

## Sansad TV Perspective: G20 Finance Ministers Meeting

In the series Sansad TV Perspective, we bring you an analysis of the discussion featured on the insightful programme 'Perspective' on Sansad TV, on various important topics affecting India and also the world. This analysis will help you immensely for the [IAS exam](#), especially the mains exam, where a well-rounded understanding of topics is a prerequisite for writing answers that fetch good marks.

In this article, we feature the discussion on the topic: '**G20 Finance Ministers Meeting**'.

**Anchor:** Teena Jha

### **Participants:**

1. Prof. Charan Singh, CEO, EGROW Foundation
2. AK Bhattacharya, Editorial Director, Business Standard
3. Dr. Subhash Chandra Pandey, Former Special Secretary & Financial Adviser, Ministry of Commerce and Industry, GoI

**Context:** The First G20 Finance Ministers and Central Bank Governors meeting was concluded recently.

### **Highlights of the Discussion:**

1. Introduction
2. Highlights of PM's Inaugural address
3. Roadmap to bring back stability
4. G20 countries and Sustainable debt management
5. India and Digital Revolution

### **Introduction:**

- The First G20 Finance Ministers and Central Bank Governors (FMCBG) meeting under the G20 Indian Presidency took place from 24th-25th February, 2023 in Bengaluru, Karnataka.
- Union Finance Minister Nirmala Sitharaman and Governor, Reserve Bank of India (RBI), Dr Shaktikanta Das jointly chaired this meeting.
- The meeting concluded by reiterating its commitment to enhance international policy cooperation and steering the global economy towards securing strong, sustainable, balanced and inclusive growth.

- The discussions in the G20 FMCBG meeting were intended to provide a clear mandate for the various work streams of the G20 Finance Track in 2023.
- Prime Minister, Shri Narendra Modi addressed the meeting via video message.

### **Highlights of Prime Minister's inaugural Address:**

- The Prime Minister gave examples of covid pandemic and its after-effects on the global economy, rising geo-political tensions, disruptions in global supply chains, rising prices, food and energy security, unsustainable debt levels affecting the viability of many countries, and the erosion of trust in international financial institutions due to their inability to reform quickly.
- He stressed the need for leading economies and monetary systems of the world to bring back stability, confidence and growth to the global economy.
- He also highlighted the optimism of the Indian consumers and producers about the future of India's economy and hoped that the member participants would draw inspiration while transmitting the same positive spirit to the global level.
- He urged the members to focus their discussions on the most vulnerable citizens of the world and stressed that global economic leadership can win back the confidence of the world only by creating an inclusive agenda.
- He pointed out the slowdown in progress on Sustainable Development Goals and emphasised the need to strengthen Multilateral Development Banks for meeting global challenges like climate change and high debt levels
- Highlighting the growing dominance of technology in the world of finance and their usefulness during Covid 19 pandemic, he urged the member participants to explore and harness the power of technology while developing standards to regulate its possible risk of destabilisation and misuse in digital finance.
- He also highlighted the radical transformation in governance, financial inclusion, and ease of living in the country.

### **Roadmap to bring back stability, confidence and growth to the global economy:**

- Empowering People for Inclusive Growth will address income inequality by promoting financial inclusion, digital connectivity, and entrepreneurship. It also helps in reducing gender gaps in employment and income.
- G20 countries shall focus on improving infrastructure, promoting investment, and strengthening institutions to achieve strong, sustainable, and balanced economic growth.
- Promoting the use of digital technologies will enhance economic growth and create new opportunities. It includes measures such as increasing access to digital infrastructure, promoting e-commerce, and improving digital literacy.

- Promote an open, rules-based, and inclusive multilateral trading system by taking measures such as supporting the World Trade Organization, promoting regional trade agreements, and addressing non-tariff barriers.
- G20 countries shall aim to promote resource efficiency and reduce waste by promoting sustainable consumption and production patterns and promoting the circular economy, and reducing plastic waste.
- Members must address the health challenges facing the world, particularly in the context of the COVID-19 pandemic by promoting vaccine research and development, strengthening health systems, and improving global health governance.

### **What can G20 do to address unsustainable debt?**

- Sustainable debt management is a complex issue that requires a coordinated effort from G20 countries.
- The G20 countries can work together to promote debt restructuring programs that allow indebted countries to restructure their debt and avoid default. This can include debt forgiveness, extension of repayment periods, and reduction of interest rates.
- They can work together to promote transparency in debt management. This can include better reporting of debt statistics, disclosure of terms and conditions of loans, and regular assessments of debt sustainability.
- They can support economic growth in developing countries through targeted investments and development assistance. This can help to create more opportunities for income generation and increase the ability of countries to service their debt.
  - The G20 countries can also provide technical assistance to developing countries to strengthen their debt management capacity.
- They can work with international financial institutions, such as the International Monetary Fund and the World Bank, to develop and implement debt management strategies. This can include debt relief programs, debt restructuring, and debt-for-nature swaps.
- They shall encourage responsible lending practices by financial institutions and promote transparency in lending terms and conditions. This can include promoting lending standards and guidelines, encouraging responsible borrowing, and ensuring that loans are used for productive purposes.

### **India and Digital Revolution:**

- India has made significant strides in digital technology in recent years, particularly in the areas of e-commerce, digital payments, and digital governance.
- India can share its experience and best practices in the development of digital infrastructure, e-governance, and digital payments. It can help other countries to learn

from its successes and challenges and provide guidance on how to develop and implement their own digital strategies.

- India could provide technical assistance to other countries in developing their digital infrastructure, particularly in areas such as digital connectivity, data centres, and cybersecurity.
- India can also promote partnerships between its own digital companies and those of other countries, particularly in developing regions.
- India can provide support and resources to digital entrepreneurs in other countries, particularly in developing regions. This can include access to financing, mentoring and training programs, and other forms of support that can help to nurture local talent and promote innovation.
- India can also engage in multilateral forums, such as the United Nations and the G20, to promote global cooperation and exchange of ideas on digital technology. This can help to shape international policies and standards related to digital technology and promote greater collaboration among countries.