



Global Futures Forum 2023 *E-Consultation Report*

Global Economic and Financial Architecture Track
January 11-24, 2023

Welcome to the **Global Futures Forum 2023 e-consultation** on a **People’s Pact for the Future: Civil Society Perspectives for the UN We Need**, designed to bring civil society perspectives worldwide to the intergovernmental preparations for the September 2023 Ministerial Forum and September 2024 Summit of the Future in New York. The following report summarizes a two-week online conversation on the “Global Economic and Financial Architecture” (January 11-24, 2023), feeding into the March 20-22 Global Futures Forum.

Background: The COVID-19 pandemic and the ongoing war in Ukraine have significantly impeded global progress toward the Sustainable Development Goals. Global populations affected by hunger rose to 828 million in 2021, a jump of 150 million since before the pandemic, and 670 million people will still face hunger in 2030, even if global economic recovery is stepped-up. Regions in the Global South, such as Africa felt the heaviest impact; approximately 20 percent of the population was hunger-stricken in 2021.

Worldwide, nearly 32 percent of women were moderately or severely food insecure, compared with about 28 percent of men. Global inflation driven by rising food and energy prices and lingering supply-demand imbalances was projected to reach 6.6 percent in advanced economies and 9.5 percent in emerging market and developing economies in 2022. Food price inflation, at 15 percent, has been especially hard for lower-income households who spend approximately 50 percent of their income on food. Sixty percent of low-income countries are at a high risk of or are already in debt distress, up from 30 percent in 2015. In the eighty-one countries where the UN World Food Programme works, acute hunger is projected to increase from 276 million to 323 million, with the steepest rise expected in Sub-Saharan Africa if Russia’s war against Ukraine continues in 2023.



Adverse global growth patterns make the future outlook even more concerning. Economic growth is expected to slump from 5.7 percent in 2021 to 2.9 percent in 2022, significantly lower than the 4.1 percent that was anticipated in January 2022 (and global economic growth projections for 2023 are yet lower still, with growing fears of a worldwide recession). The World Employment and Social Outlook report projects that global unemployment will stand at 207 million in 2022, surpassing its pre-pandemic level.

As a contribution to the preparations for the upcoming (March 20-22, 2023) Global Futures Forum, we welcomed substantive feedback on the following questions on global economic and financial governance innovation, giving special attention to presenting reform strategy ideas that build on the political momentum generated by September 2020 UN75 Declaration and September 2021 UN Secretary-General's *Our Common Agenda*:

1. *Given the growing influence of the annual Heads of State G20 meetings in global economic and social policymaking, how can the 174 UN Member States that fall outside the G20 be engaged more effectively in its deliberations and follow-through?*
2. *Given the current crisis facing international trade at various levels (exacerbated by COVID-19), how can diverse stakeholders influence governments to cooperate multilaterally and to avoid trade restrictive measures at their borders? Should the participation of diverse stakeholders (e.g., from the business community, international organizations, and the labor unions, consumer associations, academia, and NGOs, etc. that make-up civil society) in decision-making be encouraged, in order to strengthen and achieve a more equitable and dynamic international trade system? If so, how?*
3. *What can be done to boost the lending capacity of official donors given the highly destabilizing nature of the COVID-19 related shock to the public finances and economic growth of these countries? Furthermore, should G20 Finance Ministers revisit the urgent need to once again suspend debt service payments for some or all of the world's 77 poorest countries?*
4. *How can greater coherence and efficiency be developed in the Global Economic and Financial Architecture to increase opportunities for more inclusive, broad-based, and GREEN economic growth and job creation coming out of the COVID-19 pandemic?*



5. *Oxfam's paper calls for increased taxation on the wealthiest people and corporations; what can we do together as global civil society to advance this call to action to reduce inequality worldwide?*
6. *Increased tax revenues from windfall and other wealth taxes must be used to strengthen public services as the most powerful measure to reduce inequality. How can global civil society work together to strengthen tax administrations, transparency and accountability?*
7. *What other measures should we be collectively pushing for across global institutions to achieve tax justice and fight inequality?*

Key issue areas that were raised during the e-consultation:

Comprehensive Wealth Taxation

Participants called for additional taxation of wealth and high incomes but concurred that increased taxation of the wealthy does not guarantee the elimination of poverty and inequality, if governments do not spend that money towards the strengthening of public services. It was highlighted that systems should be put in place to allocate extra tax revenue towards the types of public spending that alleviate the economic hardships of the majority. Accordingly, it was noted that this looks different depending on whether the country is developing, middle income, or developed.

