



UBUNTU
WORLD FORUM OF
CIVIL SOCIETY NETWORKS



SUMMARY OF PROPOSALS TO REFORM THE SYSTEM OF INTERNATIONAL INSTITUTIONS

Compiled by the **UBUNTU Forum Ad Hoc Secretariat**
Main Author: Núria Molina

December 2002

The aim of this paper, which gathers some of the most important proposals made to reform the system of international institutions, is to form a starting point for reflection on these issues. Due to time and space constraints, it is a non-exhaustive summary, and all suggestions regarding other works not referred to in this paper and which might contain relevant proposals for reform are welcome. The Ad Hoc Secretariat does not necessarily endorse all proposals listed in this paper.



**UBUNTU
WORLD FORUM OF
CIVIL SOCIETY NETWORKS**



SUMMARY OF PROPOSALS TO REFORM THE SYSTEM OF INTERNATIONAL INSTITUTIONS

Compiled by the UBUNTU Forum Ad Hoc Secretariat
Main Author: Núria Molina

December 2002

UBUNTU is an age-old African term for humaneness - for caring, sharing and beign in harmony with all of creation. As an ideal, it promotes co-operation between individuals, cultures and nations.

Federico Mayor c/o Josep Xercavins i Valls
Ad Hoc Secretariat of World Forum of Civil Society Networks - UBUNTU
Technical University of Catalonia
Jordi Girona, 29 Nexus II Building
Barcelona 08034 (Spain)
Telf. 0034 93 413 77 73
Fax. 0034 93 413 77 77
E-mail: info.ubuntu@ubuntu.upc.edu
<http://www.ubuntu.upc.edu>
<http://www.reformcampaign.net>
<http://www.reformwatch.net>

Published by:

Ad Hoc Secretariat of the UBUNTU Forum

Manel Manonelles
Lluís Miret
Núria Molina
Oscar Sahun
Josep Xercavins - Coordinator

Authors: Ad Hoc Secretariat of the UBUNTU Forum. Main author: Núria Molina

Design: Alba Mengual

Production: Silvia Urbán

Copyright: Ad Hoc Secretariat of the UBUNTU Forum.

This document may be reproduced partially or in its entirety, on condition that this copyright is quoted.

Legal deposit: B.26418-2004

First edition, May 2004

This publication has been possible thanks to the support and financing of Culture of Peace Foundation, Technical University of Catalonia, Open University of Catalonia, Generalitat de Catalunya, Diputació de Barcelona and Barcelona City Council.

TABLE OF CONTENTS

1. Proposals by International Organisations-----	page 5
1.1 United Nations Initiatives-----	page 1
1.2 Bretton Woods Institutions Initiatives-----	page 2
2. Intergovernmental and Governmental Initiatives-----	page 3
3. Proposals by Ad Hoc Groups-----	page 4
4. Civil Society Initiatives-----	page 8
4.1 UN Reform-----	page 8
4.2 Economic Democracy: International Financial and Trade Institutions Reform-----	page 9
4.3 International Justice-----	page 11
5. Proposals by the Academia-----	page 12

DETAILED TABLE OF CONTENTS

1. Proposals by International Organisations -----	page 5
1.1 United Nations Initiatives-----	page 5
Boutros Boutros-Ghali, 1995	
Kofi Annan, 1997	
UNDP, 1999	
UN and Inter-Parliamentary Union, 2000	
UNDP, 2002	
Kofi Annan, 2002	
1.2 Bretton Woods Institutions Initiatives-----	page 6
James Wolfensohn, 1997	
James Wolfensohn, 1998	
2. Intergovernmental and Governmental Initiatives -----	page 7
South Centre, 1996	
UN General Assembly, 1997	
Ministerial Declaration of the Group of 77, 1997	
The International Financial Institution Advisory Commission	
The Meltzer Report	
3. Proposals by Ad Hoc Groups -----	page 9
Stockholm Initiative, 1991	
Commission on Global Governance, 1994	
Erskine Childers and Brian Urquhart, 1994	
Independent Working Group on the Future of the UN, 1995	
High Level Expert Panel on Financing for Development, 2001	
Global Financial Governance Initiative	
4. Civil Society Initiatives -----	page12
4.1 UN Reform-----	page12
International Network For A UN Second Assembly, 1985	
Campaign For A More Democratic UN, 1989	
Campaign for UN Reform, 1992	
World Federalist Movement, 1992	
Charter 99, 1999	
Toda Institute for Global Peace, 2002	
4.2 Economic Democracy: International Financial and Trade Institutions Reform-----	page 13
The Halifax Initiative	
Bretton Woods Project	
50 years is enough	
World Economy, Ecology and Development	
Jubilee, 2002	
Oxfam Great Britain, 2002	
4.3 International Justice-----	page 14
Coalition for the International Criminal Court	
Amnesty International	
5. Proposals by the Academia -----	page 16
David Held, 1995	
Ngair Woods, 1998	
Dani Rodrik, 1999	
Global Economic Institutions, 1999	
C.L. Gilbert and C. Vines, 2000	
Centre for global Studies, 2000	
Transnational Institute, 2000	
World Institute for Development Economics Research, 2001	
Joseph Stiglitz, 2002	
Vikash Yadav, 2002	

1. PROPOSALS BY INTERNATIONAL ORGANISATIONS

1.1 UNITED NATIONS INITIATIVES

Boutros Boutros-Ghali: "Democracy: A Newly Recognized Imperative", *Global Governance 1*, 1995.

