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In 1981, I went on record, saying: I do not like to be European, for many reasons. Chief of which is the indecent, dishonest, arrogant and sneaky way Europe treats the United States. Europeans simply cannot forgive the US for cleaning them out of every diaper they soiled in the 20<sup>th</sup> Century. First and Second World Wars, Berlin airlift, President Kennedy's willingness to withdraw missiles from Turkey in the Cuban missile crisis to protect Berlin, President Nixon's airlift during the 1973 Yom Kippur War when no European country (especially France) let US Air Force land to refuel (they had to do it mid-air), President Reagan's bombing Libya to end Libya's terror wave in Europe, and his standing in the Cold War, including the installment of MX missiles in Western Europe answering Brezhnev's SS-20 installments in East Germany. My disapproval of Europe's inability and frankly, impotence were fully confirmed in the Yugoslavian war; 8/10<sup>th</sup> of NATO was stationed in Europe, but the Europeans could not stop the genocide that happened about ten minutes flight from NATO's Aviano Airbase in Italy. You know who had to go over there with the brush and a stack of diapers? You are correct. America. While the Europeans and their brothers at the United Nations were sucking their thumb all over Europe and in New York, more than 200,000 people were slaughtered in the middle of Europe that claims to be the cradle of culture. But America - again - was human, was decent, was helpful, and opened all its resources to solve it. I invite you to go around even just the former Yugoslavia, and ask for their opinion about the USA. You will be surprised. Throughout the 20<sup>th</sup> Century, every single time Europe soiled itself they ended up on their knees begging the US to come in with a big brush and a new diaper. And every single time when the US did and Europe felt itself clean and "cultured" again, the first action item on the European list was to curse and hate the very same USA. So, no, I do not feel too European.

Just as the pharmaceutical industry uses rats because their life cycle is short and testing can be done, "globalization" can rely on a similar laboratory test-case: the European Union. There are many globalization and "creating a common denominator society" (or as Obama calls it: "spreading the wealth") plans, rules and regulations that were put in place 15-20 years ago. They are similar, and many times identical, to what globalization theorists (with the UN leading the charge) are forcing upon us, and most of them have already created "results" in Europe. So, there is a chance to see what the effects of globalization will bring.

### **Oh, that glorious European Union!**

You can equate the EU's Brussels parliament in impotency, inefficiency, corruption and bureaucracy only to the United Nations. Brussels has become a huge water-head where practically nothing gets done; the few things that get done are of political origins. One great example is that they have to translate all written communication materials to all participants' languages. Can you believe that? Representative A sends a memo to Representative B, and they will translate the memo to 20 languages.

According to the EUobserver.com (May 26, 2004): *"The increase in EU official languages from 11 to 20 following EU enlargement is proving to be a headache for the translation services of the EU who are increasing their backlog of work by 3,000 pages a week, Ansa reports. The considerable delay in translation means there is a risk of the system collapsing as translators find they are unable to cope with the amount of increased work."*

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*Commission vice-president Neil Kinnock has reportedly proposed to his colleagues that, in the future, a substantial part of the official documents will not be translated into all EU official languages but instead these texts will be available in all the languages in the form of a summary of around 15 pages...”*

The correlation between the EU practice and the American “*In how many languages should we provide **government documents?***” catering to people who are not willing to learn our (English) language, cannot be any closer. Europe has two reasons to do this:

- The “let’s cater to everybody” mindless liberal policies, identical to the US policies in this regard, and
- A unique European reason: ego. There is no way to come up with an agreement between France, UK and Germany to use one of the three languages.

I am asking you to follow the similar liberal patterns: instead of declaring one language, they coming up with patchworks. First, “let’s translate everything for everybody”; it has proven nothing short of moronic. Then: “Let’s give a ‘summary’ of everything to lower the translation load”. No self-respecting liberal will ever admit that this is counterproductive, confusing, paralyzed, inefficient and stupid. But “we did not offend anyone in the process”, plus “we created lots of jobs” (i.e.: “government” jobs, which the Obama government has been busy doing since 2008).

