

The brakes are on – Let There Be Euro! 49/2013

Slowed-down Europe. Equal and more equal. Megapenalty.

There can hardly be a single week without at least one funny Eurocratic idea. We informed you some time ago about the idea to install speed limiters to all cars. Those limiters would brake cars according to passing traffic signs (politicians' cars would be excluded, of course). Caring protectors of our health, happiness and good mood have recently brought up another idea. They are suggesting that every car (the old ones as well as the new ones) [should have speed limiter](#) set on 115 km/h. According to them, this is supposed to decrease the amount of accidents and emissions.

However, it is possible this kind of regulation will not be necessary any more. To drive fast could become an unreachable luxury for Europeans. The brakes of the European economy are on for last couple of years. In Greece, which has been hit by the crisis in the worst way, the intensity of car transportation was lowered by 40% in years 2010 and 2011. Greeks are [switching their cars for bikes](#), because they do not have money for operating them.

In Spain the number of registered unemployed decreased by 2,475 people. This positive news could seem less impressive if we take a closer look on the unemployment chart. Eventually, if we [read the news](#) about IKEA, which launched online recruitment of 400 employees for its new shop and in 48 hours, its online system collapsed because of 20,000 applications.

The Netherlands has [lost the highest possible rating](#) in the Standard & Poor's agency. Thus, only three Eurozone countries still have AAA rating: Germany, Finland, and the small Luxembourg. Some countries are applying brakes more, some countries less, but the first ones are looking some way how to slow down also the others. It is much more difficult to excuse own failures to voters if neighboring countries prosper. Related to this, France has invented a new term called "[unfair social competition](#)".

Frenchmen consider unfair the fact that Germans do not have a universal minimal wage (however, they are probably going to have it soon). (Not only) thanks to this, France has the [highest unemployment rate](#) since 1997, while Germany has the lowest one since the unification and twice as low as France. If Germany introduced the French minimal wage, approximately 8 million Germans could lose their jobs.

There are also other reasons why is the system of social security now an actual topic. In the UK, the debate on Eastern-European immigrants and their access to social security system is taking place. A [German court has decided](#) that the Romanian couple, who was unsuccessfully trying to find a job for one year, has a right to participate on the German social security system. This decision caused a public indignation. Public is willing to be social, but only to people, who has the "right" country in their passports. Similar opinion is wide-spread also in France, where people are starting to suggest a restriction of the social security system, which is supposed to be available only for Frenchmen. But gentlemen, we can hardly build the European superfederation this way!

The banking sector has one piece of good news. The Irish government has [successfully sold](#) some Irish banks' stocks for 580 million euro. It is only a drop in the ocean of losses (tens of billions euro are owed by Irish taxpayers) but at least it indicates the existence of some investors' trust in Irish banks.

On the other hand, in Slovenia the trade with bank stocks was [completely stopped](#) until the results of ongoing stress-test will be known. It is being approved, that Slovenian large banks will need approximately 5 billion to survive. Banks possess 8 billion in bad loans and because they are mostly owned by the government, they do not have foreign partners, who could provide them with needed capital.

Six European banks got 1.7 billion euro penalty for cartel formation in relation with the famous scandal of LIBORgate (manipulations of the LIBOR interest rate). Even though this is unprecedentedly tough penalty, we should not crack a bottle yet. Banks have received bailout money reaching tens of billions euro.

European Union law is now composed of [34,000 legal acts](#), or 100,000 acts, court decisions, standards, and international treaties altogether. Tens of thousands of hard-working bureaucrats in Brussels office complexes are busily working on keeping this legal act growth smooth. The old rule "ignorantia juris non excusat" cannot be used any more without the taste of irony. For example, in cases of Bulgaria, Hungary, Croatia, Slovenia, Greece, and Austria, the Commission has decided that bi-lateral treaties on South Stream construction are [against EU law](#), thus negotiations have to start from the very beginning. All the money spent on cold buffets during negotiations was wasted...

Would you like to have a new branded jeans, but you cannot afford them thanks to your economic situation? You do not have to go to a second hand store. Poor Europeans can [lease them now](#). Good jeans can now cost you not 100 euro in cash, but only 20 euro deposit and monthly payments of 5 euro. After the year you can decide, whether you want to buy them, change them for different ones, or return them to the merchant.

Splendid idea! Maybe even the ECB will accept jeans leasing as collateral. With wishes of not needing jeans leasing

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