

G20 examines slowing world economy, inflation

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Officials from the G20 group of industrialized and developing nations wrapped up a weekend meeting here Sunday that examined the effects of slowing world economic growth and climbing inflation, participants told reporters.

"We are looking at how to face inflationary pressures and growth problems," one official who declined to be identified said. The delegates, from economy ministries and central banks, held their meeting behind closed doors, with media excluded.

Declining economic growth spreading out from the United States and now affecting Europe and other regions headlined discussions.

The International Monetary Fund prepared an briefing for the meeting that showed a revised 2008 rate of growth for the world economy of 3.9 percent, down from 4.1 percent. In 2009, the prediction was for 3.7 percent, down from an initial forecast of 3.9 percent.

The Rio de Janeiro gathering was called to ready the annual meeting of G20 economy ministers and central bank chiefs that will take place in Sao Paulo in November, with representatives from the IMF and the World Bank.

Created in 1999, the G20 is a forum bringing together wealthy and emerging economies that together account for 85 percent of the world's economy.

It is made up of the G7 group of the world's most advanced economies (the United States, Germany, Japan, France, Britain, Italy and Canada) and other EU states as well as Argentina, Australia, Brazil, China, India, Indonesia, Mexico, Russia, Saudi Arabia, South Africa, South Korea and Turkey.

It is distinct from a 2003 grouping, also called the G20, which is composed exclusively of developing nations and which most recently negotiated as a bloc in the recent failed international trade talks in the World Trade Organization.

In Sao Paulo, the former G20 group plans to deliver its evaluation of world markets and the functioning of multilateral organizations. It will also discuss clean energy, and examine financial tools to promote economic development.

Source: AFP News