Democracy in the international community of states remains at a very rudimentary stage. It is generally accepted but still largely unapplied. Sovereignty rather than democracy has been the guiding principle in the history of the international system of states. However, the norms, practices and values of democracy should be extended to the international arena because it is beyond the capacity of any one state acting on its own and providing all the services and protection that its citizens require. The question that arises is: Could action taken by the international community extend democracy beyond the frontiers of the sovereign state to cover those actors and forces that are, at present, beyond the bounds of democratic accountability? The Time has come to move forward to democratise the international system at all levels of state and nonstate involvement.

Kofi Annan: "Renewing the United Nations: a Programme for Reform", Report of the Secretary General, 14 July 1997. Resolution Adopted by the General Assembly on 14 November 1997.

Strengthening leadership capacity in the Secretariat: establishment of the position of Deputy Secretary-General; establishment of a Senior Management Group. Enhancing strategic direction from the General Assembly. Increasing administrative effectiveness and efficiencies. Reaching out to civil Society. Assuring financial solvency. Promoting sustainable development as a central priority of the United Nations. Addressing the need for fundamental change through: refocusing the work of the General Assembly on issues of highest priority; establishment of a ministerial-level commission to examine the need for fundamental change through review of the Charter of the United Nations; "Millennium Assembly" and "People's Assembly" to be held in the year 2002.

United Nations Development Programme (UNDP) Human Development Report 1999.

Chapter 5 - Reinventing global governance-for humanity and equity

Reinventing global governance is not an option it is an imperative. Key priorities: putting human concerns and human rights at the centre of international policy and action; protecting human

security; narrowing the extremes of inequality between and within countries; increasing equity in negotiation and structures of international governance; building a new global architecture for the 21st Century.

Proposals:

- A more coherent set of international principles: economic, social and cultural rights as well as political and civil ones; The goals and commitments of the global conferences of the 1990s; democratic and equitable governance, globally and nationally; The WB and IMF need to explore how these principles are brought into their policies/operations.

- Develop a global code of conduct for multinational corporations and a global forum for their monitoring.

- Reducing financial insecurity and preventing future financial crisis: removing the requirements that countries liberalize capital accounts as a condition for borrowing; incorporating standstill provisions into the rules for borrowing from the international financial institutions.

- Protecting people.

- Controlling global crime.

- Promoting public-private partnerships.

- Narrowing global gaps: there should also be redistribution at the international level through development cooperation.

The United Nations and Inter-Parliamentary Union in 2000 convened a "Conference of Presiding Officers of National Parliaments" at UN Headquarters immediately before the Millennium Summit.

This could be an important step in integrating the voices of parliamentarians into UN processes. A UN Parliamentary Assembly would be modelled on the European Parliament, so the peoples would be represented in it as supporters of democratic political parties. Initially, at least, the delegates would be appointed or elected by the parliaments. The long-term objective is directly elected representation as in the European Parliament.

United Nations Development Programme (UNDP) Human Development Report 2002.

The Report highlights a number of reforms that could address some of the more obvious imbalances in global decision-making. These include: eliminating the UN Security Council veto, refor-

ming the selection process for the heads of the IMF and World Bank (currently controlled by Europe and the United States) and new programmes to help the poorest countries better represent their interests at the WTO. evidentes de los procesos de toma de decisiones globales. Entre estos se incluyen: la eliminación del veto del Consejo de Seguridad de las Naciones Unidas, la reforma del proceso de selección de los responsables del FMI y del Banco Mundial (que actualmente dominan Europa y Estados Unidos) y el establecimiento de nuevos programas para ayudar a los países más pobres a que representen mejor sus intereses en la OMC.

Kofi Annan: "Strengthening of the United Nations: an Agenda for Further Change", Report of the Secretary General, 9 September 2002.

Need for a strong multilateral institution acutely felt in the era of globalization. Much has already been achieved: reforms begun in 1997 led to the Millennium Declaration (time-bound development goals), to greater coherence and fruitful partnerships with non-State actors. But more changes are needed: intergovernmental organs must also change. The General Assembly and the Economic and Social Council need to adapt and the Security Council reform needs new impetus (Open-ended Working Group to examine the reform of the Security Council). A need for a stronger General Assembly. Strengthening of the Economic and Social Council: annual dialogue with the BW institutions and the WTO. Doing what matters: integrating human rights throughout the United Nations system; the United Nations High Commissioner for Human Rights will be strengthened. Working better together: Establishment of a high-level panel to make recommendations to find better ways to organize UN and civil society relationship. Global Compact.

1.2 BRETTON WOODS INSTITUTIONS INITIATIVES

James Wolfensohn, Strategic Compact 1997.

This programme is aimed at making the Bank a quicker and less bureaucratic institutions, which is more able to respond continuously to changing client demands and global development opportunities and is more effective and efficient in achieving its main mission, that is, reducing poverty.

