

## **Motion for a resolution**

**tabled by the Members of the Bundestag Ulla Lötzer, Heike Hänsel, Eva Bulling-Schröter, Dr Barbara Höll, Werner Dreibus, Kornelia Möller, Dr Herbert Schui, Dr Axel Troost, Alexander Ulrich, Sabine Zimmermann and the Left Party parliamentary group**

**on the delivery of a government policy statement by the Federal Chancellor on the G8 world economic summit from 8 to 10 July 2009 in L'Aquila**

The Bundestag is requested to adopt the following motion:

The Bundestag notes:

The heads of government of the G8 countries (Canada, France, Germany, Italy, Japan, Russia, United Kingdom, USA) are meeting in L'Aquila from 8 to 10 July 2009. Agreements which have a global impact are regularly reached at the G8 summits. Beyond the annual summits, for example in informal meetings of specialist ministers and expert groups, the G8 coordinates the policy of the most powerful countries with respect to economic, social and political issues of global importance. In recent years the G8 has steadily broadened its purview. It exerts an influence on the corporate policy of the IMF and World Bank, and reaches agreements on the fight against terrorism, anti-refugee measures, climate protection, the debt problem, energy questions and reform of the UN.

G8 meetings are attended by governments of countries in which a total of just one seventh of the world's population live. Yet within this forum political and economic decisions are taken which have repercussions for the whole global economy and for the development chances of many countries and regions – in particular those countries and regions which have no seat at the G8 table. At the same time, the shifting of fundamental political and economic decisions to the level of intergovernmental agreements which give national parliaments no opportunity to exercise oversight or exert influence in shaping the agreements and which exclude the public partially disempowers democratically elected parliaments. The G8 summit lacks legitimacy with respect to the scope of the issues on which it takes decisions.

Since the G20 summit in London on 2 April 2009, the industrialised countries have once again been claiming the power to regulate issues relating to the world economic and financial system, and coordinating their policies for counteracting the crisis. Whilst the G20 framework does mean that emerging economies are being involved in addition to the G8, the developing countries remain excluded from negotiations, even though they are also suffering as a result of the current crisis. Rather than representing an opportunity to listen to all those affected, the G20 summit will once again assign the task of solving the crisis to those partially responsible for causing it, including multilateral organisations such as the International Monetary Fund (IMF) and the World Bank.

This undemocratic policy of non-cooperation was at its clearest in the run-up to the UN Conference on the World Financial and Economic Crisis and Its Impact on Development, which took place in New York from 24 to 26 June 2009. The G8 states and other industrialised countries of the North steadfastly refused to send their heads of state and government to this conference. Likewise, the heads of the IMF and the World Bank – both UN organisations – declined to participate. The conference had to

be postponed by three weeks because the UN wanted to ensure the heads of state and government would attend and because no agreement could be reached on an outcome document. Despite the urgings of the General Assembly, the industrialised countries have thus devalued the UN's efforts to provide global and democratically legitimised responses to the world economic crisis, going beyond development issues. The degree to which the Bundestag and non-governmental organisations were involved in the discussions was completely inadequate.

In its thirty-year history, the G8 has thus represented a major obstacle to a fair global economy and the implementation of social rights, and pursued the interests of large companies. This is shown by the current crisis management, the unfulfilled promises of regulation of the financial markets, the inadequate implementation of climate protection goals and goals relating to the expansion of development assistance or debt relief for countries of the South.

