



# Women's Division Washington Office

## Issue Briefing – The World

March 2008

### **The World Economic Forum: Prospects for Economic Justice in the New Millennium**

Michael Mandelbaum, Professor and Director of The American Foreign Policy Program at John's Hopkins University, has noted that

“Globalization is a new word but a familiar phenomenon. At the outset of the 21<sup>st</sup> century the world is well into the second age of globalization. The first stretched from the mid-19<sup>th</sup> century to the outbreak of World War I in 1914...In both eras the world became more closely integrated in economic terms with capital and goods flowing in greater volume...Then as now, global economic integration was the result of both technical innovations and political decisions...This is the great lesson of the first age of globalization for the second: commercial and monetary arrangements rest on political foundations, which are not immutable.”<sup>ii</sup>

The Forum was founded nearly 40 years ago by the German born academic Klaus Schwab, and the annual meeting has become a “cutting-edge” policy event where participants grapple with ways to improve “the state of the world.” Each year there is a “big theme” and this year it was The Power of the Collaborative Innovation. Over 2,500 attendees from 88 countries have the opportunity to share ideas or witness the launch of major projects such as the Bill Gates and Bono Global Initiative on Health.

Outside of the formal meeting anti-globalization advocates convened a “day of action for peace and social justice” with events taking place all over the world. This reality provided the underlying energy and urgency to discussions which took place at the World Economic Forum Annual Meeting this past January 2008. Issues of poverty, the environment, the rising power of China and India, national security and technology and the U.S. economic meltdown challenged participants.

Among the key announcements and achievements that emerged from the Annual Meeting 2008 were the following<sup>iii</sup>:

- British Prime Minister Gordon Brown, Microsoft Chairman Bill Gates, Irish musician Bono, H.M. Queen Rania Al Abdullah of the Hashemite Kingdom of Jordan, United Nations Secretary-General Ban Ki-Moon, World Economic Forum Founder and Executive Chairman Klaus Schwab, Nigerian President Umaru Musa Yar'Adua, and Cisco Systems Chairman and Chief Executive Officer John T. Chambers issued a joint statement vowing to make 2008 a turning point in the fight against poverty. The world is facing a “development emergency”, they said, pledging to “work together to help the world get back on track to meet the Millennium Development Goals.”
- Japanese Prime Minister Yasuo Fukuda unveiled a five-year, US\$ 10 billion fund to support efforts in developing countries to combat global warming – a move to ensure that top priority is given to climate change at this year's G8 Summit in Hokkaido. In addition, Japan aims to create a new multilateral fund with the US and the UK to mitigate changes in the earth's climate as a result of global warming.
- The Bill & Melinda Gates Foundation announced a US\$ 306 million package of agricultural development grants “designed to boost the yields and incomes of millions of small farmers in Africa and other parts of the developing world so they can lift themselves and their families out of hunger and poverty.”



- The World Economic Forum launched a landmark report on the interfaith dialogue between Muslim and Western societies. *Islam and the West: Annual Report on the State of Dialogue* was the result of in-depth research and polling in more than 40 countries. The report is intended to be an annual global reference on the state of dialogue among faiths that will elevate the visibility of dialogue around the world and strengthen efforts to advance greater understanding.
- The World Economic Forum, Forum Member companies and the United Nations launched initiatives to facilitate further and deeper private sector support of humanitarian relief operations. Among the programmes: Agility, TNT and UPS, three leading logistics and transport companies, are joining forces to help the humanitarian sector with emergency response to large-scale natural disasters.
- The World Economic Forum released the first part of the most comprehensive investigations into private equity: *The Globalization of Alternative Investments Working Papers Volume 1: The Global Economic Impact of Private Equity Report 2008*. The study focuses on the demography of global private equity deals, the willingness of private equity-backed firms to make long-term investments globally, and the impact of private equity investments on the employment levels of firms in the US and corporate governance in the UK.
- Rwanda was designated as the launch country for a pilot programme for the Forum's Global Education Initiative (GEI). In partnership with the Education For All Fast-Track Initiative (FTI) under the banner of the Global Education Alliance (GEA), the Forum will provide the platform to combine the strengths of the private sector and foundations to achieve education for all in low-income countries.
- Mayors, regional governors and the private sector launched the World Economic Forum's SlimCity Initiative, an exchange programme between cities and the private sector to support action on resource efficiency in urban areas, focusing on energy, water, waste, mobility, planning, health and climate change.

Former British Prime Minister Tony Blair viewed this year's meeting as essential to meeting "the need for the world to have a set of common values" and to guide political leadership on these issues. The Forum is an invitation only gathering of representatives of government, trade unions, non-profits, religious groups, the news media and corporate executives. This year's participants included Microsoft's Bill Gates, musician Bono of U2, U.S. Secretary of State Condoleezza Rice and Pakistan's President Pervez Musharraf.

About 17 percent of the participants were women. As a non-profit, the Forum has announced a plan through its Women Leader's Program to reach gender parity by 2020. Actress Emma Thompson, who received an award for her humanitarian work, reminded Forum delegates that "you can't be committed to change the world without gender parity." A group 100 (50 women and 50 men) has been created to create a roadmap to gender parity. Leading up to this point and to ensure the inclusion of women's voices, a unique outreach effort was created to connect the Forum to people across the globe.

## Learning More

In partnership with YouTube, people were asked to answer "The Davos Question"—"What one thing do you think that countries, companies or individuals must do to make the world a better place in 2008?" Over two million people answered the question. To hear some of the answers visit the YouTube web site at [www.youtube.com/Davos](http://www.youtube.com/Davos)

As we act in our communities to make the change we want to see in the world, how would you answer the Davos Question? E-mail us at [umwanet@gbgm-umc.org](mailto:umwanet@gbgm-umc.org) to let us know your answer.

Resources:

Read *Globalization and Its Impact on People's Lives* by Elmira Nazombe. Call the Mission Resource Center at (800) 305-9857 to purchase a copy

Read *The Book of Resolutions 2004* #205 The United Methodist Church, Justice and World Hunger (pg. 525), #206 Economic Justice for a New Millennium (pg.532) and #208 Pathways to Economic Justice (pg.545).

<sup>i</sup> SAISPHERE Magazine. The John's Hopkins University. 2000. pg. 15

<sup>ii</sup> World Economic Forum Annual Meeting closes with call for a new kind of collaborative leadership. Press Release. January 27, 2008. World Economic Forum web site. [http://www.weforum.org/en/media/Latest%20Press%20Releases/PR\\_closing\\_270108](http://www.weforum.org/en/media/Latest%20Press%20Releases/PR_closing_270108)