

Headlines:

- **Hard Brexit Could Cost Financial Sector £38bn**
- **Germany's Finance Minister Presses for a German Islam**
- **Sisi Defends Egyptian Army's Economic Intrusion**

Details:

Hard Brexit Could Cost Financial Sector £38bn

The financial industry could lose £38bn if the UK quits the single market, a report commissioned by a group lobbying on behalf of the City has said. The report, commissioned by TheCityUK, also said up to 75,000 jobs could go. The sector is concerned at the prospect of a so-called "hard Brexit", with the UK leaving the EU single market in order to regain control of immigration. On Sunday, the Prime Minister said, "We are not leaving the EU only to give up control of immigration again". Her comments helped to trigger a fall in the pound, which dropped to a 31-year low against the dollar on Tuesday. But Kevin Dowd, an economics professor at Durham University and member of campaign group Economists for Brexit, called the report a "scare story". "The idea we would be held back by leaving the single market makes no sense," he told the BBC. "Most of our financial services business is actually outside the EU, and our share of business with the EU is declining anyway." He added: "Today we're competing with Singapore, New York and Tokyo and so forth, and as far as the City is concerned, those places are the focus." He said the EU was not irrelevant, "just not that important". The Treasury said it was working to ensure companies continued to have access to the single market. "The government has been speaking to the financial services industry to make sure that we understand fully the issues that matter to it as we prepare for negotiations to leave the EU," it said in a statement. [Source: BBC]

Brexit could turn out to be a strategic blunder. In WW2 Churchill's blunder of inviting America meant curtains for the British Empire. Today the British electorate is determined to leave Europe and this may relegate Britain to the status of a third rate power.

Germany's Finance Minister Presses for a German Islam

A veteran ally of Angela Merkel urged Muslims in Germany on Sunday to develop a "German Islam" based on liberalism and tolerance, saying the influx of people seeking refuge, many of them Muslims, is a challenge for mainstream society. Minister Wolfgang Schaeuble, stepping out of his usual finance remit, urged tolerance, saying the arrival of hundreds of thousands of migrants required a better understanding among Germans of what is important to them and how they want to live. Almost 1 million migrants from the Middle East and Africa came to Germany last year, stoking social tensions and boosting support for the right-wing Alternative for Germany (AfD) party, which has said Islam is not compatible with the constitution. The arrival of large numbers of refugees has strained communities and led to a rise in far-right violence and attacks on migrant shelters, particularly in eastern Germany. Schaeuble, a stalwart of Merkel's Christian Democrats (CDU), said: "Without a doubt, the growing number of Muslims in our country today is a challenge for the open-

mindedness of mainstream society." In a guest article for conservative paper Welt am Sonntag, he added: "The origin of the majority of refugees means that we will be increasingly dealing with people from quite different cultural circles than previously." Schaeuble, 74, is seen as possible CDU candidate for Chancellor should Merkel not seek re-election next year. Despite the rising number of xenophobic attacks in Germany, Schaeuble said he believed the majority of Germans would say: "Yes, we want you to belong to us." The migrant crisis and the integration of the large number of refugees has raised question marks over Merkel's re-election prospects. Her Bavarian allies, the Christian Social Union (CSU), have relentlessly blamed her open-door refugee policy for the CDU's poor showing in recent state elections and want to cap the number of migrants coming to Germany at 200,000 a year. Schaeuble emphasized at an annual conference on Islam last Tuesday that people of all faiths are part of Germany, repeating a view that Merkel voiced in 2015 at the height of the popularity of the anti-Islam PEGIDA grassroots movement. [Source: Reuters]

Schaeuble joins a chorus of German politicians concerned about the rise of Islam in Germany. The common theme advocated by the political establishment is to redefine Islam and make it more malleable to the German way of life. However, this experiment is not new, and was repeated several times before by a number of German orientalist and they all failed to change Islam.

Sisi Defends Egyptian Army's Economic Intrusion

Egypt's president has fought back against criticism that the military is being distracted from its core duties by its growing involvement in economic activity. President Abdel Fattah el-Sisi said on Monday that the military's involvement in the economy was a choice, citing a meeting with top military brass in which he asked them to take on the added task of helping him to "rebuild" Egypt. "There is a ferocious campaign against the state and the armed forces," Sisi said in his first public comments on the subject. Sisi said that the military could deploy across the entire country in six hours if needed. "No one, thanks be to God, can harm the Egyptian state," he said, raising his voice. "Let no one think that we will abandon it [Egypt] or allow it to be taken away from us ... I am responsible before God ... to defend it until the very last moment." Earlier this month, the military said it would directly import baby formula to counter shortages. The move was ridiculed by many on social media and re-energised a long-standing debate over whether the military is devoting too much attention to its economic ventures at the expense of national security. The military has significantly broadened its economic profile in the three years since the overthrow of President Mohamed Morsi, the country's first freely elected leader. Today it supervises massive infrastructure projects and runs a retail network that distributes food at discounted prices. Egypt's economy has been battered by unrest since the 2011 uprising that toppled long-time autocrat Hosni Mubarak. Inflation and unemployment are in double digits, and domestic and foreign debts are growing as Egypt's currency tumbles. [Source: Al Jazeera]

The only one harming and destroying Egypt is Sisi. Bankrupt of ideas, Sisi has resorted to force to quell the disquiet against his rule. But this is nothing more than a short-sighted policy that will fuel another revolution and plunge Egypt into chaos.