

Europe's Migration Crisis

We have received thoughtful feedback to my commentary "[Terrorism and France's Economy and Equity Market](#)" and David Kotok's commentaries "[Warnings](#)" and "[Warnings 2.](#)" One reader based in England, whom we know personally but who prefers to remain anonymous, stressed the importance for the United Kingdom and Europe of the current and prospective mass migrations from the Middle East. We are sharing his remarks below because they provide a European perspective on the complex societal challenges now confronting Europe as it seeks to address a humanitarian crisis and heightened security risks.



This reader's comments:

I think the issue is demographics, and we are in denial. William Hague wrote a very interesting piece in the Telegraph: <http://www.telegraph.co.uk/news/newstopics/eureferendum/11986994/The-migrant-crisis-is-a-mere-gust-of-the-hurricane-that-will-soon-engulf-Europe.html>. Europe still sees this as a humanitarian issue. It is not at all. What we are facing is the serious likelihood of a mass migration on a scale which will change Europe radically. One million came into Germany last year. How many this year? Probably a multiple. And next

year?

Americans don't understand the implications, for three reasons. First they have a concept of religion where it's like vegetarianism; it's a personal and individual choice. Islam, however, is not that at all; it's a way of organizing society.

They don't see this because they have no substantial Muslim population and what has happened in the UK for, instance, is not visible for you. The US doesn't have, as in Europe, closed communities which essentially do not accept the laws and culture of the country they are living in and are setting up Sharia courts and enforcing gender segregation, gender roles, and educational policies to match.

This then leads to a failure to understand LePen and other similar responses, such as Pegida. They are not, as the Guardian would describe them, 'far right'. They are increasingly ordinary, well-educated people who don't want to see their neighborhoods and way of life change radically.

Finally, the US's own earlier immigration was of people who came wanting to become Americans, who arrived into a culture which geared up the public school system to help them do it. The current immigration into Europe is of people who do not want to become Europeans culturally, and into a system which has lost all sense of legitimacy about helping them do that, even did they want to.

You have a small taste of this under way in the US in Hamtramck. But in many Northern English towns, the locals have had to deal with a situation in which English has become a minority language in their schools and in daily life, and Islamic social organization has become the norm. And in which the majority of the people they are living with feel they have more in common with their fellow Muslims in the Middle East than they have with their English neighbors.

If you want to really understand this, take a trip to the UK,

and go to Bradford, Luton, Rotherham, and East London – Tower Hamlets. Try to visit some schools. Get someone to take you around the Paris Banlieues while you are over here. Think about the implications of the Rushdie affair and the cartoons affair, and consider what that would be like if the Islamic population were not a few percent but 30% or more.

The religion in the narrow US sense is not the issue with integration. The issue is Sharia and custom and whom you think your fellow community consists of. That is what makes integration and assimilation impossible. The essence of it is a regulation of family life with a view of the position of women that would not allow most of the ordinary life of Europe to continue as now.

I sometimes reflect as I go around my daily retired life that so much of what I see would be simply impossible under Islam. I go to my doctor and am examined by a woman. I go to have a skin patch removed and a couple of ladies in the local hospital do the operation. I go back to have the stitches removed by a woman practice nurse. My gym has men and women working out together. The local council consists of men and women. Walk around the village, and you see dog walkers of both sexes chatting to each other. Go into the pub and have a glass of wine, same thing. In every institution, including education, we take for granted that men and women will mix and work together. My friends' children are off dating each other and staying over at each other's houses. Think about this very specifically and you see that the whole basis of social organization will come under pressure if migration continues, or is allowed to continue, on the scale which seems likely. Think about business life, and you'll see the same thing.

The questions to ask are these:

- How many will come, or try to come, in the coming years?
- How will they try to live when they get here?
- What will the reaction of Europeans be?

– How will all this affect enterprise, investment, and credit ratings?

