The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

European Parasites Feed on Cyprus and Russia

March 19, 2013



The European Union robbed depositors in Cypriot banks of several billion dollars. Brussels compelled the country's new president, Nicos Anastasiades, to agree to a levy on deposits in return for a loan of $10 billion. Under the deal, depositors with fewer than 100,000 euros ($130,000) in a Cypriot bank would pay a 6.75 percent tax and those with more than 100,000 euros would pay 9.9 percent.

I don't mind that most of the deposits in question are owned by Russian crooks, but I'm against Cyprus's decision in principle. Private property has always been inviolable in Europe, a principle that has helped it attract global investment over the past 50 years. And now Europe is resorting to confiscating people's holdings.

This is not the first time such things have happened in Europe. Long ago, Venice extracted compulsory loans from its citizens during the war with Genoa, and hyperinflation appeared in Germany following World War I. But all of these ruinous taxes and enormous public debts occurred as a result of war.

Is Europe at war? Did I miss something? Where did these insane debts and excessive taxes come from? Did France just finish a war with Germany? Were the Italians of Lombardy at war with their Sicilian compatriots?

In reality, the monstrous European debt and the horrendous taxes are a direct result of universal suffrage. For decades, European politicians have been promising their constituents more than the countries were producing in revenues. The European financial crisis is not an economic crisis: It is a crisis of civilization.

European civilization was once based on respect for ownership rights. Now it is based on socialism, regulation and bureaucracy. Socialism always ends in the government's confiscation of assets and property.

The last great politicians of the Western world were former U.S. President Ronald Reagan and former British Prime Minister Margaret Thatcher. But ever since they caused the economic collapse of the Soviet Union and rid the world of the "evil empire," the West has been led by dim-witted socialists, clowns and corrupt politicians.

To expand their electoral base with voters expecting government handouts, these leaders opened the floodgates to foreigners wanting to immigrate to Europe. As a result, Paris has turned into an Arab city and officials levy unfair taxes on working families and use the money to support drug- addict mothers with five children. In addition, rather than improve the business environment, European politicians regulate the shape of cucumbers, obsess over CO2 levels and waste their time on giving gays the right to marry.

That is what always happens when the state interferes with the free market to subsidize its populist policies. This policy inevitably gives birth to an oligarchic system that exploit those policies to enrich themselves, thus becoming society's main parasites.

The primary European and U.S. parasites are banks that repackaged debts generated by freewheeling populist policies. Now those banks are begging for bailouts before they go belly up. This provides another lesson of history: Populism always begets a plutocracy.

If anyone thinks that the situation in Cyprus is the end of the story, they are in for an unpleasant surprise. Cyprus is only the beginning. Now that it has taken the plunge, the EU will not stop there. In this war between the consumerist majority and the minority producing goods, the main winner will be authoritarian China. What if the future belongs to authoritarian regimes, such as China or the Islamist leadership in Turkey that at least pursues a rational economic policy. This is truly a disturbing picture.

Yulia Latynina hosts a political talk show on Ekho Moskvy radio.

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