

RESOLUTION No.3

Financial Crisis

The Second Regional General Council of the International Trade Union Confederation – Asia Pacific held in Bangkok from 4 – 6 November 2008:

IS DISMAYED

at the current dramatically worsening financial crisis faced by the industrialized countries particularly the United States of America and Europe that started in August 2007 with the collapse of the US sub-prime housing mortgage market which spread rapidly to the other financial institutions;

IS GREATLY CONCERNED

that the contagious nature of the crisis is now spreading to the Asia and Pacific region where, coupled with food crisis and fluctuation in oil prices, recession has already started in some countries; and in this financial chaos, workers' capital and jobs also endangered;

ASSERTS

that this most serious economic crisis since the Great Depression of the 1930's is marking an end to the neo-liberal free market fundamentalism which has been recently led by extremely speculative hedge funds and private equity funds, driving irresponsible deregulation of financial markets;

NOTES

that the ILO has forecast that global unemployment will rise from 190 million in 2007 to 210 million in 2009 and the number of working poor on less than a dollar a day rising by 40 million and those working poor living on 2 dollars a day by 100 million;

IS FURTHER CONCERNED

that the real economy will be similarly affected leading to increased unemployment and poverty bringing hardship to the working people and their families and increasing inequality. In this sense, this is indeed the crisis of distributive justice;

CALLS

for immediate actions to be taken to initiate a recovery plan to stabilize global capital markets, move economies out of recession or from falling into recession and create decent work that will ensure distributive justice;

FURTHER CALLS

for the setting up of a new structure of economic governance for the global economy – a new Bretton Woods, more transparent and regulated, and where governments of developed and developing countries are involved, and importantly;

that trade unions should be involved as working people are the worst affected by financial crisis with job losses and consequent impacts on their families;

URGES ON

ITUC and ITUC-AP to help national affiliates to design implement and monitor crisis-mitigation programmes and activities for the welfare of workers and their families and continued viability of trade unions.