In the (good) old days, there were “countries”. Can you believe that? Anyone remembers that? I mean actual countries, with borders! So there were a handful of countries (Western Europe) where cultural and historical differences were significant: pretty much everyone hated the French, the French looked down on everybody and everybody feared the Germans. The rest of the (smaller) countries tried to schmooze one side or another in this triangle with the possible exceptions of Switzerland, Austria and Sweden. They (being “neutral” countries) were the quietest countries with the fewest problems. Western Europe was organized in a way that people still could live side by side, precisely because of their convenient separation (in currency, banking, defense, foreign relations and legal system) on one side, and their convenient mutual platform, such as “no visa”, easy work permits etc. on the other. The underlying issue here was that they had a “common platform” where it made sense (“no visa”: due to the fact that the difference in living standards were not huge between the participating countries, there was no mass migration danger; thus the “no-visa” system), and they were separate where they needed to be: since there was a huge difference between the value of different currencies and economic standards between countries, everybody had a central bank to regulate the currency and everyone had a different currency. It worked.

On the other side, there was the socialist Eastern European block. This Paper’s magnitude cannot cover the pros and cons of the socialist system. Furthermore the crash of the socialism, the border opening and the elimination of the Soviet system did not happen because of the EU.

The only noteworthy point to make is that the Eastern Block had the same structure. They could travel without visa to each other’s country, but the member countries were standing alone. They had the Warsaw Pact for joined military programs. It was good only for the Russians, because this was the avenue to establish their military presence in the satellite countries. Again, let us

not argue over the obvious fact that the living standard in the Eastern Block was much lower. On the other hand, the case study of the Eastern Block between 1961 (the building of the Berlin Wall) and 1989 (when the Berlin Wall came down) should be a clear historical reference as to what result the “lowest common denominator” theory can bring. The Eastern Block was about having everyone close to the lowest common denominator, and 80% of the reason why the Eastern Block was eliminated was the fact that self-reliant people started to grumble. As a result, “small” private companies were allowed (mine was one of them) that created a financial upper-crust in the society; then the small companies became “large” companies. As a result, more and more people were travelling. The snowball started down the hill, and governments (short of shutting everything down) could not stop the process. ***The Eastern Block was eliminated by the emergence of self-reliant people. This is the exact layer that globalization (Obama in the US) tries to and must eliminate, otherwise they will become a laughing stock and they know it.***

Back to the good old days of Europe, the two separate blocks had their own systems, could define what they do within their block and what they do with the other block. Then came 1989. From the very early 1990s it was my impression that there was a plan to:

- a) Use the former Eastern Bloc as a buffer between Russia and the Western Bloc,
- b) Expand the market for Western companies,
- c) Make the former Eastern Bloc a subservient geographical territory to the former Western Bloc; a sort of “highly educated labor camp”, and
- d) Expand the Western hemisphere for NATO before the Russians could do it.

I was amazed how fast NATO jumped on Poland, Czech Republic (Czechoslovakia) and Hungary in 1999 to become NATO members. It was a “who blinks first” issue. What NATO and these three countries had common was that both feared the Russians. Both sides remembered 1953 (East Germany), 1956 (Hungary) 1968 (Czechoslovakia), and 1980 (Poland), where the Russians either came back or played the “game-changer” role with their tanks. Between 1990 and 1999, it was not a foregone conclusion that the Russians will not change their minds.

In the process, NATO wanted these three countries to become a “buffer zone” between Russia and the West, ***believing*** that the membership is in *their* interest. It was and it was not, but in any case, the three countries bought NATO’s idea, without setting up parameters, such as “If we become NATO members, we will become EU members when the EU is established”. Not that the EU would have been any better, but a) these three countries would have enjoyed the same financial support as i.e. Portugal, and b) it would have shown the real intention of the Western Bloc as to what role do they plan for the Eastern Bloc to play. It is my argument, that should these three countries have demanded first round EU membership, they might not have been included in NATO, or it would have been fun to watch how the Western Bloc struggled between the fear of Russia and the pressure to revise their original plan for the Eastern Bloc. In any case, the three countries took it hook, line, and sinker without gaining any advantage in the process.

If you want some more proof, look at the map. Romania is a former Eastern Bloc country is it not? How about Bulgaria? The reason Poland, Czech Republic, and Hungary were target countries was because these three cover the angle from Russia. If Russians went through Romania, they would have ended up in the sea. Therefore Romania was not considered part of an immediate buffer against the Russians.

I had drawn the conclusion a long time ago that the EU was formed by people who – at best - did not know what they were doing, or at worst had downright criminal intentions. The outcome has become the same.

