February 2015, on Spain’s unemployment figures: “It is the first good year of net job creation since 2007, but there is still a way to go”, by Prof. Javier Díaz-Giménez

The unemployment rate compared to 2013 expected
- The unemployment rate numbers are in line with expectations. After the huge levels of job destruction, it is inevitable that people are starting to hire again as Spain has returned to growth.
- While it’s true the unemployment rate has fallen more than expected by the government, the participation rate (the number of people actively looking for work) has also increased.

The good news - jump in job creation; bottoming out of construction sector
- The key figure to note is that this is the first good year of net job creation since 2007.
- The other piece of good news is that the construction sector has created 40,000 new jobs. This implies a bottoming out of the construction sector and perhaps more jobs to be created in 2015.
- However, we are still more than 3 million jobs shy of the maximum job creation level in 2007, so there is still a way to go.

January 2014, on Spain’s GDP and IPC figures: “Growth is sustainable and accelerating”, by Prof. Juan José Toribio

Increase in GDP for 2014 – Growth is sustainable and accelerating. Why?
- Factors behind the growth: exports and investments. They are dynamic and still continuing.
- Private consumption is going up.
- Investments in real estate have stopped falling.
- Government expenditure: as 2015 is an election year, we can expect a small increase.
- Labor reforms have helped too.

IPC at historical low, but not cause for panic (it’s not due to a decline in demand):
- Unlike most countries, this drop is not due to a decline in demand but due to a fall in the price in oil and energy, combined with an increase in productivity. The effect will be positive in the end.
- It could be negative if people postpone consuming goods in the hope of lower prices to come, but as we are largely talking about oil this is unlikely. Most people buy oil when they need it.

December 2014, on Google News Spain shutting down and the Government’s reform of the Intellectual Property Law: “It is not reasonable to make this tax unavoidable.”, by Prof. Josep Valor

- This measure only benefits publications which already have a strong brand in Spain (big media). However, small media (those who benefit most from the traffic generated through a presence on Google News) will be negatively affected. Up until now, Google put big and small media at the same level of competition through indexation.
- It is not reasonable to make this tax avoidable. It would be logical for news authors to get economic compensation from aggregators’ (such as Google) use of their content only if the authors agree (this is the model followed by other countries.) If an author believes Google News doesn’t
add value to their publication, Google has to pay. But if it adds value and generates traffic, the tax should be zero.

October 2014, on the Ebola contagion in Spain: “The risk could have been minimized with the participation of fewer but better trained health professionals”, by Prof. Jaume Ribera

Authorities are attributing the contagion to a chain of errors. This includes probably a human error due to several factors:
- Lack of experience: Spain has only treated 2 cases of Ebola in its entire history.
- Lack of practice of the hospital staff in charge of the two infected patients.
- Failure in the error detection system (the nurse should have been monitored to check that she was removing her suit correctly.)

It is a clear case of crisis communication: the image of the Spanish healthcare system has been damaged due to a poor and opaque communication strategy. It is important to inform the public with facts and explanations on why the contagion has taken place and what measures will be taken to avoid this situation in the future.

April 2014, Unemployment figures: “Why this time we might see jobs being created even with minimal growth”, by Prof. Javier Díaz-Giménez

The elasticity of employment

- Traditionally Spain has had short recessions and high firing costs – that’s lead many to believe that Spain only creates net employment when its GDP grows at 2% or more.
- But this time it’s different: this recession has been the deepest and longest in the last 30 years and the two labor market reforms have reduced firing costs.
- Companies that have survived the recession might have shed their surplus labor and adjusted their labor force to a shrinking market.
- In this case we might see net jobs being created with even minimal growth.

February 2014, Inflation rates in the European Union: “A lower inflation rate in periphery countries makes their real exchange rates more competitive”, by Prof. Rolf Campos

On the inflation rate: annual 0.8%

- The recent inflation update averts deflation fears.
- Inflation rates in all periphery countries (Cyprus, Greece, Portugal, Spain, Ireland, Italy) is lower than the European average, signaling that the economy is still comparatively weak in those countries. However, a lower inflation rate makes their real exchange rates more competitive.
- The ECB has a mandate to target an inflation rate around 2%. Because the updated inflation figure is closer to that target than the previous estimate was, the pressure on the ECB and the sense of urgency to set monetary policy is now less.

