

Tan Sri Muhyiddin Yasin's Era – A New Path For Malaysia

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Introduction

In all my previous articles and messages, I have consistently stated, since March 1st, 2020 that Tan Sri Muhyiddin Yasin (PM) has been blessed by Allah and it is his destiny to lead our country at this critical juncture. PM was formerly a member of UMNO and deputy Prime Minister until he was sacked by the Kleptocrat Najib Razak for his resolute stand in exposing the sordid 1MDB scandal. PM was also part of the Pakatan Harapan regime (PH) by virtue of his membership and as the president of Bersatu. It was a necessary compromise to oust Najib Razak. It was a difficult time as he was only too aware that he was surrounded by PH vipers, scorpions and infectious viruses but surprisingly he was not infected by the PH power centric disease. **And if truth be told, but for Najib Razak's criminal actions and 1MDB, PH could not have toppled the Barisan Nasional (BN) government. DAP and Lim Kit Siang have no political currency and credibility.**

What PM has achieved within weeks of becoming the Prime Minister is remarkable to say the least. Let me put the challenge faced by PM in the proper context. Arseholes, armchair critics, so-called experts, with regard to their private affairs, have never been able to manage them efficiently. To cite an example – they cannot even get their relatives, friends to be **punctual** when attending simple functions e.g. weddings, birthdays etc. and the guests are never satisfied with the food served. Now, consider the awesome responsibility to get people, in the millions to comply with the MCO - to just stay home and be safe.

An unprecedented crisis! But, we have to stomach the baseless tirades from political harlots diverting and distracting our focus to rally behind King and Country, to their infantile demands to convene parliament just so that these idiots can have a stage to feed their lust for egoistic grandstanding – a pathetic gallery of idiots led by Lim Kit Siang (LKS), his clueless puppet Anwar and a troop of minor minions from DAP.

And you guys want to continue following the Pied Piper Lim Kit Siang and his puppet Anwar? Give me a break!

It is therefore refreshing to see our PM confidently leading our country in the war against Covid 19, without hawking the limelight on the political stage. **PM's political enemies tried to demonise his character, subvert and undermine his plans to save our country at every turn, but PM did not succumb to these dastardly traps. PM stood firm and refused to indulge in gutter politics.**

Not once did PM retaliate but with humility invited his adversaries to lay down their knives and put the country first, to stop their infantile politics and serve the rakyat. The political harlots refused and instead intensified their plots to grab power, even to the extent of maligning his Majesty, the Yang di-Pertuan Agong, egged on by ambitious advisers, lawyers, retired judges, former journalists and their minions.

If truth be told, but for Covid 19 and Allah's intervention there would have been a chaotic and maybe a bloody coup to topple PM, having been lawfully, constitutionally and legitimately appointed as Prime Minister by our Agong!

Therefore, Covid 19 is a blessing in disguise in more ways than one. It took such an unprecedented crisis and at the cost of innocent lives and ruin to our country's economy to hold back the political carnage that would ensue had these criminals had a free hand to subvert the country for their selfish ends.

I seek your indulgence to pause, think and evaluate objectively the facts and scenario presented, before you let loose your tirades that what I have written is cock and bull! **Ugly truth is hard to accept, more so when so many of you have been infected by the Anwar/LKS-CoV-PH virus and brainwashed that PH leaders are the paragon of virtues!**

Be truthful to yourself and ask – **“Would I have given up the political fight to serve and do whatever good for the country, when fighting and over-coming pancreatic cancer and be with my family?”**

I have no fear of contradiction in saying that 99.9% of people and their families surveyed would say, **“Dad, it's not worth it, put your family and your life first, the people won't give a damn!”**

Let me just share with you this simple truth from my own experience. When one is fighting for Truth, Justice and Principles and have faith in God's guiding hands, there is no contest – the choice is simple when revealed by meditative insights, **Faith in God comes first and the end results is within HIS will.** It may seem strange coming from me, but I believe that our PM has Allah's blessings.

Clarity, Clarity, Clarity!

I am sure 99.9% of people surveyed would say that they are utterly confused and may even be disgusted by the conflicting advice, opinions, videos, press statements etc. of medical experts and economists on Covid 19 and what ails the global economy. Within a day of every solution and or remedy being offered, there were opposing views etc. challenging the veracity and efficacy of the said solutions etc.