Let us segment the EU to several groups of countries: a) Germany and France, b) Italy, Spain and Portugal, c) Austria, Sweden, Norway, Finland and Luxemburg d) Denmark, The Netherlands and Belgium, e) Estonia, Latvia and Lithuania, f) Poland, Czech Republic, Slovakia and Hungary and g) Romania and Bulgaria. I did not list all the EU countries, nor have I listed the UK for different reasons; my thesis is focusing on countries where parallels could be drawn on cross-economy relations between 1950 and 1989 and since 1989; and the UK is – with eternal thanks to Margaret Thatcher - in the EU just enough to serve their own interest (good for them).

If you look at the groups, there is an argument to be made that the centralized way they established the EU was Germany and France's direct interest first and foremost; Italy, Spain, Portugal, Denmark, The Netherlands, and Belgium joining for slightly different, but by and large for monetary reasons; while Austria, Sweden, Norway, Finland, Luxemburg were onlookers (they did not care one way or the other, they were economically OK and did not have a "largeness" intention). Estonia, Latvia and Lithuania were brought in by the EU mainly against the Russian sphere of interest. That leaves the former "Soviet satellite" nations: Poland, Czech Republic, Slovakia, Hungary, Romania and Bulgaria.

The other way to look at the structure is even more apparent: former Western Europe is now Western EU, and the former Eastern Europe is now Eastern EU. It is my thesis that the overwhelming component of the European Union's foundation was the **colonization of Eastern Europe**. Let me give you a few examples, mostly through Hungarian experience, but I will make an argument of the (very few) differences between the different "former Eastern Bloc" countries.

### Democracy – EU style

The blind arrogance and blatant disregard for real democracy in the EU cannot be better demonstrated than by reviewing their own process to finally sign the European Constitution. The European Constitution was signed in 2004 by representatives of the then 25 member states of the European Union and needed to be ratified by all member states to enter into force. 13 member states completed the ratification procedure, but the rejection of the Constitution by French and Dutch voters in May and June 2005 called the future of the Constitution into question. Imagine that! France, the "cradle of democracy" rejected the EU's glorious democratic Constitution! I guess the French know a "democratic" document when they see one, and this was not it. The leaders of the EU governments were first speechless, and then quiet for two years (they gracefully called it a "reflection period"). As it turned out the "reflection period" was used as a "reflection on gaming the system". And they did not waste it. After two years of "reflection" they came up with a brilliant idea: they gathered in Lisbon in October, 2007, and adopted the final text of the Treaty. The heart and soul of the new treaty is that from here on out, governments, in their respective countries **without referendum** can ratify the treaty. Isn't that convenient? Let's leave the people out if they do not want to vote for it! (Just as a historical reference: the last person with a playbook that said "if there is a conflict between the people and the government, we replace the people" was Joseph Stalin). Thus, the Heads of State and

Government of the 27 Member States of the European Union signed the Treaty of Lisbon on the 13th of December.

### One (of the) basic problem(s)

Against Margaret Thatcher's advice, they created the European Central Bank in Brussels, with the Euro as their currency (as Prime Minister Thatcher said in a speech on November 22, 1990: "...A single currency is about the politics of Europe, it is about the federal Europe by the backdoor..."). Without going into a lengthy discussion about all the problems it created, let me give you the most evident one. The cardinal function of any country's central bank (we call it Federal Reserve) is to protect the country's currency, and regulate the flow of it (through interest rates) based upon the country's economic performance. It should be obvious for a two year old, that if you have two countries: one with a strong economy, and the second with a weak one, they cannot possibly be under the same central bank, because while the strong country needs interest rates to increase, at the very same time the weak one needs interest rates cut. Last time I checked, these were polar opposites. Got it? Because Brussels still has not. This example is about two countries. Try 16 countries, the number of countries under the "Euro-Zone". Of course they will tell you that they have guidelines for how a country can get into the "Zone", so that assures equality. What they will not tell you is that it is as phony as a three dollar bill. Let me give you an easy parallel: let's assume there is a high-jump contest. They put the bar at five feet. A few people will not clear it, some will clear it by two feet, and some will clear it by two inches. Looking at the "bar at five feet" as a curb-height to get into the Euro-Zone, you will find countries that clear the bar at seven feet (Germany) and many (Portugal is one of those) that barely get over it. The hidden secret with the European Central Bank is not who clears the bar; the problem is the huge economic difference between the nations that did.