James Wolfensohn, Comprehensive Development Framework, 1998.

In 1998, Mr. Wolfensohn suggested the need for a more integrated approach to development based on a framework articulated and "owned" by the country itself. That vision builds on these ideas: The CDF principles were widely and explicitly accepted by the international community as a basis for achieving greater poverty reduction and sustainable development. A network of CDF focal points within multilateral, bilateral and UN agencies have been meeting regularly on various aspects of implementation. The Bank's President outlined a vision of the Bank as an institution committed to forging closer partnerships with other actors to enhance development effectiveness: representatives from governments, bilateral donor agencies, multilateral financial institutions, academia, non-governmental organizations (NGOs), and other civil society organizations as well as the private sector.

2. INTERGOVERNMENTAL AND GOVERNMENTAL INITIATIVES

South Centre. *For a Strong and Democratic United Nations. A south Perspective on UN Reform.* Geneva, 1996.

South Centre is an intergovernmental organisation composed by developing countries intended to coordinate participation in international forums.

Proposals:

-UN finance: A thorough review should be carried out of the system of financing the UN by means of voluntary contributions, with the goal of gradually reducing its role until it is phased out; new means of financing the UN, including international levies and taxation, should be established to supplement and eventually supplant the core assessment system.

-General Assembly: to enable the General Assembly to take its intended central place in global policy-making and to ensure that there is more democratic participation in deliberations and decision-making procedures.

-Security Council: Enhancing the representativeness of the Security Council; ending the power of veto; abolishing permanent seats.

-The economic role of the UN: The UN role must be strengthened so that the necessary integrated and holistic approaches can be developed to deal with the increasingly complex set of socio-economic issues, and so that gradually the necessary coordination of macro-economic policy at the global level can be achieved. In particular, ECOSOC and UNCTAD require protection against forced erosion.

-Reforming the Bretton Woods institutions: to place their work and policies within the broader context and framework for development policy established through the work of the UN and its various mechanisms. This will also involve democratizing the governance of the Bretton Woods institutions and improving transparency at all levels. To deal with these concerns, a major and comprehensive intergovernmental process should be launched at the political level.

GA/9228: Assembly President Proposes Increase in Security Council Membership to 24 Adding 5 Permanent, 4 Non-Permanent Members (20 March 1997).

Ministerial Declaration of the Group of 77: Principles on UN Reform, 26-9-1997.

-The reform process must strengthen the

UN's ability to fulfil its role and functions in the development field, with the General Assembly providing the leadership to ensure the fulfillment of the social and economic goals enunciated in the United Nations Charter.

-The reform process should not be motivated by the aim of downsizing the United Nations and to achieve savings.

-The developmental tasks of the United Nations are of fundamental importance and may not be treated as secondary to its peacekeeping, human rights and humanitarian functions. Managerial measures to reduce overlap of functions, eliminate redundancies and minimize fragmentation are exceedingly important, but must be subservient to the larger goals of the reform process.

-The United Nations must carry out its mandated, comprehensive role in the economic and social areas.

-The United Nations General Assembly's role in the area of macro-economic policy formulation and coordination has to be strengthened.

-The United Nations, by virtue of its universal membership, is the most credible organization for performing developmental tasks. Assumption of some of these tasks, especially economic policy formulation and coordination, by limited groups outside the UN system or by organizations within the UN system with "weighted" means of decision-making is not the best way of ensuring equitable economic growth and development.

-All reform proposals must aim at giving greater effect to the principles of transparency, pluralism, and democracy which are the unique strengths of the United Nations.

-The decision-making process of the Bretton Woods Institutions should be reformed to allow for greater democracy, universality and transparency.

-The reform of the Secretariat should proceed with the objective of enhancing the effective implementation of the objectives of the Charter; emphasize the prerogative of the General Assembly in the creation, transfer and abolition.

-Financing for the United Nations: Member States must fulfil their legal obligations to pay their contributions promptly.

International Financial Institution Advisory Commission.

In 1999, the US Congress established a bipartisan International Institutions Advisory Committee to consider the future of the IMF, the World Bank and

the other multilateral development banks. The Committee, which was chaired by Professor Alan Meltzer, reported in March 2000.

The Meltzer Report:

The report states that the International Monetary Fund (IMF) and World Bank Group are largely failing in their mission to address world poverty and economic stability, and need major overhaul. Unanimously, the Commission supported a proposal maintaining that the IMF restrict its efforts to short-term crises assistance and recommended that the IMF, the World Bank and the various regional development banks forgive their loan claims held against the heavily indebted poor countries (HIPC). Structural recommendations for the IMF and the multilateral development banks call for "far-reaching changes to improve the effectiveness, accountability, and transparency of the financial institutions and to eliminate overlapping responsibilities." (Allan Meltzer, IFIAC Report, March 1999). It also recommends that the World Bank and regional development banks especially

3. PROPOSALS BY AD HOC GROUPS

should limit their activities to technical assistance and administering poverty alleviation grants.

