Europe Solidaire Sans Frontières > English > World > Economy (World) > Financial and economic crisis (World) > **The global economic crisis: An historic opportunity for transformation**

The global economic crisis: An historic opportunity for transformation

An initial response from individuals, social movements and non-governmental Organisations in support of a transitional programme for radical economic transformation

Saturday 18 October 2008, by Collective / Multiple signers (Date first published: 15 October 2008).

Beijing, 15 October 2008

Preamble

Taking advantage of the opportunity of so many people from movements gathering in Beijing during the Asia-Europe People's Forum, the Transnational Institute and Focus on the Global South convened informal nightly meetings between 13 and 15 October 2008. We took stock of the meaning of the unfolding global economic crisis and the opportunity it presents for us to put into the public domain some of the inspiring and feasible alternatives many of us have been working on for decades. This statement represents the collective outcome of our Beijing nights. We, the initial signatories, mean this to be a contribution towards efforts to formulate proposals around which our movements can organise as the basis for a radically different kind of political and economic order. Please sign on to this statement at http://www.casinocrash.org.

The Crisis

The global financial system is unravelling at great speed. This is happening in the midst of a multiplicity of crises in relation to food, climate and energy. It severely weakens the power of the US and the EU, and the global institutions they dominate, particularly the International Monetary Fund, the World Bank and the World Trade Organisation. Not only is the legitimacy of the neo-liberal paradigm in question, but the very future of capitalism itself.

Such is the chaos in the global financial system that Northern governments have resorted to measures progressive movements have advocated for years, such as nationalisation of banks. These moves are intended, however, as short-term stabilisation measures and once the storm clears, they are likely to return the banks to the private sector. We have a short window of opportunity to mobilise so that they are not.

The challenge and the opportunity

We are entering uncharted terrain with this conjuncture of profound crises – the fall out from the financial crisis will be severe. People are being thrown into a deep sense of insecurity; misery and hardship will increase for many poorer people everywhere. We should not cede this moment to fascist, right wing populist, xenophobic groups, who will surely try to take advantage of people's fear and anger for reactionary ends.

Powerful movements against neo-liberalism have been built over many decades. This will grow as critical coverage of the crisis enlightens more people, who are already angry at public funds being diverted to pay for problems they are not responsible for creating, and already concerned about the ecological crisis and rising prices – especially of food and energy. The movements will grow further

as recession starts to bite and economies start sinking into depression.

There is a new openness to alternatives. To capture people's attention and support, they must be practical and immediately feasible. We have convincing alternatives that are already underway, and we have many other good ideas attempted in the past, but defeated. Our alternatives put the well-being of people and the planet at their centre. For this, democratic control over financial and economic institutions are required. This is the "red thread" connecting up the proposals presented below.

Proposals for debate, elaboration and action

Finance

- Introduce full-scale socialisation of banks, not just nationalisation of bad assets.
- Create people-based banking institutions and strengthen existing popular forms of lending based on mutuality and solidarity.
- Institutionalise full transparency within the financial system through the opening of the books to the public, to be facilitated by citizen and worker organisations.
- Introduce parliamentary and citizens' oversight of the existing banking system.
- Apply social (including conditions of labour) and environmental criteria to all lending, including for business purposes.
- Prioritise lending, at minimum rates of interest, to meet social and environmental needs and to expand the already growing social economy.
- Overhaul central banks in line with democratically determined social, environmental and expansionary (to counter the recession) objectives, and make them publicly accountable institutions.
- Safeguard migrant remittances to their families and introduce legislation to restrict charges and taxes on transfers

Taxation

- Close all tax havens.
- End tax breaks for fossil fuel and nuclear energy companies.
- Apply stringent progressive tax systems.
- Introduce a global taxation system to prevent transfer pricing and tax evasion.
- Introduce a levy on nationalised bank profits with which to establish citizen investment funds (see below).
- Impose stringent progressive carbon taxes on those with the biggest carbon footprints.
- Adopt controls, such as Tobin taxes, on the movements of speculative capital.
- Re-introduce tariffs and duties on imports of luxury goods and other goods already produced locally as a means of increasing the state's fiscal base, as well as a means to support local

production and thereby reduce carbon emissions globally.