Tackling Corruption and Illicit Financial Flows

Participants highlighted the need to reinforce and promote existing organizations and campaigns dedicated towards stopping illicit financial flows, which are often derived from public funds stolen by corrupt government officials. It was agreed that programs such as the Stolen Asset Recovery Initiative (StAR, by the United Nations and the World Bank) and Tax Inspectors Without Borders, which are dedicated to identifying stolen public assets and corrupt actors, must be supported, expanded, and funded.

Issues with Global Value Chains and Supply Chains

Currently, former colonies export many of their raw materials at a low value, and import goods at a high value. Discussants agreed that this is indicative of the unfinished process of decolonization,



whereby former colonies which have become politically independent are not yet economically independent. It was noted that certain countries have tried to address this disparity by banning or reducing the amount of export of raw materials, such as in the case of Indonesia, which now bans the export of raw nickel to use in their production of electric vehicle batteries, which raises their place in the value chain by producing and exporting batteries using their own materials. As the European Union has raised concerns regarding this at the World Trade Organization, participants argued the need for reform at the World Trade Organization from the perspective of developing countries which are still economically dependent.

Challenges in Measuring Economic Progress

Participants noted that the persistent pursuit of growth and a higher Gross Domestic Product hurts the environment, with the economic operations of advanced countries contributing the most towards climate change and greenhouse gas emissions. It was noted that capital spent to fix the damage done by novel and frequent climate disasters is counted towards Gross Domestic Product as “growth”, which is damaging towards efforts to counteract climate change. Participants additionally highlighted the need to develop new methods of measuring progress and economic strength, preferably one based on the Sustainable Development Goals.

Geopolitical Trends and Challenges

The discussion additionally addressed drawbacks to a US dollar-based international financial system that is vulnerable to geopolitical challenges, such as unilateral sanctions, and massive capital flows in and out of developing countries that are spillovers when major country central banks tighten or loosen their domestic monetary policy. Accordingly, the need for the creation of a dialogue to discuss the need for the adoption of a new world currency was highlighted.

Areas/recommendations where there seems to be an emerging consensus are:

Developing a New Global Currency

Participants noted that the world is moving away from almost exclusive reliance on the US dollar in international trade, by for example invoicing exports more in domestic currency, facilitated by bilateral local currency settlement arrangements between central banks (as in rupee/ruble), plus increasing use of renminbi in intra-Asian trade. Some of the world’s largest emerging economies are gradually reducing the share of US dollar assets in their central bank reserves. It was also noted



that regional monetary arrangements are multiplying, and many of these are not dollar-based, although the overwhelming majority of international transactions continue to involve the dollar. The process of change, nevertheless, seems inevitable, argued some participants, and a way must be found to gradually and smoothly transition to a new system and new global currency.

A Global Taxation System

Growing numbers of civil society organizations favor negotiation of a “UN Tax Convention that would address the adverse international effects of unfair taxation systems on tax revenues of developing countries. It was noted that measures that should be collectively pushed across global institutions to achieve tax justice and fight inequality should include lobbying governments officials, organizing events and campaigns, and collaborating with other organizations to raise awareness and support for the issue.

International Anti-Corruption Court

Participants concurred that the support of anti-corruption organizations and advocacy for an “International Anti-Corruption Court” to be instituted by the UN is imperative to guarantee prosperity. Examples were given of regional and local initiatives to address different forms of corruption that set a precedent for the formation of an International Anti-Corruption Court. Participants noted that anti-corruption measures that are mindful of the safety of civil society actors that actively identify corrupt actors and risk their lives doing so are needed.

Alternative Measures of Development Progress

Participants explored the adoption of a system of measurement of growth and development that reflects and prioritizes the needs of the majority, rather than the interest of the wealthy few. This means moving towards production motivated by service rather than profit at the expense of fair wages, fair taxation, and a clean environment. This is to be accompanied by a more comprehensive system of measuring economic progress, supporting community-based economic development projects, promoting fair trade and sustainable production, and investing in education and training programs to empower individuals to build a better future for themselves and their communities.



Areas where there seems to still be disagreement among those in the conversation are:

The Feasibility of Implementing Wealth Taxes

Several participants made the point that the global implementation of wealth taxes is unlikely, as taxation is strictly a domestic economic matter and the uber-rich control the legislative process in many nations. It would be more sensible to lobby to raise tax revenue for specific purposes, rather than to generally redistribute income.

