



e-ISSN: 2319-8753 | p-ISSN: 2347-6710

IJRSET

International Journal of Innovative Research in
SCIENCE | ENGINEERING | TECHNOLOGY

INTERNATIONAL JOURNAL OF INNOVATIVE RESEARCH

IN SCIENCE | ENGINEERING | TECHNOLOGY

Volume 10, Issue 12, December 2021

ISSN INTERNATIONAL
STANDARD
SERIAL
NUMBER
INDIA

Impact Factor: 7.569

9940 572 462

6381 907 438

ijirset@gmail.com

www.ijirset.com



Role of G20 Countries in the Economy Development of under Developed Countries and in Tackling the Crisis of Economic and Climate Change

Dr.Sumanta Bhattacharya¹, Dr. Jayanta Kumar Ray², Shakti Sinha³, Bhavneet Kaur Sachdev⁴

Research Scholar at MAKAUT , Public-Foreign-Defence Policy Analyst , C.E , CH.E , CCIO ,M.Tech , MA in Development Studies, LLB , M.A in Security and Defence Law , DIA&D , DG&GS , PGCPP&A , MPI(oxford University), India ORCID ID : 0000-0003-2563-2787¹

National Research Professor , Ministry of Human Resource Development , GOI , Former Centenary Professor of International Relation, Department of History , CU, and Institute of Foreign studies , CU and Honorary Consultant for Research in Indo-Bangladesh Relations, Kolkata, Former Chairman ,Maulana Azad Kalam Azad Institute of Asian Studies, Kolkata, India .²

Honorary Director, Atal Bihar Vajpayee Institute of Policy Research and International Studies, India³

Political Science hons (Calcutta University), Masters in Development Studies, India⁴

Abstract : The Group of Twenty is an informal forum for International collaboration between the emerging economy , it consist of 19 countries and European Union . The reason for the formation of G20 was the Asian financial crisis of 1997-98 , the main agenda was to tackle the global financial crisis and the 2008 global crisis was a serious blow which called for immediate action , working on fiscal policy , financial market , G20 cover two-third of the world population , contributes to 85% of the global GDP , 60 % of the world population and 80% of the global trade , it conduces more than 50 meeting annually and are engaged with various working groups , civil society and women groups working together to enhance G20 importance globally , starting from financial market and economic crisis , it covers several other topics which are of global importance and it incorporates corruption Climate Change anti-terrorism , global health, women empowerment , energy , tax and fiscal policy , employment , Agriculture etc , the platform is flexible and easily adopt to new challenges and maintain collaboration among its member . G20 is not legally binding , it acts as a catalyst to initiate new ideas , there is no permanent location of G20 , the host country is in charge of everything, organization the summit and he / she decides on the agenda of the conference

KEYWORDS: G20 , Financial crisis, agenda , international collaboration , global importance , summit

I. INTRODUCTION

The year 1997 , when many East Asian Countries were threatened with an economic crisis , currencies were falling in value and businesses were bankrupt , many people were losing their jobs and the same thing started to happen in other countries , there was widespread concern so in 1998 , USA , a crisis meeting was held attended by 22 countries, this meeting resulted in the formation of G20 in December 1999 , where G20 stands for G indicates Group and 20 is for those 19 countries , the most important industrialised and emerging countries plus the European Union , G20 constitutes two-third of the world population , these countries have a massive share of the world's economy and trade , G20 is not an organization but the so called informal forum , they cannot directly adopt laws but tries to work for new initiatives , their opinion have considered political weight . In the year 2008 mid of Global financial crisis , the finance ministers and central bank chairperson went for discussion , to tackle the crisis , heads of governments and states were brought around the table. The members agreed upon important financial reforms to deal with the crisis . Today the countries meet once or twice a year , where the heads of governments , their representatives and various specialist ministers and now are joined at the table by institution such as WHO along with other national representatives and think tank , the final decision on which guest is allowed to attend the meeting falls on the President of the country



