

## **ICEM Resolution of the Financial Crisis**

**ICEM Presidium, November 6, 2008**

Whereas, the current global financial crisis was brought on by speculative anarchy of the market system and it has already created great economic hardships in the manufacturing sectors of ICEM sectors, with a fuller and deeper impact certain to come; and

Whereas, a common fact in economic crises' of the past is that the people least responsible in the world for an economic collapse are generally the most vulnerable, worst affected, and the least able to cope in the aftermath of such crises'; and

Whereas, the crisis has already resulted in reduced trade, more competition for a lesser amount of credit, and flight away from developing world projects by investors, with more emphasis on protecting financial institutions and their shareholders than on societies at large; and

Whereas, in the United States, where the crisis had its origins, the US\$700 billion bailout, as depicted by the United Steelworkers in the letter to the US Treasury Department, grants taxpayer funds to a handful of financial institutions at valuations far greater than what other investors might pay for similar stakes in these institutions, thus serving as a government means to save a sector from its own mismanagement at taxpayer expense; and

Whereas, the global financial crisis was preceded by illogical borrowing and speculation, an unprecedented period of leveraging assets to obtain short-term and excessive profits, characterized by massive executive salaries and bonuses while wages and working conditions have become depressed; now

Therefore, Be it Resolved, that systems of workers' capital, namely pension funds, public funds, and other common sets of assets be used to enhance workers' interests and defend workers' rights, wages, and work standards; and further

Be it Resolved, that the ICEM recognise the third quarter 2008 financial collapse as a turning point in history in which the current system of capital has not worked, and must be revamped, and which, insertion of public money into financial institutions demands greater public influence, as well as recognition by all social partners that the financial sector needs re-regulation; and further

Be it Resolved, that the ICEM calls on the Council of Global Unions in early 2009 to adopt a policy calling on the World Bank, the International Monetary Fund, the World Trade Organisation, as well as the world's Group of Eight, the OECD, not to abandon existing commitments regarding project development in the countries that need it the most, or to abandon or diminish the Millennium Development Goals; and further

Be it Resolved, that the ICEM use its structures, and its involvement in the Council of Global Unions, to call for creation of a new and fairer system of global capital, and that this system contain stringent financial oversight and governance, including a new set of global regulations, as well as inclusion of more governments, particularly those of developing countries, to the list of countries that currently control global capital.