Public Spending and Investment

- Radically reduce military spending.
- Redirect government spending from bailing out bankers to guaranteeing basic incomes and social security, and providing universally accessible basic social services such as housing, water, electricity, health, education, child care, and access to the internet and other public communications facilities.
- Use citizen funds (see above) to support very poor communities.
- Ensure that people at risk of losing their homes due to defaults on mortgages caused by the crisis are offered renegotiated terms of payment.
- Stop privatisations of public services.
- Establish public enterprises under the control of parliaments, local communities and/or workers to increase employment.
- Improve the performance of public enterprises through democratizing management encourage public service managers, staff, unions and consumer organisations to collaborate to this end.
- Introduce participatory budgeting over public finances at all feasible levels.
- Invest massively in improved energy efficiency, low carbon emitting public transport, renewable energy and environmental repair.
- Control or subsidise the prices of basic commodities.

International Trade and Finance

- Introduce a permanent global ban on short-selling of stock and shares.
- Ban on trade in derivatives.
- Ban all speculation on staple food commodities.
- Cancel the debt of all developing countries debt is mounting as the crisis causes the value of Southern currencies to fall.
- Support the United Nations call to be involved in discussions about how the to resolve the crisis, which is going to have a much bigger impact on Southern economies than is currently being acknowledged.
- Phase out the World Bank, International Monetary Fund, and World Trade Organisation.
- Phase out the US dollar as the international reserve currency.
- Establish a people's inquiry into the mechanisms necessary for a just international monetary system.
- Ensure aid transfers do not fall as a result of the crisis.

- Abolish tied aid.
- Abolish neo-liberal aid conditionalities.
- Phase out the paradigm of export-led development, and refocus sustainable development on production for the local and regional market.
- Introduce incentives for products produced for sale closest to the local market.
- Cancel all negotiations for bilateral free trade and economic partnership agreements.
- Promote regional economic co-operation arrangements, such as UNASUR, the Bolivarian Alternative for the Americas (ALBA), the Trade Treaty of the Peoples and others, that encourage genuine development and an end to poverty.

Environment

- Introduce a global system of compensation for countries which do not exploit fossil fuel reserves in the global interests of limiting effects on the climate, such as Ecuador has proposed.
- Pay reparations to Southern countries for the ecological destruction wrought by the North to assist peoples of the South to deal with climate change and other environmental crises.
- Strictly implement the "precautionary principle" of the UN Declaration on the Right to Development as a condition for all developmental and environmental projects.
- End lending for projects under the Kyoto Protocol's "Clean Development Mechanism" that are environmentally destructive, such as monoculture plantations of eucalyptus, soya and palm oil.
- Stop the development of carbon trading and other environmentally counter-productive technofixes, such as carbon capture and sequestration, agrofuels, nuclear power and 'clean coal' technology.
- Adopt strategies to radically reduce consumption in the rich countries, while promoting sustainable development in poorer countries.
- Introduce democratic management of all international funding mechanisms for climate change mitigation, with strong participation from Southern countries and civil society.

Agriculture and Industry

- Phase out the pernicious paradigm of industry-led development, where the rural sector is squeezed to provide the resources necessary to support industrialisation and urbanisation.
- Promote agricultural strategies aimed at achieving food security, food sovereignty and sustainable farming.
- Promote land reforms and other measures which support small holder agriculture and sustain peasant and indigenous communities.
- Stop the spread of socially and environmentally destructive mono-cultural enterprises.
- Stop labour law reforms aimed at extending hours of work and making it easier for employers to fire or retrench workers.

- Secure jobs through outlawing precarious low paid work.
- Guarantee equal pay for equal work for women as a basic principle and to help counter the coming recession by increasing workers' capacity to consume.
- Protect the rights of migrant workers in the event of job losses, ensuring their safe return to and reintegration into their home countries. For those who cannot return, there should be no forced return, their security should be guaranteed, and they should be provided with employment or a basic minimum income.

Conclusion

These are all practical, common sense proposals. Some are initiatives already underway and demonstrably feasible. Their successes need to be publicised and popularised so as to inspire reproduction. Others are unlikely to be implemented on their objective merits alone. Political will is required. By implication, therefore, every proposal is a call to action.

We have written what we see as a living document to be developed and enriched by us all. Please sign on to this statement at http://www.casinocrash.org.

