

## **Motion**

**submitted by the Parliamentary Groups of the SPD, CDU/CSU, ALLIANCE 90/THE GREENS and FDP**

### **Setting up of a Study Commission on “Globalisation of the World Economy – Challenges and Responses”**

The Bundestag is requested to adopt the following motion:

A Study Commission on “Globalisation of the World Economy – Challenges and Responses” is to be set up pursuant to § 56 of the Rules of Procedure of the German Bundestag to prepare parliamentary decisions on possible political responses and measures relating to globalisation at German, European and international level.

The purpose in setting up the Commission is to acknowledge the growing importance of globalisation for economic and social development. The Commission will be called on to carry out preparatory groundwork in respect of decisions that the German Bundestag is required to make.

#### I.

##### **A. Challenges of Globalisation**

The German Bundestag commissions the Study Commission, within the framework of an analysis of the opportunities and risks of globalisation, to examine the following priority areas:

- what factors have led to the globalisation of the world economy and continue to have an effect on it,
- what are the repercussions of globalisation and what economic, social and political spheres are affected,
- what can and should the national and international community do to influence and affect future developments in a responsible manner?

At the dawn of the new millennium globalisation has become a subject of central importance. The growing process of globalisation presents society and policy-

makers with ever greater challenges. Our world is characterised by interconnection and globalisation in many areas of daily life. There is a crucial need to determine in what areas and by what means this process can and should be influenced and controlled. The aim in setting up this Commission is to identify concrete fields of action for society and policymakers and to counteract or prevent undesirable developments.

### **The nature of and reasons behind globalisation**

Globalisation emerged in the foreground of public awareness as a sudden accelerated change in the way we live, but is in fact part of a process that has been taking place for a long time. The rapid development of information, communication and transport technologies in particular reinforces this process. They are having an increasingly profound influence on how we live together.

The enlargement of markets resulting from the opening up of international markets, the abolition of trade and investment barriers, worldwide capital flows, worldwide competition, corporate mergers, and people's growing mobility are significant elements of globalisation and now, after the industrial revolution in production processes, are the main motor driving contemporary economic and social history.

But globalisation also means the internationalisation of financial crises and environmental problems, economic fraud, arms exports and tax evasion, and illegal migration and employment – to name just some of the critical issues.

The consequences of globalisation for individuals, society, industry and the environment and the resulting implications for national and international politics form the subject of the remit of the Study Commission. The Commission is also charged with identifying what opportunities and risks result for Germany from the ongoing globalisation process.

The following areas in particular are to be investigated in relation to globalisation:

- goods markets
- financial markets
- labour and services' markets
- agriculture and food
- education
- research and development
- environment
- cultural affairs
- the relationship between the industrialised nations and newly industrialised and developing countries.

The work of the Commission will be guided in particular by the following important aspects:

- globalisation and development of welfare systems
- globalisation and human rights
- globalisation and democracy
- globalisation and environmental protection
- globalisation and cultural exchange

The task of the Commission will involve recording, presenting and evaluating developments in the above areas.

## **B. Fields of Response to Globalisation**

Industry and commerce have already taken advantage of the possibilities and freedom presented by globalisation. It is now time for policymakers also to react. Internationally thinking and acting people, in their function as entrepreneurs, consumers or savers, are de facto setting ever more parameters for both national and international policymaking. Industry and politics at national level are increasingly influenced by international conditions and specifications. The reciprocal coordination of international, national and regional decisions at the different levels will therefore be crucial to political approaches. There is a pressing need to develop and implement without delay political responses at German, European and international level that

- offer a sensible future-oriented framework for making efficient use of the advantages and opportunities of globalisation, on which the export-oriented German economy, in particular, is heavily dependent,
- at the same time eradicate some of the major negative effects of globalisation,
- improve economic, social, ecological and political conditions for developing countries and transition economies, and
- move into line with international conventions, treaties and agreements such as OECD, WTO and ILO standards, UNCED/AGENDA 21, and the Human Rights Convention.

This section of the Commission's work involves devising and examining a future set of national and international instruments for the various policy areas. The specific aim is to provide effective support in the form of political decisions in

relation to the opportunities identified in the previous section and to limit the negative consequences of globalisation.

