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The role and relevance of the world economic institutions in an era of globalisation

Motion for a resolution
presented by M. SASI and others

This motion has not been discussed in the Assembly and commits only the members who have signed it

1. The Parliamentary Assembly is concerned that the world's principal international economic institutions, in particular the World Bank and International Monetary Fund set up under the Bretton Woods Agreement in 1944, have come in for increasing public questioning in regard to their role, relevance, governance and accountability in today's global economy.

2. The role of these institutions has been discussed, not only in the light of recent controversy, for example over the issues of leadership and good governance at the World Bank, but also in regard to their current role and relevance. For example, should the World Bank, whose main task is to help bring the less developed countries out of poverty, still be running substantial loan programmes in favour of such rapidly growing emerging economies as China, which now has accumulated foreign exchange reserves of over one trillion US dollars? What is the role of human rights in these institutions' policies?

3. It has also been said that the International Monetary Fund, set up to ensure the stability and liquidity of the world financial and monetary system, needs to adjust its role further in the light of criticism that its prescriptions have sometimes been counter-productive in the past, and that the Organisation's basic economic outlook and values do not take social aspects sufficiently into consideration and remain inappropriate in today's world.

4. The Parliamentary Assembly is also concerned that the role of the World Trade Organisation, responsible for global multilateral trade negotiations, may be undermined if the current Doha Development Round of trade talks is unsuccessful, leading to a preference for regional and bilateral negotiations and agreements and to a fundamental weakening of the multilateral trading system.

The relevance of international labour standards and environmental processes in relation to global economic institutions should also be discussed.

Growth and economic prosperity require stability, democracy, human rights, open trade and investment. History shows that economic prosperity and education guarantee a higher level of human rights. Therefore, it is important that international economic institutions be used as effectively as possible to advance human rights.

5. The Parliamentary Assembly underlines that all the global institutions need to be more democratically accountable, not only to the public in general, but to all their stakeholders, and especially those whom they were set up to help.

6. The Parliamentary Assembly calls for a debate on these issues on the basis of a report from its competent Committee.

*Signed*¹:

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EPP/CD: Group of the European People's Party
ALDE: Alliance of Liberals and Democrats for Europe
EDG: European Democratic Group
UEL: Group of the Unified European Left
NR: not registered in a group