

Press release – for immediate release

Financing the fight against climate change

IMF takes up World Future Council suggestion

Hamburg 1.2.2010. The IMF Managing Director, Dominique Strauss-Kahn, has taken up a suggestion by the World Future Council (WFC) on how to finance climate security and climate justice in developing countries. A new multi-billion dollar “Green Fund” that could provide up to \$100 billion a year was suggested by Strauss-Kahn at the World Economic Forum in Davos. Part of this fund should be financed through the issuance of additional Special Drawing Rights (SDRs), a reserve asset created by the IMF. The World Future Council proposed funding the development of renewable energies through new, interest-free SDRs at the World Climate Summit in Copenhagen last December and discussed this proposal with the IMF.

Money creation in this manner could finance a global Green New Deal, says WFC-Founder Jakob von Uexkull: “This offers possibly the biggest entrepreneurial chance of all times”. Issuing new Special Drawing Rights even in billions would not cause inflation if the funds are used for building new sustainable facilities: “Inflation is caused when too much money chases too few goods. Here the new money is only created against performance, in the sense that unemployed people and unused production facilities are being mobilised, e.g. to build new wind-farms and solar-panels.”

The World Future Council suggests that the UN-Environment Programme UNEP and the newly founded International Renewable Energy Agency (IRENA) supervise the implementation of this global Green New Deal. The IMF would retain responsibility for the technical financing and money creation through Special Drawing Rights.

World Future Council

The World Future Council brings the interests of future generations to the centre of policy making. Its up to 50 eminent members from around the globe have already successfully promoted change. The Council addresses challenges to our common future and provides decision-makers with effective policy solutions. In-depth research underpins advocacy work for international agreements, regional policy frameworks and national lawmaking and thus produces practical and tangible results. The World Future Council Foundation is registered in Hamburg.

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