1. Globalisation demands national responses/approaches:

- a. The crux of the matter here is to examine how to create greater flexibility and adaptability in the context of globalised competition by making our industry more flexible and interlinked – particularly at regional level. Demands and proposals of as concrete a nature as possible need to be formulated in respect of German policy in the areas of macroeconomics, taxation, small and medium-sized companies, industry, innovation, research and regional policy – to name just a few areas – harmonised within the European context.
- b. The effects of globalisation also extend to the field of environmental protection. Possible consequences are to be evaluated and responses prepared.
- c. The challenges of globalisation in the areas of social policy and the labour market likewise need to be assessed and solutions proposed.
- d. Closely allied to this area are the effects of globalisation on education and training.
- e. The impact of globalisation on agriculture and food security and other consequences arising from this form a further area for consideration.
- f. Another important requirement is the need to devise practicable proposals to step up the promotion of German foreign trade and improve coordination in this area.

2. Globalisation also demands international responses and approaches:

- a. This involves making accurately focused analyses of the main cross-border flow data and examining ways of creating an international or at least European regulatory framework for areas of the economy particularly subject to globalisation:
  - Globalisation and international trade policy (further development of the WTO system. A framework designed to include this area should also identify the consequences and challenges of new technologies relevant to trade (internet, e-commerce) for international trade in services, intellectual property and control of genetic resources).
  - Globalisation and international competition policy (more cooperation/coordination between national competition authorities extending to the establishment of a multilateral competition system).
  - Globalisation and international tax policy (the possibilities and limits of harmonisation of tax policy at EU level and beyond).

- Globalisation and international investment policy (investigation of the possibilities of an equitable multilateral investment agreement).
  - Globalisation and international financial markets (steps towards creating a new architecture for global finance).
  - Globalisation and international labour standards (examination of the development of a European/international regulatory system for employment and social affairs incorporating the international debate, particularly within the WTO and ILO).
  - Globalisation and international environmental, health and consumer standards (examination of how a global system, e.g. in the WTO, UNEP, could be designed to support ecological structural change and encourage the rapid spread of eco-efficient technologies).
  - The role of national and international supervisory organs and institutions (such as competition authorities, OECD, WTO, IMF, World Bank, UN, UNEP)
  - Globalisation and regional cooperation/regional integration at intergovernmental level (EU, NAFTA, ASEAN, MERCOSUR, etc).
  - Women and globalisation.
- b. From the procedural point of view and in light of the increasing globalisation of economic activity, there is a need to prepare proposals for the better and more effective coordination of international economic, financial and monetary policy (e.g. practicable further development of G7/G8 processes). The remit should also extend to cover actors from civil society.
- c. Finally it is necessary to analyse supply chains in the world economy (in industrial nations, transition economies and developing countries) and make proposals as to how development policy, for example, or open trade policy, could be used to ensure greater participation for developing countries and transition economies in the globalised world economy. This is desirable in terms of economic, development and also foreign policy. Attention also needs to be paid in this context to changed exchange relations with respect to environmental and climate protection.
- d. Other important issues to be examined include indebtedness and structural adjustment and development funding. Particular attention needs to be devoted to examining to what extent financial innovations

– new forms of taxing financial transactions, for example – could be employed in the context of development funding.

## II.

The German Bundestag requests the competent ministries to ensure close and continuous cooperation with each other and also with the relevant public institutions and committees of experts.

## III.

The Study Commission shall comprise thirteen members of parliament from the parliamentary groups represented in the Bundestag and thirteen experts. The SPD parliamentary group shall nominate six members of parliament and six experts and the CDU/CSU parliamentary group four members of parliament and four experts; the ALLIANCE 90/THE GREENS parliamentary group, the FDP parliamentary group and the PDS parliamentary group shall each nominate one member of parliament and one expert.

A substitute member may be nominated for each member of the Bundestag.

The Commission shall submit its report in good time before the end of the electoral term and ensure that appropriate sections of the report or appropriate interim reports are made available for consideration by the specialised committees.

The German Bundestag shall ensure that the studies made by the Commission be made available to the public in appropriate form before the end of the electoral term.

Berlin, 14 December 1999

**Dr Peter Struck and parliamentary group**  
**Dr Wolfgang Schäuble, Michael Glos and parliamentary group**  
**Rezzo Schlauch, Kerstin Müller and parliamentary group**  
**Dr Wolfgang Gerhardt and parliamentary group**