

Platform of the international movement ATTAC

International movement for democratic control of financial markets and their institutions

Adopted at the international meeting of December 11-12, 1998.

Financial globalization increases economic insecurity and social inequalities. It bypasses and undermines popular decision-making, democratic institutions, and sovereign states responsible for the general interest. In their place, it substitutes a purely speculative logic that expresses nothing more than the interests of multinational corporations and financial markets.

In the name of a transformation of the world depicted as a natural law, citizens and their representatives find their decision-making power contested. Such a humiliating proof of impotence encourages the growth of anti-democratic parties. It is urgent to block this process by creating new instruments of regulation and control, at the national, European, and international levels. Experience clearly shows that governments will not do so without encouragement. Taking up the double challenge of social implosion and political desperation thus requires a dramatic increase in civic activism.

The total freedom of capital circulation, the existence of tax havens, and the explosion of the volume of speculative transactions have forced governments into a frantic race to win the favor of big investors. Every day, one hundred billion dollars pass through the currency markets in search of instant profits, with no relation to the state of production or to trade in goods and services. The consequences of this state of affairs are the permanent increase of income on capital at the expense of labor, a pervasive economic insecurity, and the growth of poverty.

The social consequences of these developments are even more severe for dependent countries that are directly affected by the financial crisis and are subjected to the dictates of the IMF's adjustment plans. Debt service requires governments to lower social service budgets to a minimum and condemn societies to underdevelopment. Interest rates much higher than in the countries of the North contribute to the destruction of national producers; uncontrolled privatization and denationalization develop in the search for the resources demanded by investors.

Everywhere social rights are called into question. Where there are public retirement systems, workers are asked to replace them by a pension fund mechanism that subjects their own employers to the sole imperatives of immediate profitability, extends the sphere of influence of finance, and persuades citizens of the obsolescence of institutions of solidarity between nations, peoples, and generations. Deregulation affects the labor market as a whole, and the results include degradation of working conditions, the growth of workplace insecurity and unemployment, and the dismantling of systems of social protection.

Using economic development and job creation as a pretext, the major powers have

not given up plans for a Multilateral Agreement on Investments (MAI) which would give the investors all the rights and leave national governments with all the responsibilities. Under the pressure of public opinion and mobilization of activists, they had to abandon plans to negotiate this agreement in the framework of the OECD, but discussions will resume in the framework of the World Trade Organization. At the same time the USA as well as the European Commission continue their free trade crusade, pushing for the creation of new zones of deregulation at the continental or intercontinental level (the PET project between Europe and North America, the extension of NAFTA into Latin America, etc.)

There is still time to put the brakes on most of these machines for creating inequalities between North and South as well as in the heart of the developed countries themselves. Too often, the argument of inevitability is reinforced by censorship of information about alternatives. Thus international financial institutions and the major media (whose owners are often beneficiaries of globalization) have been silent about the proposal of the American economist and Nobel Laureate James Tobin, to tax speculative transactions on currency markets. Even at the particularly low rate of 0.1%, the Tobin Tax would bring in close to \$100 billion every year. Collected for the most part by industrialized countries, where the principal financial markets are located, this money could be used to help struggle against inequalities, to promote education and public health in poor countries, and for food security and sustainable development. Such a measure fits with a clearly antispeculative perspective. It would sustain a logic of resistance, restore maneuvering room to citizens and national governments, and, most of all, would mean that political, rather than financial considerations are returning to the fore.

To this end, signatories propose to participate or to cooperate with the international movement ATTAC to debate, produce and disseminate information, and act together, in their respective countries as well as on the continental and international levels.

This joint actions have the following goals:

- to hamper international speculation;
- to tax income on capital;
- to penalize tax havens;
- to prevent the generalization of pension funds;
- to promote transparency in investments in dependant countries;
- to establish a legal framework for banking and financial operations, in order not to penalize further consumers and citizens; the employees of banking institutions can play an important role in overseeing these operations;
- to support the demand for the general annulment of the public debt of dependent countries, and the use of the resources thus freed in behalf of populations and sustainable development, which many call paying off the "social and ecological debt.

More generally, the goals are:

- to reconquer space lost by democracy to the sphere of finance, to oppose any new abandonment of national sovereignty on the pretext of the "rights" of investors and merchants;
- to create a democratic space at the global level.

It is simply a question of taking back, together, the future of our world.