



PRESS RELEASE

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TSCF warns for double dip recession

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TSCF considers that money printing and huge fiscal deficits are not the appropriate mid- and long-term strategies to solve the problems of the world economy. Funding debt through the creation of new debt is unhealthy, and will only postpone and worsen the problem. The fiscal deficits of the governments, be they local, national or federal, should be vigorously combated. Assets detained by governments should be listed and sold. Government restructuring, downsizing and improvement should be the absolute priority. The classic austerity measures imposed by the IMF in the case notably of Greece and Ireland, are inappropriate; they will dampen consumption and diminish even further the fiscal revenues of the concerned governments. The British government new budget policy is in principle appropriate, but the way the cuts will be targeted, negotiated and applied is crucial; from this point of view, raising the level of VAT is an error. Governments should start to dismantle this tax and replace it with a democratic, transparent and controllable direct contribution to the working of the public service. TSCF calls for more sincerity, transparency and accuracy on the part of governments and central banks in the elaboration and presentation of their budget and economic policies.