



Tuesday, June 23rd: Towards a people-centered economy: Alternative responses to the crisis

**When?: 7:30 PM – Where?: Brecht Forum - 451 West Street
(between Bank & Bethune Streets) New York City**

► Despite optimistic claims in the mainstream media that the global economic crisis is entering its final phases, more realistic analysts confirm that this worldwide financial downturn continues to worsen, with unemployment figures for this current year at between 210-239 million, which amounts to 39-59 million more jobless workers in comparison with 2007. With this bleak economic and social panorama as a backdrop, world leaders, representatives of international institutions, and civil society activists will

meet from June 24-26 as part of the UN Conference on the Financial and Economic Crisis and its Impacts on Development, the first truly multilateral forum which will bring to the table both developed and developing countries (the G-192, involving all UN General Assembly member States) to seek concrete measures to mitigate the economic crisis. This Conference will be an historic opportunity to present alternative solutions to this systemic crisis which are founded on the principles of human rights and environmental sustainability and which

truly take into account the needs of workers, small farmers and the poor. This Forum will present alternative proposals to end the crisis that have been generated by global social movements, progressive governments in Latin America, and the UN itself, and provide a forum for discussion on how a movement can be built in order to turn these proposals into a reality that can transform the market-based, unjust and unsustainable world financial architecture into one that can lay the framework for a people-centered economy.

Panellists:

- **Pedro Paez**, Ex-Minister of Economic Coordination, Ecuador and member of Commission of Experts of the President of the UN General Assembly on Reforms of the International Monetary and Financial System
- **Sarah Anderson**, Institute for Policy Studies
- **Arjun Karki**, LDC Watch
- **Steve Suppan**, Institute of Agriculture and Trade Policy and Our World is Not for Sale Network
- **Diana Aguiar**, International Gender and Trade Network and Our World is Not for Sale Network
- **Larry Holmes**, Bail Out the People Movement
- **Jana Silverman**, Social Watch (moderator)

Sponsoring organizations: Gloves Off Collective, Social Watch, Transnational Institute, Bi-regional Network Europe, Latin America and Caribbean "Enlazando Alternativas", Jubilee South, Our World is Not for Sale Network (OWINFS).

Thursday, June 25th: People's rights not corporate profits: close International Centre for Settlement of Investment Disputes (ICSID), challenge free trade agreements and build just economic and social governance

When?: 1:15 - 2:45 pm – Where?: ECOSOC Chamber, United Nations Headquarters

► Offer a session of analysis and debate on the financial crisis and free trade mechanisms, namely the tribunals like the ICSID, which has been used as a model to set up similar tribunals in different free trade

agreements like the EPAs, NAFTA, WTO and others. Link our analysis on the debate to alternatives to the crisis. Analyse the opportunities for building new alternatives, from civil society's

perspective as well as the efforts of progressive governments in Latin America and the world. There will be a Dialogue of Governments with the Non-Governmental Organizations.

Special guests:

- H.E. Mr. **Evo Morales Ayma**, President of the Plurinational State of Bolivia.
- H.E. Mr. **Rafael Correa Delgado**, President of the Republic of Ecuador.
- **Tony Clarke**, Polaris Institute and Our World is Not for Sale network, Canada (moderator)
- **Lori Wallach**, Public Citizen, United States

Organized by: Our World Is Not For Sale Network (OWINFS), Hemispheric Social Alliance, Jubilee South, Friends of the Earth International, Social Watch, Bi-regional Network Europe, Latin America and Caribbean "Enlazando Alternativas", Transnational Institute, REDES Uruguay, Institute for Policy Studies - **Co-sponsored by** the Permanent Mission of the Plurinational State of Bolivia to the United Nations and the Permanent Mission of Ecuador to the United Nations.

For more information: | jsilverman@item.org.uy - editor@glovesoff.org - karen.lang.brazil@gmail.com





Global “free” trade is the Root Cause of the Financial Crisis

Prepared by member groups of the Our World Is Not For Sale Network [OWINFS] for the United Nations Conference on the World Financial and Economic Crisis and its Impact on Development, June 22-24, 2009.

Ever since the ‘Battle of Seattle’ almost ten years ago, the international network of civil society organizations and social movements known as Our World Is Not For Sale [OWINFS], has been vigorously engaged in the promotion of global trade justice through campaigns contesting the World Trade Organization [WTO] and bilateral free trade regimes. OWINFS has been working for years to show that free trade and investment regimes have allowed the capital rich to search for more profits all over the world without due distribution of the benefits. This unfair globalised competition has led to higher concentration of wealth, which has been feeding the speculative financial activities at the heart of the crisis. OWINFS has emphasized that the uncontrolled expansion of the financial sector has been made possible through free trade agreements that deregulate and liberalize financial services. **We call on officials at this United Nations Conference:**

- ▶ Affirm that the global financial and economic crisis is structural in nature and that the current free trade paradigm is a major part of the problem. The financial crisis has shown that free markets and free trade cannot correct themselves. Therefore, we call for an end to liberalized trading in (risky) financial products and the deregulation of financial service providers, which has been made possible under the WTO General Agreement on Trade in Services [GATS]. Governments, deprived of the right to regulate securities by the GATS, allowed derivatives based on US sub-prime mortgages to be sold and bought worldwide, thereby precipitating the current crisis. Banks represented in the GATS Financial Leaders Group have been the major recipients of tax payer funded bailouts.
- ▶ Reject the position that concluding the Doha Round of global trade negotiations at the WTO is the solution to the crisis. On the contrary, continuing liberalization of the financial sector of national economies through the GATS and the FTAs will only serve to worsen the crisis. Once financial services are liberalized, foreign banks typically refuse to provide credit or capital to small farmers and local industries while financing mega industrial and resource extraction projects that do serious damage to the environment. Moreover, the banks are free to speculate in risky ventures while governments are forbidden to pass laws protecting consumers.
- ▶ Ensure that all countries, especially developing nations, retain the policy flexibility they need to regulate their financial sectors and manage their economies in order to achieve their development goals and priorities. In particular, financial services must be regulated and developing countries need to have the policy space required to ensure that banks and other financial institutions contribute to the development of equitable and sustainable societies, including projects to mitigate poverty and climate change. No trade agreement should reduce that policy space.
- ▶ Remove from the WTO and all free trade agreements those mechanisms which compel countries, especially developing countries, to liberalize and deregulate their financial services and capital flows. In particular, developing countries must be permitted to withdraw, without penalty, from their commitments to liberalize financial services and other service sectors that may be harmful to their recovery and sustainable development. ICSID and similar investor tribunals must be closed as they restrict countries' ability to adopt measures to deal with the financial crisis and climate change.
- ▶ Strengthen the role of the UN in overall global economic governance and crisis resolution. Unlike the G-8 or the G-20, the UN is the most representative institution of all nation states and governments in the world today. It is, therefore, imperative to strengthen the mandate and capacity of the UN to oversee and coordinate global economic institutions like the WTO, World Bank and the International Monetary Fund.

Finally, it is the duty and obligation of governments to ensure that their economies are developed in such a way as to serve the basic economic, social and environmental needs of their peoples. To do so, governments must regain control over their finances in the public interest. Instead of trade regimes designed to protect banks and corporations, we need trade rules that promote and protect the development equitable and sustainable societies.

