



Governing Council
Item 10

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30 September 2009

REPORTS ON RECENT IPU SPECIALIZED CONFERENCES AND MEETINGS

(b) PARLIAMENTARY CONFERENCE ON THE GLOBAL ECONOMIC CRISIS

Geneva, 7 and 8 May 2009

1. Starting from the second half of 2008, when the first signs of the global economic and financial crisis became visible, IPU Members took an unequivocal stand in favour of coordinating national and international efforts to mitigate the social and political impact of the crisis in both developing and developed countries.
2. An emergency resolution adopted by the 119th IPU Assembly (Geneva, 13-15 October 2008) called on the Governing Council to organize, as soon as possible, an international parliamentary conference to examine the causes and effects of the crisis on the global economic system. This appeal was reiterated at the 120th IPU Assembly (Addis Ababa, 5-10 April 2009), when the issue of the social and political impact of the crisis was once again placed on the Assembly agenda as an emergency item.
3. Throughout the process of preparing for this important event that came to be known as the *Parliamentary Conference on the Global Economic Crisis*, the IPU coordinated its efforts closely with the United Nations, which was, at the time, setting the ground for its own high-level conference on the impact of the crisis on development. As a gesture of political support to the UN-led process, the IPU offered to host at its Headquarters a meeting of some of the world's most distinguished economists under the chairmanship of Nobel Prize laureate, Mr. Joseph Stiglitz. The group, branded as the Commission of Experts of the President of the UN General Assembly on Reforms of the International Monetary and Financial System, met in Geneva in mid-March 2009. Its recommendations provided a basis for the subsequent *Conference on the World Financial and Economic Crisis and its Impact on Development*, which took place at the United Nations in New York, from 24 to 26 June 2009.
4. The Parliamentary Conference on the Global Economic Crisis was organized by the IPU at the Palais des Nations in Geneva on 7 and 8 May 2009. It was attended by close to 400 participants and observers, including 210 parliamentarians from nearly 80 countries. The Conference brought together a very diverse group of legislators from parliamentary committees dealing with financial, banking, economic, social and development issues.

5. The Conference programme comprised a series of interactive panels, thematic debates and keynote presentations, all of which provided a wealth of information on the origins of the crisis and on lessons to be learned from it. It was an insightful event, an opportunity to ask direct questions and receive direct answers from senior representatives and experts of the United Nations, the G20 and others. Members of parliament interacted with leaders of major economic and financial institutions with special responsibility for addressing the crisis, and exchanged views on the parliamentary strategy to weather the crisis nationally and internationally.

6. The inaugural session was addressed by the IPU President, Dr. Theo-Ben Gurirab, and by the Secretary-General of UNCTAD, Dr. Supachai Panitchpakdi, representing the United Nations Secretary-General. Among distinguished guest speakers who addressed the Conference in person or via video link were Mr. Juan Somavía, Director-General of the International Labour Organization, Lord Malloch-Brown, Minister of State of the United Kingdom, Mr. Geir Haarde, former Prime Minister of Iceland, Mr. Jomo Kwame Sundaram, UN Assistant Secretary-General for Economic Development, Mr. Jan Kregel, Chief Rapporteur of the Commission of Experts of the President of the UN General Assembly on Reforms of the International Monetary and Financial System, Mr. Paul Larsen of the World Food Programme, Professors Jeffrey D. Sachs and José Antonio Ocampo of the Columbia University (USA) and Ms. Barbara Prammer, Speaker of the Austrian Parliament.

7. At the closing sitting, the IPU President, acting as the Conference Chair, presented concluding remarks summing up the two days of debates (see [Annex](#)). A complete summary record of the Conference proceedings was circulated to IPU Members on 17 August and was also posted on the IPU website.

8. The outcome of the Parliamentary Conference was duly fed into the process of reflection on the causes and consequences of the crisis undertaken by the UN General Assembly. As a consequence, the outcome document of the *Conference on the World Financial and Economic Crisis and its Impact on Development* (UN document A/RES/63/303) includes a paragraph encouraging the IPU "to continue to contribute to the development of global responses to the crisis". This specific reference by the highest United Nations body to the work carried out by the IPU is an important achievement insofar as it constitutes an explicit recognition of the role played by parliaments in tackling the global economic and financial crisis.

