

## Civil Society Forum Doha

26 – 27 November 2008

### Closing Remarks by Jens Martens, Global Policy Forum

1. Let me start with a quote from the Draft Outcome Document from 25 November:

*“The environment for Financing for Development has improved over the past 6 years, primarily due to a significant improvement in domestic savings of developing countries but also because of a sustained expansion in world trade, record private capital flows, higher remittances, a reduction in debt burdens especially in heavily-indebted poor countries and a reversal in ODA from earlier declines. The development impact of these flows is enhanced by a commitment to free market principles, including the rule of law, respect for private property, open trade and investment, competitive markets and efficient, effectively regulated financial systems. These principles are essential to economic growth and prosperity and have lifted millions out of poverty and have significantly raised the global standard of living.” (para 2bis)*

This paragraph is not agreed and hopefully will never be agreed, but I am wondering: Do the delegates who drafted these sentences live in a parallel universe, when they praise the “efficient and effectively regulated financial systems” that have lifted millions out of poverty? At least additional 75 million people are forced to live in hunger and poverty this year due to the global food crisis. What would they think when they had to read these sentences?

2. The world faces an unprecedented crisis of the current financial and economic system. But the negotiations on the Doha outcome document seem to continue as if nothing has happened. We miss any sense of urgency in the negotiations. **What we need now is creative thinking and collective multilateral action instead of following the business as usual and muddling through approaches of the past.**

3. Two weeks ago, the leaders of the 20 most powerful countries of the world met in Washington as the G-20. After three and a half hours they adopted a declaration on “Financial Markets and the World Economy” – a preliminary “to-do-list” to solve the current financial crisis. Without doubt, some of the 47 announced measures might be useful and necessary. But the G-20 failed to really address the root causes of the crisis. Instead, they primarily intend to stabilize the current financial system – a system that has been characterized for the last 20 years as “casino capitalism”. **But we don’t need better rules for the casino. The casino has to be closed down!**

4. That the Washington summit took place at the level of the G-20 and not the G-7 or 8 reflects the changing realities of the world and might be a step in the right direction. But it would be a grave mistake to stop there and to exclude 172 governments and the global civil society from the decision making process about the future financial and economic system.

5. About 20 years ago the G-7 took the lead in promoting the Washington Consensus and its neo-liberal ideology of deregulation and privatization – the same ideology that caused the current crisis. **We don’t need a new Washington Consensus of the new G-20, which primary goal is to stabilize the present system, without taking into account the needs and demands of the people who are most affected by the crisis and the structural causes of this crisis.**

6. What we need instead is a new global consensus, name it New York, Geneva, Vienna or Nairobi Consensus, of the G-192 – the members of the United Nations. This is the reason, why we meet here in Doha at a conference of the United Nations.

7. We are not naïve. We are aware of the weaknesses and limitations of the UN. Its decision making process is painfully slow and its results are too often based on the lowest common denominator.

8. However, the UN is the only universal forum that is inclusive, the forum where nearly all governments of the world have voice and vote, and where civil society organizations have participatory rights. **Therefore it's worth to fight for the strengthening of the UN.**

9. This brings me back to the draft outcome document of the Doha conference. The existing draft is very uneven and most paragraphs are weak. But the text contains at least a few elements – although not agreed yet - which could bring incremental progress, for instance

- *the upgrading of the the United Nations Committee of Experts on International Cooperation in Tax Matters to an intergovernmental body of the UN (para 8)*
- *the proposal to convene a major international conference, under the UN auspices, to review the international financial and monetary architecture and global economic governance structures ( one of 4 and my favourite versions of para. 58).*

The adoption of this paragraph would in fact mean to bring not only the global discourse but also the decision making process on the reform of the economic and financial system back to the United Nations.

10. You may ask, why back to the UN? Was it ever there? Yes, 64 years ago, when the first United Nations Monetary and Financial Conference took place – better known as Bretton Woods Conference. The preparation of this conference took nearly 3 years and the conference was attended by delegates from 44 countries – by the way more than twice the membership of the G-20.

**What we need now is a second United Nations Monetary and Financial Conference. Doha could mark the first step towards it and the preparations should start immediately in the first quarter of 2009.**

Thank you for your attention - and good luck for the coming days.