A future occasion to come together to work on the actions needed to make these ideas and others a reality will be the World Social Forum in Belem, Brazil at the end of January 2009.

We have the experience and the ideas - let's meet the challenge of the present ruling disorder and keep the momentum towards an alternative rolling!!

Initial Signatories

Organisations

Transnational Institute, Netherlands

Focus on the Global South

Red Pepper magazine, United Kingdom

Institute for Global Research and Social Movements, Russia

Ecologistas en Acción, Spain

JS - Asia/Pacific Movement on Debt and Development (JS APMDD), Asia

RESPECT Network Europe, Europe

Commission for Filipino Migrant Workers (CFMW), Netherlands

The Movement for a Just World, Malaysia

Nord-Sud XXI, Switzerland

Europe solidaire sans frontières (ESSF), France

Indian Social Action Forum (INSAF), Inadi

Movimiento Madre Tierra, Honduras

Asian Bridge, South Korea/ Philippines

Center for Encounter and Active Non-Violence, Austria

The Alliance of Progressive Labor (APL)

Pakistan Institute of Labour Education and Research (PILER), Pakistan

Pambansang Katipunan ng Makabayang Magbubukid-PKMM (National Federation of Patriotic Peasant), Phillipines

Proresibong Alyansa ng mga Mangingisda-PANGISDA (Progresive Alliance of Fisher), Philippines

WomanHealth, Philippines

Kilusan para sa Pambansang Demokrasya (KPD), Philippines

Fisherfolk Movement Philippines

Democratic Socialist Perspective, Australia

Resistance & Alternative, Mauritius

Observatori del Deute en la Globalització, Spain

African Journalists on Trade and Development

Centre for Education and Communication (CEC), India

EQUATIONS, India

ESK-Basque Land, Basque Country

Common Frontiers, Canada

Alab-Katipunan, Philippines

Finnish Asiatic Society, Finland

Red Constantino, Philippines

Intercultural Resources, India

Women's March Against Poverty and Globalization (WELGA)

FDC Women's Committee

Bharatiya Krishak Samaj (Indian farmers organization)

Peace for All International Development Organization, Canada/Uganda

Foundation for Media Alternatives, Philippines

The Philippine Rural Reconstruction Movement, Philippines

The Freedom from Debt Coalition-Iloilo, Philippines

Jubilee Eastern Cape, South Africa

SdL intercategoriale, Italy

Foro Ciudadano de Participación por la Justicia y los Derechos Humanos, Argentina

APRODEH (Asociacion Pro Derechos Humanos), Peru

Attac Spain, Spain

HealthWrights, Workgroup for People's Health and Rights, US

Ander Europa, Netherlands

Enlightening Indonesia, Indonesia

SolidaritéS, Switzerland

ATTAC Hungary

AITEC (Association Internationale de Techniciens, Experts et Chercheurs), France

Red Venezolana Contra la Deuda/CADTM Venezuela Movimiento Unido Socialista Haitiano por el ALBA (MOUSHA), Venezuela

IPIAT (Instituto para la Investigación de la Agricultura Tropical), Venezuela

ECOPEACE Party South Africa

Jubilee Kansai Network, Japan

Ecuador Decide, Ecuador

ATTAC Japan

Transnationals Information Exchange (TIE) - Netherlands

Popular Education for Peoples' Empowerment, Philipines

International Gender and Trade Network, Brazil

Committee for the Abolition of Third World Debt (CADTM), Begium

ATTAC Morocco

ATTAC-Denmark

Friends of the Earth Finland

European Left Party Network, UK

Center for the Study of Democratic Societies, USA

European Social Forum Activists News Agency.