Stockholm Initiative. Stockholm Initiative Aims for Stronger World Government, 1991. The 28 proposals concurred upon below represent a shot-across-the-bow of George Bush's New World Order, and a clear that now is the time to press for the subordination of national sovereignty to democratic transnationalism. Global Governance. We propose:

- That the United Nations takes on a broadened mandate at the Security Council level, following the wider understanding of security which has developed, and that its composition and the use of the veto be reviewed.

- That the Secretary-General be given a stronger position and the means to exercise authority, and that the method of appointment of the Secretary-General and of higher-level staff be reviewed.

- That the system-wide responsibilities and authority of the Secretary-General concerning inter-agency coordination and cooperation should be firmly established.

- That the financing system of the United Nations be reviewed, and that countries who do not adhere to the financial rules be deprived of the right to vote (such as the U.S. - ed.).

- That the activities of the United Nations in the economic and social fields be strengthened and rationalized.

- That the International Monetary Fund and the World Bank be coordinated, among themselves and with the United Nations system and GATT, with the aim of clearer division of labour, better harmony and full universality in their work.

- That a World Summit on Global Governance be called, similar to the meetings in San Francisco and at Bretton Woods in the 1940.

- As a matter of priority, the establishment of an Independent International Commission on Global Governance.

Commission on Global Governance. Our global neighbourhood: the report of the Commission on Global Governance, 1994.

A panel of 28 eminent personalities, chaired by Ingvar Carlsson of Sweden and Sridath Ramphal of Guyana, that began to meet in 1992 and completed its report - *Our Global Neighbourhood* - in 1994.

The report includes proposals to:

- Reform the Security Council, so that it

becomes more representative and maintains its legitimacy and credibility.

- Set up an Economic Security Council to have more effective - and more democratic - oversight of the world economy.

- Establish a United Nations Volunteer Force so that the Security Council can act more quickly in emergencies.

- Vest the custody of the global commons in the Trusteeship Council, which has completed its original work.

- Treat the security of people and of the planet as being as important as the security of states.

- Strengthen the rule of law worldwide.

- Give civil society a greater voice in governance.

- Explore ways to raise new funds for global purposes, e.g. a tax on foreign currency movements, and charges for using flight lanes, sea-lanes and other common global resources.

Erskine Childers and Brian Urquhart, Renewing The United Nations System, Dag Hammarskjold Foundation, 1994.

The Dag Hammarskjold Foundation and the Ford Foundation jointly published this report in 1994. Written by Erskine Childers and Brian Urquhart, two very keen and articulate former UN officials, it is widely considered the best overall statement on UN reform.

This report proposes to reform the overall UN system during the fiftieth anniversary the of the United Nations by:

- Reempowering the UN to formulate global macroeconomic policies (reciprocal representation between the UN and its specialized agencies - WB and IMF -; need for a non-commercial bank to respond to need of developing countries; to negotiate global strategies for WTO work at the UN).

- Reforming of the three "missing" specialized agencies in order to create an equitably governed low-interest lending facility, monetary fund, and world trade organization, following policies established by the General Assembly, with direction from the ECOSOC.

- Consolidate all UN development funds in a single UN development authority.

- Establishing a International Human Rights Court under the World Court.

- Improving the functioning of the General Assembly.

- Creating a peoples' world assembly which is democratic, has a genuinely useful role in the

UN's intergovernmental process, and has legal status as a UN body.

-Creating additional funds through levies on arms sales, transnational currency transactions, international trade, international air or sea travel, an annual UN lottery.

Independent Working Group on the Future of the United Nations. The United Nations in Its Second Half Century, 1995. The Working Group was convened by the Ford Foundation at the request of Secretary-General Boutros Boutros-Ghali in late 1993. This initiative, funded by the Ford Foundation and based at Yale University, was co-chaired by Moeen Qureshi of Pakistan and Richard von Weizsäcker of Germany. Yale Professors Paul Kennedy and Bruce Russett served as Directors. The report was issued in 1995.

The central recommendation of this Report calls for three related Councils: a new Economic Council, a new Social Council, and the existing but enhanced Security Council, all three serviced by a common Secretariat and working together on behalf of human security and sustainable development. The Economic Council and the Social Council would coordinate policy and programs through a Global Alliance for Sustainable Development, comprised of state representatives of the highest level. The Organization needs to eliminate redundancy by transforming, rationalizing or abolishing certain units. The three-Council arrangement recommended here would provide such an opportunity. The Secretary-General should convene a committee of permanent representatives and senior staff to consider reforms. The financial crisis of the Organization needs to be addressed securing the commitment of Member States to pay their assessments. An expert group should examine the options for other public sources of revenue, such as designated levies on global commons.

High Level Expert Panel on Financing for Development. Report by the High Level Expert Panel on Financing for Development, 2001.

On 15 December 2000, UN Secretary General Kofi Annan appointed a High-Level Expert Panel of eminent persons, chaired by the former Mexican president Zedillo.

Need for a world system to manage economic issues at global scale. We make our own the proposal put forward by the Commission on Global Governance, Our Global Neighbourhood.

Proposals:

-To create a World Council at the highest political level to play a leading role in managing world public affairs. Non-binding decisions. Draw up strategic frame for long-term policies to promote development.