Implications for the financial system and the exports

- A low inflation rate makes the Euro-wide real exchange rate more competitive. However, the inflation differential with the US is not very large, and movements in the nominal exchange rate may offset this.
- In the European context, in which intra-European trade is comparatively large, differences in inflation rates between countries play an important role. Lower than the average inflation rates
January 2014, Janet Yellen and the new FED policy: “The criteria need to be clear and credible to markets”, by Prof. Jordi Gual

What are her challenges?

- **Communications**: Tapering might cause excessive volatility in the markets. To reduce the chance of this happening, she needs to have a strong communications policy in place to warn markets in advance of any monetary policy change.

- **Credibility**: The criteria for when the change in monetary policy will begin needs to be clear and credible to markets – an issue that hasn’t been solved yet. The current criteria still creates uncertainty. The FED has margin to discretionally decide when tapering starts and currently only follows a few economic indicators - unemployment rate; inflation- to determine when they deem the economy sufficiently recovered. As typically the economy doesn’t recover in all areas at once, these indicators on their own may not accurately reflect the economic reality.

What tapering would mean for:

- **The ECB**: Will try to avoid the contagion of a raise in the bond yields, but it can be difficult. Compared to the FED, the ECB has fewer tools available to change monetary policy, which limits its ability to reduce the risk of rising bond yields. However, if this happened, the ECB can always try a new LTRO (long-term refinancing operation).

- **The Bank of England**: Will not be directly affected by the FED’s decisions (they have more monetary policy tools available to them to avoid a raise in the bond yields). But they might be affected by the international markets due to London’s large financial sector.

- **Emerging markets**: When the FED first announced tapering earlier this year, it caused capital flight from some emerging market countries and the depreciation of currencies. We need to wait and see if the markets will now be less volatile when tapering actually begins, but the hope is that, as the markets have already reacted to the early -and unexpected- announcement of tapering, we will not see the same levels of volatile reaction again.

December 2013, “The agreements reached between the automotive industry’s management and its unions are an example to other sectors”, by Prof. Antonio Argandoña

Current economic situation

- **Positive trends**:  
  - Foreign capital is coming back to Spain, especially to the automotive sector.  
  - The crisis has brought a new way of understanding work and production.

- **Challenges**:  
  - Recovery is on the way but austerity measures are still necessary.  
  - We won’t return to the growth levels we saw in the past, and the industry shouldn’t expect more help from the government or the European Union.

The automotive sector – the motor of change

- **Flexibility introduced by the automotive industry**:  
  - The agreements reached between automotive industry management and unions regarding the flexibility of production are a model for other sectors - and a way to bring employment back.
- The Government’s labor reform used these agreements to produce recommendations for other sectors.
- Is the automotive industry the new “construction sector” for Spain?
  - The automotive sector is not as big as the construction sector (it requires huge investments and placing the production in a short term)
  - However, it’s a more reliable and stable sector to help drive growth than construction.

What advantages can Spain offer VS the low-cost production of emerging countries?

Spain can offer a very competitive quality-price-innovation rate:
- Spain has lowered production costs significantly.
- There is a great tradition in car production: experienced workers and quality-oriented.
- Unions are very cooperative. The sector has gained flexibility and productivity.
- Spain has very good auxiliary sectors and has significantly improved logistics.

December 2013, “We will start seeing Chinese and Indian companies producing cars in Europe and US before 2020", by Prof. Pedro Nueno

The car in 2020 – Outlook for the next 20 years

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<th>Trends</th>
<th>Forecast</th>
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<td>- Cost convergence: countries with low labor cost need big investments in training, and countries with better trained professionals have reduced their labor costs.</td>
<td>- Companies won’t look for other markets to reduce labor costs but to seek new customers.</td>
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<td>- More concentration: big companies will merge to make greater efforts in R+D and globalization.</td>
<td>- We will start seeing Chinese and Indian companies producing in Europe and the US before 2020.</td>
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<td>- By 2027, 50% of the world’s population will live in cities and will need cars to move around.</td>
<td>- Public administrations should focus on improving infrastructures more than establishing “efficiency” measures (like limiting traffic based on the number plate).</td>
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Barriers to the future development

- A current lack of leadership and enthusiasm to start new projects.
- Electric motors still have bad infrastructures, which will limit their growth. It would be better to focus on super-efficient combustion engines.
- Too much bureaucracy curbs entrepreneurship.