Cymru Europa Press (Social Forum Cymru/Wales), UK

Initiative Colibri/Germany

Sudptt (SOLIDAIRES), France

Attac 44 France

International Debt Observatory, Belgium

Ligue communiste révolutionnaire (LCR), France

Attac France

Anti Debt Coalition (KAU), Indonesia

Africa Europe Faith and Justice Network

The Corner House, UK

Climate and Capitalism (Canada)

BanglaPraxis, Bangladesh

Centro Studi Monetari, Italy

The Network Institute for Global Democratisation (NIGD), Finland

Project SafeCom

Justice and Peace Commission, Mexico

Theater of the Oppressed Laboratory (TOPLAB), US

Grasroots Policy Project, US

Habitat Net, Germany

Metta Center for Nonviolent Education, US

Legal Rights and Natural Resources Center (LRC/Friends of the Earth), Philippines PODER, A.C. ATTAC-Québec Foundation for Gaia, UK Alianza Social Continental, Americas Red Colombiana de Acción Frente al Libre Comercio-RECALCA, Colombia World Development Movement, UK Confederación Latinoamericana de Cooperativas y Mutuales de Trabajadores - COLACOT Fundacion Solon, Bolivia War on Want, UK **Habitat International Coalition** Midwest Casino Workers Organizing Council NEUE, Another Society is Possible Berne Declaration, Switzerland *Individuals* Fiona Dove, South Africa Walden Bello, Philippines/Thailand Hilary Wainwright, United Kingdom Boris Kagarlitsky, Russia Achin Vanaik, India Dot Keet, South Africa Brid Brennan, Ireland Pietje Vervest, Netherlands Cecilia Olivet, Uruguay Ramon Fernandez Duran, Spain

Tom Kucharz, Spain

Pierre Rousset, France

Rodney Bickerstaffe, United Kingdom

Von Francis C Mesina, Philippines

Al D. Senturias, Jr., Philippines

Sammy Gamboa, Philippines

Fe Jusay, Philippines

Nonoi Hacbang, Philippines

Lidy Nacpil, Philippines

Seema Mustafa, India

Kenneth Haar, Denmark

Wolfram Schaffar, Germany

Christa Wichterich, Germany

Isabelle Duquesne, France

Adhemar Mineiro, Brasil

Benny Kuruvilla, India

Aehwa Kim, South Korea

Manjette Lopez, Philippines

Bonn Juego, Philippines

Rasti Delizo, Philippines

James Miraflor, Philippines

Miquel Ortega Cerda, Spain

David Llistar, Spain

Alpo Ratia, Finland

Mira Kakonen, Finland

Hilary Chiew, Malasya

Celeste Fong, Malasya

Tatcee Macabuag, Philippines Teodoro M. de Mesa, Philippines Uwe Hoering, Germany Asad Rehman, UK Andy Rutherford, UK Debbie Valencia, Greece Petra Snelders, Netherlands Etta P. Rosales, Philippines Pete Pinlac, Philippines Ute Hausrnann, Germany Alain Baron, France Hanneke van Eldik Thieme, Netherlands Dorothy Guerrero, Philippines Ric Reyes, Philippines Herbert Docena, Philippines Dr. Chandra Muzaffar, Malaysia Ahmad Soueissi, Switzerland Elias Davidsson, Germany Juan Almendares, Honduras Carlos Ruiz Alexis Passadakis Sally Rousset D.W.Karuna

Hyowoo Na, South Korea

Sung-Hee Choi, Korea

Marko Ulvila, Finland

Matthias Reichl, Austria

Orsan Senalp, Turkey/The Netherlans

Tamra Gilbertson, Unites States

Prof. Kamal Mitra Chenoy, India

Prof Anuradha Chenoy, India

Gilbert Achcar, UK

Richel "Ching" M. Borres, Philippines

Helen Mendoza, Philippines

Sukla Sen, India

Olli-Pekka Haavisto, Finland

Amira Armenta, Colombia

William K. Carroll, United States

Gigi Francisco, Philippines

Sylvia Estrada Claudio, Philippines

Pablo Rosales, Philippines

Alice Raymundo, Philippines

Maris dela Cruz, Philippines

Terry Townsend, Australia

Ashok Subron, Mauritius

Ko Ko Thett

Einar Ólafsson, Iceland

Anjani Abella, Philippines

Gianni Alioti, Italy

Dr Michael Williams

Peter Lavina, Philippines

Gina Cantano-Dela Cruz, Philippines

Cecilia Jimenez, Philippines/Switzerland Thierry De Coster Sushovan Dhar, India Krishan Bir Chaudhary, India Dave Tucker Bruno Ciccaglione, Italy/Austria Haydi Zulfei , Asia Adam Davidson-Harden, Canada Al Alegre, Philippines Tom Mertes Elâabadila Chbihna, Morocco John A. Fitzpatrick Matyas Benyik Roger Keyes Ted Aldwin Ong, Philippines Romero P. Gerochi, Philippines C.P. Vinod, India Laurence Schechtman Berend Schuitema, South Africa Francesco Martone, Italy Asbjørn Wahl, Norway Teodolita S. Lopez-Suano, Philippines Hans Schäppi, Switzerland Rasigan Maharajh Anna Camposampiero, Italy Lorenzo Pellegrini, Italy/Netherlands