The above described problems were greatly underlined by the years that led to the "Greek Tragedy" in 2010. The ceiling for aspiring countries to adopt the Euro was based upon public debt which must be lower than 60% and GDP/based budget deficit lower than 3%. The first hitch came early: by 2002 (!!), Brussels proposed to send a "warning" to Germany and Portugal that they are about to cross the ceiling. EU governments ignored it. By 2003, France and Germany had broken the ceiling rules for three consecutive years. On November 25, 2003 at the finance ministers meeting they suspended the "ceiling rule" for France and Germany. How convenient! People do not want to vote for the Constitution? Let's not include them! Germany and France are not complying with the rules? Let's suspend the rules! In any case, it was clearly portrayed that within the "unified" and "democratic" European Union there is one set of rules for Germany and France and another set for the rest of the folks (where did I last read about this kind of relationship?.....Yes! Between the Soviet Union and its satellite countries). But you cannot say that Brussels was not hard at work to fix it. By March 2005, they significantly rewrote the rules, and loosened the guidelines. With this nice, cozy and comfortable set of guidelines, Greece was admitted into the EU in 2001. The fact that Greece was allowed in was qualified as "outright shocking" by several leading European minds such as Karl Otto Pohl, former president of the German Central Bank. One of the former Commissioners of the EU said that "*Back then I do not know if you could even count on an accurate Greek statistic about the number of kilometers from Marathon to Athens*". Lord Patten, a UK Conservative leader noted: "*We all pretended to believe them, and they all pretended to be doing enough for us to believe them*".



### ***This is what the European Union is all about.***

I do not believe that it should be qualified as a “miracle” when Frederik Erixon, a Fellow at the European Centre for International Political Economy, said: *“The belief (where did I hear the synonym of “belief – hope -”?..... Yes! In Obama’s government!) that one central strategy can fit the entire European Union - 27 economies with different reform needs and priorities - borders on a central planning mentality that can only damage the economic growth”.*

Incidentally, the last places where “central planning” was tried were the socialist countries and the next place – if we will not stop Obama’s train - will be the United States of America.

But then again, my liberal friends and social-communist enemies will find a long list of “But...”. Let me solve the issue by putting pure facts on the table:

- The European region’s real domestic product growth averaged 2.25% between 1981 and 1993
- Between 1993 and 2003, the growth was measured at 2.00%
- Right now the European region’s real domestic product growth is at 1.00%

Argue all you want, so long as you keep these numbers in front of you.

### **Market and economy**

It could be argued that the EU is a heavily tilted institution, serving Germany and France first and foremost, Western EU second (mainly at times when it also serves one or both of these two’s interest) and then exploit Eastern EU as much as possible. As an example, throughout its history, Hungary made a living on two basic components: agriculture and education. Its agriculture enjoys several micro-climates, with hills, a large lake in the Western part (very good for wine production) and a flat area in the central and Eastern parts. If you ever ask a Hungarian, he/she will tell you that “Hungarian wine is the best in the world”. While it is obviously not true, the fact cannot be denied that Hungarian wine has always been a high quality product. Taking this fact into account, it defied any common sense and logic, that in 2005, the 468.5M Euro “EU Wine Subsidy” was divided as follows: Spain received \$180 million, France \$140 million, Italy’s share was \$135 million and Hungary only received \$13.5 million.

While the other countries received their share to modernize and improve their production, the EU gave an earmarked subsidy to Hungary: any Hungarian winery farmer could apply for the money (defined amount per acre), provided that the **“subsidy” will be used to destroy (cut out, unearth, ...) the farmer’s winery.**

Through a variety of acquisitions, Hungary’s industries, market, and distribution were taken over and eliminated, with the Hungarians playing the role of willing, happy, ready and most of all corrupt-to-the-core participants. Numerous books have been written about the topic, but the bottom line is this: the total Hungarian assets were sold at 15.5%-19% (different studies give different ratios) of their value. In short, 4/5<sup>th</sup> of the Hungarian assets were stolen by Western firms with the active assistance of the reigning Hungarian governments. The model was simple:

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based upon the law enacted in 1989-1990 by the first “free” government of Hungary, “CEOs of companies were allowed to sell part or all of their company to Western firms to increase capitalization”. Accidentally, these very same CEO’s were (only a short 2-3 year earlier), enthusiastic members of and appointed by the communist party.