November 2013, comments by Profs. Pedro Videla and Morten Olsen on the US Government shut down

Can the US possibly default?

Pedro Videla: Taking into account how calm the financial markets have been, a US default won’t happen. They may decrease their debt by printing dollars, but an outright default will not happen.

Morten Olsen: If the US Treasury is unable to honor their payments, on even on a few bonds, it will be considered a technical default. However, I don’t think anyone seriously doubts that the American government will pay its debt eventually.

What kind of impact is the current US government shut down and debt ceiling crisis having on the European economy? Global economy?

Pedro Videla: The government shutdown has zero

Morten Olsen: A default would not necessarily have an impact on the sovereign Chinese
impact on the global economy. All important government agencies are working. Tourists can wait to go into the statue of Liberty.
- The real issue is the debt ceiling crisis. It could have a devastating impact on the global economy. The US has never defaulted on its debt. T-bills are considered zero risk assets.
- The politicians will kick the can down the road. They will agree on the increase of the debt ceiling and both sides will claim victory. So the crisis won’t be over, it will be postponed. It will reappear sometime in January or February next year.

If the US was to default, what would happen to the dollar? Especially to countries trading on the dollar (Mexico, Zimbabwe)

Pedro Videla: Nobody knows, but it may appreciate (flight to quality). A similar situation took place when Lehman went belly-up and US bonds were downgraded.

Morten Olsen: The US should prioritize its payments if possible. Though not paying the social security checks to millions of American citizens would be bad, it would be nothing compared with the potential mayhem caused by a partial default on U.S. treasuries. The Treasury has stated that it does not have the technical capabilities to prioritize its payment, but that might be a political statement.

What has brought the US to such situation?

Pedro Videla: Overspending and undertaxing. The crisis is due to extreme ideological stands on both sides: a president who pushes the biggest increase in the welfare state in the history of the Union and a political group that wants to reverse 50 years of government expansion.

Morten Olsen: The current law on debt ceiling is a historical accident: until the early 20th century the US congress had to approve every new loan. The debt ceiling was meant to be an easier way of dealing with this.

October 2013. “Spain should go back to Greenwich time and change its long working hours culture”, by Prof. Nuria Chinchilla

Spain is in the same time zone as the UK but adopted CET in 1942. Ever since, there has been an hour difference during the winter and two hours during the summer.

What are the consequences?
- Extremely long working schedules = less productive.
- Not enough sleep – the Spanish get 50 minutes less per day according to the OMS.
- Missing out on 2 weeks of sleep every year.
- Why Spaniards have those late lunches – they are taken at the correct solar time:
  - Lunch at 14.00 hours in winter and 15.00 in summer (13.00 according solar time.)
  - Dinner at 21.00 hours in winter and 22.00 in summer (20.00 according solar time.)

How to solve it:
- Going back to Greenwich time by not changing the hour next summer.
- Advance TV prime time an hour (News, football matches, etc.)
- Establishing 1 hour maximum for lunch time: from 13.00 to 14.00 – shorter more profitable working hours.
- Encouraging a change of culture: men don’t have to get home late and employees who leave last don’t necessarily give more to the business.
September 2013. Madrid loses 2020 Olympics to Tokyo: “They will have to make those assets generate income”, by Prof. Javier Díaz-Giménez

Would the Olympic Games have been profitable for Madrid? It’s difficult to calculate the real figures since there were many investments that had already been made years ago (e.g. the underground works for the M30 ring road or the La Peineta stadium).

However, the Olympic Games have a series of intangible benefits: job creation, more tourism, etc. Although being temporary, these short term boosts could have acted as stimulus for the Spanish economy.

What will happen now with all the infrastructure and buildings that no longer will be used for the Olympic Games? The Government will have to find a way to make them profitable. Even if the Olympics had taken place this would still need to be addressed: in three months after the closing ceremony they would still have the empty buildings.

All the infrastructure has already been paid for, that won’t be the problem. The problem will be making those assets generate income.

