



The Crisis as Window of Opportunity: Reshaping the Global Economy

Thursday, June 18th 2009, 13h00-17h00

EU Office

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The financial crisis that originated in the advanced developed countries has turned into the most far-reaching international economic crisis since 1929. Expectations of a “decoupling” between the crisis-hit economies of the west and the less exposed emerging and developing economies have vanished. The whole world economy is falling into a deep recession, threatening the living conditions of millions of people in the developed as well as in the developing world. While significant immediate measures are required to promote recovery from the current crisis, it is also important to deal with structural changes in the international system appropriate to prevent future crisis.

So, the current crisis has opened a “window of opportunity” to reform and modernize the present international order. There is a growing consensus in support of reforms that – as it has been highlighted in the G 20 London Summit Statement – “reflect changes in the world economy and the new challenges of globalization, and that emerging and developing countries, including the poorest, must have greater voice and representation”. These reforms will not come over night, rather the debate on the necessary policy and institutional changes and the underlying principles and values will need some time.

This Colloquium intends to provide a forum for this much needed debate. We would like to focus on two major issues:

- *Policy Reforms:*

Even before the crisis, the economic doctrines and political concepts on which the globalization process has been based on for decades had already been challenged. The crisis has even more undermined the driving forces of globalization. Many observers argue that the crisis is a result of excess in deregulation of markets as well as a result of a decoupling between the dynamics in financial markets and the real economy. So, the question is whether restoring the global economy is possible without changes in the key principles that guide the global economy.

- *Institutional Reforms:*
Also long before the outbreak of the crisis, there has been an intensive debate that the global governance architecture should more adequately reflect the shift in global political and economic power. The need for a shared, international responsibility vis-à-vis the crisis gives new momentum to the efforts to reform the international order and to advance towards a new economic multilateralism. Nevertheless, the question remains how this new and wider international order should look like.

Programme

- 13.00h Lunch
- 13.30h Welcome
Andrä Gärber, Director, FES Brussels
- 13.45h **Session I: Policy Reforms**
- Chair: Thomas Manz, Friedrich-Ebert-Stiftung, Berlin
- Inputs:
Wang Haifeng
Professor, Director of the Department of International
Economy, National Development and Reform Commission
(NDRC), China
Jorge Carrera
Head, Economic Research, Central Bank of Argentina
Daniel Gros
Center for European Policy Studies, Belgium
- 15.15h Coffee Break
- 15.30h **Session II: Institutional Reforms**
- Chair: Andrä Gärber, Friedrich-Ebert-Stiftung, Brussels
- Inputs:
Ariel Buirra
former Director, Intergovernmental Group of 24, Mexico
Jason Milton
G 20 Unit, South African Reserve Bank
Heliodoro Temprano Arrovo
Head of Unit, DG ECFIN, European Commission
- 17.00h Closing Remarks