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Ashok Dhillon has 40 years of front-line business experience in Canada and International markets. He incorporated his first construction company in 1974, and since then has founded and led companies in construction and international power development.

Over the last 20 years Mr. Dhillon, has led and worked with top Canadian talent in the legal, engineering and accounting firms, such as Fasken Martineau, Russell & DuMullen, Stikeman Elliott; Hatch, Monoco Agra, New Brunswick Power, SNC Lavalin; and Ernst & Young, Arthur Anderson, and Grant Thornton. And in London, worked with Perkins Couie and Morgan Grenfell. Mr. Dhillon's companies have partnered and worked with Pan Canadian Oil & Gas, WestCoast Energy, TransCanada Pipelines, and international companies such as AES, Enron Power, Hyundai Heavy Industries.

Mr. Dhillon has worked and negotiated with highest levels of Governments in Canada and India. He has pursued and won mandates to develop power plants in Canada, and foreign jurisdictions such as Hungary, Iran, Pakistan and India with uncompromising ethical standards. His extensive experience in securing and negotiating multi-hundred million and billion dollar mandates in power project development, gives him in-depth knowledge and intuitive insights into macro and micro, national and international, geo-political and economic realities and trends.

Mr. Dhillon has been invited to speak on international business at various forums, including as an expert witness for the Standing Senate Committee, Government of Canada, on "The Rise of Russia, China and India".

Global Economic Recovery – Not Yet

Since the financial meltdown of October 2008, cumulatively, Trillions of dollars have been spent by Governments of most major economies, in the past three years, in a sustained effort to try and reverse the downward slide of the Global economy (\$787 Billion in its first stimulus package by the U.S. alone; over \$500 Billion by the Chinese Government). Except for the prevention of the total freefall that threatened, in the aftermath of the crash, the stubborn economic downward momentum has not been arrested. The Global economies seem to be straining mightily against the artificial lift the stimulus spending has been providing. In fact there is a natural and persistent retrenchment need in the Global economies that cannot be fully arrested by the multiple rounds of quantitative easing or stimulus spending. Now, the latest round is underway.

Firstly, in a simplistic way one can argue that the persistent downward momentum is a predictable – 'what goes up must eventually come down' – type of natural adjustment to the unprecedented period of uninterrupted upward trajectory. The lengthy upward trajectory was fueled by seemingly endless and increasing availability of easy money and credit. That liquidity sustained an orgy of conspicuous consumption in the developed economies, which in turn boosted and sustained an unprecedented growth in exports from the emerging economies. Thereby the emerging economies became richer, which in turn boosted their spending and consumption. And so the merry-go-round spun for almost a decade and a half, complete with the music of select wars, which injected additional Billions into the global system.

The music stopped everywhere when the easy credit and liquidity disappeared in the West, and the only thing that remained was a mountain of debt for both the Governments and consumers. As the Global financial system was in a freefall after the crash, the obvious answer was to

prime the pump at once and inject emergency liquidity into the global financial system to try and keep it afloat. But the limits of easy money had long been reached and the unsustainable, inflated global economic balloon had to burst. And now that it has burst, it is becoming increasingly obvious that just pumping more money into the system isn't going to create sustainable growth. A key element is missing. That missing element is the unprecedented level of global consumer consumption present before the crash.

Consumer consumption of those previous levels cannot return in the near term. The reasons are: the consumers of the developed economies are mostly spent, carrying unprecedented levels of debt, accumulated over the long years of easy credit and unrestrained spending. Additionally, since the crash, in most of the developed economies, equity and savings have been decimated in the ensuing economic, financial and real estate market declines, and most people are no longer sure that there is any real job security anywhere. Businesses and governments continue to downsize with the declines in economic activity and Gross Domestic Product (GDP).

The serious drop in consumption in the developed World has resulted in the predictable drop in exports from the emerging markets. Large galloping economies such as China and India have been yanked back to a little over half their pre-crash growth rates. The numbers that the some governments are posting as current growth rates are highly suspect, as these Governments are loathe to exacerbating the situation further with worse real numbers. The Government of China has been locked in a wrestling match with its economy to try and prevent rising inflation and a 'hard landing'. The dramatic drop in demand for their exports has resulted in unprecedented inventory accumulation, manufacturing overcapacity, decreasing jobs, and increasing social unrest.

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While consumer demand in the emerging economies continues to grow, albeit more slowly than before, it cannot substitute the missing consumption capacity of the far wealthier Western counterparts. Slowing developing economies means a slower rate of wealth creation, resulting in lesser number of the poor moving into a higher level of meaningful consumption. Additionally, citizens of the large emerging economies, lacking a social safety net are reluctant to spend with the same carefree abandon that the people in the West are able to do; instead they are prone to save an extraordinarily high percentage of their income for the proverbial rainy day. This gives their Governments massive amounts of deposit capital to spend on stimulus funding, but government spending is seldom effective or efficient use of capital. A lot of the money is wasted in building highways to nowhere, empty malls and towns, patronage projects, poorly constructed infrastructure, or just plain stolen through endemic and persistent corruption. The population's general distrust in their governments, their insecurity, and their far lesser level of wealth, makes them incapable of picking up the slack in consumption left by the West, to make a difference in the retrenchment that is taking place.

Three and half years after the crash, with Trillions spent and an unprecedented amount of debt accumulated, the Governments are once again watching with increasing alarm as some of the largest developed economies slip back to the edge of the financial cliff, while some of the smaller ones that never came back from that edge, are falling over. The crossing over to the positive side of the economic growth chart that blipped on to the screens post 2008, seemed to be the classic 'dead cat bounce'. The collective and massive financial stimulus infusion acted as the defibrillator to the freefalling financial markets, the 'shock' temporarily arresting the fall and jolting some of the economies over the line, into positive growth territory. Until the effect wore off - which it has, and now more booster shots are required.

As Governments and their Central Banks once again pump more financial stimulus into the fading economies, one cannot help but wonder how long this latest cash injection will keep things going. At this point the additional stimulus is required to just try and prevent 'hard landings' in a number of economies, but it certainly will not result in a sustained and healthy recovery. Each national economy, in trying to resuscitate itself will encourage its people to buy nationally manufactured goods and services. That in-of-itself will pose additional problems to countries like China, that desperately need to return to pre-crash levels of exports. When China slows the World slows...and China is slowing. India and the other emerging economies have also slowed dramatically creating further drag on the global economic recovery. With the Western economies battling the slide back to the cliff edge, a sustainable recovery seems practically impossible.

True and sustained economic recovery will only be possible, firstly with the material reduction of consumer and government debt in the developed World, making possible the resumption of reduced but sustainable consumption and investment. Secondly, the lesser consumption in the West will have to couple with the adjustment that the large emerging economies like China, India and Brazil will have to make, where their internal consumption substitutes for the yet-to-be-determined percentage of permanent drop in Western demand. Such adjustments are going to take a long time in manifesting, and so will any true recovery.