The Role of the G20

Different views were expressed on the role of the G20 in global economic governance. It was noted that the emergence of the G20 was partly a response to the inadequacy of the UN as a viable forum for economic governance. While the UN plays a vital role in actively researching, monitoring, and reporting on the impact and consequences of the decisions made by the G20, the UN simply does not have the body of economic expertise to rival the Bretton Woods institutions (IMF and World Bank) and the G20. Meanwhile, the G20 is increasingly called upon “to do more” for global development, peace, and climate action, including for example Secretary-General Guterres’ recent call for the G20 “[to agree to a \\$500 billion annual stimulus for sustainable development.](#)”

Who decides policy on lowering or raising trade barriers?

Some participants called for more direct involvement of civil society in negotiating trade policy, although in a world that is motivated by profit non-state influences on trade policy may end up benefiting corporate interests and hurting the consumer. It was noted that in relation to trade, civil society has mainly focused on special issues, like access to covid vaccines, tests, and PPE, not on general trade of all types of goods and services. In general terms, consumers like low prices of imports and business owners and workers like high prices from tariffs and quotas. It may be difficult to get civil society involved in trade policy even if we wanted to.

At the Global Futures Forum, we should plan to further explore the following recommendations:

Reforming the global financial architecture

The rise of China as an economic power, climate change, pandemics and the increasing inadequacy of the US dollar as the global currency are all occurrences which call for the reform of the



international financial architecture, including the Bretton Woods institutions. In acknowledgement of challenges being faced by the US dollar as the global currency, participants further recognized the role of a reform in aiding the transition to a new global currency. There is also still no mechanism to properly alleviate excessive external debt burdens of developing countries and to provide international mechanisms to finance global public needs, either environmental or public health

Strengthening the relationship between the United Nations and the G20

Although the G20 came to existence partly as a result of the perceived ineffectiveness of the United Nations, the discussion centered around the need for a more multilateral and inclusive economic forum that combined the strengths of both the United Nations and G20 (speaking, in part, to the UN Secretary-General's recent calls, through his *Our Common Agenda*, for a "Biennial Summit for the World Economy."). It was expressed that all countries should be given a voice in decision-making that affects them, including in powerful bodies for global economic governance.

Involvement of Civil Society Groups in Trade Policy

Participants discussed the implications and the steps to be taken to get civil society more involved in trade policy. Some emphasized the importance of distinguishing between the interests of producers, workers, and consumers when advocating for policy changes. Considering these different interests, the discussion explored options to allow for fair and greater voice in trade policy. An example of this is a conversation about the inclusion of labor clauses in trade agreements, as is the case for the updated trade agreement between the U.S., Mexico, and Canada (USMCA).

Individuals recommended to speak at the global futures forum are:

Edna Ramirez Robles: edna.ramirez@academicos.udg.mx (University of Guadalajara, Mexico)

Barry Herman: herman@socdevjustice.org (Social Justice in Global Development)

Augusto Lopez-Claros: alopezclaros@gmail.com (Global Governance Forum and former IMF/World Bank)

George Darlington Hashaka: ugandapeacefoundation@gmail.com (Uganda Peace Foundation)

Antonio Roque: thefamilyofheaven@gmail.com (World Peace Alliance)

Jessie Henshaw: jessilydia@gmail.com (HDS Natural Systems Design Science - Self-employed)



Jean Maier: jemaiercss@gmail.com (International Finance, Global Environmental Governance and National Security - Self-employed)

Denise Bowen: db3766@nyu.edu (DB Connect - Self-employed)

Stephen Browne: sfbrowne1@gmail.com (Visiting Lecturer, University of Geneva)

Resources, studies, advocacy tools

“Survival of the Richest: How We Must Tax the Super-Rich Now to Fight Inequality.” Oxfam, January 2023. <https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621477/bp-survival-of-the-richest-160123-en.pdf>

Durch, William; Larik, Joris; Ponzio, Richard; Siddiqui, Muznah; Yusuf, Nudhara. “Road to 2023: Our Common Agenda and the Pact for the Future.” Stimson Center, June 18, 2022. <https://ggin.stimson.org/lib/report/road-to-2023-report/> (pp. 56-65)

Larik, Joris & Ponzio, Richard. “Deepening G20-Un System Cooperation to Foster Socio-Economic Recovery from the Pandemic and Reduce Inequality Worldwide: Towards A G20+” Task Force 8: Multilateralism and Global Governance, Think20 Italy 2021, September 2021. <https://www.t20italy.org/2021/09/03/deepening-g20-un-system-cooperation-to-foster-socio-economic-recovery-from-the-pandemic-and-reduce-inequality-worldwide-towards-a-g20/>

“Confronting the Crisis of Global Governance: Report of the Commission on Global Security, Justice & Governance.” The Hague Institute for Global Justice, Stimson Center. June 2015. <https://www.platformglobalsecurityjusticegovernance.org/publications-resources/albright-gambari-commission-report/> (pp. 57-74)

“Human Development Report 2016: Human Development for Everyone.” UN Development Program, 2016. <https://hdr.undp.org/content/human-development-report-2016> (pp. 137-162)

Roque, Antonio. “Economical and financial balance and progressive and eliminated taxes.” Technology, Operations and World affairs, May 14, 2020.



