

**Caldera, on TVE: “Substituting the distribution model by that of capitalization will only cause the disappearance of the social protection system for the unemployed based on solidarity”**

**The Vice President of the IDEAS urges Europe to delay by two years the adjustment plan and to mobilize together 70 billion Euros to boost the emergent economic sectors**

**The coordinator of the election program of the PSOE compares the “intentional ambiguity” of Rajoy to the “resoluteness” of Rubalcaba to combine “the need for an economic model change with the maintenance of social protection”**

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The Vice President of the IDEAS Foundation and coordinator of the election program of the PSOE, Jesús Caldera, affirmed today, on the TV program “Los Desayunos de TVE”, presented by the journalist Ana Pastor, that “substituting the distribution model by that of capitalization when fixing the amount and duration of the unemployment benefit leads to the disappearance of the unemployment social protection system based on solidarity.”

As Caldera explained, the current model is working “due to the fact between 80 and 90 per cent of active workers we contribute a modest amount to the unemployment benefit we never use and, therefore, the money is distributed. Still, the State must compensate and allocate funds.” And he clarified that “now, this extra contribution from the State to make up for the payment of the unemployment benefits does not reach 3% while there was a time it stood at 4%, which demonstrates that the system is viable without leaving anybody unprotected.”

But, as Caldera noted, “if we go for a model of individual capitalization based on the fact you only receive what you contribute and

thus, in practice, the model of unemployment social benefit based on solidarity disappears.”

The Vice President of the IDEAS also explained that the Austrian training model “does not have anything to do with the unemployment benefit. It consists in a fund for individual training, in case the citizen loses his job, to give him/her access to retraining and find another job. If he/she never uses it, the worker can recover it and recapitalize it at the end of the working life. And this has nothing to do with unemployment.”

As regards the election debate held yesterday, Caldera declared that “citizens could compare the intentional and planned ambiguity of Rajoy to the resoluteness and precision of Rubalcaba when proposing a production model change maintaining social protection.”

In his opinion, “it is vital to stimulate the economy to overcome the crisis,” so he summoned the EU to accept the suggestion made by Rubalcaba about “extending the deficit adjustment timeframe by two years,” something he said, “will be done because if not, nobody will meet the objectives.” Besides, for Caldera, “the whole EU should mobilize together around 70 billion Euros, to be invested in great infrastructures networks, renewable energies and future sectors, to stimulate the economy, because excessive austerity and cuts are generating a serious economic program.”

Likewise, and also to find a cohesive way out of the crisis, Caldera appreciated that Rubalcaba “has in black and white proposals like the taxation for the banks, which this year will make profits of about 14 billion another tax on great fortunes to engage, for 2012 and 2013, tax exemptions and reductions between 100 and 50 per for the social contributions for each new employee in a company and which is ready to implement a Savings Plan, for example through the reorganization of the troops in our Armed forces.”

Referring to funding of the health model which accumulates a 10 billion Euros deficit, Caldera valued positively the higher taxation on tobacco and high percentage alcohol “because it is fair to levy taxes on

products that represent a cost for the system,” as well as the pharmaceutical expenditure savings policy that obliges physicians to prescribe with the generic name. He also he was in favor of “better charging” the countries of origin for the health services given to foreigners as well as “extending the finalistic nature of the regional financing model to the health system.”

After advocating for new interest rates decreases, the Vice President of the IDEAS noted that Italy “has to face a worse situation as regards the funding of its sovereign debt because the Government did not undertake reforms” as the Spanish government did.

In this line of greater control and political governance of the world economy, he urged the G-20 “to promote once and for all the disappearance of the banking secrecy and fight against tax havens,” in order to improve the control on movements that seek the relocation of assets to avoid paying taxes.”

Finally he showed sympathy toward the 15M movement “which does not go against politics but is rather in favor of another politics” and reminded that the election program he is coordinating “is committed to a Transparency Law, in such a way that the processes that lead to decision-making by the Administration are known,” and to “the improvement of the closeness of the elected candidate to the citizens, and we think the German method and the open lists are good initiatives that allow the voter to re-order the order of the lists of the party he/she votes for.”