9. Further steps to implement relevant IPU resolutions and decisions concerning the crisis, including those of the statutory Assemblies and the Parliamentary Conference on the Global Economic Crisis, will be considered at a special review and follow-up session on the global economic crisis, to be held on 20 October as part of the overall work programme of the 121st IPU Assembly.



PARLIAMENTARY CONFERENCE ON THE GLOBAL ECONOMIC CRISIS

*Organized by the Inter-Parliamentary Union
Geneva, 7 and 8 May 2009*

CLOSING STATEMENT BY THE PRESIDENT OF THE CONFERENCE DR. THEO-BEN GURIRAB

Geneva, 8 May 2009

We have had two days of intense and rich discussions. We have examined the causes of the economic crisis, its likely evolution and how best to address it. Our debates have been enriched by several keynote speakers and panellists, who have shared their expertise and wisdom with us. We have talked about steps that are needed as a matter of urgency and measures that should follow in the medium and longer term. We have discussed our own role as parliamentarians, and what governments and the international community have to do.

It would not be possible to do justice to all of this in one short and inclusive statement. You will be receiving a comprehensive report with a summary of the debates and presentations in about a month's time. I will therefore concentrate my concluding statement at this stage on a few policy areas on which I believe you have voiced support for action.

First, the immediate solution to the crisis will involve the disbursement of very significant amounts of remedial funding. The economy must be revived, jobs need to be created, the financial system must be repaired, trust has to be re-established, and trade and investment need a major boost. To quote the G20 meeting in London last month, we need to build an inclusive, green and sustainable recovery, and that will require very significant amounts of funds.

The financial and economic crisis has its origins in the most developed economies and much of the early rescue efforts are concentrated in these countries. However, the crisis is affecting all countries and particularly the developing and least developed nations, which bear no responsibility at all for today's crisis.

The G20 meeting recognizes that these countries need to be assisted. This means living up to the commitments made on many past occasions.

Second, we have all emphasized the need for greater regulation of the financial sector. There must be much more accountability within and over the banking system than hitherto. Similarly, the credit rating agencies must be regulated and controlled to ensure that the information they produce is not misleading.

Third, employment must be central to the debate. The health of the world economy should not be measured as a function of stock market recovery, but rather in terms of the recovery of job markets, offering employment that provides a basis for survival and which values the dignity of work.

Fourth, much of the discussion centred on the international financial institutions and the need for their reform. It was said that loans provided by the International Monetary Fund should be stripped of the traditional conditionalities and should not be made to the detriment of social welfare.

We parliamentarians must contribute to the design of a new system which is better attuned to the deeper aspirations of our citizens. We should ensure much closer parliamentary interaction with the international financial institutions in a bid to exercise greater parliamentary oversight.

Fifth, we need to recognize that the global financial crisis affects women and men differently, with women the hardest hit. The crisis will at a minimum consolidate entrenched inequalities, but most likely exacerbate them, pushing women even further into poverty. Women are a driving force of our economies, formally and informally, and the solutions to this crisis must therefore build on their potential, recognize their contributions and promote gender equality. In parliament we must make sure that the policies and programmes that are developed to address the current crisis take account of gender equality and political participation by women and apply tools such as gender-sensitive budgeting.

Contrary to the belief of many, the crisis is reversible. Indeed, it is an opportunity to achieve real progress in our societies, remedying existing inequalities and imbalances, and building new systems based on inclusion, transparency and good governance. We must use our role as the elected leaders of our citizens and communities to sustain the public optimism that this will require.

Colleagues,

The tasks that lie before our governments in bringing a thorough reform to our financial systems and in forging a world that is less crisis-prone, are enormous. As we have seen over the last two days, we as parliamentarians have a major stake in the success of any reform. The best kind of support we can provide to our governments is, in fact, stringent oversight. As the reforms proceed - and they will take years and not months - our people will depend upon us to both keep them fully informed of developments, and to make absolutely sure that their views and aspirations are fully taken into account.

Thank you.