I am therefore proposing an approach to those who are keen to get a handle on this mess so that sanity and common sense prevails. Not an easy task, as it entails hours and hours of reading, analysing the details, double checking the footnotes, verifying data and identifying the consensus (if any) and arriving at the lowest common denominator.

95% of economists are generally good at analysing financial and economic issues, specifically financial crisis because of the training, skill sets and mathematical models. Even then, they got it horribly wrong in the 2008 Great Recession Crisis and was stark naked unprepared. Too much “mathematical modelling” even with hindsight.

Let's cut to the chase.

It is not rocket science but the application of simple common sense and grasping the essence!

a) Scope of Crisis

Using a simple analogy since we are dealing with a health issue.

We have been infected by a virus but the illness has given rise to a state of multi-organ failures. It is critical in any analysis to determine exactly why a patient died. The presence of the Covid 19 virus in itself may not be the proximate cause of death. The patient may have died from kidney, liver failure and treatments were complicated by the viral infection.

Hence, the same approach must be applied to the economy at the macro-level and the economic entity (e.g. company, partnership etc.). Which part or parts of the economy is / are so critically ill that other parts are not functioning? Similarly, which aspects of a company's operations are bleeding cash or choking its sustainability? Liquidity is but one critical factor.

So, if a company (big or small and in whatever sectors) or a sector in the economy is ALREADY DYING and WITH NO CHANCE OF SURVIVAL the issue of bailouts for that company is a non-starter. A good example is the airline industry. AirAsia and MAS illustrate the macro and micro levels of the disease. MAS has been in the ICU for years, sustained by the ventilator of wasteful government bailouts in the RM billions only BECAUSE OF POLITICS AND VESTED INTERESTS buttressed by political leverage cum corruption.

There should not be any bailout or mergers (see below). The misnomer "National Airline" IS BUT A POLITICAL GIMMICK to save political vested interests. The names may be "National" or have the country's name (Air France, British Airways, Malaysia etc.) but the underlying vested interests are private or underwritten by taxpayers (who are "financially raped" in any rescues).

AirAsia is bleeding and like Virgin Australia, which has declared bankruptcy should not be bailout by the taxpayer. Bailout of AirAsia is to give a Hail Mary Pass to the shareholders and "external vested interests". They can look after themselves and are not indispensable.

The discussion above is the enunciation of acceptable principles and is not intended to detail how MAS and AirAsia should be "rescued". That is for another article, if the government needs one from me.

b) Uniqueness of Crisis

All peace time crises were generally financial crises, triggered by idiotic and reckless Central Banks' policies and commercial / investment banks' and institutions' imitative stances. In the aforementioned crises, entire countries were not "locked down" as in the 1997 Asian crisis, the 2008 "Great Recession" etc.

The Covid 19 crisis sweeping across the world have resulted in the locked down of entire economies. This is unprecedented as pandemics of the past did not result in such a comprehensive lockdown.

In past financial crises, the contagion risks and fallouts were not as extensive as the present Covid 19 crisis. **Being financial, these crises did not impact on the production base of the economy, even though there were liquidations and bankruptcies. This is a critical distinction.**

c) Unforeseen Consequences

Nassim Taleb (the author of “Black Swan” etc) have stated that the Covid 19 pandemic was NOT A BLACK SWAN and I agree with him to the extent that he and others have warned of such epidemics and pandemics in the past and they are recurrent features of a global economy.

But, what was not foreseeable was the “Double Whammy” of the health crisis knocking the lights out of the economy so thoroughly, namely:

The Speed of the contagion, went global very fast;

The global connectivity means that the links in the economic chains could not be decoupled;

The volatility of the choking of one or more Supply Chains caused the systemic choking of the global producers;

National economies cannot be and could not be disconnected from the global economy;

There need to be a global solution, even the need of a reset of the entire eco-system of the current global economy. Even the 2008 crisis did not give rise to an urgent debate for a global reset. The narrative was “maybe, down the road if there is another crisis.”;

Every market has been affected; and

Finally, the linkage of a global health crisis to a global economic crisis was never in the contemplation of the best minds of the world. Zilch!

d) Preparedness Was Zilch!

As a result of the above factors, no country was prepared for this crisis and neither was there in place the relevant expertise to address the relentless onslaught on our economies.