Rashmi Shetty, India

Wahyu Susilo, Malaysia

Fabrizio Tomaselli, Italy

Rayhan Rashid, Bangladesh

Saskia Poldervaart, Netherlands

Pierluigi Tedeschi, Italy

Gladys Baldew, Netherlands

Francisco Soberon, Peru

Erik Eriksson, Sweden

Marco Cuevas-Hewitt

Luigia Pasi - Italy

Maximo Kinast Aviles

Paul R. Woods

Antonio Carlos Diegues, Brazil

Luis David Saraiva Grivol, Brazil

Nick Dearden, UK

David Werner, US

Håkan Danielsson, Sweden

Wouter F.A.Snip, Netherlands

Valdimar Jóhannsson, Iceland

Vida Viktor, Hungary

Edgardo Lander, Venezuela

Yvon Thea Young-Ang, Philippines

Khristine Alvarez, Philippines

Hayri Kozanoglu, Turkey

Manfred Schiess, Germany

Antonio Gomez Movellan, Spain

Enrique Baigorri Remirez, Spain

Gunilla Andersson, Sweden

Matyas Benyik, Hungary

Kathia Ridore, France

Willem Bos, Netherlands

Irendra Radjawali, Indonesia

Jean Batou, Switzerland

Hector de la Cueva, Mexico

Maurizio Casetta, Italy

Adriana Nicoleta Filip, Italy

Kathia Ridore, France

Susana Barria, Suiza

Julia de Souza, Brazil

Paulino Núñez, Venezuela

Borsos Dóra, Hungary

Geraldine McDonald,

Fco. Javier Benítez Morales, Spain

Diego Luís Castellanos

Daniel Kollmer, Netherlanda

Daniel Chavez, Uruguay

Jayatilleke de Silva, Sri Lanka

Ruben Joseph

Carolina Parada, Sweden

Filippo Incorvaia, Italy

Lilia Claudia Jaramillo-Guerra, Austria

Miguel Gamboa Bram Büscher, The Netherlands Luis Gonzalez Ikrame Moucharik, Morocco Oscar Revilla Alguacil, Spain Adriano Garassino, Italy Brissaud Jean-Bernard, Morocco Franny Parren, The Netherlands Lisa Clark, Italy Donatella Biancardi, Italy Davide Buoncristiani, Italy Martin Pigeon, Brussels, Belgium Jo Versteijnen, Netherands Eric Toussaint, Belgium Murray Smith Daniel Gomez, Netherlands/Argentina Panos Vlachakis, Greece Natalia Sansón Moreno, Spain Moustakbal Jawad , Morocco Pablo Peredo Albert Capella Kristof Gal Dr. Magdolna Csath, Hungary Piero Stella, Italy Ibarrola Aitor

Tamara Pearson, Venezuela

Mark Barrett, USA Kenneth Haar, Denmark Fred Moseley, USA Bo Jansson, Sweden Ingegerd Jansson / Sweden Charles Quist-Adade, Canada Marko Ulvila, Finland Andrew Stevens, UK Edlira Xhafa, Albania Robley E. George, USA Cristina Civale, Argentin Sebastian Job . Al Campbell, USA Mirjana Joksimovic Bohlin, Serbia Johannes Lauterbach, Germany Carol Bergin, Germany Alain Mouetaux, France Gábor Vinnai, Hungary Jorge Marchini, Argentina Johannes Dragsbaek Schmidt, Denmark Federico Lucero Etienne Funck, France

