

Final resolution of the Global Forum: Financing the Right to sustainable and equitable  
development  
Complete version in English  
Monterrey, Nuevo León, México  
16 de Marzo de 2002

The Monterrey Consensus offers no mechanisms to mobilize new financial resources to achieve the Millennium Development Goals.

For this reason, the organizations participating in the Global Forum on Financing the Right to Equitable and Sustainable Development are NOT part of the Monterrey Consensus. The participating organizations of the Global Forum would like to share the declaration which resulted from three days of intense work and participation by 2600 persons, 700 organizations and 80 countries from all the regions of the world.

Our Monterrey Declaration is a review of the negative economic, social, environmental gender and cultural impacts of the current neo-liberal policies. These policies are repeated again in the Monterrey “consensus.” Our Monterrey Declaration is a statement of the visions and proposals for policies, which would serve humanity and the environment in which we live.

The City of Monterrey has been presented as a success story of globalization, but it is an example of the negative impacts of globalization on people, particularly the high social costs of production of the large-scale enterprises. These past days we heard testimonies of children dying of leukemia because of toxic waste in the environment, of sexual exploitation, of profit put ahead of humane working conditions, particularly those workers which served in the Fundidora of Monterrey. This is why we renamed the Coca-Cola Auditorium the Acero Fundidora (Steel Foundry), a monument to the surviving and the deceased workers of Monterrey, to the unemployed workers of Monterrey, to the displaced women workers.

The testimonies heard these past days demonstrate the vital need for a profound change in economic policies. An economy governed by human rights and environmental protections is an urgent necessity. The economy must serve society and fulfill and support human potential.

We do not approve the prevailing economic model as prescribed by the World Bank, the IMF and WTO, and this message was communicated directly to the IMF and the World Bank during the forum. The current model is not working for sustainable and equitable development. There is little evidence in the Monterrey Consensus of a will to change. We emerged from the Global Forum with a set of common proposals for an alternative economic model that puts people in the center of development.

These are our common critics, demands and proposals:

- The full enjoyment of human rights should be the objective of a new economic model for sustainable development with equity, equality and justice.
- Human rights, as they are included in the Human Rights Instruments of the UN and the ILO, should be the overarching framework and the objective to which these institutions. The WB, the IMF, the WTO should be accountable to the UN Commission of Human Rights.
- Currency transactions taxes must be collected as means of financing development and as a means of stabilizing the international financial system.
- The framework of any financial support should include the principles of accountability, transparency, good governance and democratic civil society participation.
- No conditionality in ODA, debt and national development plans.
- Genuine and balanced partnerships in relations between governments in the context of bilateral and multilateral agreements are essential.
- The principles of transparency and accountability must apply in the process of economic decision-making at the local, national, regional and global levels.

Furthermore,

Mobilization of domestic resources and structural adjustment:

We demand that states maintain autonomy as a precondition for the attainment of their development. Moreover economic decision-making should be democratized within countries in such a way that parliaments approve the decision which are currently taken behind closed doors between ministries of economics and trade, and multilateral financial institutions. The active participation of civil society in these processes must be guaranteed.

The mobilization of domestic resources cannot be separated from any the other the other themes of the Financing for Development Conference, especially that of debt. The mobilization of financial resources must be carried out in a democratic and participatory manner at local, national, and international levels.

Debt and structural adjustment

Given that the responsibility for debt lies with the creditors, we call for the cancellation of external debt of the countries of the South, through a fair and transparent process of arbitration which protects human rights and the environment.

We call for a tax on currency transactions in that financing gender sensitive sustainable development for the benefit, particularly of indigenous peoples, blacks and women, children and which also contributes to financing of global public goods. We demand the immediate fulfillment of the commitment of 0.7 % of GDP on the part of industrialized countries for ODA in order to obtain the Millennium Development Goals. All forms of conditionality should be eliminated, such as tied aid, and food aid, which undermines the productive capacity, and food security of countries. We call for the effective participation of civil society in the formulation and implementation of ODA projects.

## Investment and trade

Foreign investment has not been and will not be a panacea unless investment helps development rather than destroy it. We demand the elimination of speculative activities which enrich a small minority while creating crisis for humanity, such as that which the people of Argentina are suffering today. We demand that our countries maintain their own regulatory investment regime, accepting only those investments which contribute to the development of their peoples and the creation of decent work. Foreign investment must not denationalize our economies or destroy the national heritage, and it must operate according to performance requirements. Free trade agreements must make the rights of enterprises accountable to national laws, respecting the free movement of people and not only of capital and markets. We demand a universal minimum wage and the respect of universal conventions of the ILO. The investment of public funds should go to social benefit and not to volatile activities like the export zones which harm people and their environment. It should go to investments in small-scale projects, especially for women and indigenous peoples.

We call for the conservation of biological and genetic resources. We firmly reject the introduction of genetically-modified seeds because they destroy life. It is necessary to re-value the prices of primary products and promote the food security of peoples. We urge comprehensive agrarian reforms with access to land and investment in traditional agriculture.

We demand the protection of internal markets and national enterprises development strategies. We reject the imposition of products and prices by the multinationals. We demand immediate lifting of trade and tariff barriers and an end to the dumping of agricultural products on poor countries. We demand the financing of trade related capacity building, and more fair and equitable trade rules.

## Systemic Issues

With respect to systemic issues, we affirm that the prevailing neo-liberal framework undermines sustainable development, and fails to address the needed reform of the system of global economic governance. Developing countries must have equal voice and vote in standard-setting and economic decision-making processes. These processes should ensure the effective participation of civil society organizations representing diverse sectors and interests, including workers', women's and indigenous peoples' organizations. Efforts to address recurrent financial crises have been inadequate and ineffective. We call for a new and stable global economic and social system. All stakeholders must commit to put in place debt workout mechanisms that uphold the following principles: neutral decision-making, protection of debtors' basic needs, co-responsibility of debtors and creditors, transparency and civil society participation. Developing countries must have the right to choose their own capital accounts and exchange rate regimes. Those countries under crisis must regain their autonomy to implement macroeconomic policies appropriate for recovery. Furthermore, all countries

should have the right to implement policies which de-emphasize export-led development in favor of domestic demand-driven growth, regional integration and cooperation. We support the call for the adoption and implementation of a UN Convention on Corruption and the transfer of illegally acquired wealth to the countries of origin. Stakeholders must commit to the implementation of progressive taxation systems.

For us to be convinced that the financial institutions are ready to change, they must demonstrate this with concrete actions. Without imposing any conditionalities, they must help the people of Argentina to overcome the crisis which their policies have produced.

Monterrey, Nuevo León, 16 de Marzo del 2002.