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Have central banks reached the end of the road? / Everyone is attacking Donald Trump (except most of the voters) / Is global cooling worse than global warming? / Will globalisation continue?

Have central banks reached the end of the road?

There are signs that monetary and fiscal policies including money printing, lower interest rates and negative interest rates have left the global financial system far worse off. The article is by David Stockman, one of the most credible and experienced people on the subject in the world..

http://seekingalpha.com/article/3947556-gminus-20s-big-fat-zero-now-comes-bubbles-demise?source=email_macro_view_eco_0_22&ifp=0

The Japanese central bank is bad, but I wonder how much worse than the Chinese is it? The US Fed looks good by comparison and yet they have blown up capitalism as we have known it...

http://seekingalpha.com/article/3947656-japans-negative-interest-rates-even-crazier-sound?source=email_macro_view_eco_2_24&ifp=0

Even studies by bankers are sounding the alarm...usually they only do this after a crash J...

<http://www.telegraph.co.uk/business/2016/03/02/recession-will-lead-to-eurozone-collapse-warns-french-bank/>

Everyone is attacking Donald Trump (except most of the voters)

Most attacks are coming from within his own party, which could fragment if Trump wins the Republican nomination.

As for the self-styled management guru and presidential hopeful, Donald Trump...he is like many other real estate billionaires, simply a product of inflation funding the use of other people's money...his other business efforts are dogs...but to hear him speak, you would not know it...

http://seekingalpha.com/article/3947706-trump-bankruptcy-icahn-takes-away-keys?source=email_macro_view_top_articles_0_0&ifp=0

Is global cooling worse than global warming?

The clear answer would be, yes. Humanity as a species has grown and prospered only after the end of the last Ice Age – that should be all the proof we need.

Some Ice Ages have been really brutal. Ice ages typically last for many millions of years, whereas interglacial periods last only about as long as this last one has – 10-12,000 years.

<http://www.bbc.com/earth/story/20160303-the-desert-that-revealed-the-ultimate-ice-age>

After such a hot summer here, it would be foolish to suggest that climate warming could be entirely benign, because it would affect people differently. But if there is a warming trend in place, then there could be some big winners and some big losers.

Will globalisation continue?

The TPPA negotiations were predicated on the belief that trade is good for global growth and the wealth of nations. That seems to have been the past situation at least. So it is cemented within the doctrines of the economics profession. Food miles have steadily grown and where a crop is out of season in one place, the absent bounty has been easily replaced by the crop in another place. But globalisation has seen a rise of exporting labour and technology to the places with the lowest living standards, worst environmental controls and the lowest wage costs.

This will likely breed the seeds of destruction for globalisation...as Gail points out...

<https://ourfiniteworld.com/2016/03/01/why-globalization-reaches-limits/>

The G20 want to stimulate consumer demand to re-establish growth. Yet that is proving impossible even with QE, ZIRP and even NIRP. So there is a fair chance that global trade will continue to fall and the globalisation trend will start to reverse. But will this trend begin to accelerate in 2016 or not? If it does then my crash probability of 55% for 2016 could just increase as the year progresses.

International trade flows are deteriorating as reports from Maersk tell us. For the general run of shippers, this sentiment prevails...

<http://www.zerohedge.com/news/2016-03-03/dry-bulk-ceo-warns-bankruptcy-tsunami-we-havent-seen-market-bad-viking-age>

Sensationalising the current situation? Yes. But as they are facing the “perfect storm” I can hardly blame them.

The process for a global bust is likely to be a bit like the collapse of a major business enterprise – very slow at first but then gradually pick up speed and be impossible to stop, after barriers to failure are toppled. Even so, at this stage of the year, there is plenty that can be done to protect the system. Only the defence will likely be out of the control of central banks.

In this last linked article the warning to beware of counter-party risk is very appropriate. The death of the global financial system is more likely to come through a collapse of derivative counter-parties than by any other means...that in turn would destroy globalisation and return the world to local markets using locally produced and source products. International trade requires risk free financing arrangements and if these are not in place, then trade grinds to a halt.

If so, the TPPA would be an irrelevance. I just hope these premonitions are totally wrong.