July 2013. Jobless rate in Spain: “Figures don’t show a recovery but suggest a slowdown in the job destruction rate”, by Prof. Rolf Campos

On the unemployment rate dropping to 4.76 million:
This fall in the unemployment rate does not translate into a labor market recovery. However, it means a decrease in the job destruction rate:

- Registered unemployment rate hasn’t fallen in seasonally adjusted terms (seasonally adjusted figures indicate that June’s jobless numbers are similar to May’s).
- Compared to June 2012 there are 148,000 more unemployed.

June 2013. Unemployment rate in Spain: “The drop is pleasing, but the real improvement will come through reforms and recovery”, by Prof. Antonio Argandoña

On the unemployment rate dropping in 98,265 people:

- It’s a temporary drop due to the summer holidays. However, there are many temporary jobs in the labor market that help to fix companies’ needs, by:
  - Keeping human capital and the employability of workers
  - Reducing the payments of unemployment subsidies
  - They are also a source of wealth
- Although this data is satisfying, it would be catastrophic to neglect reforms and growth because of this news. Companies need an incentive to grow again and generate jobs.
- The long term recovery will come through economic recovery and reforms.

May 2013. The ECB lowers interest rates: “Growth is the best way to achieve fiscal consolidation”, by Prof. Alfredo Pastor

The European Central Bank’s decision today goes in the right direction. Although fiscal consolidation is necessary, we also need to allow for growth. Indeed, growth is the best way to achieve fiscal consolidation.
While this may possibly reduce some economic and monetary fragmentation between the European economies, the lowering of interest rates will not be as beneficial to certain countries such as Spain, Portugal and Italy. The main problem for these countries is lack of confidence, which makes it difficult for them to access new financing. As such, the European Central Bank’s decision to extend more liquidity to the banking system, at least until the second half of the year, is a positive move.

I applaud the decision to involve the European Investment Bank in searching for new and better ways to support investment in small and medium-sized enterprises (SMEs).

April 2013. Unemployment figures in Spain: “We must wait until the end of the year to analyze the measures, reforms and expectations”, by Prof. Sandalio Gómez

Figures don’t come as a surprise – the situation in Spain is not easy:
- According to the latest predictions, GDP will shrink to 1.5% this year
- For the first time, the public sector hasn’t generated employment
- Spain is applying austerity measures to reduce its deficit
- Therefore, the unemployment figures were entirely predictable (to create employment, a country needs at least 2-3% of growth)

It’s all about expectations
- The economic activity relies on expectations
- The unemployment rate is getting bigger year-on-year. However, the rate by which it is growing has slowed down
- There is some grounds for optimism - we are seeing some slight softening in how the markets are viewing the current situation in Spain. If this continues by the end of the year, we may expect the return of investments and start seeing economic activity

Market labor reform doesn’t create jobs
- The labor reform is creating a new culture, promoting new labor relations in Spain. This will provide companies the flexibility to face a changing economy. But it’s purpose isn’t to create employment so shouldn’t be judged on these terms.
- We must wait until the end of the year to analyze the measures, reforms and expectations and then see where Spain is heading

February 2013. Italian elections and Spain’s risk premium: “Both the Italian and Spanish governments have plenty of tools available to control the risk premia”, by Prof. Morten Olsen

Italian political deadlock shifts focus from necessary structural reforms:
"Risk premia throughout the periphery of Europe are affected by the overall uncertainty of the Euro. Though the elections in Italy did not return the unpredictable Berlusconi to power, the deadlock in Italian politics have shifted focus from the necessary structural reforms still left to be done. This drives up the Italian risk premium. Though there was a small increase in Spanish 10-year yields these are minor in comparison to the large drop we have seen since the fall of last year when the ECB reconfirmed its commitment to save the Euro."

Jitters in Italy unlikely to undo Spain’s steady progress:
"Both Spanish and Italian risk premia have dropped considerably since the summer. In Spain there is a slow, but steady, improvement in competitiveness. The jitters in Italy are very unlikely to reverse this trend. These results have to be seen in context: nobody was expecting a very ambitious reform program in the coming year."

Need for thorough reform:
It is important to keep in mind that at any point in time both the Italian and Spanish governments have plenty of tools available to control the risk premia. Any thorough growth reform, carefully crafted and implemented, would immediately lower the risk premium. In Spain, the labor market is
the most obvious contender for reform, whereas Italy still has a long way to go in terms of encouraging local competition and tax compliance.