organising the G20 Summit, they decide on the agenda of the conference. Today apart from economic and finance new topics are included in the agenda like climate change, food crisis, health and other social issues and the aim of the G20 is to fight global crisis and to prevent crisis. The heads of government in G20 are referred to as Sherpas and they work on key issues, they work together with different groups like the trade unions, scientist and women groups. The G20 has achieved great deal in a number of sectors, measures have been adopted to safeguard states and tax players from financial charges, Finance support has been provided on for the poorer countries and all have agreed to keep the global warming below two degrees Celsius as per the Paris Agreement. However each country is responsible for implementing these resolutions and enacting legislations in their own country. The G20 also has its own set of criticism. The members of G20 are Italy, Argentina, Australia, Brazil, India, Germany, Indonesia, Turkey, United Kingdom, United States of America, South Africa, Mexico, Saudi Arabia, United States of America, China, France, Canada and Republic of Korea and European Union. Since 2010, G20 Summit are held every year, in which many International organization attend the meeting, the invites are decided by the host country which International organization can attend the meeting.

Objective of Research

In this Research paper the main area of studies include

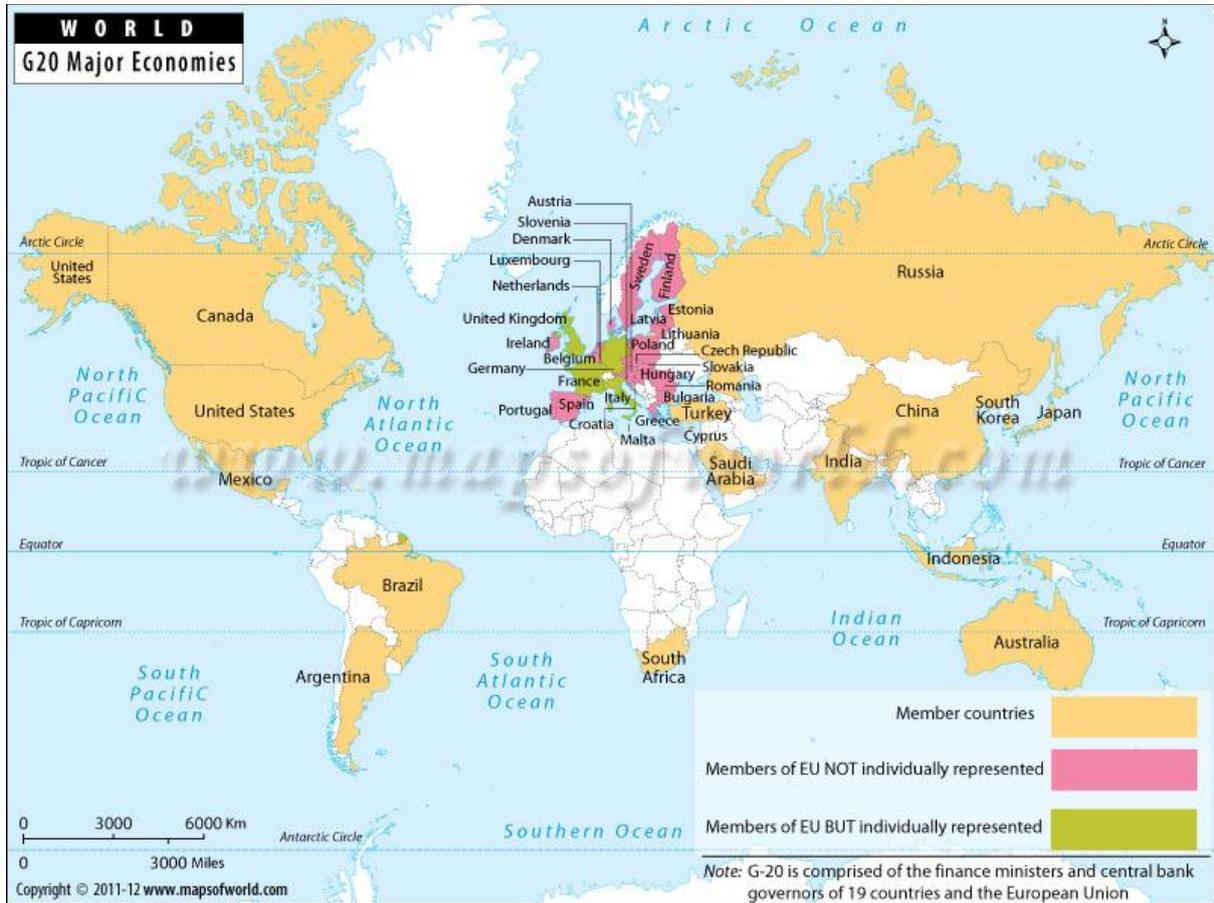
1. Factors that led to the formation of G20.
2. What are the objective of G20.
3. How does the G20 works and an in depth study on its various summit.
4. India and G20 priorities
5. What are drawbacks of G20.

