

**COMMUNIST PARTY OF INDIA (MAOIST)
CENTRAL COMMITTEE**

Press Release: November 17, 2008

**The ever-deepening crisis in the global economy points
once again to the urgent need to overthrow the rapacious
capitalist system and usher in socialism!**

The entire world is caught in the worst-ever economic crisis ever since the Great Depression of 1930. Starting with the US the crisis has extended to entire Europe, Japan, China, South East Asia, India and the entire world. Stock markets have been crashing without any let up leading to billions of dollars of losses. Biggest banks, insurance companies and other financial institutions have gone bankrupt in the US. By November 14, Germany, and on the next day, 15-member Euro Zone for the first time in its nine-year history, officially declared that they had entered into recession. Stories of bankruptcies, job losses, inflation, credit crunch, drastic decline in purchasing power of the mass of people bring into one's mind horrifying memories of the Great Depression. The mammoth automobile industry in the US that contributes almost a tenth of its revenues, has gone bust leading to unprecedented job losses.

The monopoly capitalist class has been desperately trying to bail itself out of the crisis by resorting to massive bail-out packages at the cost of the poor taxpayers. \$700 bln was announced by the Bush administration, then another \$250 bln was announced to buy the capital of the banks. Germany, Italy, France, Spain and other countries of Europe have announced several billion dollars of bail-out packages for their monopoly corporations and financial institutions. China released \$590 bln stimulus package to check the downward slide in public consumption and closures of industries. In India, desperate moves are being made such as cutting down interest rates, decreasing the CRR and increasing liquidity to stimulate the economy.

The top 20 countries, G-20, met in Washington on November 15/16 in a desperate bid to find a solution to the crisis afflicting the world economy and to avoid the wave of protectionism that had characterised the period of the Great Depression. There is talk of reforming the Bretton Woods system of 1944 and replace the IMF and World bank with new institutions to reflect the new world situation and to accommodate the interests of the G-20 countries. A consensus is sought to be achieved—an impossible dream in the capitalist-imperialist system which is characterised by a mad race for super-profits by every monopoly capitalist.

While billions of working people world-wide are reeling under the burden of rising prices, job losses, hunger and starvation, a tiny upper crust of the corporations, financial institutions and the super-rich is receiving bonuses and massive salary hikes.

The reasons for the present crisis are capitalist greed and blind drive of the market-place where no one knows what would be the outcome of the mad rush for profits. There is total anarchy as each capitalist tries to increase the profits through such heinous means as speculation, trading in derivatives, sub-prime lending, and so on. And one of the main reasons for the crisis in the US economy that had led to the world crisis in the first place is the wars of aggression it had unleashed against Iraq, Afghanistan and its huge outlays on defence. But one can certainly say that the world that would emerge from the

current economic and political crisis will be characterised by greater concentration and centralisation of capital in the hands of a few monopoly capitalists, more intense competition and an intensification of inter-imperialist contradictions, greater militarisation and war-mongering, even more blatant wars of aggression and oppression of nations and people of the world.

Barack Obama's victory itself is a result of the deep economic crisis in US economy. Any other Tom, Dick and Harry would have come out victorious in the US Presidential election if he/she opposed the policies of George Bush.

No summits of big powers, no bail-out packages, no reform of the Bretton Woods system, can find a way out of the current gravest crisis in the world economy. The crisis will only get worse and the coming days will lead to more intensified contradictions among the various economic powers in the world as well as fierce struggles of the people world-wide against the capitalist class, unjust imperialist wars, unemployment, inflation, cuts in social welfare spending, and global food shortages.

The reactionaries all over the world are once again seeing the spectre of a world-wide wave of revolutionary struggles and prospects of socialism, and are striving desperately to refurbish the capitalist-imperialist system through various measures such as state regulation, increase in public spending and are also waging an ideological offensive against socialism. Hundreds of thousands of people are going back to Marx's theory to find a solution for the crisis. It is the ripe time for the revolutionaries world-wide to seize the opportunity, utilise the excellent global crisis to deliver death-blows to the capitalist system and work determinedly to establish socialism.

Let us declare once again:

Capitalism means crisis, hunger, starvation, unemployment, disease and death to the vast majority on the one hand and a feast to a handful of vultures! There is an alternative to capitalism—let us strive to establish socialism!!

(signed)
Azad,
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