

explainity explained: G20

Have you listened to the news today?

It probably included a report on some crisis occurring somewhere in the world.

There are wars, famines, climate issues and economic crises.

We're going to focus on the latter of these, and explain to you what connection the G20 has with this.

Let's go back to the year 1997.

Many East Asian countries are threatened with an economic crisis.

Currencies are falling in value, businesses are going bankrupt, many people are losing their jobs or the money they have invested.

Other countries now appear to be under threat as well.

There was widespread concern. And so, in 1998, in the USA, a crisis meeting was held attended by 22 countries.

This meeting was one of the milestones that resulted in the establishment of the G20 in December 1999.

"G" stands for "Group". And "20" stands for the 19 most important industrialised and emerging countries plus the EU.

In total, the G20 countries contain about two-thirds of the world's population. These states have a massive share of the world's economy and trade.

The G20 is not an organisation. No. Instead it is a so-called "informal forum".

This means: they cannot directly adopt laws. More over they simply act as a catalyst for new initiatives. Their opinion does, however, carry considerable political weight.

Another important year for the G20 was 2008. Once again, finance ministers and central bank chairpersons met for discussions. At the same time, however, the world was threatened with a major financial crisis. To get the crisis under control, heads of governments and states were brought around the table, moving the G20 into the upper echelons of politics.

Together, they agreed upon important financial reforms to deal with the crisis.

Today, the summits take place once or twice a year. Heads of governments, their representatives and various specialist ministers are now joined at the table by economic institutions such as the WHO along with other national representatives. The final decision on which guests are allowed to attend falls to the President of the country organising the G20 summit. He or she also decides on the content of the conference.

In addition to topics on economics and finance, other aspects are now included in the agenda, such as: climate, energy, food, health and social issues.

The ongoing aim of the G20 is: To fight global crises, and to prevent crises.

In the run-up to summits, emissaries of heads of governments – known as "sherpas" – work on key issues. They do this together with different groups such as trade unions, scientists and women's groups.

The G20 has already achieved a great deal, for example:

- tougher measures have been adopted to safeguard states and taxpayers from financial charges.
- Financial support has been agreed on for poorer countries.
- And they agreed to keep global warming below two degrees Celsius.

After the summits, however, each country is itself responsible for implementing these resolutions and enacting legislation.

Repeated criticisms have been directed against the G20.

That it is an elite club and undemocratic, because what's about the voices from the world's other nations?

That G20 members all support a policy based on economic growth and maximising profit. That it favours large corporations and the wealthy.

That it is unjust and contributes to social inequality, wars and emigration. And that not all members hold themselves to the climate protection measures adopted by the G20.

It therefore remains to be seen what G20 summits can achieve in the future.