Urantsooj Gombosuren, Mongolia Erich Seifert

Jaume Francesch Subirana

Bernadette Huger

Djilali Benamrane, France Eric Goujot, France Brigitte Queck, Germany Martial Denis Heinrich Jacqueline Bastiaan van Apeldoorn, Netherlands Robert Jasmin, France Jang, Seok-Joon, South Korea Terence Osorio Nathalie Lavallée Gabor Vida, Hungary Henri Dominici Emanuela Donat-Cattin - Italy Brian McDonough, Canada Henry van Maasakker, The Netherlands Susan Caldwell Marc Torres Ciuró Sean Thompson, UK **Richard Carruthers** Jaume Francesch i Subirana Giovanny Colorado Idoia LLano Elvis Mori, Peru Míriam Grande Vallugera Maite Martínez Marc Roux

Matteo Messori, Italy Roberto Cortese, Italy Lorenzo Palumb, Italy Ján Lenc, Slovakia Andrew Roche Greg Gerritt, US Gareth Dale Jonathan Ensor Peter Gelauff, Netherlands Ulla Lötzer, Member of Parliament, DIE LINKE, Germany Joana Ricart Sala, Barcelona Concha Martinez, Spain Boykin Reynolds, Germany Bernadette Wagnleithner Jose Luis Aguilar, Mexico Alessandra Galie', Italy Sankara Saranam Dr. Greg Kleis, New Zeeland Bill Koehnlein Marie-Claire Picher, US Klaus Starke, Germany Renau Marty, France Gordon Jackman Jerise Fogel, Germany Knut Unger, Germany Kathy Clark, US

M. Channa Basavaiah, India Colleen Angove Linda Provenza, US Philippe Mühlstein, France Stefano Puddu Crespellani, US Richard Sheeler Chris Brandt, US Johanna Voß, Germany Jesús Ortega Rodríguez, Mexico Klaus Bosselmann, US Barry K Gills, UK Boyd Reimer, Canada Germán Guillot, Germany Pablo Guerra, Uruguay Guillermo Díaz Muñoz, Mexico Margaret Willig Crane, US José Antonio Durand, Mexico Mike Hall Chamnan Yana, Thailand Debra Evelyn Armet Mertens Jean-Pierre, Belgium Jiten Yumnam, India Isabelle Perron, Canada Michael Büsgen, China Eduardo Arenas Josep Just, Spain

Elizabeth Peredo, Bolivia Guadalupe Méndez Beatriz Romero N.K.Jeet Ben Leeman, Australia Yu Xiaogang, China Mechthild von Walter, Germany Dipac Jaiantilal, Ph.D, Mozambique Mike Nagler, Germany Nadia Burza Gemma Bone Marie-Dominique Vernhes, Germany Brigitte Holzner, Germany Costa Constantinides, Cyprus Jure Lesjak, Slovenia Neil Osborne, Canada Bridin Ashe, Ireland Marion Flores Martin Zeis, Germany Ximena de la Barra, Chile Suzanne Duarte Hamid Hashtroudian, Germany Guido Dalla Casa, Italy Jashana Kippert Hubert Pichler, Germany **Rachel Takats**

Helene Vitre Lucia Goldfarb, Argentina Geoffrey Payne, UK Kiersty Caesar, UK Maite Martínez Eduardo Arenas Josep Just, España Ana Sugranyes Marisa Choguill Charles Choquill Kenneth Fernandes Andrew Muller Rosabel Agirregomezkorta AngelL F. Furlan Ma. Teresa Moreno Tim Mavrič, Slovenia Josnar Dionzon, Philippines Martin Rožej, Slovenia dr. alfred daniels, Germany Nina Janßen-Deinzer Rainer Grauer, Germany Marie-Helene Bonin Sue Bond Tomaž Štumpfl, Slovenia MR Iwuoha Chima Iwuo, Nigeria Tomaž Flajs, Slovenia

Alan L. Maki
B. L. Wagner
Josephine Gre
Alexander Schmidt
Kirk Gibson
Denis Donoghue
Mohammed Zulfekhar Ahmed
Helene Kippert
Sabina Žulič
Suzana Abspoel-Djodjo
Jennifer Stewart
Dhinendra Lohmor, UK / India
Christine Pagnoulle, Belgium
Jakot Karrera
Christiane Salim
José Pérez-Oya
Agustin Antunez
Dag Seierstad
Gokarn Bhatt
Titia Roesems, Belgium
View online : To sign the statement