II. LITERATURE REVIEW

The aim of the G20 summit are

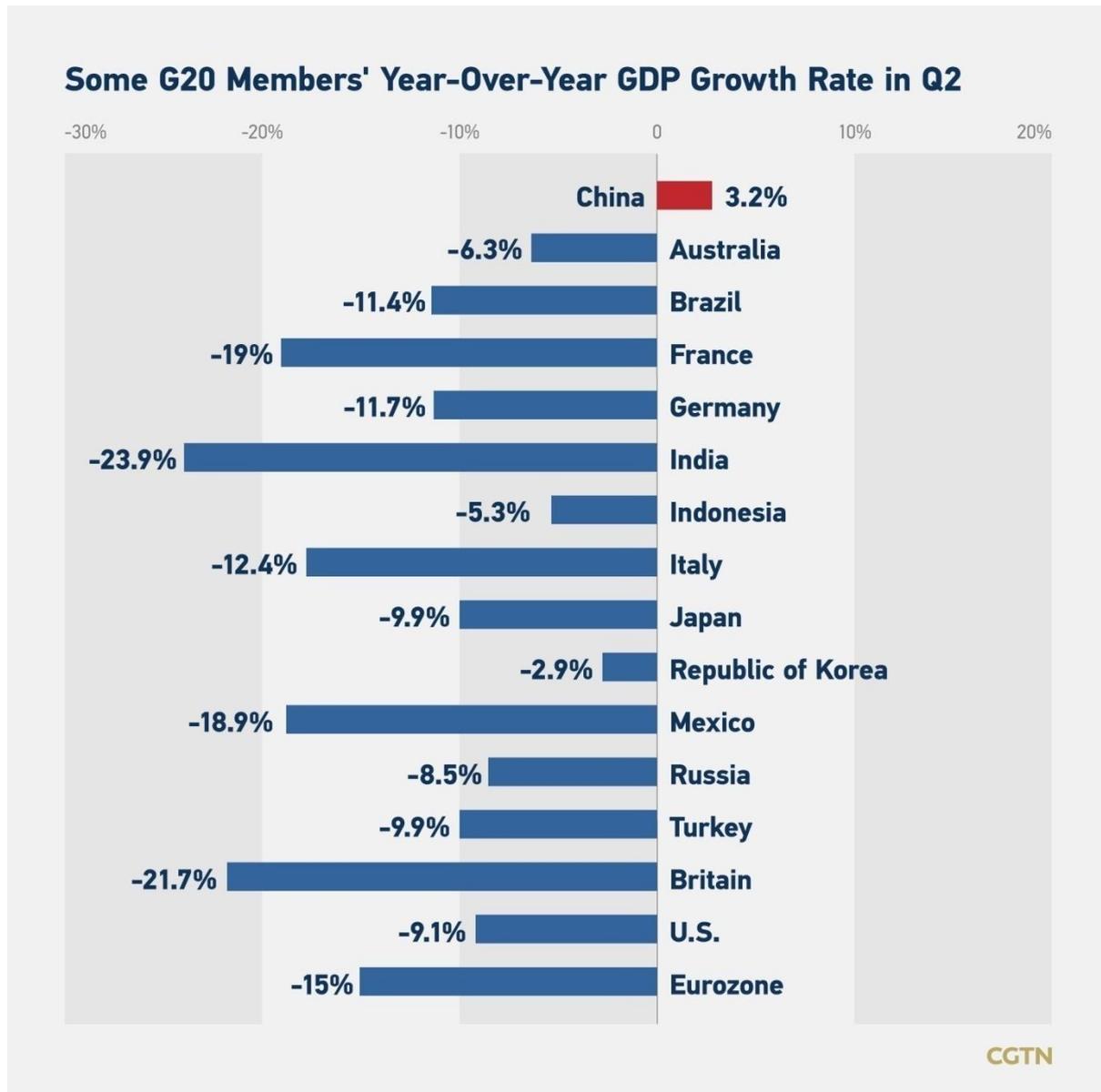
- a. Policy collaboration among its member in order to achieve global finance stability and sustainable growth.
- b. To stimulate financial regulation that decreases the risks and prevent future financial crisis
- c. To create a new financial architecture at the International level.