-Organisation of a Summit on Globalisation to speed up reform processes already under way and to launch others that are urgently needed to make the potential offered by the globalisation process a reality:

-Support for multilateralism.

-Rapid reform of international financial architecture.

-Reform and strengthening of the WTO, which should launch a round in favour of development.

-Institutional response to environmental and employment issues.

-New sources of finance: tax on monetary transactions (Tobin tax); carbon tax; revive use of Special Drawing Rights (SDR) created by the IMF.

-International Tax Organisation.

-Migration policies.

Global Financial Governance Initiative to make international financial system more stable equitable and attuned to needs of developing countries. It is a joint project of institutions and experts in international finance, including FONDAD, the North-South Institute, Oxford University, IDRC and UN-ECLAC. Aims: debating reform of the international financial architecture and broadening the scope of the debate and highlighting developing country perspectives.

On 2002 and 2001 the Working Group III on Institutional Governance, coordinated by Ngaire Woods from Oxford University, has held three meetings and generated a draft reform agenda in terms of the core functions of global financial institutions (research and expertise, emergency financing, and conditionality) as well as the structure and organization of existing institutions (and possible new institutions). This Working Group suggests: Reforming the IMF and the World Bank:

- New institutional roles in crisis management and standstills.
- More focused developing country bargaining and advocacy.
- Enhancing ownership and long-term effectiveness in developing lending and emergency financing.
- Applying corporate governance principles to the governance of the IMF and the World Bank.
- Reviewing voting rights and voice in the IMF and the World Bank.
- Ensuring better representation of developing countries on the Executive Boards.
- Enhancing the capacity of developing countries to contribute.
- Use the G-24 and existing institutions better.

4. CIVIL SOCIETY INITIATIVES

4.1 UN REFORM

International Network For A UN Second Assembly (INFUSA), 1985.

UN Second Assembly. The number of seats allocated to each participating country would be proportionately related to population size. The delegates in the Second Assembly would be non-governmental and non-party, and would be directly and/or indirectly elected. They would represent the peoples of the United Nations as global inhabitants and members of civil society, while the delegates in the General Assembly would continue to represent us as national citizens.

Campaign For A More Democratic United Nations <http://www.camdun-online.gn.apc.org>. CAMDUN se estableció en 1989 como un proyecto de la International Network For A UN Second Assembly (INFUSA), formada en 1983.

CAMDUN was established in 1989 as a project of the International Network For A UN Second Assembly (INFUSA), which was formed in 1983. CAMDUN's main objective remains that of INFUSA - the establishment of an organ of the UN to represent the world's citizens as members of civil society (a UN peoples' assembly), linked with the UN General Assembly (in which the governments represent the citizens as subjects of the member states). Such bicameral global representation could lead to the UN becoming a 'United Nations and Peoples' for permanent peace. CAMDUN also seeks democratization of other elements of the UN system, in support of individual and collective human rights, sustainable development and equitable international relations. Cooperating for a more democratic UN: Action for UN Renewal, Association of World Citizens, Campaign for a More Democratic United Nations, Communications Coordination Committee for the United Nations, NZ Forum for UN Renewal, Operation Peace Through Unity, UNGA-Link UK, World Civil Society Forum - UK Support Group.

CAMDUN Second International Conference On A More Democratic United Nations, Vienna 1991:

-Instituting a UN duty on international trade, including financial movements between member states, to provide the core funding of the Organization.

-Enlarging the Security Council to 18 members.

-Abolishing the Security Council "veto", by instituting non-discriminatory voting powers or failing this by providing for a non-concurring vote of permanent members to be overridden by a concurring vote of the non-permanent members.

-Renaming the Security Council as "The Peace and Security Council" if under a revised Charter it continues to have "primary responsibility for the maintenance of international peace and security."

Campaign for UN Reform (United States), 1992. The 14-point program to reform and restructure the UN System:

1. Create International Disarmament Organization.
2. Improve UN Peacekeeping Capabilities.
3. Strengthen UN Environmental and Conservation Programs.
4. the UN Human Rights Machinery.
5. Establish Special International Criminal Court.
6. Increase Use of International Court of Justice.
7. Provide Better Dispute Settlement Mechanisms.
8. Improve General Assembly Decision-Making.
9. Modify Veto in Security Council.
10. Provide Adequate Stable UN Revenues.
11. Reform UN Administrative System.
12. Restructure World Trade and Monetary Systems.
13. Consolidate UN Development Programs.
14. Create UN Authorities for Areas not under National Control.

World Federalist Movement

UN Parliamentary Assembly. 1992. This would be modelled on the European Parliament, so the peoples would be represented in it as supporters of democratic political parties. Initially, at least, the delegates would be appointed or elected by the parliaments. The long-term objective is directly elected representation as in the European Parliament.

Empowering the UN. Proposals: a more representative and democratic Security Council with more transparent decision-making procedures; UN financing: Currency Transfer Tax and how to implement this new global levy; central position of the General Assembly as the chief deliberative, policy-making and representative organ of the United Nations.

