

Call for the signature of NGOs, trade unions and social movements

Belem, February the 1st of 2009

For a new economic and social model Let's put finance in its place!¹

The financial crisis is a systemic crisis that emerges in the context of global crises (climate, food, energy, social...) and of a new balance of power. It results from 30 years of transfer of income from labour towards capital. This tendency should be reversed. This crisis is the consequence of a capitalist system of production based on *laissez-faire* and fed by short term accumulation of profits by a minority, unequal redistribution of wealth, an unfair trade system, the perpetration and accumulation of irresponsible, ecological and illegitimate debt, natural resource plunder and the privatization of public services. This crisis affects the whole humanity, first of all the most vulnerable (workers, jobless, farmers, migrants, women...) and Southern countries, which are the victims of a crisis for which they are not at all responsible.

The resources to get out of the crisis merely burden the public with the losses in order to save, with no real public benefit, a financial system that is at the root of the current cataclysm. Where are the resources for the populations which are the victims of the crisis? The world not only needs regulations, but also a new paradigm which puts the financial system at the service of a new international democratic system based on the satisfaction of human rights, decent work, food sovereignty, respect for the environment, cultural diversity, the social and solidarity economy and a new concept of wealth. Therefore, we demand to:

- Put a reformed and democratised United Nations at the heart of the financial system reform, as the G20 is not the legitimate forum to resolve this systemic crisis.
- Establish international permanent and binding mechanisms of control over capital flows.
- Implement an international monetary system based on a new system of reserves, including the creation of regional reserve currencies in order to end the current supremacy of the dollar and to ensure international financial stability.
- Implement a global mechanism of state and citizen control of banks and financial institutions. Financial intermediation should be recognised as a public service that is guaranteed to all citizens in the world and should be taken out of free trade agreements.
- Prohibit hedge funds and over the counter markets, where derivatives and other toxic products are exchanged without any public control.
- Eradicate speculation on commodities, first of all food and energy, by implementing public mechanisms of price stabilisation.
- Dismantle tax havens, sanction their users (individuals, companies, banks and financial intermediates) and create an international tax organisation to combat tax competition and evasion.
- Cancel unsustainable and illegitimate debt of impoverished countries and establish a system of democratic, accountable, fair sovereign borrowing and lending that serves sustainable and equitable development.
- Establish a new international system of wealth sharing by implementing a progressive tax system at the national level and by creating global taxes (on financial transactions, polluting activities and high income) to finance global public goods.

We call on NGOs, trade unions and social movements to converge in order to create a citizen struggle in favour of this new model. We urge them to mobilize all over the world, in particular in the face of the G20, from March 28th onwards.

Signatures of organizations and list of signatories at www.choike.org/gcrisis or signatures by email at finance@eurodad.org (indicating name of the organisation, country and email contact)

¹ This call is the result of a series of seminars at the World Social Forum 2009 in Belem, which involved among others : Action Aid, Attac, BankTrack, CADTM, CCFD, CEDLA, CNCD, CRID, Eurodad, Global alternatives Forum, IBON, International WG on Trade-Finance Linkages, LATINDADD, Networkers South-North, NIGD, SOMO, Tax Justice Network, Transform!, OWINFS, War on Want, World Council of Churches.