After the Asian Financial crisis of 1997-1998, it became necessary for the emerging market countries to participate and discuss on International Financial crisis, the G7 member agreed to form the G20 Finance Minister and the Central Bank Governors meeting. The G7 members include Japan, Italy, Germany, Canada, France, UK and US which later on after the financial crisis included 11 countries who are emerging as economic market and small industrialised countries. The G20 consist of the G7 nations and the other developing nations such as Brazil, China, India and Russia. The G20 constitutes 85% of the world economy, they are planning an important role in the development of world economy. The BRICS countries (Brazil, Russia, India, China and South Africa) play a crucial role in the growth of global economy as they are the world's leading economic market for investment, along with the G-7 becoming slow, Once G-7 members should decide on important global issues without the requirement of the BRICS countries however with BRIC countries play an important role in providing profits to the G-7 nation. India provides high-tech services where as Russia provides natural gas to Europe, China produces manufacturing services to United States. Apart from Economic crisis, the G20 countries are working on issues like Climate Change and Terrorism. The G20 has no legal impact but they influence the policies of different nations, it is forum for economic, financial and political collaboration among the member states which discuss on crucial global issues, it also contributes to 75% of the International Trade and 80% of the global investment in research and development. There are two working channels in G20 the Finance Channel and the Sherpas Channel: The Finance Channel holds meeting between the central bank presidents and the finance ministers and also between the working groups and second lines on financial issues, their main agenda includes global cooperation in financial and monetary policies, investment in infrastructure, fiscal policy and financial regulation. The Sherpas Channel – covers subjects which are not related to financial like fight against corruption, gender equality, climate change, trade, energy and development. The sherpas of each country represents their subjects, the sherpas then guides its head of the governors of each country and the matter is then taken to the working groups, To escalate the scope and impact of G20 at the global level. International Organization are invited to attend the Summit.