In my ground-breaking book, “The Qi For Longevity” published in 2015 which was boycotted for various reasons by book retailers and a second edition suffered the same fate in 2017, I explained in detail how we must have in place “the Fire Brigade” team during boom times in anticipation of the troughs / bottoms in every cycles – business, industry and national cycles in conjunction with global cycles. I used the analogy of a football team, that the attacking players (the team for growth) are not trained to be defensive players (team for a downturn). It is a simple as that.

Hence, we can now notice that every company, big and small are demanding bailouts etc and when the shit hits the ceiling fan, the only solution is the deployment of parasitic liquidators and receivers for asset stripping etc.

These suffocating economic entities are not even “helping the government to help them” because they are not trained in rescues and or lack the experience of a downturn, because their predecessors have been furloughed during the last crisis. Same applies to the government and its agencies. If truth be told, 80% of all corporate executives and top government servants have not the foggiest idea about the 1997 crisis, with a handful in the midst of the firestorm of the 2008 global crisis. Blind as the proverbial bats. The irony being that some medical experts are saying bats are the cause of the Covid 19 crisis. But, no one, especially the economists are admitting that they are equally blind!

e) The Convergence of Dislocations

In my previous messages, I explained how I used the Critical Path Analysis Tool to guide me through this maze. Suffice to say, it helped me to identify the critical choke points that will derail all recovery efforts.

In this context, what are the choke points and how would they impact on our efforts?

We need two Critical Path Analysis – The Supply / Production side of the equation and the Demand / Consumption side of the equation.

All of a sudden, we get a 2020 vision of the entire problem and the surmountable challenge to open up the blockages, when we use common sense and forget politics.

DEMAND HAS GONE DOWN THE TUBES!

SUPPLY HAS DERAILED BECAUSE THERE IS NO DEMAND!

Forget about economics 101 because arsehole professors never teach and they don't know how and what will happen when there is no dissection of the Demand and Supply curves to give the “optimum price”. The biggest problem is price discovery!

DEFLATION v INFLATION

INFLATION v DEFLATION

Nothing is black and white, for in a secular deflationary cycle there will be pockets of inflationary mini cycles and vice versa. Thus, in the overall secular deflationary cycle, food prices may rise because of demand but supply is scarce because of choke points.

However, when no one is producing because of the lockdown and there is no demand because consumers are all at home (with more time for bedroom gymnastics), it will mean:

Less travel (planes, train, cars etc);
Less shopping other than food items, even then minus gourmet foods;
Less hotel occupancies;

Less services required;
Less leisure activities;
Less growth across the board;
Less revenue across the board, but MORE debts because less revenue;
Less liquidity;
And the list goes on!

f) Reversible v Irreversible Outcomes

From the above common sense analysis, we can quite confidently identify what can be reversed to spur recovery and what cannot be reversed and no bailouts are necessary. Some are hard and unpopular decisions but must be made for the common good, while others are reversible, only if the right priorities are executed.

The most tempting solution for employers is to lay off employees. They are arseholes and their cries of huge unemployment figures should not be allowed to be used as a form of blackmail for increase aid from the government. This is the worst form of Moral Hazard.

The government should have a blacklist of employers using this blackmail route because a responsible employer would not lay off loyal and well-trained employees unless it is the last resort. In any event, such entities would not be sustainable in the long term unless they are perceived as “Too Big To Fail” with political vested interests. More of that in another article, should the government requires an analysis.

This problem overlaps with the obvious SOLVENCY issue. Bailouts should not and never be mandated on the fact that an entity is insolvent. If a mandate is required, common sense dictates that a rigorous inquiry as to what and why the said entity is staring at insolvency. It may not be a cash issue but an inefficient or corrupt management that is the cause.

Conclusion

It is abundantly clear to me that this crisis AFFORDS THE COUNTRY AN INCREDIBLE OPPORTUNITY to REVISIT how structurally we can innovate and empower key sectors of our economy. The bifurcation of the Bumiputera Economy and Non-Bumiputera Economy may have to be stream-lined when that policy serves no purposes other than a political tool for a maintaining a vote bank in any specific sectors. Some have to continue as a matter of policy to ensure poverty eradication and equality of opportunities. There is no such thing as “Equality of Outcomes” for there are no absolutes in outcomes. Outcomes in itself is relative!

My fingers are getting tired.
Maybe, there is a need for a further discussion. But for now, I will call it a day.

Blessings.