I don't know the answers. I do think there is a serious risk that immigration, legal and illegal, will be on such a scale that some governments in continental Europe will simply lose political control. I also think that there's a serious risk that the reaction to this threat in some European countries will be draconian. The French supposedly socialist and progressive government after the massacre basically suspended civil liberties and did 1200+ armed searches on the sign-off of the local Prefect only. Merkel may be the person of the year in the US thanks to her migration stance, but I don't think she is long for office as a result. Don't think LePen is much further right than the mainstream, except in rhetoric.

All of this would make me think furiously if I had a portfolio heavily invested in Continental Europe. It strikes me as the single biggest five-year issue for fixed income or shares.

My regret is I'm too old now, and in too poor health, to be able to do the study that this calls for. Someone will do it, though, because this has reached the point where there is real money at stake.

We will get some clues this weekend from the second round of the French elections.

Oh dear, I hope I am too pessimistic! At the moment though I sit here feeling happy to be in the UK with a channel between us and chaos. It's not a secure boundary. But it's better than the porous land borders on the Continent, and the Channel is rougher and harder to cross than the Med. The Atlantic would be better!

I thought your latest piece about Pearl Harbor was very wise and very prescient. We too in Europe have had plenty of warning and are only just waking up.

Our reader goes on to note, in response to the Chicago bus incident, that in England

[P]eople are not personally prejudiced, and they find that kind of thing abhorrent and socially unacceptable and still have enough confidence in community mores to enforce it. This goes along, however, with a deep concern and a rising anger about the neighborhood topics I wrote about. They won't have ladies abused on their buses. But they also don't want Urdu to become the majority language in their street or the lingua franca in the school they send their kids to; and where it has, they strongly resent it, and they start voting for UKIP.

The other problem is the sense of the importance of tolerance is not two-way. You find the Islamic clerics being universally quoted as fulminating against British culture. You don't find them explaining to their flocks the importance of tolerance, and that to choose one's religion and lifestyle is a purely personal matter. One of the ways in which the UK is in denial is that the political establishment thinks that tolerance from the non-Muslim population will solve the problem. But they are not, generally, the ones who are intolerant.

Some links to UK articles about these social concerns are the following:

["Ofsted warns of 'squalid' illegal schools"](#)

["Trojan horse schools"](#)

["NHS uncovers 1,000 FGM cases in England"](#)

["The most Islamic Community in Europe"](#)

The seriousness with which Europe's governments view this situation is evident in the European Union's plan to take over border control by significantly adding to the powers and resources of the EU border agency, Frontex, a move that would represent an unprecedented transfer of sovereignty from the EU states. The December 11 Financial Times characterized the plan as "a last ditch plan to save the Schengen passport-free

travel zone” by introducing a common border control. Currently, Frontex is not allowed to purchase its own equipment or directly employ its own border guards and does not have a mandate to conduct search and rescue missions. Getting the EU states to agree to the border control plan and other common approaches to the various dimensions of the crisis will be difficult but essential for Europe’s institutions and its future financial, economic, and political stability.

Links to other websites or electronic media controlled or offered by Third-Parties (non-affiliates of Cumberland Advisors) are provided only as a reference and courtesy to our users. Cumberland Advisors has no control over such websites, does not recommend or endorse any opinions, ideas, products, information, or content of such sites, and makes no warranties as to the accuracy, completeness, reliability or suitability of their content. Cumberland Advisors hereby disclaims liability for any information, materials, products or services posted or offered at any of the Third-Party websites. The Third-Party may have a privacy and/or security policy different from that of Cumberland Advisors. Therefore, please refer to the specific privacy and security policies of the Third-Party when accessing their websites.

Sign up for our [FREE Cumberland Market Commentaries](#)

Cumberland Advisors Market Commentaries offer insights and analysis on upcoming, important economic issues that potentially impact global financial markets. Our team shares their thinking on global economic developments, market news and other factors that often influence investment opportunities and strategies.