

The Global Marshall Plan Initiative

In 2003, a group of scientists, ex-politicians, business people and constructive civil society “activists”, mainly from Austria and Germany, created the “Global Marshall Plan Initiative” to counteract the economic dogma of market fundamentalism. I was actively involved in that conceptual work from the very first year. It had become evident that the dogma of totally unlimited markets, which Europe and parts of the globalised world had imported from economic views in the United States (and to some extent from the United Kingdom), was not able to fulfill its promise for a better balanced world. The global gap between those few, who continue gaining huge fortunes and the vast majority of the rest of the world – including the “middle classes” – is growing constantly. This development is not sustainable – not even for those few, who are benefiting from it at the moment. Either the whole global system will end in turmoil or the lucky minorities have to build even more guarded fences around them. Both alternatives are not desirable.

As a young economist, I had already been engaged in the expansion of our postwar socially balanced market economy (“*Soziale Marktwirtschaft*”) into other fields in Germany’s society since the beginning of my adult life. Especially in the early group of young business owners and leaders (“*Junge Unternehmer*”) well over forty years ago, we were working on political concepts to introduce our successful, socially balanced market system into health care and into a more pragmatic business education. During my internal candidacy in the Christian Democratic Union (CDU) for the German Parliament in 1975/76, I had also been engaged in conducting seminars on our successful socially balanced market economy for members of the CDU. The formation of a “think and action tank” for a better balanced world order in 2003 was, therefore, immediately fascinating me.

The initial vision of the Global Marshall Plan Initiative, already in transition to the form of a goal, was and still is to conceive a concept of an ecologically and socially balanced market system for our globalised world. Together with the general vision of a “world in balance”, such a global design of balanced markets could already be called a goal, since it does not only indicate a final situation, but already shows a direction for further analysis to formulate precise objectives. The whole concept coincided with my thinking and feeling. I, therefore, joined this engaged group from the beginning in 2003.

After some initial exchanges in the rapidly growing group, the first culmination was the formulation and a public proclamation of a programmatic text in November 2003 in the castle of Stuttgart, the “*Stuttgart-Declaration*”. After further growth of the core group, the Global Marshall Plan Initiative met in Vienna, Austria, in October 2004. There, we agreed on our vision in a more detailed way:

“A world in balance

– in harmony with nature

– in peace with cultures (especially between religions)

– in peace with societies

– in worldwide prosperity

in which every human being can reach his/her desired potential.”

Beyond this basic vision, which – due to its general character – is easily accepted by most thinking and feeling people, our more controversial visionary goal of a new world order had to be refined. This vision is not that easy to digest by traditional politics, as it interferes with their hierarchical power. The new envisioned world order will have to contain a set of international rules and regulations, which will limit the abuse of economic power. The envisioned new world order should be able to safe-

guard our biosphere, i.e. nature. Such a new global order must also provide the political and legal framework to prioritize the fulfillment of the basic needs of all people.

In this controversial vision, markets with transparent competition would still have an important function to direct the flow of goods and services – but not in an unlimited way. This implies the enforceable respect for all human rights in all international agreements, especially in what is already agreed today in the World Trade Organization (WTO). This would also need the harmonization of contradicting world-wide agreements and declarations. It would also have to include the right of nations to develop themselves in individual ways in the interest of their people – at least during a transitional period. Such individual ways would, for example, have to include the right to protect their markets as long as needed until they were strong enough to face international competition.

Totally open markets in our view lead to exploitation of the vast majority of people by only a very few globally powerful business structures. A new and more just world order would, of course, also have to find fair alternatives to “nation-centric” agricultural subsidies as they are practiced by Europe and the United States. They make it difficult for developing countries to compete with their own agricultural production in the markets. A new and better world order would need to be rooted in a global – if not even cosmic – consciousness.