The German Bundestag calls upon the Federal Government

1. to bring more democracy to the decision-making process on reshaping the global economic and financial system, via:
  - the cancellation of the G8 summits and it being ensured that developing countries can participate equally in all follow-up summits of the G20 heads of government. Responsibility for organising the follow-up summits of the G20 must therefore be transferred to the United Nations (UN);
  - the United Nations Economic and Social Council (ECOSOC) taking on the role of a coordinator of international economic policy, and a permanent body of experts being established to bring together expertise regarding financial crises, climate change and food scarcity. The ILO, UNCTAD and the environmental and human-rights organisations should be strengthened. The IMF, the World Bank and the World Trade Organization (WTO) should be made subordinate to the UN structures and more democratic. In addition, the German Bundestag supports the Stiglitz Commission's call for the establishment of a Global Economic Council within the UN, a global tax authority and a Financial Products Safety Commission.
2. to develop in the short term packages of measures at international level which enable developing countries to establish public spending programmes via their own economic stimulus packages, via
  - the development of new sources of funding, such as a redistribution of special drawing rights to benefit developing countries. Regional organisations and credit institutions must be strengthened, the IMF made more democratic, and loans no longer made conditional on savings requirements or inflation targets;
  - acceptance of the Stiglitz Commission's proposal of a global stimulus package which takes particular account of the interests of the developing countries and focuses on climate protection, food security and poverty reduction. The experts are calling for the industrialised countries to dedicate one per cent of their stimulus packages as an additional form of development assistance;
  - the industrialised states not abandoning their binding commitments to raise official development assistance (ODA) to 0.7% of gross national income. As a step towards this, Germany must next year raise its ODA to 0.51% of GNI, as agreed in the EU's step-by-step plan. The debt question must be resolved and contributions to UN development programmes must not be reduced or cancelled entirely.
3. to place the financial markets under effective democratic oversight, via:
  - the stabilisation of exchange rates through the creation of target zones between the main global currencies, support for regional monetary agreements, and the replacement of the dollar as the key currency by a supranational currency basket similar to the special drawing rights;

- the creation of an effective global regulator for the financial markets, under the umbrella of the UN: its functions should include taking decisions on whether to prohibit speculative financial instruments at global level, and on an international regulator of the banking system which monitors systemic risks relating to the financial markets and proposes countermeasures. An agreement must be reached on the establishment of public rating agencies;
  - effective measures being taken to counter speculative transactions, so that highly leveraged transactions and hedge funds are prohibited, and speculation in currencies, food and raw materials is ended;
  - the introduction of capital controls and a transaction tax on trade in securities and currencies in order to rein in the financial markets;
  - the promotion and organisation of the closing down of tax havens and agreements being reached on steps to tax banks and transnational companies appropriately.
4. to introduce a change of course towards sustainable regulation of the global economy, via:
- international coordination of national stimulus measures and subsidies, in order to prevent industrialised countries competing with each other in terms of subsidies at the expense of tax payers and weaker economies, particularly in the South;
  - a defusing of the global current account problem. Imbalances can be rectified by the creation of a compensation mechanism modelled on the “International Clearing Union” originally proposed by John Maynard Keynes at Bretton Woods;
  - a shift in focus away from export markets and towards regionalisation and domestic markets, together with regional agreements on the promotion of social and ecological standards. To this end, measures should also be taken to ensure production is sustainable in economic, social and ecological terms, and to achieve food security and food sovereignty;
  - the safeguarding of the primacy of environmental and human-rights agreements, as well as ILO agreements, over WTO obligations and economic agreements based on the principles of the WTO (e.g. the economic partnership agreements between the European Union and the ACP states). The WTO's Doha round must be definitively declared to have failed;
  - steps being taken towards the monitoring of transnational companies regarding their commitment to social and ecological standards and the expansion of co-determination and worker participation rights; via the process of privatisation being halted immediately; and via work being started on an investment agreement which regulates investment in a sustainable manner.
5. to push forward the negotiations on the agreement of a successor to the Kyoto Protocol at the UN climate conference in Copenhagen in December 2009, via
- the industrialised countries committing themselves in advance of the UN climate conference to a target of reducing by 2020 their greenhouse gas emissions by at least 25 to 40 per cent compared to 1990; the EU must finally take on a leading role in the negotiations and commit itself as soon as possible, and without reservation, to reduce its greenhouse gas emissions by 40 per cent in the same period;
  - a binding commitment being made by the industrialised countries, in line with the polluter-pays principle, to financial transfers for climate-protection measures and climate change adaptation measures in emerging economies and developing countries; the EU must, as soon as possible, take a binding decision to make a financial contribution based on the UN Climate Change Secretariat's needs assessments;
  - countries being prevented from buying their way out of their climate-protection obligations by purchasing “false” climate-protection certificates from the Clean Development Mechanism (CDM);

- the protection of tropical forests not being involved in the global carbon markets; instead, a commitment should be given to direct financial transfers to protect the last forests.

Berlin, 8 July 2009

**Dr Gregor Gysi, Oskar Lafontaine and parliamentary group**