**February 2013. Rajoy’s State of the Nation speech: “Cuts over cuts. Difficult times ahead”, by Prof. Javier Díaz-Giménez**

**On Rajoy’s announcement: “In the midst of recession, public deficit is under 7%”**
- This figure doesn’t include the banking sector bailout percentage (1%)
- The government will have to cut another 2% of deficit next year, considering that:
  - A new GDP contraction is expected (between 1 and 2%)
  - It will be hard to raise taxes again
  - There will be cuts over cuts
- The deficit objective raises serious doubts: there is an important deviation among the IMF and the government predictions
- The strongest points for the Spanish economy remain the tourism and export sectors (especially exports out of the Eurozone)

**On the markets confidence**
- The need for external financing depends on how Spain will do this year, not on the achievements of years past: the government can’t dismiss the possibility of a bailout
- If the concerns about Spain reaching their deficit objectives become certainties, distrust would come back to the markets (raise of interest rates, risk premium, etc)

**On the overdependence of the Spanish banks from the ECB announced by Moody’s**
The financial reform is not complete yet. Sareb hasn’t started working yet, there are still doubts on the viability of the nationalized banks and more fusions are expected.

**February 2013. Corruption scandals: 12 recommendations to avoid corruption”, by Prof. Antonio Argandoña**

1. **Communicating sensitive topics** (donations, sponsorship, political parties financing, gifts, etc.)
2. **Creating control measures.** A company must put aside adequate human and financial resources towards controlling sensitive services (sales and purchasing departments, hiring services, etc.)
3. Including an **anti-corruption policy** in the global strategy
4. **Penalizing** every single act of corruption
5. **Establishing advice and reporting mechanisms.** Workers must know where to go to for advice or for reporting illegal practices in the company
6. Declaring **publicly and on a regular basis** (speeches, internal magazine, Internet, etc.) the Board’s determination of forbidding all forms of corruption
7. **Establishing a behavior code** so employees know how to proceed in risky situations (supplier selection, clients, etc.)
8. **Leading by example** (with actions)
9. **Define every worker’s responsibilities**, including at the highest hierarchical levels
10. Increasing **financial transparency**
11. Guaranteeing an **ethical education for the employees**
12. **Participating**, along with other companies, the government and NGOs in the fight against corruption

**February 2013. Unemployment figures: “3 ways to reverse unemployment in Spain”, by Prof. Javier Díaz-Giménez**

Last unemployment figures - not a true reflection of employment:
Spain has a large underground economy – around 20% – which is why, even with 5.97 million people unemployed we are still not seeing the high levels of social strife you would expect with these figures.

**Labor market reform failure:**
However, the fact the unemployment rate has again gone up shows Spain’s labor market reforms are still not working properly.

**3 ways to reverse this trend:**
1. Implement changes to help encourage re-employment. As is stands, it still pays for many people to be unemployed, due to the special subsidies they receive.
   We need to tackle this by:
   - Providing a single labor contract
   - Reducing the minimum wage
   - Reducing the duration of unemployment compensation (currently, it lasts two years.) Particularly as we know most people get employed in the last month of their compensation running out.

2. We need specific measures for “autónomos” (freelancers):
   - Social security should not be a lump sum, but proportionate to the level of business generated. They have to pay more than 200 euros each month regardless of whether any business is generated.
   - Lower taxes
   - Less bureaucracy for the self-employment

3. Stimulate credit for small and medium companies:
   It is time to start stimulating credit for small and medium companies. This is precisely what asking for a bailout would have accomplished. As it stands right now, most of the credit is flowing to the public sector, not private.

The unemployment rate is not a cause but a consequence of the recession – a result of the ongoing weakness of Spain and the extreme vulnerability of its economy. It shows the complacent attitude taken by the government in recent weeks is very much misplaced.

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**January 2013. Spain’s GDP rate: “The Quarterly figures are bad - but austerity is not the problem”, by Prof. Juan José Toribio**

**About the GDP rates published:**
- From a quarter-on-quarter perspective: this is the worst GDP drop in the five quarters we have experienced a negative rate
- However, when considering the whole year, the GDP drop (1.4%) is slightly less than forecast. Therefore, the annual figures are negative but not catastrophic

**What to expect from 2013**
Although we have to wait for the final figures, we can expect that:
- Quarterly:
  - First quarter of 2013 will be as negative as the last quarter of 2012
  - Second quarter of 2013: we will probably see a slowing down of the drop in GDP
  - Third quarter of 2013: a non-existent variation
  - Fourth quarter of 2013: we can expect a slight recovery

- Annual: There is strong disagreement among the Government’s forecast (-0.5%) and the analysts’ – including the IMF - (1.5-1.6%). I personally think we will see GDP drop to slightly above 1%.