Charter 99

The current world government is not to be found at the United Nations. Global policies are discussed and decided behind closed doors by exclusive groups, such as the G8, OECD, the Bank of International Settlements, the World Bank, the International Monetary Fund, the World Trade Organisation and others. These agencies are reinforced by informal networks of high officials and powerful alliances. Together they have created what can be seen as dominant and exclusive institutions of world government. All too often they are influenced by transnational corporations which pursue their own world strategies. These agencies of actual world government must be made accountable. If there are to be global policies, let the policy makers be answerable to the peoples of the world. We call on you, therefore, to initiate the process of democratic global governance following fundamental principles: openness and accountability; environmental sustainability; security and peace; equality and justice.

Toda Institute for Global Peace and Policy Research, based in Tokyo, Japan, and Honolulu, Hawaii; the School of Social Sciences of La Trobe University, Melbourne, Australia; and Focus on the Global South, an institute based in Thailand and dedicated to regional and global policy analysis, micro-macro issue-linking and advocacy work, are collaborating on a project titled, the "Global Governance Reform Project (GGRP)." Spotlighting issues of global concern, the project sponsors commissioned studies in three areas: "globalization and global governance," "global financial flows," and "global peace and security."

Study results to date have been compiled in *Democratizing Global Governance* (2002), edited by Eref Aksu, GGRP coordinator and research associate at La Trobe University, Melbourne, Australia, and Joseph A. Camilleri, professor of international relations at La Trobe University, and published by Palgrave MacMillan, Great Britain. Joseph A. Camilleri is the author of the last chapter, "Reimagining the Future", which tackles issues related to Major Structural Reform: General Assembly, People's Assembly, Consultative Assembly, Security Council, Economic and Social Security Council, Secretary-General/Secretariat, Financial arrangements, Regional organizations, Emerging global civil society.

4.2 ECONOMIC DEMOCRACY: INTERNATIONAL FINANCIAL AND TRADE INSTITUTIONS REFORM

The Halifax Initiative

Currency Transaction Tax. With the support of ATTAC, Tobin Tax Initiative, War on Want.

A global citizen's movement has emerged in support of the currency transactions tax, or "Tobin" tax as it is often called. The tax is a means to reassert national economic sovereignty, help prevent financial crises and generate billions of dollars for global social development and environmental protection. The tax should be collected and redistributed in a fully transparent and accountable manner through the United Nations.

Bretton Woods Project

A thorough review of the policies, functions, governance and structures of the multilateral financial institutions is essential. A review should be transparent and involve developing country governments and other stakeholders such as NGOs and civil society organisations, academics, and parliamentarians. It would be very inappropriate if it is orchestrated by the G7 and therefore it must be led by an independent, representative body elected through a transparent process. The review should also examine what aspects of the global architecture are still missing and take forward the stalled reform efforts initiated in response to the financial crises of 1997 and 1998.

50 years is enough

Assessment of Institutions' Future: We demand that the future existence, structure, and policies of multilateral institutions such as the World Bank Group and the IMF be submitted to a re-evaluation conducted through a democratic, participatory and transparent process, building on the findings of a neutral and credible Truth Commission. The process must accord full participation to the peoples most affected by the policies and practices of the institutions, and include a significant and influential role for all parts of civil society, including farmers' associations, trade unions, women's organizations, non-governmental organizations, faith-based groups, and student/youth organizations.

World Economy, Ecology and Development (WEED)

At the heart of the reform agenda proposed by WEED lie the calls for institutional reform of the Fund itself, including the democratisation of the Fund's decision-making structures. The report joins an existing chorus of voices calling for restructuring of voting patterns within the Fund which grants the US 17.8 per cent of voting rights and other industrialised nations substantially more power than the debtor nations. However, the report rejects proposals for a one-country-one-vote system, preferring a decision-making structure based on a country's population, economic potential and its ranking in UNDP's Human Development Index.

Jubilee

The Jubilee Framework (January 2002) is a step towards democratising international capital markets. The existence of a framework, enabling any indebted nation to file for a standstill on debt payments; or for her creditors to declare her insolvent, will be a form of regulation of international capital flows; and will discipline both lax lenders and reckless borrowers. Fundamental to the Jubilee Framework is public participation in the proceedings of the court, and in the resolution of crises involving public money.

Oxfam Great Britain

Jacob Werksman: "Institutional Reform of the WTO", 2002.

Proposals:

-Greater transparency and participation, particularly from developing country Members, but also from representatives of civil society.

-Adoption of more specific special and differential treatment with regard to the timing of filings and the implementation of rulings involving developing countries and provision of more technical assistance for developing countries, and particularly least-developed countries, in bringing and defending WTO disputes.

-Improve the external transparency of the WTO.

-Reforming the WTO mandate to make explicit that trade is not an end in itself.

-More effective coordination between the WTO and other international institutions.

-Establishing mechanisms to improve understanding of the linkages between international trade policy and equally important non-trade objectives.

-establishing mechanisms to monitor the poverty impact of WTO sanctions.