I have personal knowledge of 14 cases where the deal went down like this:

Western buyer: I am interested in buying the company.

Hungarian company general director: How much?

Western buyer: 200 million dollars

Hungarian general director: It will cost you 25 million, if my Swiss account will receive 3 million.

One of the largest hotel chains in Hungary, consisting of 17 hotels (one being the Hilton, on top of the hill overlooking Budapest), was almost sold (to a Swedish group if my memory serves) for 70% of the ***Hilton’s book value alone***. Just to repeat this: in this transaction, 16 major Hungarian hotels would have been “purchased” for 0.00 Euro and 30% of the Hilton’s value would have been lost. It did not go through, because a Hungarian newspaper got the inside track and published the story approximately two weeks before the actual sale.

The largest Hungarian grocery chain was sold to an Austrian chain (Julius Meinl) and as a result, the new owner stopped purchasing Hungarian products, killing the infrastructure of an entire spectrum of Hungary-based small manufacturing businesses. Approximately two years after the takeover, a study was made with this conclusion: the ratio between Hungarian and imported products in the chain has fallen to 21% Hungarian products within 18 months; the rest was import. To give you a gauge of the magnitude of this deal: we are talking about the only grocery market chain in Hungary that is present in every single village and city throughout Hungary.

They sold factories for the single reason: to close them down and take the assets (building, equipment, valuable employees) and market over. The largest research institute (Central Research Institute) was eliminated; the two major Hungarian shipyards are gone. If you ask Hungarians who had something to do with this disaster, they will have a long list of meaningless excuses and explanations.

But no excuse will explain the following facts away: in 1989, Hungary had:

- 42 research institutes
- Some of the Western and Eastern export oriented factories:
  - The second largest (behind Phillips) light source manufacturer in Europe,
  - One of the largest appliance manufacturers (washing machine, refrigerator, etc.) in Europe,
  - A truck differential equipment factory good enough to export to Chrysler,
  - one of the leading optical manufacturers in the world,
  - An eyeglass frame factory exporting everywhere in Europe. One of their major clients was France.
  - One of the largest bearing factories in Europe. It was one of the few European competitors to SKF.
  - Several pharmaceutical research companies and manufacturers, one being the global leader in certain drugs.
  - Hungary also had heavy and precision machine manufacturing, exporting to the world.

- A vibrant agriculture industry, especially in fruit, corn and wheat export.

By 2008, Hungary had:

- Two research institutes
- No meaningful manufacturing of its own
- Eastern and central Hungary's agriculture was practically shut down, because most of the land was illegally (because no foreign person was allowed to buy property) purchased by Western buyers.

As a result of the package of European policies toward the Eastern EU (and the Hungarians were willing participants), Hungary has arrived to its total financial collapse. Today, Hungary has 1/6<sup>th</sup> to 1/8<sup>th</sup> of the economic potential it had in 1989.

### Political pressure

Obviously most political leaders will deny this or will have a list of explanations for it, but the EU has inserted political/economy pressure on the Eastern EU countries that Leonid Brezhnev could only dream about. Brezhnev in his wildest dreams could not imagine sending an order to the Hungarian government: slaughter a certain number of cows, in order to cut back on milk production because there is too much milk in the Union. In order to save itself, the European Union is now (or getting closer to being) a **modernized communism** with central power in Brussels that no Moscow based socialist government ever had. As I mentioned earlier I am not, nor have I ever been, a member of the socialist or communist parties. Therefore I think I carry a degree of authority in my observation: between 1960 and 1989, the Soviet Union in fact governed the Eastern satellite nations, but they did so with a degree of logic (a missing component from the EU). There was a decision how to segment the entire Eastern economy: as an example, Poland received one half of the FIAT program and Russia received the other half. Hungary was producing mid-frame computers. The main product of East Germany was the "Trabant" (mini-car), and one of the main products was home appliances. Hungary exported most of the agricultural products. One might find problems in that system (it was a practical dictatorship), but it was working, and most of all, it by and large served the member countries' economic interest.

While the EU would like to portray itself as a "democracy" and "freedom", its system is far more of a dictatorship. It has no logic whatsoever, and works against the Eastern countries by forcing them into servitude to the Western EU (most of all: Germany and France). It might interest you that I had a meeting with three Eastern European university rectors, and they (without knowing my material is being written) used the exact same terminology I use to describe the relationship between Western and Eastern EU: **colonization**.

