



LTRO: Criminal Political Behaviour by Merkozy with Van Rompuy as the Marionette

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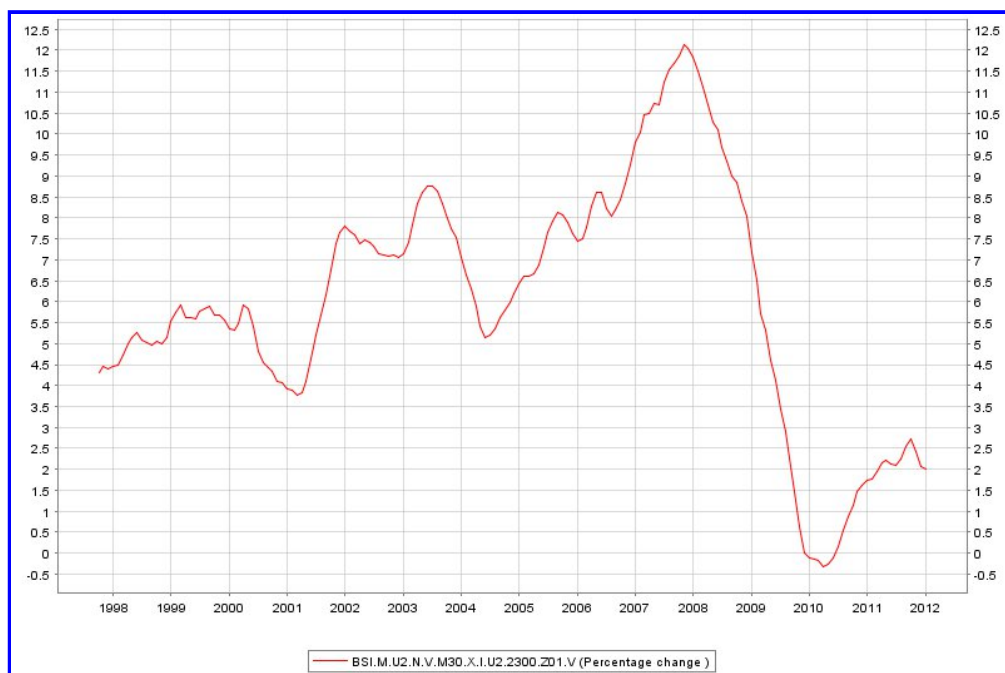
 Wednesday, 29 February 2012 |  John A Morrison



LTRO will fail, mark my words and we will be back in another crisis this year when the LTRO bubble unwinds, if I can see it, then they can see it, they are playing games, re-arranging deck-chairs, they live in a solipsistic private language and to hang with the rest of us!

Think about it, as LTRO triggers on the leap day TODAY, why is the Central Bank being forced to do this against its will? The European monetary transmission mechanism doesn't have an IMF-Equivalent; so not only is the euro a political mishmash at the concept level its a stool (sic) on two legs at the practical institutional level.

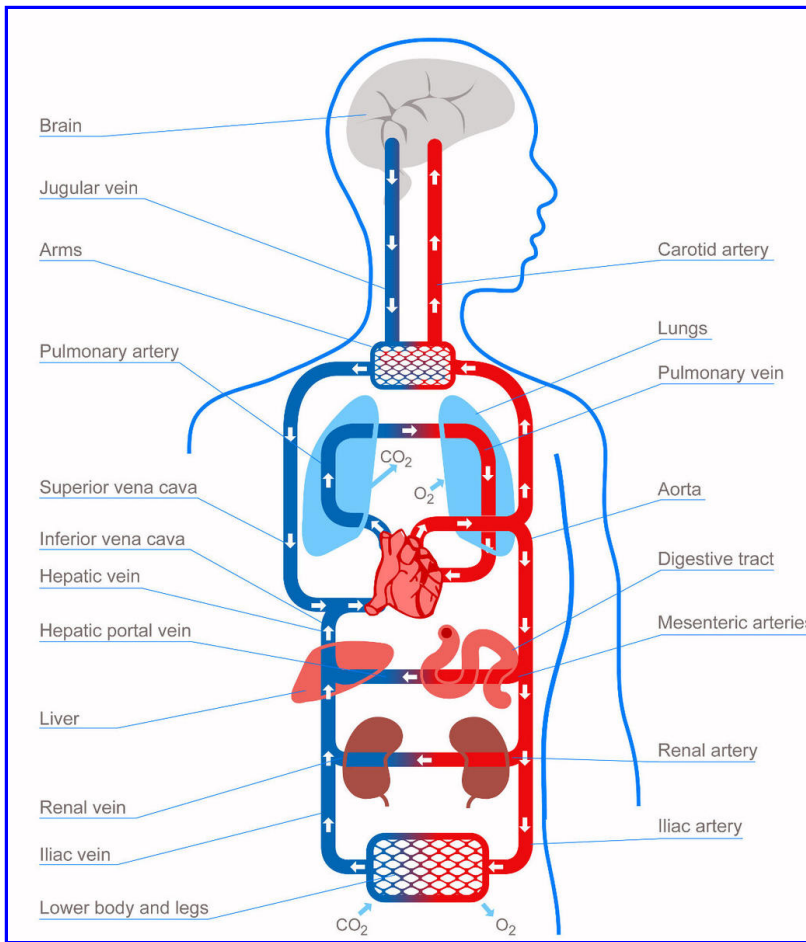
EU Money supply is at rock bottom, the pump at the 'heart' of European money supply is on life support.