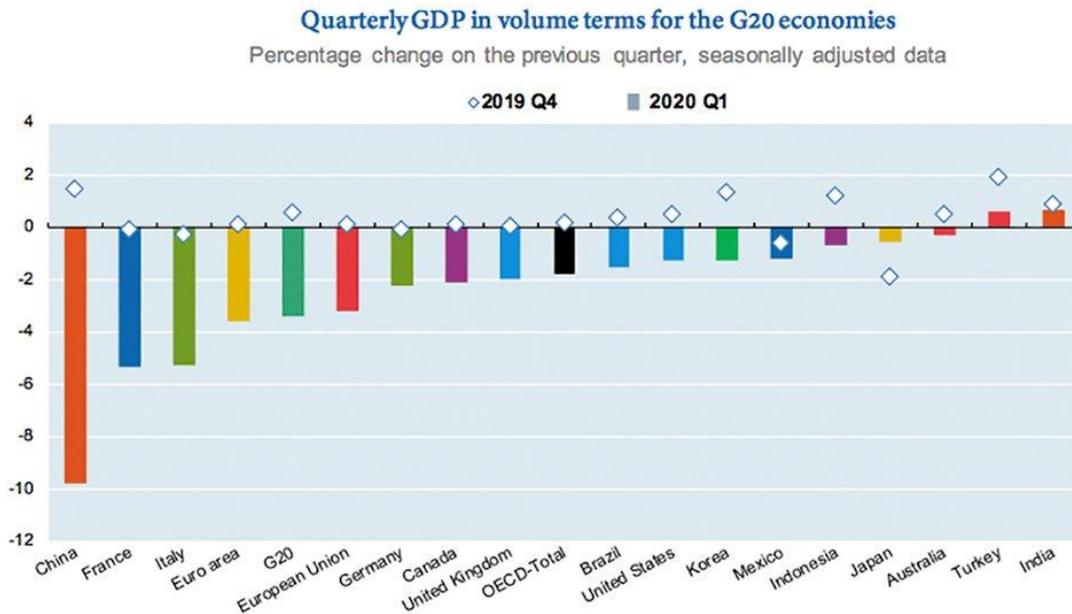


G20 Summit

The G20 is held annual and conduces more than 50 meeting , the decorum is conducted by working groups and discussion among the members and the guest goes on , the meeting ends with the Leader summit where a final declaration is signed by which the leaders of different countries address and cooperate on different issues. The G20 , 2008 summit focused on economic crisis and to strengthen cooperation among the member states to tackle the economic issue , it was held in Washington , 2009 Summit which was held in London and Pittsburgh , 2010 summit was held in Toronto and Seoul , In the Seoul Summit , was the first summit which was hosted by an emerging country , in the summit the people agreed to the Seoul Action Plan , a complex package o policy action to assist strong , sustainable and balanced economic growth country wise , The 2011 Summit focused on reforms of the International Monetary system , adoption of new measures for the management of capital flows , volatility of commodity prices , common components for collaboration between IMF and Regional Financial deployments and an Action plan for local currency bond market , Euro zone Crisis. The 2012 Summit which was held in Los Cabos , focused on issue such as assisting economic stabilization, global recovery financial architecture , enhancing food security , employment , social protection, trade , reforming the financial sector in the Los Cabos Declaration . The 2016 Hangzhou Summit, the leaders agreed to expand their global collaboration in the fight against tax evasion and stimulate international cooperation to provide investment in green bonds .



In the 2017 Hamburg Summit , where the leaders agree to commit themselves to regulate international trade and favour policies that spread benefits of globalisation .The 2018 Summit was held in Argentina where the leaders committed themselves on three issues : the future of work , infrastructure for development and sustainable food future and includes topics like technology development, gender issues , 167 meetings were held . The 2019 G20 Summit was hosted by Japan in Osaka which focused on 8 subjects which incorporates : Global Economy , Trade and Investment , Innovation , Environment and Energy , Women’s Empowerment , Development and Health and employment . WTO Participated in this summit and supported reform in trade and investment . Innovative in domestic and International framework was discussed , Osaka Blue Ocean Vision, a global vision aiming to reduce pollution by marine plastic litter to zero by 2050 . Digital Economy and Women Empowerment , the Osaka Declaration on Digital economy focused on international rule-making on digital economy on data flow and electronic commerce . The 2020 Summit of G20 was held virtually , hosted by South Arabia focused on Empowering people by providing opportunities and condition in which all people can work and thrive , Safeguarding the Planet by fostering on common goods and shaping new frontiers by adopting long terms strategies to share Innovative ideas which will benefit all members and also focus on technology advancement.



Every year a new country organizes the Summit and decides on the agenda , it works with the previous hosted country along with the country who will be hosting the next presidency , the process is known as Troika which ensures smoothness and continuity in the members and agenda .

G20 is a very flexible forum which adopts to new challenges , it is inclusive which invites international organization , civil society organization through working groups and permit broader and more comprehensive perspective , it has also been successful in maintaining coordination among the countries and provides provisions for lending money to poorer countries , also involves quick deployment of emergency funds . G20 also played a major role in ratification of the Trade Facilitation Agreement with WTO and has developed better communication among the major countries .

