

Bretton Woods II? How to reshape the international financial system?

- International Workshop at the World Social Forum in Belém, Brazil -
January 30, 2009 – 12:00-15:00 hrs – Prédio Central – Room B 003

What started as a US-based credit crunch in 2007 has rapidly turned into the most far-reaching international financial crisis since 1929. The deficiency of the current global economic paradigm based on an ideology of deregulation, privatization and a passive role of governments revealed, when emergency state intervention became indispensable to stabilize financial markets and restore confidence among stakeholders. Facing severe current account problems, a diverse range of economies had to rely on loans from the International Monetary Fund (IMF) to prevent state bankruptcy. While emergency packages of national governments and unconditional financial rescue support provided by the IMF might be able to mitigate the immediate impact of the crises, the apparent necessity of more sustainable solutions led to intensified debate about the regulation of global financial activities and the role of international financial institutions.

Thus, despite its disastrous impacts, the collapse of the so called *shareholder* or *financial capitalism* also opens up a **historic window of opportunity** to finally overcome the out rated principles of the *Washington Consensus*, revise the architecture of the global financial system and introduce more effective regulatory measures. A new *New Deal* is needed. A first step into this direction has been taken at a G-20 summit in November 2008 where prospects of reforming the international financial system were discussed.

The WSF workshop "*Bretton Woods II? How to reshape the international financial system?*" opens up a forum to assess the summit's outcome and look into perspectives of a new economic multilateralism. The discussion will focus on the following questions:

- What should be the future role of international financial institutions?
- How could a **new economic multilateralism** improve the situation of the developing world?

PROGRAMME:

Welcome: Sarah Ganter, Friedrich-Ebert-Stiftung, Germany

Josep Borrell, MoEP, Socialist Group in the European Parliament, President of the Global Progressive Forum

Adhemar Mineiro, DIEESE, Brazil

Oscar Ugarteche, Institute for Economic Research, UNAM, Mexico

Molly McCoy, ITUC, Washington

Moderator: Sarah Ganter, FES