

## **The Party of the European Left on the London G20 Summit**

In spite of the positive official statements and praise of the media, the London G20 Summit has disappointed those who expected a change of direction - at least in part - of global policies. The logic that led to the global crisis has not been discussed.

a) Finance and trade have taken over the scene, and continue to be identified as the main, if not the only, flywheel for economic growth. There is no substantial criticism of neoliberal globalisation and the process of liberalisation: and yet, the "free trade" agreements and the excessive power of the market played a decisive role in fostering financial deregulation and the spread of "toxic" products and speculation.

b) A very marginal role was assigned to the fight against social inequality, the creation of "good" jobs, and the sustainable protection of the ecosystem. General statements were given, but no activation of specific instruments for the redistribution of wealth, not even a word about public use and preservation of common goods and services (health, water, training and research), or significant resources allocated to the "green" economy.

c) The expensive plans to support banks still do not provide any clear return; they do not guarantee a different orientation of the credit in line with social and ecological development.

d) Despite being totally discredited for destructive social policies imposed in the last decades, the main international organisations (International Monetary Fund, World Bank, World Trade Organization, Financial Stability Board) were chosen to regulate and supervise the finances of the new system: they obtain extensive resources (those of the IMF have more than tripled) and unprecedented powers to intervene in national economies. All this, without considering any reform of their structures, and without any modification of their mission or integration in the institutional framework of the United Nations.

e) No decision has been taken concerning joint measures for the taxation of speculative capital flows, and only modest concessions were made to the fight the so-called "tax havens". In this regard, apart from fierce declarations of intent, only few concrete steps have been initiated: a blacklist of uncooperative countries, which however has been emptied, since all off-shore centres are now in a "grey list" with 42 countries that have formally committed to adjust their tax rules to OECD standards and to revise the bilateral tax agreements with other countries. For the governments and companies involved, no ban, no penalty and no time limit for regularisation have been introduced.

The European Left declares its strong opposition to such a window-dressing: since the policies managed by the same actors can only lead to the same effects. On the contrary, we must fight to put an end to social inequality and growing job insecurity, to the systematic destruction of nature and the degradation of environmental balance, to the decay of solidarity and social protection, and to the concentration of economic power in few hands.

We will not pay for the crisis.

EL Executive Board  
Rome, 18 April 2009