

# Glass Castle – Fiat Euro! 44/2013

*ECB can't count. A celebration in Spain. Eco flush. Be happy!*

One year ago we [informed you](#), that the ECB had been surprised by the inflation in construction industry, due to which its headquarters had got more expensive by 25%, from 800 million euro to a billion. The initial budget forecast was 500 million. The central bank commanders steering the eurozone's monetary policy have some serious planning problems. One year later, the glass mansion palace [has got more expensive again](#), this time by 150 million euro.

There's a lack of knowledge in Europe. The referendum on EU membership will be held in Britain. But a little problem has occurred. Some people are [unaware Britain is already a member](#) of the EU. So the referendum question "Do you think that the United Kingdom should be a member of the European Union?" will change into "Should the United Kingdom remain a member of the European Union?"

The French don't know whether to impose the financial transaction tax or not. Some counter-arguments are heard from the country of its biggest proponent. The governor of France's central bank [has opposed it](#). He said, that the financial transaction tax poses an enormous risk to the countries involved.

By the end of the year, it becomes more than obvious that many countries won't meet the fiscal limits. So Europe has come up with an ingenious idea. It will allow countries which will promise to carry out reforms to break the previous promise and [violate the limits](#) and prolong the deadlines. It's still only in the phase of discussion, but there are already some skeptics saying that it doesn't make sense.

Spain will be almost certainly one of the violators. They've had a reason for a little celebration there. After two years, the country has emerged from recession [growing by 0.1% of the GDP in Q3](#). On the contrary, the unemployment rate in Italy has reached a negative record of 12.5%. Also, they have the third-highest median age after Japan and Monaco and spend [14% of the GDP](#) on old-age pensions. In Greece, people insured in the biggest state-owned insurance company will be no longer admitted by private clinics. Including some debts unsettled since 2007, they are owed a total of [800 million euro](#) by the country's main healthcare facility. Not only public debts, but also debts of half-state owned companies represent a serious problem in the countries of the PIIGS group.

But neither rail transport nor healthcare system would win in a vote for the most problematic European sector against the banking system. According to the PWC's report, troubled loans of the European banks have reached [1.2 billion euro](#) in 2012, a double against 2008.

Some European issues might be more romantic than those about fiscal rules and policy. Such as the fight against the mafia. The European Anti-Mafia Commission works within the European Parliament. Its service hardly draws an attention of the media, but some statements of its employees are quite harsh. [Sonia Alfano](#), the president of the Commission says, that "the mafia is already in the control room when it comes to Europe. They have relations with people within all EU institutions, the European Commission, the Parliament, the Council, etc."

We have mentioned above, that the French hesitate over the financial transaction tax. Now they're hesitating also over the so-called ecotax on large vehicles. The tax was a poster child for the tiny Green party, Hollande's coalition partner. And it is also supposed to bring roughly a billion euros a year to the ever-hungry government budget. But in spite of the millions euros invested in the entry-and-exit surveillance gantries, Hollande has started to hesitate. He's pushed by the mounting [farmers' protests](#) held mostly in the Brittany region. Those are already facing problems of the troubled and uncompetitive French economy. Not only France can think up ideas

like this. For example, America's planners have [come up with an idea](#) of tracking miles driven by motorists and using the information to draw up a tax bill. They don't mind the question of privacy (who has noticed, that the NSA hadn't bugged only the chancellor Merkel's phone, but also the phone of [another "terrorist" – the pope?](#)). But why not to use the green tax paid by motorists for each driven kilometer in the most of the developed countries? It's called the [excise tax on gasoline](#).

Any attack on the taxpayers' wallets or restriction on individual liberties can be hidden behind the fight against the [\(more and more questionable\)](#) global warming. The EU is a brilliant expert in it. In the last Fiat Euro! newsletter we have mentioned the absurd regulation of the vacuum cleaners' input power. Now, only one week later, we can report about an even bigger absurdity. Did you think that the regulations usually do not interfere in two of the most intimate life areas – toilet and bed? The former is not true anymore. Brussels is going to [standardize the flush on lavatories](#). Of course, the standard follows a deep rethinking process and three years long analysis worth roughly 100 000 euro. We have no information about any sexual life eco-regulations so far, but we are pretty sure that something is being already cooked in Brussels. And starting with a proper research. Even Kafka's characters would be broken by such an onslaught of bureaucracy. Brussels, conscious of this fact, [is seeking a psychologist](#). That should help senior civil servants solving problems with their subordinates.

Bureaucracy is creative everywhere in the world. Simple solutions are highly appreciated in Venezuela. Taking over the paper factories by army, the problem of toilet paper shortages has been resolved. Now they've come up with an idea of creating a [Ministry of Happiness](#). Its employees will be supposed to secure happiness of the citizens. Simple and beautiful. Any similarities with the Orwell's [Ministry of Love](#) are purely coincidental.

Be happy during the rest of the week, or else...!

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