4.3 INTERNATIONAL JUSTICE

Coalition for the International Criminal Court

The CICC is a network of well over 1,000 non-governmental organizations (NGOs) advocating for a fair, effective and independent International Criminal Court (ICC). The International Criminal Court (ICC) is a permanent court capable of investigating and trying individuals accused of the most serious violations of international humanitarian and human rights law, namely war crimes, crimes against humanity, and genocide. Unlike the International Court of Justice, whose jurisdiction is restricted to states, the ICC considers cases against individuals; and unlike the Tribunals for Rwanda and the Former Yugoslavia, created to address crimes committed during these conflicts, its jurisdiction is not situation-specific and is not retroactive.

Amnesty International

Amnesty International is campaigning for an end to impunity at the international level. To achieve this, the organisation, together with thousands of non-governmental organisations and civil society groups worldwide, is lobbying all governments to take steps to establish an international system of justice, complemented by national systems to bring perpetrators to justice. In particular, Amnesty International is calling on all states to:

-Ratify the Rome Statute of the International Criminal Court and enact effective implementing legislation to cooperate fully with the Court.

-Enact and use universal jurisdiction legislation for the crimes of genocide, crimes against humanity, war crimes, torture, extra-judicial executions and "disappearances", in order that their national courts can investigate and, if there is sufficient admissible evidence, prosecute anyone who enters its territory suspected of these crimes,

regardless of where the crime was committed or the nationality of the accused or the victim.

14 Principles on the Effective Exercise of Universal Jurisdiction (abstract)

- Crimes of universal jurisdiction.
- No immunity for persons in official capacity.
- No immunity for past crimes.
- No statutes of limitation.
- No political interference.
- Grave crimes under international law must be investigated and prosecuted without waiting for complaints of victims or others with a sufficient interest.
- Internationally recognized guarantees for fair trials.
- Public trials in the presence of international monitors.
- No death penalty or other cruel, inhuman or degrading punishment.

5. PROPOSALS BY THE ACADEMIA

Held, David: Cosmopolitan Democracy: An Agenda for a New World Order, 1995.

In this book the authors argue that the form of international regulation that dominated the world for the last forty years no longer exists and that a new world order must be developed based upon the principles of legality and democracy. The book looks at the development of international organisations and suggests that they need reforming so as to be made more accountable and this includes the United Nations. There also has to be a new balance between decisions taken at a local, national, regional and international level. This together forms a new model of cosmopolitan democracy. This idea should also be combined with a new concept of civic participation and citizenship that reflects the redistribution of power at regional and global levels.

Woods, Ngaire: "Governance in International Organizations: The case for reform in the Bretton Woods institutions", 1998.

If the IMF and the World Bank are to achieve the standard of good governance they themselves have defined for borrowing members, some reform of the constitutional rules, as well as the decision-making procedure and practices within both institutions is required. More specifically, in order to enhance their own accountability, transparency and members' participation, the institutions need to consider:

- Redrawing quotas.
- Revitalizing basic votes.
- Ensuring that operational decisions are made in an open and recorded way (i.e. not by the practice of consensus on the Board).
- Ensuring that clear and impartial rules govern the use of special majorities.
- Introducing double majorities where particular stakes or stake-holders need safe-guarding.

Rodrik, Dani: "Governing the Global Economy: Does One Architectural Style Fit All?", JFK School of Government, Universidad de Harvard, 1999.

What kind of an international architecture: Need for a global set of institutions that provide regulatory, lender-of-last resort, and safety-net functions. This set of institutions should provide three functions: regulating market behaviour, stabilizing aggregate demand, and redistributing the risk and rewards of market outcomes.

Global Economic Institutions (GEI)

The Global Economic Institutions (GEI) Research Programme is a research programme funded by the Economic and Social Research Council of Great Britain. The purpose of the programme is to study how existing global economic institutions and regimes operate, and how they might be improved, and whether new institutions are needed. Ten projects began work in 1994, a further six began in 1996, and activities include a number of workshops and conferences. The Programme will run until 1999. Networking services are provided for the programme by CEPR.

C.L. Gilbert and D. Vines eds., The World Bank: Structure and Policies, Cambridge, Cambridge University Press, julio de 2000.

The World Bank is dedicated to the promotion of sustainable economic development and to poverty reduction throughout the developing world. It faces new challenges as capital shortages are replaced by large but volatile capital flows. The contributors to this volume argue that the Bank's greatest asset is its accumulated knowledge and experience of the development process, and propose that it organize itself around the concept of a Knowledge Bank. They propose a shift in priority, away from lending with conditionality imposed on borrowing governments, towards assistance to governments in devising good development strategies. Part I examines the existing structure of the Bank and considers the World Bank as an institution. In Part II the effectiveness of World Bank assistance is evaluated.

Centre for Global Studies, University of Victoria. Rethinking Governance, 2000.