### Brain washing

There are very few people who have been picking up the signals on this item, but if Brussels' Grant Proposal System is not eliminated and soon, free thinking and innovation will be over in Europe within 20 years. On its face, it is as benign looking and "well intended" as the



“agricultural subsidy”. “Applying for grant money” has been an all-encompassing, highly advertised and promoted movement in Europe. The unintended (at best, or – as I suspect it - intended at worst) consequences have becoming apparent across Europe:

- Do not look at the market, investigate what is missing, what market you are capable of targeting, consider taking risks, raise money, go into business, employ people and succeed (or fail),

***but rather***

- Either check the Grant Proposals out there, fill out the forms and send them in or, first look at the Grant List if you had an idea.

It is not my opinion alone, that if the next generation (born after 2008) were raised in an environment where the “Look at the Grant List to see what Brussels will allow” replaced the “Spirit of Innovation” and “Small Business Development”, then Europe created an environment where:

- The market economy is dead
- Innovative spirit is dead, and
- Brussels centralized (it is a polite definition of “socializing”) R&D through its funding approval process.

### Conclusion

What I described above could best be described as a “Wave”. A Wave of colonization encompassing:

- Market
  - Buying factories and closing them down
  - Buying distribution (grocery chains) systems and killing the network of local vendors producing products
  - Take over agriculture by mostly killing it. A few results: as it was stated, throughout history, one of the two main components of Hungary’s economy had been its agriculture. The country’s climate makes Hungary eminently capable of being the “bread basket of Central Europe”. And it had been. Hungary’s main products have been apple, watermelon, grape, apricot, cherry, wheat, corn, tomato, potato, carrot and few other products. Throughout the last 200 years, every single one of these was exported in huge quantities. Today approximately 90% of them are imported.
- Education/Innovation
  - Force the Eastern EU countries to educate high value graduates for Western EU at no cost by using their hundreds of year’s worth of educational eminence.
  - Create a system where innovation is forced to depend on Brussels.

Back to my original premise - the EU was created to mainly serve Germany and France's interest, by creating the Wave that provided hundreds of billions of dollar worth of assets, market, cheap labor, and innovation for the Western EU since 1992. In short, they robbed Eastern Europe blind.

One of the best examples is IBM, which installed Europe's largest hard drive assembly line in Hungary, by purchasing Videoton, one of the largest manufacturing facilities in Hungary. They received huge tax concessions from the government for ten years. To the day, when the ten years expired, IBM disassembled the assembly line and took it to Romania. They had no interest in paying taxes, employing people, and in general terms, participating in society. ***This is the definition of the Wave.***

This Wave has swept throughout the Eastern EU over the last 18 years. Different countries were impacted differently; I was told in the Czech Republic by a very high government official: "our luck compared to Hungary was that aside from Skoda (now VW), we did not have too many large factories so the West could not rob us". The Wave now reached Romania, Bulgaria and the Ukraine (there is the reason why the EU wants Ukraine in). One can look at the economies of Poland, Czech Republic, Slovakia, Hungary, Romania and Bulgaria and will find striking similarities in their economic status and the way they have gotten there. As an example, Romania for decades was an oil/gas industry powerhouse, including related education, equipment manufacturing and high-end theoretical (reservoir engineering) studies. Romania was number two in drilling equipment/tool export behind the US. One of their related universities had 2,200-2,800 foreign students even ten years ago. Now it is all gone. Romania is near nowhere the top of these fields. Their manufacturing is largely shut down, research activities are gone, and universities cannot keep their best students as future professors from going abroad (an assistant professor's salary is \$400 USD/month). Because of their just-about-eliminated (colonized) industry, and problems with academia, the number of foreign students is at 260 (two hundred and sixty) today. I was told that the same is happening in their medical fields: many Romanian doctors are in the UK today. I hope this sounds rather parallel to the earlier case I made with regards to Hungary.

### Things we don't talk about in the family

The EU and its leaders are being greatly supported by US governments in practically selling snake-oil to the world. Before you disbelieve me, let me bring – again - the glorious United Nations and the International Monetary Fund (IMF) into the picture. The original premise was that the EU now is one country. One bank (ECB), one currency (Euro), one EU Parliament (Brussels), one Commission President (José Manuel Durão Barroso), one President of the European Union (Herman Van Rompuy), one EU "High Representative of Foreign Affairs" - Secretary of State in the US vernacular - (Catherine Margaret Ashton, who actually has never held a foreign diplomatic post, but this is a topic for another paper). So, based upon these references we can say "if walks like a country, looks like a country, and talks like a country, it is a country". At least this is what every single European politician will tell you. They have coordinated energy, economy, bank, research, no borders, and the same passport for everyone, to name a few.

