

Communist Party of Greece
Statement of the Political Bureau of the Central Committee
On the crisis in the international economy

2 October 2008

Translated from Greek (unofficial translation)

The crisis phenomena of the economy of the United States and the member-states of the European Union that broke out in the form of a bankruptcy tendency in the financial sector are manifestations of anarchic capitalist development.

The decay and parasitism of the current economy is caused by the private and share ownership of the concentrated means of production, which is the source of the daily purchasing and selling of shares (of securities of no value, promising future profits) conducted through banks, insurance companies, stock markets, etc. Crisis phenomena were, are and will be the inevitable fate of all capitalist economies. This proves that capitalism is not almighty. There is no management policy capable of relieving the system of its inherent decay, no matter whether the state bails out the over-indebted banks and other companies or leaves it to the market to decide upon their bail-out or depreciation.

Irrespective of the ultimate depth and range of the current economic crisis, the managers of the system reasonably tremble before the danger of not being in a position to control the consequences that can endanger their political stability. The increasing exploitation of employees and of the pressure on the self-employed in order to increase and accumulate profits surrounds and strangles all the economy. The danger of suffocation also stands before well-paid employees in the financial system and middle strata, who previously boosted their income through bonds, mutual funds, shares, etc. Of course it also threatens ordinary employees, who can massively lose their jobs or their small deposits.

What the bourgeoisie consider a threat to their economic and political stability is a hope for labour and people's forces. It is crucial not to lose sight of the only real way out: united, they should attack the wounded beast, not give it time to heal its wounds, or room for recovery.

What is absolutely needed is social ownership of the concentrated means of production, the central planning of social production, workers' and social control, which requires an overthrow at the level of power. This is neither a doom-saying nor an exaggeration.

We do not argue that a crisis equal to the one in 1929 has already come. However, the growing ability of the bourgeoisie to apply one state regulation after the other in order to save the system by misleading and trapping labour and people's forces has lost

the dynamic it had during the first twenty years after the end of the Second World War.

We call upon the people to turn their back on deliberately misleading views on the regulation, rationalisation and humanisation of capitalism, which demonise liberalism in order to save it. Today, we may not yet have developed all the conditions for overthrowing capitalist power, but today's conditions signal the possibility of accelerated developments in favour of the people.

The KKE [Communist Party of Greece] has promoted and supported the demands for immediate measures concerning an increase in salaries and pensions while ND, PASOK and SYN jointly regarded them as maximalist. Nowadays the promises, allegedly in favour of the people, are empty words. The people must reject them, judging by the parties' political practice.

The government of ND is determined to proceed with the so-called reforms favouring big capital, the monopolies. PASOK, the main opposition party, does not suggest an alternative solution; assisted by SYN/SYRIZA, it misleads and spreads illusions, promoting obsolete and bankrupt political theories, arguing about a fair distribution of wealth under capitalism.

The developments in the economy of the United States and the European Union have shown once again that the bourgeois alternatives suggesting a different management of the system are totally contradictory and against the people's interests.

The KKE once again urges the people to counter-attack and to fight for

- Rental subsidy for the unemployed and youth. Interest-free housing loans to young couples for obtaining their main residence.
- Stoppage of all the attachments and the auction sales of workers' properties because of housing loan debt on the main residence. The right of the banks to attach properties and sell by auction the main residence of the borrowers must be abolished by law.
- Abolition of the compounding of interest for all loans.
- The total interest on housing loans for the main residence to be excluded from taxable income.
- Freezing of the loans contracted by workers who are now unemployed.
- State care for the accomplishment of the schemes for people's housing. Modern and safe houses at low prices.
- Essential increase of salaries according to the modern needs of the people. €1,400 basic salary, €1,150 lower pension, unemployment benefit (80 per cent of basic salary) for the whole period of unemployment. Dismissal pay for all.
 - Increase of the individual tax allowance (without children) to €15,000.
- Abolition of value-added tax on mass consumer goods and fuel used for

heating or vehicles, for the peasants' households and people's consumption in general.

- Exclusively public social security for all, setting limits to the robbery of the reserves of pension funds and not just preventing investment in "structured bonds."

The KKE appeals to employees, to peasants, the self-employed, to progressive movements of youth and women

- to counter-attack and fight jointly for the people's urgent needs
- to abandon the parties that support the EU one-way road and the "EU-submission" ND and PASOK, as well as their allies
- to support the KKE, the party that guarantees the only real economic and political alternative solution for the people.