Resource depletion is a much better argument for government intervention to reduce the exponential growth of the world's human population, because empirical information is already available to show that continued growth despite reduced resources will eventually cause human species die-back.

But if we are to be taxed at the behest of scientists who derive their living from global warming alarmism (no matter how well motivated they may be), we need more empiricism from them. Not random BS from elected officials.

Conspiracy theories or reality?

We believe some and we doubt others. But often conspiracy theories are right...

<http://www.telegraph.co.uk/men/thinking-man/11671617/Perhaps-the-worlds-conspiracy-theorists-have-been-right-all-along.html>

Who could have known that by the time the veil was drawn back by General Pacepa on the Kennedy assassination, everyone was so sick of conspiracy theories that no-one took any notice...refer Ion Mihai Pacepa et al "Disinformation".