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Let me ask this then: if the EU is “a” country, why does every single EU country have a seat in the UN? Or let me ask this: why is it that the “Security Council” (which is another farce) nowadays called the “Security Council and Germany”? Wow! Where is Spain? Or Italy? Based upon this structure should not the United States have the right to 50 seats in the UN? And the Security Council should look like “The Security Council, Germany and Texas”?

But here is another one: the IMF rules provide 20 seats on its Executive Board. It has been 24 seats since (as per IMF rules) 85% of the members decided to set it at 24. The 85% is required for all major decisions. The 20 top voting power countries are: US, Japan, **Germany, UK, France, China, Italy**, Saudi Arabia, Canada, Russia, **Netherlands, Belgium**, India, **Switzerland**, Australia, Mexico, **Spain**, Brazil, South Korea and Venezuela. These twenty countries hold 71.21% of the voting power; the remaining 166 countries hold 28.79%. Currently the 24 Executive Board members and the Chairman (25 total) are from the US, Japan **Germany, France, UK, Belgium, Netherlands, Spain, Italy**, China, Canada, Thailand, Korea, **Denmark**, Egypt, Saudi Arabia, Sierra Leone, **Switzerland**, Russia, Iran, Brazil, India, Argentina and Rwanda.

I underlined the EU participants on both lists, before ask my question: if the European Union is one country, why do they have eight places in the top 20 voting rights and nine seats on the 24 member board? For those coming out of Outcome Based Education: it is 40% on the top 20 voting rights, and 36% of the total Executive Board voting rights. How is it that one “country” can have multiple seats? I also have a side question – why are the Netherlands and Belgium so high on the list? Can’t we find approximately two dozen countries on the planet that are vastly more powerful in their economy than these two? Isn’t it time to admit that the global liberal establishment is rooted in Europe, and the world is being played in this cat and mouse game: when the EU’s interest is to be “one country”, they sell that snake-oil. When they need more votes, they come up with another story. You are welcome to object to this train of thoughts, but first get some facts together to support your argument.

### Problems for Western EU

As there were many positive unintended and intended consequences for Western EU while the Wave was sweeping across Eastern Europe, there are several negative ones starting to show impact:

- The “tank” that was full of advantages (as a result of the Wave) is now running dry. The looting has to come to an end, because there is not much left to take. It is like you make your relative poor by playing him out of the family inheritance and as a result, he now lives in your house and you have to feed him daily.
- The seven year moratorium (not too many people know this, because the Western side of the EU is not keen to advertise it) that has been restricting labor movement from Poland, Czech Republic and Hungary is now expiring (2011). Up until now, an Italian butcher could go to work in Germany. A Czech butcher could not without a permit. This moratorium will end in May, 2011. That will set off a migration like no one has seen since the Second World War. It is important to know that in 2003 the UK Dept. of Immigration forecasted “15,000-17,000” immigrants arriving in the UK between 2003 and 2005 from the new Eastern EU countries (Poland, Czech Republic, and Hungary). Based upon that study, the UK had chosen “open” immigration system (the only one within the EU). The

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actual number of immigrants within the same period was 467,000. It shows the depth of the Western EU's cluelessness of the coming social impact.

- While Romania and Bulgaria might be a good completion of the EU for NATO to access the South part of Russia (direct access to the Black Sea now from anywhere in Europe), economically speaking it is a disaster. One must assume that (besides the military advantages) the "Wave" impact was the only reason why they were accepted.
- It is my contention that EU expansion is about expanding the lifetime of the Wave, and nothing else (aside from the military interest with regards to Russia). Once the EU reaches the farthest possible borders and everyone has been exploited, it will create a huge number of "poor relatives" (Poland, Czech Rep., Slovakia, Hungary, Romania, Bulgaria: a total 93 million people) who must be fed daily.

