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Putin and allies are winning WW3 already / Economists' fairy stories / Oil: expect austerity / USA unemployment figure fiction / The Seneca effect: slow growth, fast decline

Putin and allies are winning WW3 already

Despite recession, the Putin allies appear to be winning in the Middle East...

<https://www.youtube.com/watch?v=K20fm2166WM>

Meanwhile Mr Obama is hedging his position in world affairs by sailing a destroyer past the new Chinese islands.

Economists' fairy stories

The Financial Times Headline today is that "Economists" see a 20% chance of recession. I suppose these are the same bozos who were blind-sided in 2007/8 - that is until after the GFC hit in September 2008?

The latest Japanese trick in "Dumb and Dumber" is to rename their QE plus ZIRP/NIRP as "Quantitative and qualitative monetary easing with a negative interest rate". To be honest I preferred QE plus NIRP. It still involves stiffing the savers to induce idiots to spend now on credit, instead of spending at some time in the future with cash they have earned. To me this is just another chapter in the book titled "Dumb and Dumber".

Oil: expect austerity

The Saudis are warning countrymen to expect austerity....

<http://www.telegraph.co.uk/finance/economics/12130181/Oil-price-crash-Saudis-told-to-embrace-austerity-as-debt-defaults-loom.html>

Hmmm, I wonder about US shale oil and gas? Will the unwinding of that Ponzi scheme trigger a run on the banks?

<http://peakoilbarrel.com/collapse-of-shale-gas-production-has-begun/>

Who will rush to the aid of the USA?

I see the IMF last week rushed to the aid of Azerbaijan... Venezuela is in the cow excrement...

<http://www.bloomberg.com/news/articles/2016-01-31/venezuela-seen-facing-uphill-battle-getting-oil-nations-to-cut>

Now Nigeria is in the cow excrement too....but they want the World Bank and not IMF (Perhaps China's money will suit them better?)

<http://www.zerohedge.com/news/2016-01-31/time-panic-nigeria-begs-world-bank-massive-loan-dollar-reserves-dry>

These disasters are all far away from our shores but they will likely trash the global financial system if the rolling disaster continues.

USA unemployment figure fiction

There is a growing proportion of unemployed and disaffected people. The proportion of the population employed is now lower than at any time since women joined the workforce. Yet published stats exclude these people from their definition of "unemployed". Only now, many of the unemployed are men, for whom retraining and job opportunities are hundreds of miles from where they own their houses.

One in three retirees has no pension...

<http://graphics.latimes.com/retirement-nomads/#nt=outfit>

Shades of Australia's "Grey Nomads" except, those folk are mostly fully funded by retirement pensions.

In the USA they can't now even fiddle the figures to make everything look good...

http://seekingalpha.com/article/3849726-recession-mind?source=email_macro_view_top_articles_2_2&ifp=0

The Seneca effect: slow growth, fast decline

When you spend much of your working life taking poorly performing businesses/organisations and trying to make them better, it becomes apparent that the duration of the downward spiral is always far shorter than the time it took to build the business (or the government) in the first place. This is referred to as the Seneca effect...

<http://peakoil.com/consumption/the-seneca-effect-why-decline-is-faster-than-growth>

It just makes one wonder whether this effect will cause issues in the USA. Perhaps a bigger cause will come from the employment of artificial intelligence in robots.