

In the framework of the Annual [Policy Dialogue on “Multilateralism that Delivers”](#), being held on October 28-30 and organized by the [World Leadership Alliance-Club de Madrid](#)

International experts call for new “Bretton Woods” agreement to rebalance digital economy

World Leadership Alliance-Club de Madrid (WLA-CdM) is the largest forum of political leaders, working to strengthen democratic values, good governance and the well-being of citizens around the world. This association groups over 110 democratic, former Heads of State and Government from over 70 countries.

World Leadership Alliance-Club de Madrid, the largest forum of political leaders working to strengthen democratic values, good governance and well-being of citizens around the world, holds its Annual Policy Dialogue under the title “Multilateralism that Delivers” and within the framework of the 75th anniversary of the United Nations.

This event, which brings together 35 former Heads of State of democratic governments and more than 200 participants from government, civil society, academia and the private sector, is discussing strengthening multilateralism and supporting cooperation in the face of new global challenges.

World leaders face a set of challenges whose magnitude and complexity has not been seen since World War II. Back then, the world’s economic challenges were addressed at the Bretton Woods meetings which created our current international financial institutions. Today, with accelerating and increasing geopolitical, societal and environmental tensions, these institutions are having a difficult time keeping up with the rapid pace of change. By reframing the ongoing digitalization of how international transactions are governed, a new means for addressing today’s challenges is emerging which provides an opportunity to be more agile, fair, innovative and sustainable.

To Alex “Sandy” Pentland, MIT, Boston Global Forum expert, and **Esko Aho**, Prime Minister of Finland (1991-1995) and WLA-CdM Member, *“Modernizing and digitizing the governance of national, international, and commercial interactions to become more efficient, transparent, and inclusive needs to be elevated as a global priority. Dozens of efforts are already underway. However, current efforts are mostly piecemeal and incremental. This is therefore a natural topic for inclusion within a new Bretton Woods type of agreement.”*

Governance of digital platforms has become unexpectedly urgent. *“Left unchecked – Pentland and Aho highlight - we are headed for a digital cold war. Major economies around the world have either deployed or are seriously considering deployment of national digital currencies. In addition, there is deployment of nationally-backed digital platforms that provide a uniform framework for not only finance but also trade and logistics, authentication, fraud detection and analytics (e.g., AI). China, for instance, is moving existing Belt and Road investments onto Chinese digital systems that are dramatically more agile and cheaper than Western systems. Singapore has developed a similar digital trade and logistics infrastructure for investments within its Temasek Sovereign Wealth fund, and Switzerland has recently deployed the Swiss Trust Chain.*

In summary, for these international experts, the window of opportunity for rebalancing the digital economy is closing. The world urgently requires a new “Bretton Woods” multilateral effort, with the goal of renovating multilateral institutions using more efficient, secure, and inclusive digital platforms. Unlike the post-World War II effort, such coordination must not only be centered on finance, but also development, trade, and health cooperation. It must be human centered, local and intimately dependent on digital technical standards and the computational social science needed to measure and forecast interactions between finance, sustainability, and social factors.

For more information on “Digitalisation; Enabling Multilateralism and Impact” please view the following video: <https://www.youtube.com/watch?v=v77rJE3ldHA&feature=youtu.be>

Esko Aho is Member of [Club de Madrid](#), the world’s largest association of over 110 democratic, former Heads of State and Government from over 70 countries. WLA-CdM organized recently a [Policy Dialogue on “Multilateralism that Delivers”](#) from 28-30 October 2020.