

## **Financial and economic crisis – no accident but a crime - missing regulations in international law**

### abstract

1. Up to now the financial and economic crisis was just a game with many thousand billions of US \$. To the great surprise to many of us, money that was never available for any social tasks suddenly poured into the finance sector and meanwhile also into some industrial sectors which have a good lobby.
2. Reading the estimates of the ILO and the World Bank one understands that the worst is still ahead. ILO estimates that the rise in unemployment could reach 50 million and that 200 million people, mostly in developing economies, could be pushed into poverty. The World Bank estimates a total of 1.4 to 2.8 million excess infant deaths until 2015.
3. Joseph E. Stigler the Nobel Price laureate in 2001 and chairman of the recently installed UN Expert Commission talks of murder. But he doesn't mean the many human victims of the financial and economic crisis but the US economy.
4. In many statements and papers the financial and economic crisis is considered to be more or less something like an accident. However in the paper of the UN Expert Commission which has been sent to all UN members and which will be discussed at UN General Assembly at the end of June 2009, the US Government is blamed together with other governments for doing to little.
5. Considering the incredible inhuman impact of the crisis on the one hand and the obvious accountability of many governments, international institutions and internationally operating companies and individuals, it is astonishing that the question of legal consequences is not discussed. This is all the less to be understood as the financial aid for developing countries which has been decided at the G20 summit in April this year, neither by its volume nor by its manner – because instead of transfer payment only loans have been decided – will prevent the inhuman impact of the crisis. Although everybody knows the consequences, nothing is done up to now to prevent the consequences of the criminal behavior.
6. Therefore the question arises, if anything is missing in international law or if the existing law is not properly applied, or which are the main deficiencies in international law to deal with this situation. Are there sufficient regulations to prevent the lethal consequences which have been estimated by the ILO and by the World Bank and to prevent similar crimes in the future ? How could democratic structures in the world economy (in its institutions as well as inside internationally acting companies) improve its social performance ? Do the victims that survive have any chance to get compensated ? Will the culprits ever be punished ?
7. It should be the task of progressive lawyers to acquire suggestion for the necessary application of the existing rules of international law and the necessary amendments in international law to cope with the financial and economic crisis and its social impact. All governments should be aware of the importance of the UN economic summit at the end of this month and do all they can to make it a success, knowing that if they don't they will be accountable for the death and the suffering of many million people around the world.

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