I have been anti-EU from day one, because of the problems discussed and I have been aware of coming. It could have been avoided if the EU stayed within the Thatcher guidelines: no borders, no import/export tariffs, but jointly working on research activities. That's where it should have stopped. The insanity of having one central bank, one interest rate and 17 different economies, the idea of tearing down every single Eastern economy for the betterment of the Western side without creating a backlash is not a realistic one. The assumption that people are stupid and a VW-trained worker in the Czech Republic will not figure out that he can make four times more money if he rides the train for four hours to the West is false at best; all of these started to bring the Western EU down. In my mind it is a special form of insanity (or blind arrogance) to assume that people with open borders will not try to find a better life. The aforementioned VW worker (butcher, nurse, architect, brick layer, engineer, plumber ...take your pick) can (and will) ask for 60% of the average salary in a VW service center in Germany (or Austria), and by doing so will still make 3-4 times more than what he made at home. Many Hungarian doctors have been flying to the UK for a "week-end shift" working from Friday night through Sunday afternoon. In this short time period, the doctor makes **1.5 times his monthly salary** in Hungary.

You are welcome to doubt me. But do not doubt this: according to the September 29, 2010 Financial Times, the 2009 EU "immigration statistics" was as follows:

Country	From/To EU Countries	
	Arriving Migrants	Leaving Migrants
Germany	2,500,000	692,000
Spain	2,300,000	361,000
France	1,300,000	483,000
Rumania	6,000	1,900,000
Poland	10,000	925,000
Portugal	85,000	911,000

Two comments:

- The number of people registered reflects on legally arriving migrants only. The actual ratio is much worse.

- The number for Romania and Poland are not the result of a typing mistake. There were six thousand people who arrived to Romania, while one million nine-hundred thousand people left Romania.

The way I have been confronting my (not many) EU-loving friends in Hungary as follows:

*"In 1956 the communists took over a Hungary in ruins. There was nothing but bombed buildings, 350,000 people left the country, and there was fresh oppression after the revolution. The communists gave Hungary over to "freedom" in 1989 by having all the assets I listed in the Market and Economy section above. You guys took over a country with a **functioning** industry, R&D, agriculture, and education system. Now it has been 21 years. The country is in ruins, unemployment is 20%, 72% (government data!) of the retired population is living under poverty line (and believe me: that "line" is not high to begin with), nothing left from what you took over, the economy is at 1/6<sup>th</sup> of its 1989 size, the country is polarized, the right-wing is coming up, there are open and rampant movements against the Jewish and gypsy population, it is not a "respected job" to be a teacher, the doctors are going to London to make some money, most Hungarian universities are falling in rank on the international lists like a rock, international Patent filings are nowhere near where they were twenty years ago, and the country is one of the most corrupt of all former Eastern European countries. In 1989, Hungary was the strongest within the "Soviet Camp", the "darling" of the West and the envy of the East; now it is listed with Ukraine, and it is just beyond Romania in economic power. These are **FACTS**. Twelve more years and you guys will be at par on a time-line with the communists. What have you done? What do you have to show for it? Should you guys start to hang and jail people in earnest?"*

To this date, no one has come up with a fact-based opposing view.

There was a piece in the Financial Times describing the Germans' dismay that Eastern Europe is not becoming "like Germany" fast enough. It is my view that Germany cannot make everyone "German", because the countries that are supposed to behave like "Germans" now are robbed, their economy is decimated, their agriculture is gone, their unemployment rate is 4-5 times what it was 20 years ago, and their education system is on the brink of collapse. And most (almost all) of this is because the very same Germany (teamed up with most of Western Europe) was the one that caused the problems in the first place.

While it is not my argument that Western EU has been thriving single handedly because of the loot they have been receiving from Eastern EU, it is most decidedly my conclusion that the operating element in the sentence is "single handedly". The population of Poland, Czech Republic, Slovakia, Hungary, Romania and Bulgaria is 93 million people. It is larger than Germany (82.1M) or France (62M). In fact, the mentioned Eastern European countries' combined population is 65% of the combined population of France plus Germany (144.1M). It is a measurable sized population to get loot from.

The markets they received, the factories they closed down, the agricultural system they eliminated, the assets they acquired (starting with manufacturing and research equipment, and extending to buildings and land), retail organizations, a very wide spectrum of IQ assets (scientists, researchers, engineers and manufacturing experts - all employed by Eastern companies the West "took over") had a significant impact on Western economies. They are very

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close to the point when there is nothing left to loot, what left is a huge population of poor people. At this point no one understands the potential long term consequences.