



## High-Level Conference

# **From Rising Inequalities to Shared Societies: The need to create a sustainable International Monetary and Financial System**

**Sunday, September 25<sup>th</sup>, 2011; 9am-6pm  
IMF HQ2 Building, Room HQ2-01-280 (A&B)  
Washington DC**

### **Overview and reflections**

Recent events—from the global financial crisis of 2008-9 to the ongoing democratic uprisings in the Arab World—show that the current international monetary and financial system is dysfunctional. Neither national nor international policies adopted in response to recent crises have translated into strong recoveries, and the rebound has been especially weak in the labor markets. In addition, the limited role that public policy has played in addressing chronic and increasing inequality—especially the particular challenges presented by group inequalities, which are fuelled by perceived and real injustice, and often have international dimensions—underscores the urgency of finding ways to correct these ineffective policies.

At present, we are not on the right path: one indication that we are going fast in the wrong direction away from global development and poverty eradication comes from the outcome of the recent UN Conference on Least Developed Countries, May 2011 in Istanbul, which defines this effort as the responsibility of individual countries, and not of the international system as a whole. This outcome threatens equitable development, political stability and the pursuit of shared, socially cohesive societies.

The organizers of this high-level conference are therefore deliberately juxtaposing two goals which are seldom linked: reform of the international financial and monetary system and achieving equitable and shared societies. The objective is to contribute to the current debate about the need for a new paradigm for the international financial and monetary system toward producing an agenda for equitable development and social cohesion.

This time, we want to focus specifically on the need to formulate a new consensus which incorporates social elements as well as hard economic considerations, and the incorporation of social policy elements into the aspects of policy and performance that

states are required to meet within the framework of the international monetary and financial system.

This year and those that follow feature a unique confluence of forces that represent the most favorable political environment to reexamine and set the basis for a renewed world economic system. The debate on the reform of the international monetary and financial system presents an important opportunity to examine alternative global economic policy frameworks from the perspective of what might be needed in order to support and nurture equitable development and shared societies. The organizers of this conference wish to promote such discussion among influential current and former policymakers and key thinkers in the context of the 2011 Annual Meetings of the International Monetary Fund and the World Bank.

Shared Societies is an approach to social inclusion developed and adopted by the Club de Madrid. It is defined as a society based on equity, where each and every person feels at home, feels that they belong, that they can play a full part in that society and, at the same time, fulfill themselves. It is an ideal to which few people would object, but which is usually subordinated to economic growth, creating a competitive market and protecting existing interests. It has been seen as socially desirable but economically unsound. The time has come to challenge this assumption.

### **The Programme**

**9:25am – 9:30am**

**Welcome Remarks**

**9:30am – 11:00am**

**High-Level Debate**

**“Inequality: The most serious challenge for the world”**

#### **Panelists:**

**Alfred Gusenbauer**, Chancellor of Austria (2007-2008); Member, Club de Madrid

**Sigrid Kaag**, Assistant Secretary General and Director of Partnership Bureau, United Nations Development Programme

**Y. Venugopal Reddy**, Governor, Reserve Bank of India (2003-2008); Member, Palais Royal Initiative

**Alejandro Toledo**, President of Peru (2001-2006); Member, Club de Madrid

**Min Zhu**, Deputy Managing Director, International Monetary Fund

**Chair: Chrystia Freeland**, Editor, Thompson Reuters Digital

**11:30am – 1:00pm**

**Panel 1 — Wealth and Income Inequalities: Do they escalate crises? Produce unsustainable growth? What are the implications for social policy?**

**Panelists:**

**Isabel Ortiz**, Associate Director, United Nations Children's Fund (UNICEF)

**Michael Kumhof**, Deputy Chief, Modeling Unit, IMF Research Department

**Raymond Torres**, Director, International Institute for Labour Studies, International Labour Organisation

**Richard Freeman**, Professor of Economics, Harvard University

**Chair: Rubén Campos**, Club de Madrid

**1:00pm – 2:15pm**

**Panelists' Luncheon**

**2:15pm – 4:00pm**

**Panel 2 — Monetary and Fiscal Policies with a Human Face: how can they create a stable and well-functioning international monetary and financial system?**

**Panelists:**

**Josè Antonio Ocampo**, Professor, School of International and Public Affairs; Fellow, Committee on Global Thought at Columbia University; Co-President, Initiative for Policy Dialogue

**Jonathan Coppel**, Economic Counsellor to the OECD Secretary General

**Rogério Studart**, Executive Director to the World Bank from Brazil, representing Brazil, Colombia, Dominican Republic, Ecuador, Haiti, Panama, Philippines, Suriname, and Trinidad & Tobago

**Jomo Kwame Sundaram**, Assistant Secretary General, Department of Economic and Social Affairs, United Nations

**Chair: Aldo Caliari**, Center of Concern's Rethinking Bretton Woods Project

**4pm – 6pm**

**Panel 3 — The role of the IMF: How can the IMF contribute to the correction of social inequalities and the production of a sustainable International Monetary and Financial System?**

**Panelists:**

**Emmanuel Moulin**, Economic Advisor to the President, Office of the President of the Republic of France

**Pablo Pereira**, Former Executive Director for Southern Cone Countries to the International Monetary Fund

**Ulrich Volz**, Senior Economist, German Development Institute

**Representative**, International Monetary Fund [TBD]

**Chair: Werner Puschra**, Friedrich-Ebert-Stiftung, New York Office