

[Another great problem in today's world](#)

The financial crisis is not the only problem; there is another that is worse because it deals not with the production and distribution methods but with existence itself. I am referring to climate change. Both are present and will be discussed at the same time.

Next Sunday April 5th, UN conversations on climate change will be resumed in Bonn. Around 190 countries are trying to reach an agreement about the reduction of greenhouse effect gases for the period after 2012 when the Kyoto Protocol has expired.

The United States has never signed that Protocol. The new president who has inherited Bush's problem announced on Saturday the creation of a forum "on energy and climate" to be meeting in Washington on April 27th and 28th with 17 important world economies, among them those of Brazil, Mexico, China and the European Union.

The Bonn meeting will go on for 11 days and the United States delegation will be headed by Todd Stern who is scheduled to read a communiqué.

Ivo de Boer, the UN's man in charge of climate issues, said: "I hope that Stern will be establishing the main guidelines for the United States."

There are strong contradictions about the contributions the economies ought to be making.

Limits on carbon dioxide emissions into the atmosphere by the different countries in the world will be discussed; this is a gas which threatens to annihilate the planet's living conditions.

There are strong discrepancies between the industrialized and emerging countries, such as China, India and Brazil; these express the desire to first see how the wealthy countries make commitments to reduce carbon dioxide emissions.

Meanwhile, enormous amounts of water accumulated in the glaciers of Antarctica are speedily and visibly melting as a result of the harmful gas that has been emitted until the present day and which will continue being emitted for incalculable years. "The scientists are exaggerating!" claim the skeptics and, on the basis of such flimsy hopes, they go on dreaming.

We keep on receiving news about the economic crisis from the news cable agencies, including Xinhua y TASS. These infer that in the opinion of the Asian development Bank, the Chinese economy will only grow 7% in 2009. It seems ironic if one takes into account that according to World Bank analyses that of the developed countries making up the OECD will be decreased by 3%; those in the Euro-zone by 2.7%, that of the United States by 2.4% and world trade will drop off by 6.1%.

In an article printed by The Washington Post, President Dimitri Medvedev of Russia proposes that Russia and the U.S. work together to draw up measures to combat the financial crisis and examine the need to create a world reserve currency.

President Hu Jintao of China requested that coordination between the different nations on economic policies be strengthened and that joint efforts be made against trade and investment protectionism in order to aid the recovery of the world economy. "The international financial system has to take up the necessary reforms in a comprehensive, balanced, gradual and effective manner in order to avoid a world crisis in the future", he added.

George Soros, the famous American magnate of Hungarian background, declared: "China will come out of the recession more quickly than the rest of the world". He pointed out that "China has a system that is more suitable for these emergency conditions."

Similar opinions of praise can be observed among the news items printed yesterday:

"Challenging economic difficulties in the country and abroad, the Chinese stock market finished the first quarter of this year with a 30 percent rally, thus converting it by a long shot into the important Market with the best performance so far this year," Reuters reveals in a summary of analysts' opinions.

While China declares that it is necessary to create a new international reserve currency, Robert Zoellick, the president of the World Bank, states that "The dollar will continue being the main reserve currency...A system based on the dollar and the strength of the dollar will be crucial to get us out of this pit...We will need more than a G-20 Summit Meeting of the most industrialized and developing countries to establish a new reserve currency."

The World Bank maintains that the world economy is facing a dangerous year and that it could sink even deeper into recession. It admitted that China would continue to grow, but at a slower pace.

In the Bank's opinion, the more developed countries will find themselves in a worse situation since they will suffer from a clear shrinkage. It asserts that it is probable that the need for external financing of the developing countries will grow to 1.3 trillion dollars in 2009. With decreased capital flow this would generate a gap fluctuating between 270 and 700 billion dollars.

For that reason, in his opinion, nobody will escape the consequences of the global economic crisis, especially the poorest where, in many of these countries, years of progress will be destroyed. The developing world runs the risk of paying a hefty price for the crisis that originated in the North countries.

Pascal Lamy, WTO director general, urges the G-20 to resist protectionism and to avoid "low intensity" actions that are destined to protect their industries from eventual collapse.

As for the OECD mentioned above for its opinions about the decrease in the GDP, when dealing with unemployment, it points out that this will increase dramatically and will exceed 10%, "almost doubling" in relation to its 2007 level in the G-7 countries: the U.S., Japan, Germany, Great Britain, France, Italy and Canada.

Jean-Claude Juncker, president of the Eurogroup, asked for the European members that will be taking part in the G-20 Summit to have "courage" in claiming that several states and territories of the United States be blacklisted for harmful tax havens. "Mr. Brown should tell Obama to put a stop to the tax havens on U.S. territory", he stated at an Economic and Monetary Affairs Commission of the European Parliament.

Future regulation of the international financial system has become a source of friction between London and Washington on the one hand, and Paris on the other.

There is lots of information and facts to illustrate that friction.

José Manuel Durão Barroso, president of the European Union, more diplomatically expressed his assurance that consensus would be achieved, denying that the EU and U.S. positions were ruling each other out. He asserts that "we ought to return ethics to the system", urging for measures against the tax havens.

OXFAM, a well-known NGO, declares that with the 8.42 trillion dollars of public money committed by the governments of the rich world to the bank bailout plan world poverty could be eliminated for the next 50 years. It also has many arguments on behalf of hundreds of thousands of poor people in the world who

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Published on FIDEL Soldier of Ideas (<http://www.fidelcastroruz.biz>)

will sink even further into poverty and on behalf of women who are among those most severely affected by the crisis.

Through their international organizations, the unions demand that the G-20 pay due attention to the unemployment accompanying the crisis and they cry out for the Summit Declaration to refer to the dignity of labor and labor rights.

Tomorrow the Classic played out among the greatest, most developed and developing economies of the world will begin. The rules of the game are not very clear. We shall see what is being discussed and how it is discussed. Has the final declaration already been drawn up and approved beforehand? Maybe yes, maybe no. At any rate, it will be very interesting to learn about the positions adopted by every member, in the midst of so much diplomacy. One way or another, secrets will be impossible. Everything has changed.

Fidel Castro Ruz

April 1, 2009

4:35 p.m.

Date:

01/04/2009

Source URL: <http://www.fidelcastroruz.biz/en/articulos/another-great-problem-todays-world?height=600&page=0%2C912%2C0&width=600>