<https://www.linkedin.com/pulse/world-already-won-divine-race-eternity-ii-antonio-roque/?trackingId=boroLIPSO96sp5rTAvVHUg%3D%3D>

Henshaw, Jessie. "Reading the Signals to Care for Our Future." HDS Natural Systems Design Science, January 11, 2023. <https://synapse9.com/signals/reading-the-signals-to-care-for-our-future/>

Gleckman, Harris; Fries, Lynn. "50 years after Allende at the UN: a corporate triumph named multistakeholderism." GPEnewsdocs, December 30, 2022. <https://gpenewsdocs.com/50-years-after-allende-at-the-un-a-corporate-triumph-named-multistakeholderism/>

"Remarks by Secretary of the Treasury Janet L. Yellen at the Center for Global Development." U.S. Department of the Treasury, October 6, 2022. <https://home.treasury.gov/news/press-releases/jy0997>

"Evolving the World Bank Group's Mission, Operations, and Resources: A Roadmap." December 18, 2022. <https://s3.documentcloud.org/documents/23565612/wbg-evolution-roadmap-paper-december-18-2022.pdf>

Herman, Barry. "International Assistance in Catastrophes Need Not Bankrupt Countries." 2021. https://www.pulp.up.ac.za/edocman/edited_collections/sadc_book/2021%20SADC%20Debt%20Chapter%202.pdf

Herman, Barry. "The United Nations Should Start Preparing for The Fourth International Conference on Financing for Development." UN Department of Economic and Social Affairs, August 1, 2022 <https://www.un.org/development/desa/financing/document/united-nations-should-start-preparing-fourth-international-conference-financing>

Georgieva, Kristalina. "IMF Governors Approve a Historic US\$650 Billion SDR Allocation of Special Drawing Rights." International Monetary Fund, August 2, 2021. <https://www.imf.org/en/News/Articles/2021/07/30/pr21235-imf-governors-approve-a-historic-us-650-billion-sdr-allocation-of-special-drawing-rights>



Mikesell, Raymond F. "The Bretton Woods Debates: A Memoir." Princeton University, March 1994. <https://ies.princeton.edu/pdf/E192.pdf>

"INFFs provide a framework for financing national sustainable development priorities and the SDGs at the country level." Integrated National Financing Frameworks. Accessed: January 26, 2023. <https://inff.org/>

"Voluntary National Reviews." United Nations Department of Economic and Social Affairs: Economic Analysis. Accessed: January 26, 2023.

Bakare, Adewale. "A UN 2.0 System & Intercontinental Relations For Global Governance Innovations: The Fits For UN A Presentation @ 2021 Virtual Annual Meeting Of Academic Council On The United Nations System New York, United States Theme: Toward A Fit For Future Un System." June 26, 2021.

https://www.researchgate.net/publication/352864488_A_UN_20_SYSTEM_INTERCONTINENTAL_RELATIONS_FOR_GLOBAL_GOVERNANCE_INNOVATIONS_THE_FITS_FOR_UN_A_Presentation_2021_Virtual_Annual_Meeting_of_Academic_Council_on_the_United_Nations_System_New_York_United

"Chemical Pollution." United Nations Environment Programme. Accessed: January 26, 2023. <https://wesr.unep.org/chemicalpollution>

Linn Persson, Bethanie M. Carney Almroth, Christopher D. Collins, Sarah Cornell, Cynthia A. de Wit, Miriam L. Diamond, Peter Fantke, Martin Hassellöv, Matthew MacLeod, Morten W. Ryberg Peter, Søgaaard Jørgensen, Patricia Villarrubia-Gómez, Zhanyun Wang, Michael Zwicky Hauschild. "Outside the Safe Operating Space of the Planetary Boundary for Novel Entities." Environmental Science & Technology (2022) 56 (3), 1510-1521

<https://pubs.acs.org/doi/10.1021/acs.est.1c04158>

"U.S. Treasury Markets: Steps Toward Increased Resilience" Group of Thirty, 2022.

https://group30.org/images/uploads/publications/G30_Treasury-Mkts-UPDATE_Final_Report.pdf