



WHY IN NEWS?

Recently, the 14th G-20 summit was held in **Osaka, Japan**.

ABOUT G20

INTRODUCTION



Established in **1999**, G20 is the **"premier forum for international economic cooperation"** of the European Union and 19 countries.

AIM

To discuss the critical issues affecting the global economy in the aftermath of the **Asian Financial Crisis of 1997-1998** with world leaders from **major industrialized and developing countries** to bring financial stability.



THE FIRST G20 SUMMIT



Held in Berlin in 1999, G7 finance ministers agreed to establish the G20 **"Finance Ministers and Central Bank Governors"** meeting to achieve sustainable global economic growth.

EXPANSION

In response to the global financial crisis occurred due to the collapse of the Lehman Brothers, the group was upgraded to **the heads of state level** & since 2009 it emerged as the **"premier forum for international economic cooperation,"** meetings were held semi-annually until 2010 and annually from 2011 onwards.



MEMBERS

The European Union & 19 countries i.e. The United States, Argentina, Australia, Brazil, Britain, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea and Turkey. Collectively, they represent more than **80 % of the world's GDP**. Guest countries and international organizations also participate in the summit.

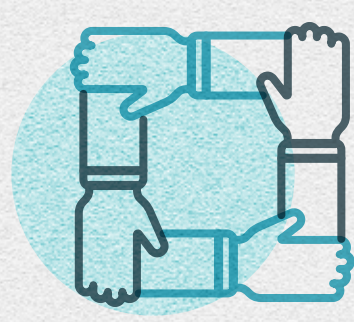


PURPOSE OF G20 SUMMIT MEETINGS

Formally known as the **"Summit on Financial Markets & the World Economy,"** the finance ministers and heads of the state representing the members meet with **"an aim to issue a joint statement"** committing its members to act accordingly, although the declaration is **"not legally binding"**.



STRATEGIC SIGNIFICANCE



World's major economies gather together **to lift growth in mutually-supportive ways** to align their domestic policies wrt to joint commitment.

A platform for emerging economies like India, China, Brazil etc for addressing structural domestic problems of slowing industrial productivity, job creation & deflating export prices for greater economic cooperation with countries in Europe, the US and Canada.



Helps in addressing (1) **conflicting interests of various groupings** on one platform through bilateral and plurilateral meetings e.g. JAI (Japan-America-India), RIC (Russia-India-China), (2) **governance of global finance**, etc

CRITICISED FOR

Lack of transparency, encouraging trade agreements that strengthen large corporations, failing to address global threats to democracy.



WAY FORWARD

As trade tensions escalate among major powers and global growth decelerates, the G-20 countries may prove a common platform to tackle global challenges.