That 'life support' is LTRO from the Central Bank, right? The Central Bank should be independent right? It shouldn't be pumping up the very thing that it is chartered to control, that is perversity by definition right?

So the obvious solution is to add another institutional leg to the EU stool as Keynes advised at Bretton Woods for the world system & has been proven to work (of sorts) for 60 years or more! The obvious solution is that EU political power should create an EU-IMF? The IMF is already piecemeal involved as a partner in Greece, Portugal and Ireland! The other partners in the IMF dont like the way the EU is going about this one bit; listen to Geithner or Osborne or ask yourself why David Cameron visits Stockholm but has nothing to say to Rehn or Juncker?

The easy proposition for Juncker, Rehn, Barosso and Van Rompuy, which Osborne must be suggesting in the ante-rooms of the Justus Lipsius (stay with me!) Why not add another cylinder to the EU monetary engine in the form of a Stabilisation Bank?



If the system is financially or physically unconstrained we all know a twelve cylinder engine is better (in the sense it provides more oomph) than a four cylinder one, right? One basic conclusion to the mathematics of systems is that if you are physically unconstrained, adding another cog-wheel to a system of flows increases the velocity of transmission and makes the stable stock more efficient (to summarize quickly)! So why won't the European power nexus create a stabilisation bank by merging the other puny banks the European commission already owns as a foundation for the balance sheet of the new institution?

I will tell you why I think they won't do the obvious!

Van Rompuy has the support now of Merkel and Sarkozy for a second term even though a 5 year old could tell you he personally almost single handedly wrecked the European economic system in the spring of 2010 as a result of telling lies! Why is this happening? Because Sarkozy knows he is an idiot and they can control him like a marionette. What has that got to do with not doing the obvious which is creating a European Stabilisation Bank (ESB) to allow the Central Bank to retain and maintain Monetary integrity and independence?

Well, Germany and France don't want to do the right thing for European citizens because if they created an ESB then the IMF would HAVE to have a shareholding. If the IMF had a shareholding that would give the US, Sweden and worst of all the United Kingdom an equity stake in the institutional backstop of the euro. It would be tantamount to admission (of what we all know already) that the euro has failed. So Sarkozy is compromising the ECB, propping up useless bankers & keeping an idiot in place at the apex of power in the EU just to avoid doing the right thing (an EU-IMF, a stabilisation bank); all because Sarkozy hates Britain &

the US (& Sweden) or as a diplomat said to me yesterday;-

'Merkozy has some love for them but not that much';

That is criminal political behaviour, Van Rompuy is their weakest point, he should be impeached, you have the evidence! Merkozy is on a one-track monorail (I know a Mono Rail is one track); that is POWER, POWER, POWER; that is all that matters, its almost medieval, the Greeks can starve in bus-shelters and the Irish can vote against the fiscal compact to unlink themselves from Europe and float off into the Atlantic but all Merkozy cares about is 'domination' POWER!

Van Rompuy, Barroso, Rehn and Juncker, with their sneering bumbling jokes are complicit in this, when it is their duty to represent ALL European citizens, they are lickspittle lackeys of the dominatrix Chancellor and the weasel President. Throw the lot of them out.



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REFERENCES on asymptotix

Asymptotix presents European Stabilisation Bank Proposal Booklet :

<http://www.asymptotix.eu/content/asymptotix-presents-european-stabilisation-bank-proposal-booklet> ^[1]

The Logic of a European Stabilisation Bank on asymptotix :

<http://www.asymptotix.eu/category/tags/stabilisation-bank> ^[2]

The issue of Central Bank independence on asymptotix :

<http://www.asymptotix.eu/category/topics/central-bank-independence> ^[3]

LTRO analysis on asymptotix : <http://www.asymptotix.eu/category/topics/ltro> ^[4]

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[3] <http://www.asymptotix.eu/category/topics/central-bank-independence>

[4] <http://www.asymptotix.eu/category/topics/ltro>

[5] <http://asymptotix.disqus.com/?url=http%3A%2F%2Fwww.asymptotix.eu%2Fnews%2Fltro-criminal-political-behaviour-merkozy-van-rompuy-marionette>

[6] <http://www.asymptotix.eu/category/tags/ecb>

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[10] <http://www.asymptotix.eu/category/tags/john-angus-morrison>

[11] <http://www.asymptotix.eu/category/tags/rehn>

[12] <http://www.asymptotix.eu/category/topics/round-tripping>

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