**Internal demand**
The last three quarters reflect a huge drop in the internal demand (consumption and investments), bigger than the GDP drop, which is compensated by the slightly positive contribution of the external sector. This will also be the trend for 2013: a positive reaction to exports and a great drop in imports.
The effect of austerity measures
Although the austerity measures have affected these latest figures, the Spanish GDP has been dropping since the second half of 2011. The austerity measures indicate a willingness to cut deficit and help to clear some of the uncertainty around Spain. What would have happened if these austerity measures hadn't been applied? The resultant chaos may have caused even worse results than we are seeing at present.

January 2013. Spain’s political corruption cases: “There are incentives in Spain that corrupt politicians, public servants, businesses and individuals”, by Prof. Antonio Argandoña

Incentives that facilitate corruption
There are malign incentives in our country that can easily corrupt politicians, public servants, businesses and individuals. For example, the political parties’ financing system in Spain is not compatible with an honest, clear and, above all, sufficient coverage of the costs of their campaigns and administration systems.

Relations between political and economic powers
Spain’s political and public servants have discretionary powers over the administrative, legal and fiscal systems: incompetency, privileges, power abuse… We won’t eradicate corruption unless we focus on these power relations

Private corruption
Our society is being contradictory when it blames political corruption but tolerates private corruption, in the form of unemployment benefits or pensions frauds, fiscal frauds or the black market economy.

December 2012. Spanish Real-Estate policy: “8 recommendations to overcome the key issues for Spain’s Real-Estate policy”, by Prof. José Luis Suárez

The recent evictions have thrown a spotlight on the inadequacy of Spain’s current real-estate legislation. Outlined below are the key issues facing the government - along with 8 recommendations for how to overcome them.

Spain’s Problem

No real-estate policy
- The plans of “Vivienda de Protección Oficial – VPO” (subsidized housing in Spain) have for a long time been mistaken for a real estate policy, but the current crisis has shown a genuine policy must go much further.
- Current Government policies only speak loosely about renting and restorations and have reacted too late to the problem of evicted families.

Empty houses, growing homeless
- We have a paradoxical situation: on the one side an over-stock of unsold houses and on the other, people being left homeless. Why?
  - Financial entities are going through difficulties due to the lack of real estate financing whereas families are over indebted.
  - High cost of housing for buyers and few rental opportunities (according to the latest INE data, renting covers only 9% of the market)
  - In Spain it takes on average 6 years of annual income to buy a home. In the US and UK it takes approx. 4 years.

Evictions due to economic crisis
- The evictions are primarily due to the economic crisis we are in, not the current mortgage system (delay in payments has increased in all spheres, not only in the real-estate market.)
The Cure

1. **A comprehensive real-estate policy.** Spain must implement a real-estate policy that covers all aspects of the housing market, including a social housing policy to replace the flawed VPO.
2. **Focus on making it easier to buy homes,** instead of being sidetracked by mortgage reform.
   This should be done through:
3. **Guaranteeing reasonable housing prices** by delimiting the ground price.
4. **Facilitating finance** – e.g. by maintaining low interest rates in the long term to strengthen the mortgage market.
5. **Provide accessible housing for families suffering hardship.** Spain’s general budget is the best way to cover the costs to help families in as open and transparent a way as possible.
6. **Encourage institutional investments in renting.** The current market based on private owners renting one or two properties is not capable of meeting the high demand for rental properties.
7. **Subsidize the houses of key workers in society** - such as teachers, firefighters.
8. **Encourage support for those hardest hit.** The government should support NGOs that help homeless families by providing a permanent helping mechanism for extreme necessity cases (US launched similar mechanisms at the beginning of the crisis).

Let’s hope that the social reaction to the evictions convince our politicians to establish the roots of a truly comprehensive Real Estate Policy that can replace once and for all the old VPO (the ineffectiveness of the latter is now obvious to everyone). We don’t have to protect houses, as the VPO plans claimed, but citizens.

Find all our quotes here: