

R.I.P., the EU & Euro

The first round of the French presidential election on 23 April gave *Monsieur* Emmanuel Macron 24% of the votes, and Madam Marine Le Pen 21%; these two candidates will contest the second round of voting on 7 May.

It has been widely expected that Macron will defeat Le Pen by 6 to 4. The writer, however, believes that this is not a foregone conclusion and that, even if she loses, the difference will be much smaller, and will not stop the rise of the anti-EU/Euro movement which should, in the long run, lead to the disintegration of the supranational institution and single currency in the current respective structures.

Weakening political will

'The Euro is destined to collapse, since its one-size fits none.'...This has been a common argument among Euro-sceptic economists even before it was officially launched in 1999. They have so far been proved wrong. Why? It is because they misunderstood the nature of the European project: It is NOT a natural, evolutionary economic development, but first-and-foremost, it is a POLITICAL attempt, led by the French elite who needed to regain their pride and to re-exercise their influence in Europe where the American presence was already dominant. The aim was to prevent the re-emergence of Germany's industrial and economic power in the post-war era. And it did not clash with the U.S. intention of strengthening the Western block against the Soviet Union. This becomes apparent when one visits the origin of the EU, namely the

European Coal and Steel Community founded in 1951.

This French political will, which has been the main engine of the European integration process, has been gradually diminished particularly after the introduction of the Euro which was another French preemptive move to contain the rise of a unified Germany. As German economic strength gained traction in later years, France became a junior partner in the European project which she had been constructing. The European Union as well as the North Atlantic Treaty Organisation are products of the Cold War era. After the fall of the Berlin Wall, the both organisations have risked being seen as obsolete, or at least losing the firm ground on which they once stood.

Moreover, with the Euro's birth, the French elite gave up their monetary control to the Bundesbank-modeled European Central Bank. This has resulted in a gradual shift of the centre of power to Germany, whereas Germany is not fully confident to hold a dominant position in Brussels. She would rather remain as a second player in the political sphere.

Faced with the Greek and Euro crises since 2010, Brussels and Berlin have not been able to tackle the Euro's inherent deficiency. Why? Because they put political integration before the economic and monetary one, and expansion before deeper integration. This has amplified the divergence of economic landscape in the Euro's area, and all they have done is to put plasters here and there to stop the Euro regime from imploding.

Now no one is happy with the consequences. On top of this, a very unnatural mass migration of 'refugees' from the Middle East and North Africa since 2015 has exacerbated European problems, further weakened the grip of Brussels and quickly strengthened the anti-EU/Euro movement. This trend is no longer reversible.

This was also accelerated by Brexit and Trump's victory in 2016. As a non-Euro nation, Britain in Europe has been increasingly marginalised after the Euro and European sovereign crisis. Putting Brexit in this context, it looks like a long-term plot by the British elite to break up the EU and Euro and to lay out a new order in their interest.

Le Pen should not be written off...yet

The highly-anticipated French presidential election is to take place in this transitional phase. Therefore, Le Pen, a vocal anti-EU/Euro/establishment/globalism contestant, should have a good chance to win over the pro-EU/Euro/ establishment globalist. Brexit and Trump's victory have undoubtedly encouraged her.

Having retained her core nationalist manifesto, she has gradually softened her rhetoric and thereby expanded her support base. Despite some nasty Paris-Brussels intervention to discredit her, she has kept her integrity and looks more confident by the day. Apparently, some influential brains in Paris are now on her side. Also, the first round results clearly show that the electorate is tired of power shifts between the centre-right and centre-left parties and looking for a genuine change. She is the only candidate who will continue to resist the establishment which calls her a populist, far-right extremist, racist, fascist and so on and could restore a sensible French order. Besides, people no

longer buy into fear engineered by the establishment.

Macron, on the other hand, is a member of the elite, having graduated from prestigious École Nationale d'Administration and been a Rothschild investment 'banker'. He was hastily brought to the centre from the Socialist Party's establishment to defeat Le Pen and offers no concrete policies to deal with the economic stagnation, terrorism, uncontrolled migrant flow and so forth. He certainly draws a large crowd, but his speech sounds vacuous and lacks conviction.

The former minister of the economy is backed up by centre-left politicians, mandarins and business leaders who have become disillusioned with the Party and are working out strategies with a think-tank, les Gracques. They are naturally aiming to occupy important positions under the would-be Macron administration. They seem to be colluding with the mainstream media and cooking up favourable opinion poll results which is the same tactic exercised by the Clinton team in the U.S.

It should be noted here that the former banker has never been elected, and unsurprisingly, his newly founded party, En Marche!, does not have a single seat in the National Assembly, while his opponent's National Front has only 2 seats. Neither will be able to control the legislative body, and this will mean a weaker Paris.

The day after the first election, Le Pen announced that she is 'temporarily' quitting as her party's leader to unify the country. This surprise and rather cheap tactic, an attempt to attract undecided voters, may not work to her advantage. At any rate, all that can be said is that no one knows the outcome until votes are fully counted and that the difference will be very close.

The EU and Euro are dying

The EU and the Euro in their current respective forms are destined to cease to exist sooner rather than later. This is not a verdict delivered by the financial markets nor Euro-sceptic economists but by EU leaders themselves.

Jean-Claude Juncker, President of the European Commission, and Angela Merkel, Chancellor of Germany, both have lost confidence in the European projects. This has not been widely reported by the mainstream media, but they are now talking about a multi-speed EU. Merkel even mentioned 'Deutschmark' at a press conference in February. They are unable to deepen the integration and appear to admit it.

It is difficult to picture what sort of Europe will develop after the election, but disregarding the result of the Macron-Le Pen contest, Europe will head towards disintegration. Le Pen's victory will simply hasten the process no matter who the next German leader will be. This 'Frexit' should cross the Channel and give Britain an upper hand at the Brexit negotiations with the EU. If Prime Minister May wins a mandate at a cleverly-timed snap

general election on 8 June, she will emerge as a leader of the most politically stable nation in Europe.

After having seized opportunities at the April 23rd election as well as at Brexit and U.S. presidential election, the financial markets appear to be betting on Le Pen's victory. Traders are not interested in politics but in money-making games.

With Le Pen's win, not Macron's, France will tighten her national border. This is particularly important as the current regime in Algeria is highly unstable. Macron's 'unexpected' defeat will also lay bare how wrong the mainstream media are...again. They are nothing but the Ministry of Propaganda of the establishment and continue to fail to see the reality.

London, 27 April 2017

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