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G20 Summit and Economic Developments



G20 brings the largest 19 economic powers and the EU together, representing 85% of the world’s economy, 75% of trades and two-thirds of the world’s population. The G20 started in 1999 as a meeting of Finance Ministers and Central Bank Governors in the aftermath of the Asian financial crisis. In 2008, the first G20 Leaders' Summit was held, and the group played a key role in responding to the global financial crisis. G20 leaders have met nine times since 2008, continuing to focus on achieving strong, sustainable and balanced growth, promoting job creation and financial regulations that reduce risks and prevent future financial crises and modernizing international financial architecture.

The 2015 G-20 Antalya summit was the tenth annual meeting of the G-20 heads of government.

Turkey officially took over the presidency of the G-20 from Australia on 1 December 2014,

and China will preside over the summit in 2016.

The Group 20, G-20, meeting held in Antalya on November 15 and 16 had three key objectives on the agenda:

- Strengthening the Global Recovery and Lifting Potential
- Enhancing Resilience
- Buttressing Sustainability

Pursuing the objective of determining collective actions towards achieving strong, sustainable and balanced growth to raise the prosperity, G20 countries have adopted a comprehensive agenda this year for strengthening the recovery and lifting the potential. The G20 has been instrumental to contain the adverse effects of the Great Recession so far.

Despite the positive outlook in some major economies, global economic recovery is uneven

and continues to fall short of expectations. Geopolitical challenges are increasingly becoming a global concern while risks and uncertainties in financial markets continue. Global demand continues to be a major problem. Two of the G20 countries, Russia and Brazil, are in sharp recessions. Russia’s real GDP declined by 2.2 percent in Q1 2015; and by 4.6 percent in Q2 2015. Brazil’s central bank now forecasts that their economy will shrink by 2.7% this year; the worst contraction in a quarter century.

The drop in oil prices is helping the US and German economy whereas China’s economy continues to face downward pressure. The United States remains a key source of strength in the global economy. U.S. businesses have added 13.5 million jobs over the last 68 months, fueling the longest streak of



private-sector job growth on record and driving our unemployment rate down to 5 percent. Since 2009, the budget deficit is down by nearly three-fourths, American households and businesses have reduced their debt and resumed spending and investing, helping to power the global economy.

As announced in Brisbane, Australia last year G20 remains committed to lifting collective G20 GDP by an additional 2% by 2018. It has been stated that country specific investment strategies have been developed to boost the investment particularly through private sector.

Global trade and investment are driving forces of economic growth. It has been noted that global trade growth remains below pre-crises levels. This can be seen as a result of both structural and cyclical factors.



G20 leaders assured that their strong commitment to coordinate efforts to reinforce trade and investment will continue.

It has been emphasized again that enhancing stability of the financial system is crucial to sustaining growth and development. There is also the fact that living in an age of Internet economy brings both opportunities and challenges to global growth. It has been noted that also in the information and communications technology

environment, G20 countries have a special responsibility to promote security, stability, and economic ties with other nations. G20 countries have also made progress to bring in more transparency in global tax architecture.

G20 leaders acknowledged the historic numbers of refugees around the world, and committed to strengthen support for all efforts to provide protection and assistance and to find durable solutions. G20 leaders underlined the need to address



the root causes of displacement, including through finding political solutions to the conflicts that adversely affect many regions of the world. President Obama called on all countries to work closely with- and to scale up- their assistance to international organizations in order to enhance their capabilities, and urged the private sector, civil society and individuals to also join in these efforts. Even though the attention was turned to the attacks in Paris and security concerns seemed

to overshadow the summit, the leaders of the world’s G20 countries agreed to take all the necessary actions to boost the world economy. G-20 Leaders condemned terrorist attacks in Paris and in Ankara as well as Lebanon and elsewhere around the world. They reaffirmed their solidarity and resolve in the fight against scourge of terrorism facing their countries, as well as others. Considering the decisions made during the G-20 Summit there seems to be more rainy days for the shipowners,

especially in the drybulk sector. The drybulk markets have hit the bottom and the

The G20 members are: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the United Kingdom, the United States and the European Union.

imbalance of supply and demand of vessels in addition to the slowing down of the drybulk trade will seem to continue in the short term future.

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