Our ecologically and socially balanced economic vision is in no way supposed to be a return to state-administered central markets, since that would mean a return from one extreme, our momentary market fundamentalist dogma, to the other extreme of socialism. We argue for a “middle way”, a true balance, for the

needed new global root design. We call such a desired ecologically sound and socially acceptable system an “**Eco-social market system**”. This system, in German: the “*Öko-soziale Marktwirtschaft*”, is being propagated since 1992 by the former Vice-Chancellor of Austria, Dr. Josef Riegler, in his “*Eco-social Forum Austria*”. In 2001, it became the “*Eco-social Forum Europe*”. Dr. Riegler is also one of the founders of the Global Marshall Plan Initiative.

If the content of the initiative looks too much like a European concept for people around the world, we can refer to a goal, which is – after all – signed by 189 states in the framework of the MDGs: Under the important, though vague MDG number 8, “*Develop a global partnership for development*”, there is a rarely quoted, more precise first sub-goal: “*Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory.*” I feel that this fits very well to our intentions in the Global Marshall Plan Initiative, especially the demand that a trading and financial system must be “rule-based”. We also ask for firm binding, “rule-based” global regulations. As mentioned before, “non-discriminatory” implies fair differentiated treatment of nations, which are still not equally “strong” to allow those states to protect themselves until they are truly equal in strength. It is in this first sub-goal under the eighth MDG that I see the hidden vision of the MDGs.

The name “Marshall Plan” was borrowed from the most valuable concept, which a former United States’ Foreign Minister, George C. Marshall, had initiated in the U.S.A. after World War II, in order to support the reconstruction of Europe after the war. This was no pure altruism, since a strong Europe was considered useful as a shield against the communist block, but the Marshallplan was still a most valuable concept to redevelop economically. Our

choice of name “Global Marshall Plan” was also supported by the vague hope and wish to integrate the United States’ administration into this initiative. When speaking about the initiative outside of Europe, for example in workshops at the World Social Forum, I call our concept a “*Global Solidarity Plan*”. I feel that this fits the content and is more easily understood and accepted. The name “Marshall” sometimes made people believe that the concept has some military connection. In the meantime, the Global Marshall Plan Initiative has, however, found broad acceptance far beyond Europe. It is now probably too late to change its name.

World Social Forum 2007 Kenya, Africa.

For **ONE** just and peaceful
world in **diversity** – for a
world in **balance**



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two workshops offered by the German Peter-Hesse-Foundation.*

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**2. – Eco-social market system – to replace worldwide
market fundamentalism.**

A socially just and sustainable concept which functions through fair
competition in free markets – but under agreed values and globally
accepted and enforced rules – promoted through a global Solidarity
Plan ("Global Marshall Plan") to replace the market fundamentalist
dogma which is reigning – and unbalancing the world – today.

On the basis of the general vision (“*a world in balance*”), the initiative shares a long-term final goal which can be summarized in a short paragraph:

A new ***root-design***, a legal framework for a peaceful and just world order in our global village, a world-wide ***Eco-social market system*** as a world order framework for global trade and a peaceful society in ***ONE world in diversity***. Free markets should have binding, enforceable and democratically agreed limits to freedom. Basic ILO* and environmental standards should be interwoven in a binding way with agreed trading standards, especially with the WTO, the IMF and the World Bank, in a legal framework of international law, respecting all economic, social and cultural as well as general human rights. All should be value-driven by the global ***golden rule***.

*Basic ILO standards, which are considered to be part of general human rights:

- Nr. 29 (1930) – *Forced Labor convention*
(still containing exceptions).
- Nr. 87 (1948) – *Freedom of Association and Protection of the Right to Organize Convention.*
- Nr. 98 (1949) – *Right to Organize and Collective Bargaining Convention.*
- Nr. 100 (1951) – *Equal Remuneration Convention*
(men and women in comparable work).
- Nr. 105 (1957) – *Abolition of Forced Labor Convention*
(all types of forced labor).
- Nr. 111 (1958) – *Discrimination (Employment and Occupation) Convention.*
- Nr. 138 (1973) – *Minimum Age Convention*
(connected to school age).
- Nr. 182 (1990) – *Worst Forms of Child Labor Convention.*