

"Glaring bilateral and global issues were highlighted at the G-20 summit."

As a forum, the G-20 is often watched more closely for the meetings the event affords on its sidelines, than for substantive outcomes. The countries that make up the G-20 (19 nations and the European Union) account for 85% of the world's nominal GDP, and each has pressing issues it wishes to discuss with other members on bilateral, plurilateral and multilateral levels.

Prime Minister Narendra Modi used the occasion of the G-20 summit at Osaka for as many as 20 such meetings, including nine bilaterals, eight pull-aside engagements, and of the Russia-India-China, Japan-U.S.-India and Brazil-Russia-India-China-South Africa groupings.

The most anticipated were President Donald Trump's meetings with his Chinese counterpart Xi Jinping and Mr. Modi, given the escalation in trade tensions. Both ended on a cordial note, but with no breakthrough or "big deals".

The Indian and U.S. Commerce Ministers will sit down again, as they have on at least three occasions in the past year, to try to resolve the impasse over trade issues, and the U.S. and China have called a halt to raising tariffs until they resolve issues.

Both come as a relief to India, given the impact of those tensions on the national and global economies. Mr. Modi raised several Indian concerns at the G-20 deliberations, including the need for cooperation on dealing with serious economic offenders and fugitives, as well as climate change funding. This found its way into the final declaration.

India sent a tough message by refusing to attend the digital economy summit pushed by Japanese Prime Minister Shinzo Abe, as his plan for "data free flow with trust", included in the G-20 declaration, runs counter to the Reserve Bank of India's proposed data localisation guidelines.

The U.S. wrote in a counter to the paragraph praising the Paris accord, while trade protectionism was not mentioned in the document. On issues such as ocean pollution management, gender equality and concerted efforts to fight corruption, the G-20 found consensus more easily.

With Saudi Arabia hosting the next G-20 in 2020, followed by Italy in 2021, all eyes will soon turn to the agenda India plans to highlight when it holds the G-20 summit in 2022. Many global challenges, such as climate change and its impact, the balance between the needs for speed and national security with 5G networks being introduced, as well as technology-driven terrorism, will become even more critical for the grouping, and the government must articulate its line.

India should lead the exercise in making the G-20 more effective in dealing with some of the inequities in its system. The G-20 is an important platform to discuss pressing issues, and it must not be detracted from its original purpose of promoting sustainable growth and financial stability by grandstanding by one or two members.

GS World Team...

G-20

What is it?

- In September 1999, the Finance Ministers of G-7 countries formed the G-20 as an international forum. Along with maintaining international financial stability, this forum promotes informal dialogue and cooperation among countries that come within the institutional framework of Bretton Woods System.
- The Group of Twenty (G20) is the premier forum for its members' international economic cooperation and decision-making. Its membership comprises 19 countries plus the European Union. Each G20 president invites several guest countries each year.
- G20 leaders meet annually. In addition, Finance Ministers and Central Bank Governors meet regularly during the year to discuss ways to strengthen the global economy, reform international financial institutions, improve financial regulation and implement the key economic reforms that are needed in each member economy.
- Underpinning these meetings is a year-long program of meetings among senior officials and of working groups coordinating policy on specific issues.
- These countries represent 85 per cent of the world's economic output and 60 per cent of the population of the world. World Bank and IMF chief are also members of this organization. The first meeting of the G-20 was held in Berlin in December 1999.

Establishment and beginnings

- G-20 was started as a meeting of finance ministers and central bank governors after the financial crisis in Asia in 1999. In 2008, the first summit of G20 leaders

was organized and the group played an important role in responding to the global financial crisis.

- Its decisive and coordinated actions boosted consumer and business confidence and supported the first stages of economic recovery. G20 leaders have met nine times since 2008.
- The G20 is supported by international organisations, including the Financial Stability Board, the International Labour Organisation, the International Monetary Fund, the Organisation for Economic Co-operation and Development, the United Nations, the World Bank and the World Trade Organization. These and several other organisations are invited to attend key G20 meetings.

G-20 member countries

- G-20 members represent 85 percent of the global GDP, 75 percent of global trade and more than two-thirds of the world's population.

Name of member countries

- Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, United Kingdom, United States, European Union

Why is there a need of platform like G-20?

- The G-20 was formed for the purpose of promoting consultation and coordination with emerging and developing economies.
- The seven major industrial countries of the world Canada, France, Germany, Italy, Japan and United States first joined the G-20.



Expected Questions (Prelims Exams)

1. Consider the following statements regarding G-20-

1. It was established with the aim to promote consultation and cooperation with emerging and developing economies.
2. Recently its 19th G-20 summit was held in Osaka.
3. India will host G-20 Summit in 2021.

Which of the above statement is /are correct?

- (a) 1 and 2 (b) Only 2
(c) 1 and 3 (d) 1, 2 and 3

Expected Questions (Mains Exams)

- Q. Explaining the role of India in G-20 summit, discuss what global problems were important in this summit. (250 Words)**

Note: Answer of Prelims Expected Question given on 1 July. is 1(c).