India and G20

New Global Index focusing on 4 elements : Talent , Technology , Transparency and Trusteeship towards the Planet . India initiated the National Skill Development Mission whose objective is to create across all sectors in terms of skill training activities and create a vast human talent pool . Ensuring that Technology reaches all parts of the society and the importance of new technologies should be measured by benefits it provide to the people . Digital India and e-governance campaigns and also to increase transparency through reforms like Right to Information , Trusteeship which includes environment and nature issues like Climate Change , reducing carbon footprints . Infrastructure push has been one of the initiative taken by India for lowering Emissions contributing to Cleaner energy for instance coalition for Disaster Resilient Infrastructure , as told the Hamburg Summit 2017, this will help in reshaping construction ,telecommunication , transportation ,energy and water during disaster , this will pool different practices and resources across the world , producing of clean energy , an joint effort by India and France of International Solar Alliance (ISA), which will help to reduce carbon foot print , As part of the Paris Climate deal , India has planned to achieve 175 GW of renewable energy by 2022 , Unnat Jyoti by Affordable LEDs for All(UJALA) and LED street Lighting National Programme (SLNP) scheme which has made LED light popular which saves around 38 million tons of carbon dioxide emissions per year . Ujjwala Scheme – 88 million people have been provided with smoke free Kitchens which is considered to be the largest clean energy drives globally .

The United Nations Convention to Combat Desertification connects development and environment and sustainable land management which will help to control desertification and minimize drought . Clean air and water – The National Clean Air Programme (NCAP) will reduce air pollution and Namami Ganga Programme seeks to refresh river Ganga and manifest the ethos of trusteeship .India’s aims in G20 includes Checking tax evasion to fight corruption , reducing the cost of remittances , market access to key drugs , full implementation of the Paris Agreement , Reforms in the world trade organization to improve its functioning and choking terror funds .



Drawbacks of G20

There have been many criticisms held against the G20, it is regarded as an elite club and is undemocratic in nature because they don't give importance to the voices of other nations of the world, G20 members all support a policy based on economic growth and maximising profit, they give importance and favour large corporations and the wealthy which contributes to social inequality, wars and emigration and is regarded as unjust and not all members hold themselves to the climate protection measures adopted by the G20, therefore it remains to be seen what G20 summit can achieve in future. Moreover G20 is not legally binding.

III. CONCLUSION

The G20 is supported by international organizations that provide policy advice to member states, The Financial Stability Board (FSB) established by the G20 members to tackle global financial crisis, other major organizations are World Trade Organization, International Monetary Fund, International Labour Organization, United Nations, World Bank and Organization for Economic Cooperation and Development, The G20 also works with non-government sector, engaging with various groups such as Business(B20), Civil Society(C20), Think Tank(T20), Youth(Y20) and Labour(L20) which organize crucial events during the year, contributing to G20. The G20 focuses on a wide range of issues which are of global importance, the primary agenda was economy crisis, with the passage of time, they have added more subjects like financial markets, employment, trade, anti-terrorism, climate change, women empowerment, energy, Tax and fiscal policy, Global Health, Inclusive Entrepreneurship, 2030 agenda for sustainable development.

REFERENCES

1. The Group of Twenty, Council on Foreign Relations.
2. Group of Twenty and India, Prospects and Challenges
3. Kimberly Amhded, The G-20 and what it does, The Balance
4. ISPI, G20s History and Membership.
5. Nichole Ballaar, G20 and its importance in Today's World.
6. The Economic Times, G20: Importance of the Summit and possible take ways for India.
7. The Labour Share in G20 economies -OECD.
8. Macro Lo Duca, Livio Stracca, 2014, April, The effect of G20 Summits on Global Financial Markets, European Central Bank.
9. Kukreja P, 2020, November, The G20 in a Post COVID-19 World: Bridging the Skills Gap, ORF.
10. The impact of the COVID-19 pandemic on jobs and incomes in G20 Economies. ILO.



**Impact Factor:
7.569**



INTERNATIONAL JOURNAL OF INNOVATIVE RESEARCH

IN SCIENCE | ENGINEERING | TECHNOLOGY

 9940 572 462  6381 907 438  ijirset@gmail.com



www.ijirset.com

Scan to save the contact details