The problem is that we do not have a global government and we need a substitute for it - global governance. Better global governance is unquestionably needed. Governance must provide needed public goods. But this cannot be the exclusive purview of governments. Governance is not synonymous with governments. There are many more actors involved today in governance - such as civil society, regional supranational institutions, international organisations, etc. Governments need to see non-state actors as groups that have power and legitimacy, albeit a legitimacy different from governments and varying according to organizations and issues. In addition, power is seen as unfairly dis-

tributed, with developing countries lacking the scope to argue their case effectively. This effort is not dedicated to those who want to freeze or diminish the role of international organisations. The appropriate route is to improve the governance of the international system. There is an impressive array of good practices and ideas to emulate and adapt in order to improve procedures enhancing participation, transparency and accountability. We should govern at the international level more flexibly, more sensitively, more democratically: all these are points where it is easier to agree on the faults in the way existing institutions operate than it is to find agreement on new structures. It seems unlikely that one model will fit all circumstances. Learning from experiment and experience with different options may be the most promising way forward.

Transnational Institute. Annual Report 2000.

- Global Economic Justice Programme:
- An Alternative Global Economic System
 - Genuine international co-operation based on loose global economic integration.
 - Cancel Third World debt.
 - Subject transnational corporations to international law.
 - Close tax havens.
 - Impose an international tax on financial transactions to alleviate poverty and redress environmental damage.
 - Institute a universal welfare threshold for all as a right.
 - Subject international financial institutions, such as the World Bank, regional development banks and the IMF, to democratic control.
- Alternative Financial Architecture.
 - Re-orient finance from speculation to long-term investment in the real economy.
 - Reduce instability and volatility in global financial markets.
 - Allow maximum space for national governments to set exchange rate policy, regulate capital movements and eliminate speculative activity.
- Democratisation Programme
 - Globalisation and Democratisation.
 - Aid for Civil Society Building.
 - Civil Society as Global Actor.
 - Towards Substantive, Participatory Democracy.

World Institute for Development Economics Research/United Nations University

Deepak Nayyar (ed.): New Roles and Functions for the UN and the Bretton Woods Institutions, 2001. With the collaboration of Amit Bhaduri, Lance Taylor, Yilmaz Akyüz, Richard Falk, Jong-Il You, Joseph Stiglitz, Shrirang Shukla, José Antonio Ocampo, Devesh Kapur.

- Reforming the UN: Security Council reforms such as enlarging membership and circumventing the veto; full or partial independent UN financing through some version of the Tobin tax on international foreign exchange transactions or stock market transactions, and some charges on the use of the global commons; Global Peoples Assembly; Economic Security Council; Volunteer Peace Force.

- Reforming the IMF and the World Bank: the IMF needs to improve accountability and seek the general interest of peoples and governments and the collective interest of the world economy; the World Bank needs to be transformed into an institution more concerned with development and to restructure its voting system.

- Making the World Trade Organization more democratic.

- A new financial architecture to manage global macroeconomics, including inflation control, restoring full employment and stimulating investment and which is designed first of all to deal with crisis management and crisis prevention. It should also support the integration of developing countries into the world economy in a manner that promotes development.

- A system of governance for transnational corporations.

Stiglitz, Joseph: Globalisation and Its Discontents, New York and London: W.W. Norton & Company, 2002

Stiglitz states that institutional reforms must be undertaken restricting the financial sphere:

- Standstills on debt repayment when financial crises occur, giving otherwise healthy firms an opportunity to recover from financial crises.

- Special bankruptcy provisions that kick in when exceptional macroeconomic disturbances break out, providing management a chance to restructure ailing companies.

- Greater reluctance by the I.M.F. to lend billions in bail out packages.

- Improved regulation of banking, including,

for example, restrictions on speculative real estate lending.

- The use of short-term capital controls and "exit taxes" to protect countries against "the ravages of speculators".

- Granting more seats at the I.M.F. to countries from poor regions in the global economy.

- More open discourse at the I.M.F., the World Trade Organisation, and other international agencies.

- A narrowing of focus at the I.M.F. to managing crises, leaving policies of development and transition to other institutions such as the World Bank.

- The developed countries and international financial institutions should provide loans enabling developing countries to buy insurance against fluctuations in the international capital markets.

- Improved safety nets.

- Debt relief and a more balanced trade agenda.

Yadav, Vikash: "Reforming the Governance of the IMF", 2002.

Proposals:

- Democratizing the governance structure of the IMF will significantly improve the institution and thus enhance the operation of the global economy.

- The legitimacy of international rule making organizations can be improved if decisions are achieved through a more democratic framework.

- The implementation of a democratic framework for rule making requires a reform of the Fund's "quota regime," as it is the quota regime that mediates the distribution of voting power at the IMF. The distribution of power within the Fund's quota regime must adapt to better represent the increasing weight (and vulnerability) of developing and particularly emerging market countries in an increasingly integrated world economy.



World Forum of
Civil Society Networks - UBUNTU
www.ubuntu.upc.edu
info.ubuntu@ubuntu.upc.edu

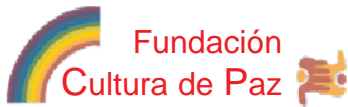


World Campaign for In-Depth Reform
of the System of International Institutions
www.reformcampaign.net
info.campaign@reformcampaign.net

Ad Hoc Secretariat
Universitat Politècnica de Catalunya
Nexus II building
Jordi Girona, 29
08034 Barcelona - Spain

Tel. +34 93 413 7773
Fax +34 93 413 7777

Promoted by:



With the support of:

