G20 Plans and Preparations

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List of Acronyms and Abbreviations

ADB	Asian Development Bank
AIMA	Alternative Investment Management Association
APEC	Asian Pacific Economic Cooperation
ASEAN	Association of South East Asian Nations
BCBS	Basel Committee on Banking Supervision
BIS	Bank for International Settlements
BRIC	Brazil, Russia, India and China
CDS	credit default swap
DAC	Development Assistance Committee (of the Organisation for Economic Co-operation and Development)
DPRK	Democratic People's Republic of Korea
DTA	double taxation agreement
ECB	European Central Bank
FSB	Financial Stability Board
FSF	Financial Stability Forum
GDP	gross domestic product
IADB	Inter-American Development Bank
IASB	International Accounting Standards Board
IDA	International Development Association
IEA	International Energy Agency
IFIs	international financial institutions
IFRS	International Financial Reporting Standard
IMFC	International Monetary and Finance Committee
IMF	International Monetary Fund
MEF	Major Economies Forum
MEM	Major Economies Meeting
NEPAD	New Partnership for Africa's Development
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of Petroleum Exporting Countries
SIFIs	systemically important financial institutions
UNCTAD	United Nations Convention on Trade and Development
UNFCCC	United Nations Framework Convention on Climate Change
WTO	World Trade Organization

Preface

This report on the plans for the G20 is compiled by the G20 Research Group from public sources as an aid to researchers and other stakeholders interested in the G20 and its invited guests. The report is updated periodically. Note that this document refers to the meeting (summit) of Group of 20 (G20) leaders, which met for the first time on November 14-15, 2008, in Washington DC, the G20 finance ministers and central bank governors, which was founded in 1999 (as opposed to other groupings such as the G20 developing countries formed in response to the agricultural negotiations at the World Trade Organization or the G20 that met under the auspices of the Gleneagles Dialogue).

Background

The G20 is an informal group of 19 countries and the European Union. The G20 finance ministers and central bank governors began meeting in 1999, in Berlin, at the suggestion of the G7 finance ministers in response to the global financial crisis of 1997-99. Since then, there has been a finance ministerial meeting every fall. On November 14-15, 2008, U.S. president George W. Bush invited the leaders of the G20 countries — creating the first ever G20 summit — to Washington DC to respond to the financial crisis that began in the United States in September. Subsequently, Prime Minister Gordon Brown of the United Kingdom hosted the second G20 summit in London on April 1-2, 2009, followed by the third G20 summit hosted by U.S. president Barack Obama in Pittsburgh on September 24-25, 2009. On June 26-27, 2010, immediately following the G8 Muskoka Summit, the fifth G20 summit was held in Toronto, co-chaired by Canadian prime minister Stephen Harper and Korean president Lee Myung-bak. On November 11-12, 2010, the G20 leaders will meet in Seoul under the Korean presidency. In 2011, the G20 leaders will begin meeting once annually, first under the French presidency and then, in 2012, under the Mexican presidency. To help prepare these summits and continue their own agenda, the G20 finance ministers and central bank governors continue to meet several times a year, including on the fringes of the annual spring meetings of the World Bank and the International Monetary Fund. (For more information on the summits, see <www.g20.utoronto.ca/summits.html>; for more on the ministerials, see <www.g20.utoronto.ca/ministerials.html>.

The G20 members consist of systematically significant developing and emerging countries and developed countries: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Republic of Korea, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, the United States and the European Union. Spain and the Netherlands have been invited to participate at the summits. The World Bank and International Monetary Fund are also invited, and, at the discretion of the host, other international organizations have been invited, including the United Nations, the Financial Stability Board, NEPAD, the World Trade Organization and ASEAN.

Agenda and Priorities

Korean president Lee Myung-bak is optimistic about what the Seoul G20 Summit will produce. The four main agenda items will be currency disputes, a global financial safety net, IMF reform and development. "I expect good results as the international community agrees on the need for cooperation and we are doing our best [for the success of the summit]," he said. "We have a very important mission to coordinate the agenda to decide the future of the world economy and hammer out compromise." Lee said the top priority is to resolve issues around exchange rates. "The second agenda item is to set up a global financial safety net to prepare more effectively for an economic crisis." The Asian financial crisis in the late 1990s taught Korea that an institutional system is necessary to soften the impacts. At the Gyeongju finance ministers' meeting, participants agreed to reallocate at least 6% of quotas to under-represented countries. They also agreed that Europe would give up to two seats on the IMF board. Another major topic will be how to support the development of impoverished countries, aside from providing aid alone. "In other words, the international community needs to help [them] catch fish, not simply give fish," Lee said. "African countries and other underdeveloped nations are welcoming and pinning hope (on the G20's move)." The Seoul Summit should produce a concrete framework for the implementation of the existing deals and compromise on unresolved issues, he added.[1] (November 1, 2010, *Yonhap English News*)

At the G20 Seoul Summit, leaders will focus on IMF and financial regulatory reforms and following up on the G20's Framework for Strong, Sustainable and Balanced Growth. "The Framework is a macro-economic coordination mechanism for the G20 countries, and it deals with bringing together macro-economic policies of individual countries under the assumption that coordinating our policies can produce a better, more ambitious outcome for the global economy," said Changyong Rhee, secretary general of the presidential committee for the G20 summit. The leaders will also discuss development and strengthening global financial safety nets. Korea will share its past experience of achieving rapid social and economic progress.[2] (September 23, 2010, *Asian News International*)

The Presidential Committee for the Seoul G20 Summit has been working closely with relevant government ministries and private institutions and experts at home and abroad to develop its agenda. The committee has also formed a close network with the IMF, World Bank, OECD and WTO. As many as 100 leading business figures from around the world are being invited to attend the G20 Business Summit, which will be held in Seoul one day prior to the summit. They will exchange views on what the private sector can contribute to bolstering global economic recovery, and achieving sustainable and balanced economic growth after the global financial crisis. Korea has been pushing for "global financial safety nets" and "development issues" to be included as top priority items for the Seoul Summit.[3] (August 2, 2010, *Korea Times*)

[1] *Yonhap English News* (November 1, 2010), "Lee upbeat about next week's G20 summit in Seoul."
[2] *Asian News International* (September 23, 2010), "S. Korea gearing up for G20 Summit."
[3] *Korea Times* (August 2, 2010), "Korea ready to bridge gaps among G20 nations."

The main themes and agenda items for the Seoul Summit on November 11-12, 2010, are ensuring ongoing global economic recovery; supporting the Framework for Strong, Sustainable and Balanced Growth; strengthening the international financial regulatory system; modernizing the international financial institutions; global financial safety nets; and development issues.[4] (July 2010, *Seoul Summit* website)

"The G20 Seoul Summit will be an important venue to finalize the ongoing discussions regarding the development of a global financial safety net, talks that have continued since the onset of the financial crisis. Decisions made at the Summit will lay the groundwork for the development of a new paradigm for sustainable economic growth," according to Korean president Lee. "In addition, the Summit will lend its weight to discussions regarding the widening development gap between developed and developing countries," he added.[5] (July 2010, *Seoul Summit* website)

Establishing a global financial safety net will be a key agenda for the G20 summit in Seoul. Korean minister Yoon Jeung-hyun said that problems in the financial sector caused the latest global economic recession and that large piles of foreign reserves held by individual countries were not good enough to deal with the financial crisis on a global scale. The solution must be a safety net of a size that is proportional to the crisis. When asked what would be the main issues to be discussed at the G20 Seoul Summit, Yoon said concrete talks had not yet taken place. However, he said that measures would be discussed to avoid a repeat of the economic recession by assigning the financial businesses responsibilities. Another topic of the meeting will be how to deal with the market turbulence and difficulties that emerging countries face when there is a sudden outflow of funds. "Simply piling up foreign exchange reserves against the turbulent market is not a positive way of solving the problem when considering the global economy," he said, stressing that a worldwide safety net should be set up. Yoon also said that addressing global imbalance remains an urgent problem. "A crucial point is how to continue a strong economic recovery and ease global imbalances, considering the relations between countries in a current account surplus and those in deficit and between developed countries and emerging ones." Initiating reforms of the IMF will also be centre-stage at the Seoul Summit.[6] (May 3, 2010, *Korea Times*)

Korean president Lee Myung-bak promised to step up efforts to reach out to non-members at the November G20 summit to narrow the development gap. "I cannot emphasize enough the importance of ensuring that the fruits of strong and sustainable growth are shared evenly among all countries, including the poorest," he said. "We will place on the agenda the establishment of what we call a 'Global Financial Safety Net' that can put in place a global mechanism for addressing such sudden reversals." The new arrangement seeks to build on the successful implementation of bilateral arrangements between central banks for dealing with sudden reversals of capital flows. The

[4] *Seoul Summit* (2010), "Agenda." Accessed 20 July 2010.
http://seoulsummit.kr/eng/goPage.g20?menu_seq=G20MENU00059&return_url=TOP01_SUB03
[5] *Seoul Summit* (2010), "Message from the President." Accessed 20 July 2010.
http://www.seoulsummit.kr/eng/goPage.g20?menu_seq=G20MENU00052&return_url=TOP01_SUB01
[6] *Korea Times* (May 3, 2010), "Global safety net to be key G20 agenda."

establishment of such a financial safety net will greatly contribute to the balanced growth of the global economy, now stricken by sharp differences in the level of development between advanced, emerging and poorer countries. “We will consult our G20 partners in placing development issues firmly on the agenda for the Seoul G20 summit,” he said. “We will not limit our discussions to the G20 member countries, but instead will reach out to partners outside the G20. We will conduct extensive outreach efforts through consultations with the United Nations and regional bodies.” Lee said Korea will take advantage of its experience and expertise with emerging and developing countries in formulating strategies for development. The president also announced a plan for a “Business Summit” in Seoul just ahead of the G20 summit to encourage the private sector, especially the business community, to play a bigger role in maintaining momentum for a recovery spurred by government-led stimulus measures. He reiterated his cautious approach toward exit strategies for rolling back expansionary fiscal and monetary policies and spoke out against protectionism. “An important task of the G20 is to follow up on the initiatives taken at previous summits on reform of financial regulation toward a more resilient global financial system and the reform of international financial institutions such as the IMF and World Bank … In particular, concluding the Doha Development Agenda before the end of the year should be given the highest priority,” he added. “It is time for the G20 to set the post-crisis agenda, and to build the platform that will ensure the sustained and balanced growth of the world economy in the months and years ahead … The November summit of the G20 in Seoul can be seen as the first major test of this new global forum as it attempts to establish itself as a regular feature of the framework for international economic cooperation.”[7] (January 28, 2010, *Yonhap English News*)

Global Financial Safety Nets

Korea’s initiative to establish a global financial safety net is gaining momentum among the G20. The initiative was first proposed by President Lee Myung-bak in November 2009, and will pull global and regional funds together to safeguard countries from risky outflows of capital. This would make it less necessary for emerging markets to accumulate huge foreign exchange reserves. The push for a global financial safety net was a response to an emerging consensus that the loan opportunities at the IMF were not enough. The IMF and G20 have been working to come up with a global mechanism that would connect regional arrangements controlled by institutions such as the African Development Bank and the Asian Development Bank. The idea is to connect as many fund pools as possible, without excluding any country or region. “For G20 to maintain its legitimacy and prominence as the world’s premier economic forum, it is essential to reflect the interests of the emerging markets and the underdeveloped,” said SaKong Il, chair of the Presidential Committee for the G20 Seoul Summit.[8] (October 18, 2010, *Korea Herald*)

[7] *Yonhap English News* (January 28, 2010), “S. Korean leader vows ‘outreach’ to non-G20 members.”
[8] *Korea Herald* (October 18, 2010), “G20 looks to global financial safety net.”

The Seoul G20 Summit will aim to establish a global system for preventing the spread of financial risks. One option is to have the IMF simultaneously provide a credit line to all countries showing signs of financial crisis, even when not asked. The measure, if approved, would form a key component of a global financial safety net system. "We are actively holding talks with the IMF to create an effective financial safety net that overcomes the limitations of the current system of providing liquidity," said SaKong Il, chair of the Presidential Committee for the G20 Summit. The Seoul Summit will produce a specific policy plan on the issue. The safety net is particularly important for smaller-sized open economies like Korea that are highly vulnerable to external shocks. A safety net will also help redress imbalances in the world economy. "Without a financial safety net, small open economies have no choice but to strive toward building large foreign reserves through accumulating a trade surplus. This goes against resolving the world's trade imbalance," he said. "Therefore, a global financial safety net will help the world economy achieve sustainable and balanced growth."[9] (August 1, 2010, *Yonhap English News*)

Korean finance minister Yoon Jeung-hyun and IMF managing director Dominique Strauss-Kahn put forth several of the options that are being studied to set up international financial safeguards at the G20 Seoul Summit. Yoon said the global financial safety net may include precautionary credit lines and regional-based multi-party credit lines. The measures are expected to minimize financial burden of advanced countries, which have been opposing the proposal. "Some of advanced countries oppose the idea of a global financial safety net because of high opportunity cost the reserve will bring. Some pick on the moral hazard problem," Yoon said. "But we most definitely need a global financial safety net and we're working to minimize its downsides with the IMF." Strauss-Kahn further detailed the possible set up of a regional-based multi-party credit line. "The groupings can be done on a regional-basis among countries facing same financial problems. There is no reason why it [financial safety net] cannot be used regionally," Kahn said. Yoon and Strauss-Kahn argued that such measures will be better than building huge individual reserves, which could be used on much needed infrastructure and education.[10] (July 14, 2010, *Korea Herald*)

The IMF should come up with a detailed and realistic plan for tackling the volatility that can arise from rapid international capital flows, thereby ensuring global financial stability, Korea's finance minister said. "I believe the IMF has an important contribution to make, by proposing and enacting concrete and realistic measures to strengthen financial safety nets around the globe."[11] (July 11, 2010, *Dow Jones International News*)

Korea is pushing for the G20 to strengthen global financial safety nets to assist countries to deal with capital volatility. Without reliable financial safety nets, many countries have had to rely on self-insurance, giving them greater impetus to accumulate large foreign

[9] *Yonhap English News* (August 1, 2010), "Seoul committed to deliver on financial safety net, development at G20 summit: chairman."
[10] *Korea Herald* (July 14, 2010), "Korea, IMF mapping out financial safety net options."
[11] *Dow Jones International News* (July 11, 2010), "S Korea Min: IMF Should Suggest, Enact Concrete Plan For Global Safety Net."

reserves. A credible global financial safety net could reduce pressure on governments to continue adding to those reserves. For financial safety nets to be effective, on-going efforts to replenish the IMF's resources must be successfully completed and its lending facilities adjusted to meet the current needs of the global community.[12] (July 2010, *Seoul Summit* website)

Global Economic Recovery

The global economic recovery remains uncertain because unemployment rates remain high. Asian and Latin American economies are doing better than European countries. IMF managing director Dominique Strauss-Kahn said it would be difficult to say the crisis is over until "unemployment is really decreased." He noted that jobless recovery "is still real. Even if the recovery is secure, the question is how many jobs this will provide."[13] (September 28, 2010, *Associated Press Newswires*)

China, India, Brazil, Turkey and Korea are expected to have the highest economic growth rate of the G20 in 2010, according to the IMF. Compared to 2009, China is expected to grow 10.5%, India at 9.4%, Brazil at 7.1%, Turkey at 7.3% and Korea at 6.1%. China, India, Indonesia and Korea are likely to post the four highest gains among the G20.[14] (September 14, 2010, *Asia Pulse*)

More experience sharing and national policy coordination will help countries achieve more sustainable growth for all, said a senior economist at the OECD said. "There is a common interest among all major countries, including China, to share national policies in a way that the common goals are achieved … if there is coordination of economic policies, macro economic structural and exchange rate policies, all countries would benefit in terms of higher growth, faster fiscal consolidation ... and therefore more sustainable growth over all." The global economic recovery is happening more slowly than expected. The G7's predicted growth could slow to an annual rate of 1.5% in the second half of this year. The OECD predicts that the U.S. will grow by 2.0% in the third quarter and 1.2% in the fourth quarter of 2010. Emerging countries, on the other hand, have "contributed very largely to the turnaround and the exit from the crisis." Emerging economies' growth "will continue to be significantly higher than advanced economies in foreseeable future." Global imbalances are widening, although they remain below pre-crisis levels.[15] (September 10, 2010, *Xinhua News Agency*)

There are rising fears that a double-dip recession is about to occur in both the U.S. and UK. Government debt in the G20 will reach 115% of GDP – approximately 40% above pre-crisis levels. Much of the current debt problems stem from mismanaged fiscal

[12] *Seoul Summit* (2010), "Agenda." Accessed 20 July 2010. http://seoulsummit.kr/eng/goPage.g20?return_url=TOP01_SUB03_02

[13] *Associated Press Newswires* (September 28, 2010), "Head of IMF says global economy recovery sluggish and joblessness remains worrisome."

[14] *Asia Pulse* (September 14, 2010), "S. Korea's 2010 Growth to Rank 5th Among G20 Nations: Report."

[15] *Xinhua News Agency* (September 10, 2010), "Interview: Experience-sharing leads to more sustainable growth: OECD chief economist."

policies that were in place before the crisis. Advanced countries went into the crisis with some of the highest public debt ratios ever (in the absence of a major war). Now, the G20 is trying to get back to strong, sustainable and balanced growth. This will require a return to fiscal sustainability and medium-term fiscal plans.[16] (August 11, 2010, *Financial Times*)

IMF managing director Dominique Strauss-Kahn said that Asian economies need to be prepared for downside risks to the global economy, but ruled out the possibility of a double-dip recession. Policymakers "need to remain attuned to negative shocks," Strauss-Kahn said, but he added: "I don't believe there will be another dip. Our baseline is that there will be a recovery." Asia is leading the global recovery, but the region's policymakers will have to find ways to manage the sharp rebound in capital inflows, as well as risks related to economic overheating and credit and asset bubbles. With lower growth rates in Europe and the U.S. liable to continue for an extended period, Asia needs to make an increase in its domestic investment and consumption a long-term policy goal, Strauss-Kahn said.[17] (July 12, 2010, *Dow Jones Chinese Financial Wire*)

At the Toronto Summit, the leaders of the G20 agreed on the importance of safeguarding and strengthening the economic recovery, while laying the foundation for strong, sustainable and balanced growth, and strengthening financial systems. The G20 will continue to work towards those ends before they meet in Seoul.[18] (July 2010, *Seoul Summit* website)

Framework for Strong, Sustainable, and Balanced Growth

At the Toronto Summit, the G20 reviewed the results of the IMF's mutual assessment process for the Framework for Strong, Sustainable, and Balanced Growth and agreed on a set of policy options, which, if implemented, will bring the world economy closer to the G20's shared objectives. At the Seoul Summit, the G20 will agree on a comprehensive policy action plan designed to lead the world toward strong, sustainable and balanced growth. It will include policy commitments made by each country, based on the basket of options agreed to at the Toronto Summit.[19] (July 2010, *Seoul Summit* website)

Bank Capital and Liquidity

The BCBS and FSB finalized proposals on financial sector reform to be submitted to the G20 leaders in November. BCBS officials discussed new capital and liquidity standards to enhance microprudential supervision of individual lenders, and explored ways to

[16] *Financial Times* (August 10, 2010), "The great false choice, stimulus or austerity."
[17] *Dow Jones Chinese Financial Wire* (July 12, 2010), "IMF: Asia Must Prepare For New Shocks, But Double-Dip Unlikely."
[18] *Seoul Summit* (2010), "Agenda." Accessed 20 July 2010. http://seoulsummit.kr/eng/goPage.g20?menu_seq=G20MENU00059&return_url=TOP01_SUB03#
[19] *Seoul Summit* (2010), "Agenda." Accessed 20 July 2010. http://seoulsummit.kr/eng/goPage.g20?menu_seq=G20MENU00059&return_url=TOP01_SUB03#

tighten regulation on systematically important financial institutes (SIFIs). They also spent a significant amount of time discussing Basel III, which will substantially strengthen existing capital requirements, by increasing the minimum common equity requirement to a total of 7% from the current 2.5%, and create a capital conservation buffer to use in the face of financial crises. FSB officials discussed measures to minimize moral hazard problems in SIFIs, ways to boost regulation on bank capital and liquidity, over-the-counter (OTC) financial market reform and outreach programs. Results from both of the meetings were sent to the G20 finance ministers an central bank governors for their meeting in Gyeongju[20] (October 19, 2010, *Xinhua News Agency*)

Nout Wellink, chair of the BCBS, is confident that the G20 will agree on the more specific details of the proposed liquidity requirements at their Seoul Summit. All financial institutions are expected to comply with the new Basel III reforms. The BCBS has also signalled that it has made progress on discussions regarding capital charges for "too big to fail" institutions. Regulators will have to react faster to financial innovation. "The lag between the innovation that is taking place and … legislation has become too long," Wellink said. Innovation is important for progress and "we should give it a chance, but at the same time try to control the negative aspects."[21] (September 23, 2010, *The Wall Street Journal*)

Basel III could save the G20 $12.9 trillion, according to Canadian central bank governor Mark Carney. A calculation gave "average net benefits for G20 economies of 30 percent of GDP in present-value terms, or about 10 trillion euros," he said. "This estimate is conservative. The analysis understates the benefits of the new rules and errs on the side of overstating the costs." (September 14, 2010, *Agence France Presse*)

The European Commission plans to put Basel III into law next year. "Once this agreement is confirmed by the G20 in November, the Commission will propose, in the first quarter of 2011, the necessary legislative texts to transpose into European law the principles agreed yesterday evening," said Michel Barnier, European commissioner for internal market and services. He said that the legislation would take the form of a revision of the directives on capital requirements and would be accompanied by an in-depth impact assessment. Barnier welcomed "the ambitious agreement on capital and liquidity requirements for the banking sector," and said that the new deal would help strengthen financial stability.[22] (September 14, 2010, *Xinhua News Agency*)

The new Basel III rules may make banks raise hundreds of billions in new capital over the next decade. Germany, for instance, has estimated that it's 10 biggest banks may need €105 billion of additional capital. "The agreements reached today are a fundamental strengthening of global capital standards," said European Central Bank president Jean-Claude Trichet. "Their contribution to long-term financial stability and growth will be substantial." Regulators hope the changes will lead to less risky behavior by banks and

[20] *Xinhua News Agency* (October 19, 2010), "Int'l financial bodies finalizing reform measures for G20 Summit."
[21] *Wall Street Journal* (September 23, 2010), "Basel Chairman 'Confident' of November Agreement."
[22] *Xinhua News Agency* (September 14, 2010), "EU to transpose new Basel rules into law next year."

help ensure that they have enough reserves to withstand any future financial shocks, and therefore would not need to be bailed out. But banks are arguing that the new requirements could reduce the amount of money they have available to lend out, leading to slower economic growth.[23] (September 12, 2010, *Reuters News*)

A package was finalized on September 12 that will force banks to increase the amount of capital they hold to 7%. The G20 will give their final approval to the package at their November summit. Under the new Basel III accord, the tier 1 capital ratio is 6% and core tier 1 capital is 4.5%. Countries will have to implement the new standards, starting January 2013, when core tier 1 capital will rise from 2 to 3.5%. The new rules are to be fully completed by January 2015. Curbs on the use of deferred taxes and mortgage-servicing rights in tier 1 capital will take effect in January 2018. Existing state capital injections into banks can be kept until January 2018. The current tier 1 capital ratio is 4%. Core tier 1 capital is 2%. Basel III will introduce a capital conservation buffer of 2.5%, which will sit on top of tier 1 capital. It will be phased in between January 2016 and 2019. Any bank whose fails to stay above that buffer will face restrictions by supervisors on payouts. A new countercyclical capital buffer has also been introduced and has been set at 0-2.5% of common equity. This would force banks to build up extra buffers when there is excessive credit in the system. There is no current timeline for implementation.[24] (September 12, 2010, *Reuters News*)

New bank rules will cut global output by a small fraction, but that is a small price to pay for greater stability, according to the BCBS. The newly established “Basel III” rules for bank capital and liquidity will tighten lending and reduce investment in a transition period, but to a much lower degree than was predicted by many. “Macroeconomic costs of implementing stronger standards are manageable … while the longer-term benefits to financial stability and more stable economic growth are substantial,” said FSB chair Mario Draghi. If the rules are phased in over four years, as predicted, and banks’ capital levels rise by 2%, output would decline by approximately 0.38% compared to a baseline scenario. Once banks have implemented the new rules, they will help with avoiding boom-and-bust cycles. “Economic benefits of the proposed reforms are substantial and need to be considered alongside the analysis of the costs,” said BCBS chair Nout Wellink. “These benefits result not only from a stronger banking system in the long run, but also from greater confidence in the stability of the financial system as soon as implementation starts.” The G20 is expected to endorse Basel II when it meets in November and will begin implementing it starting the end of 2012. An important question that remains to be answered on is what minimum level of capital banks will be required to hold, and what the new regulatory minimum will mean for markets. Some sources have suggested that Basel III is likely to require banks to hold between 6-8% of core Tier 1 capital, including a “capital conservation buffer,” and an additional 2% “countercyclical buffer.” The UK and U.S. have argued for a higher core Tier 1 ratio, while Japan, France and Germany have pushed for less stringent rules.[25] (August 18, 2010, *Reuters News*)

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[23] *Reuters News* (September 12, 2010), “Global regulators agree tougher Basel II bank rules.”
[24] *Reuters News* (September 12, 2010), “FACTBOX-Finalised Basel III bank capital ratios.”
[25] *Reuters News* (August 18, 2010), “Basel says new bank rules growth impact “modest.”

The BCBS said it was on track to deliver a complete package of capital and liquidity reforms in time for the November G20 summit in Seoul. The buffer plan will be finalized by the end of the year and will form part of the main Basel III package, rather than be implemented separately. The buffer will normally be set at zero, but if a credit boom starts, banks will have to hoard extra cash in case the upswing turns. Basel III reforms will be phased in over several years, rather than implemented by the original 2012 deadline. The Basel Committee agreed a two-pronged approach on the role of contingent instruments. There will be a consultation shortly on ensuring that contingent capital has loss-absorbing capacity when an ailing bank is at the point where it can no longer survive without being restructured. There will be further talks at the end of the year about the use of contingent capital on a "going concern" basis.[26] (July 16, 2010, *Reuters News*)

The BCBS said that "significant progress" had been made on hammering out tougher rules on banks' capital and the size of their liquidity buffers. The committee said it developed concrete recommendations for completing its reforms of these rules, which will be reviewed by its oversight body late in July. "The Committee made significant progress at its meeting and remains fully on track to deliver a complete package of capital and liquidity reforms, including design and calibration, in time for the November 2010 G20 Leaders Summit in Seoul," said Nout Wellink, chairman of the Basel Committee. The committee also plans to introduce new rules governing the amount of capital banks need to hold against their trading activities and investment in securitization deals by the end of 2011. Regulators and central bankers reviewed the results of the committee's comprehensive quantitative impact study and its economic impact assessment analyses, although they likely won't be published until September or October. The committee reviewed feedback from banks and other financial institutions to increase the amount and quality of capital banks should hold. Bankers say the proposals will force them to reduce their lending, which could threaten the fragile global economic recovery. The regulators also issued worked on proposals for a counter-cyclical capital buffer, which would increase the amount of capital banks build up during economic booms so it can be used to cover losses during downturns. The new buffer would be imposed when regulators believe "excess aggregate credit growth is judged to be associated with a build-up of system-wide risk," the committee said. The regulators will shortly issue a proposal on how "gone concern" contingent capital could be used by banks. The committee said it continues to assess proposals on contingent capital from a "going concern" perspective.[27] (July 16, 2010, *Dow Jones Capital Markets Report*)

Derivatives, Credit Rating Agencies and Accounting Standards

The Financial Stability Board reported that an overreliance on credit ratings contributed to the financial crisis. Downgrades of debt issuers provoked market stampedes. Credit rating agencies have faced criticism for assigning high ratings to subprime mortgages and

[26] *Reuters News* (July 16, 2010), "Basel Committee says agrees bank buffer strategy."
[27] *Dow Jones Capital Markets Report* (July 16, 2010), "Basel Committee: On Course For Capital Package In November."

other assets that later declined drastically in value. The FSB have concluded that large banks should have to supplement the work of ratings agencies with their own research. At the same time, regulators should make sure that banks do not underestimate risks. "Larger, more sophisticated banks within each jurisdiction should be expected to assess the credit risk of everything they hold," the FSB said. However, it will take time to implement this policy and therefore no deadline was provided. "Changes in market practices cannot happen overnight," it concluded. G20 finance ministers and central bank governors endorsed the FSB's findings when they met at the end of October.[28] (October 29, 2010, *International Herald Tribune*)

Global banking regulators will not agree on a list of "too big to fail" banks until after the Seoul Summit. "We will discuss the methodology more in detail in our November-December meeting (of the committee)," said BCBS chair Nout Wellink. He said the BCBS would agree on additional measures to make "big banks" less risky by boosting the loss-absorbing capacity of these institutions by March 2011. This will include forcing large banks to hold additional capital, and bail-in-debt and contingent capital — bonds that convert to equity at an agreed point when a bank gets into trouble. "These measures will be part of the whole package that feeds into the Financial Stability Board." The banks on the list will be "global systemically important financial institutions." The FSB is expected to present a broad list of recommendations at the Seoul Summit, but not specific rules. Recommendations on how to deal with the failure of a large bank; improving cross-border supervision; boosting the overall infrastructure of the financial system; and raising banks' loss-absorbing capacity are all expected.[29](October 19, 2010, *Reuters News*)

European states have agreed to come to a consensus over the issue of hedge funds before the Seoul Summit. "The main parties accept that Europe needs a deal to take to the G20 in Seoul," a source said. The current agreement centres on a compromise between the UK and France, and allows a new European Securities and Markets Authority to adjudicate in an "emergency."[30] (October 19, 2010, *Agence France Presse*)

French finance minister Christine Lagarde has indicated that she is willing to compromise with the U.S. to reach an agreement on how to deal with hedge funds. France, the UK and the U.S. have not yet been able to come to an agreement on how to tighten controls on hedge funds and private equity firms. France is demanding tighter rules on foreign funds, with the U.S. does not agree with. U.S. treasury secretary Timothy Geithner recently sent Lagarde a letter, warning her against restricting foreign hedge funds. Lagarde responded to the letter and defended France's position as "neither protectionist … nor discriminatory." But she also suggested that she would be willing to reach a compromise. France is worried that controls on hedge funds entering the market will not be tight enough. In her letter to Geithner, Lagarde suggested she would be willing to retreat slightly on this issue, saying she would allow foreign funds to qualify for a pan-European license but only if the scheme was phased in and if the new permits were issued by an EU supervisor. "If … a passport for offshore funds was to be adopted, France believes that

[28] *International Herald Tribune* (October 29, 2010), "Banks urged to cut ties to credit raters."
[29] *Reuters News* (October 19, 2010), "Basel says list of "too-big-to-fail" banks to be set after G20."
[30] *Agence France Presse* (October 19, 2010). "Britain, France settle hedge fund differences: EU sources."

such a passport should be truly European," Lagarde wrote. It is unclear whether the UK is in favour of this proposal. France is hoping to have reached an agreement on the issue before the November G20 summit.[31] (October 11, 2010, *Reuters News*)

"Too big to fail" banks potential face stricter capital requirements than those in Basel III. The Financial Stability Board is in ongoing consultations about higher requirements for large banks. The board is still looking at suggestions, however.[32] (October 1, 2010, *Reuters News*)

Three credit rating agencies — Moody's, Fitch, and Standard and Poor's — are being encouraged to be more transparent over conflicts of interest and on how risk is assessed. The G20 has agreed that agencies must be registered and undergo direct supervision. The IMF said the agencies "should continue to provide additional information on the accuracy of their ratings, the underlying data, and their efforts to mitigate the conflicts of interest that are associated with their 'issuer pay' model of charging issuers for their ratings." There are still major flaws in the system that need to be fixed, including an over-reliance on ratings and a tendency for agencies to change their opinions too slowly.[33] (September 30, 2010, *The Guardian*)

The FSB has said that "advanced economies remain vulnerable to risks of fiscal strains in national and local governments, of renewed fragilities in bank funding markets and of weakening economic conditions." They will propose that the G20 take measures to tackle "too big to fail" lenders. One proposal for these "too big to fail" lenders or systemically important financial institutions (SIFIs), includes ensuring that they can absorb larger losses. SIFIs also need closer supervision and "a peer review process to promote consistent national policies in this area," the FSB said. It will also recommend that the G20 rely less on credit agency ratings when it comes to regulation.[34] (September 27, 2010, *Agence France Presse*)

The G20 will devote more time to derivatives markets and the "shadow banking" sectors at their Seoul Summit. Improving supervision and curbing the influence of credit rating agencies will also figure prominently. The issue of "too big to fail" is becoming a top priority. Basel III will not be enough to deal with internationally active banks, said FSB chair Mario Draghi. "We want systemically important financial institutions to have loss-absorbing capacity beyond these standards." The FSB plans to make recommendations at the Seoul Summit on big banks, including imposing a capital surcharge. They are likely to propose a menu of options on the too-big-to-fail issue, ranging from surcharges and forcing banks to compile living wills to ensure speedy wind-ups if in trouble, to agreements between countries on dealing with an ailing cross-border bank. "The Basel Committee and the FSB are developing a well-integrated approach to systematically important financial institutions which could include combinations of capital surcharges,

[31] *Reuters News* (October 11, 2010), "France hits back at US on hedge-fun rules – letter."
[32] *Reuters News* (October 1, 2010), "Big banks face even stricter capital rules-sources."
[33] *Guardian* (September 30, 2010), "IMF calls for clarity from rating agencies: Sovereign debt."
[34] *Agence France Presse* (September 27, 2010), "Regulators say more progress needed on financial reform."

contingent capital and bail-in debt," the two bodies said. The G20 will also turn its attention to other regulatory reforms, such making derivatives markets more transparent and safer through central clearing. "We also have to deal with the whole shadow banking system, which has not been addressed in a coherent manner," a G20 source said. Regulators want to reduce the role of credit rating agencies in determining how much capital reserves banks must set aside. "Capital alone is not going to save us. We need more effective supervision and there is much in the way to be done by many national authorities," the source said. The G20 also need to finalize existing pledges on global accounting rules.[35] (September 13, 2010, *Reuters News*)

Levies on Banks

Korean finance minister Yoon Jeung-hyun said that the debate on a bank tax issue is still underway, dismissing reports that global cooperation might have been ditched over the scheme due to sharply-divided opinions among countries. "The issue is being discussed very actively among member countries," Yoon said. "Five basic standards were proposed and agreed upon during the recent G20 summit in Toronto. Global cooperation can be kept alive if things are maintained within the standards … Conclusions will be drawn from each nation in time for the Seoul talks to be held in November." He added that for Korea, "it is quite reasonable to impose a certain rate of tax on non-deposit borrowings or debt issuance in order to secure money for the future. But it should not put excessive burden so that it could hamper its basic functioning of or serve as a minus for banks."[36] (July 11, 2010, *Yonhap English News*)

Reforming and Strengthening International Financial Institutions

G20 finance minister and central bank governors agreed to IMF reforms at the end of October. Russia will move from tenth to ninth place. China will move from sixth to third, after the U.S. and Japan. India will rise from the 11th to eighth. The G20 agreed to redistribute more than 6% of quotas. However, redistribution will favour the "fastest growing emerging markets and under-represented countries." The overall ratio of votes between the developed and developing countries will move from 60.5 and 39.5% to 57.7 and 42.3%. Over time, western European countries agreed to cede 2 seats in the IMF Executive Board. The G20 agreed to double IMF members' to shift voting shares toward dynamic emerging market and developing countries. The ministers also agreed to reshuffle the IMF's 24-member Executive Board.[37] (October 28, 2010, *ITAR-TASS World Service*)

Korean finance minister Yoon Jeung-hyun called on IMF members to come to an agreement on reforms of the institution. "We have now reached the point where countries need to take the political leadership and make some concessions for the reform of the IMF." When the G20 meet in Seoul in November, 5% of the IMF's quota is to be shifted

[35] *Reuters News* (September 13, 2010), "No let up in G20 reforms after Basel agreed."
[36] *Yonhap English News* (July 11, 2010), "S. Korea's recovery to remain strong with…"
[37] *ITAR-TASS World Service* (October 28, 2010), "Russia up in IMF rating to 9th place, China – to 3rd."

to under-represented developing economies. In the joint communiqué released at the end of the IMFC meeting, the governors called on IMF managing director Dominique Strauss-Kahn to report to the IMFC on the progress of quota and governance reforms by the end of October. "We re-emphasize that quota and governance reforms are critical to institutional legitimacy and effectiveness," the communiqué said. "The Fund is and should remain a quota-based institution. We urge members who have not consented to the 2008 quota and voice reform to do so promptly." They also called for "enhanced voice and representation of emerging markets and developing countries at the IMF's Executive Board; modalities for protecting the voting share of the poorest members; enhanced ministerial engagement and strategic oversight; and an open, transparent and merit-based process for selecting the heads of the IMF and other IFIs." The issue will also be discussed in Gyeongju, Korea, when the G20 finance ministers next meet.[38] (October 11, 2010, *Asia Pulse*)

The BRIC countries will not compromise on IMF quotas reforms. The issue was discussed at a BRIC deputy finance ministers' meeting at the beginning of October. The position at the meeting "was that time is on our side and that the BRIC countries have no interest in ceding their principle positions, and the European countries cannot avoid offering a big compromise," Russian deputy finance minister Dmitry Pankin said when asked whether the BRIC countries would be willing to compromise. "The maximal compromise has already been offered: we agreed to increase the emerging markets quotas by just 5%, putting them at about 44.5% compared with 47% at the World Bank … It's difficult to say, but it seems to me that most likely we won't reach agreement." European countries have also proposed that leadership of the IMF and World Bank be put on a rotating basis. Pankin said they proposed a system of rotation instead of having permanent directors, so that the leadership changes every two years. The third element of reform concerns the idea of introducing a ministerial council or giving the ministers additional functions, including controlling functions. "We, together with all the emerging markets, including the BRIC countries, confirm that our position is that the current board of directors remain the main management body and not transfer its functions to the ministerial council," he said. "The ministerial council would mean the end of controls over the operation of the IMF, that everything is decided by management, because management works here [in Washington] on a permanent basis and it will submit ready-made decisions, and the ministerial council will simply be a rubber stamp … A board of directors, permanently located in Washington, is needed. They know what is going on, they're on top of things, they know their way around and they can influence IMF operations. But if there is a ministerial council, that means management will decide everything," he said.[39] (October 8, 2010, *Interfax: Russia & CIS Business and Financial Newswire*)

The EU is willing to share seats on the IMF's executive board in return for making it harder to force reform in the future, according to a draft proposal. Under the new proposal, two more groupings would be created in which emerging market countries had

[38] *Asia Pulse* (October 11, 2010), "S. Korean Finance Minister Calls for IMF Governance Reform."

[39] *Interfax: Russia & CIS Business and Financial Newswire* (October 8, 2010), "BRIC countries won't compromise on IMF quota positions – Pankin."

the right to hold the chair on a revolving basis. The U.S. and emerging market countries, which stand to gain from reform, are unlikely to settle on this proposal. They want two or three chairs to be handed over from the European countries. The reform of quotas is likely to proceed more smoothly than negotiations over chairs. The G20 already agreed to shift at least 5% of the total voting weight to emerging markets. The EU, at the same time, reiterated that the U.S. should give up its right to appoint the president of the World Bank, in return for Europe making a similar commitment on the managing director of the IMF.[40] (October 2, 2010, *Financial Times London*)

IMF Managing director Dominique Strauss-Kahn said it was "fair" for European countries give up seats to emerging markets on the IMF board. "I think it is fair enough to make more room for emerging economies at the board," he said. European countries are supposed to come up with a proposal within coming days. "When you look at a way to have more room for emerging countries … the board should converge with what the G20-plus is, then you see some changes should take place … The fact that some room would be made to allow for more representation of emerging and developing countries is the right thing to do." On IMF voice and vote reform, recent proposals place China above Germany, France and Britain. While countries have not finalized the agreement on the IMF vote shares, progress has been made. An agreement on voting power is likely to be reached by the Seoul G20 Summit.[41] (September 28, 2010, *Reuters News*)

European countries may give up votes in the IMF and other IFIs if China will be more flexibly with its currency. European leaders argue that "with increased representation, comes increased responsibilities," and is pressuring China to let its exchange rate appreciate.[42] (September 21, 2010, *Agence France Presse*)

A draft G20 document shows that the EU is in support of shifting just over 5% of IMF quota shares to emerging and developing economies, but wants to keep the size of the executive board unchanged.[43] (August 28, 2010, *Reuters News*)

Korea is pushing to conclude reforming IMF quota shares at the upcoming G20 summit. Korean deputy finance minister Shin Je-yoon said that reforming quotas remains a sensitive issue, but expressed that it was possible to reach an understanding by the November meeting. "There are differences among G20 members although leaders attending the summit have kept their word so far, and we expect they will respect the deadline to agree to the quota reform during the Seoul gathering," he said.[44] (August 24, 2010, *Yonhap English News*)

Korea is underrepresented in international financial institutions. According to a report by the Asian Development Bank (ADB), Seoul's power ranking in financial institutions is

[40] *Financial Times London* (October 2, 1010), "Europeans ready to give up IMF seats for reform curbs."
[41] *Reuters News* (September 28, 2010), "IMF chief: fair for Europe to make room at IMF board."
[42] *Agence France Presse* (September 21, 2010), "EU to dangle IMF votes for Chinese currency restraint."
[43] *Reuters News* (August 28, 2010), "EU prods China for faster yuan rise – G20 draft."
[44] *Yonhap English News* (August 24, 2010), "S. Korea pushing to complete IMF quota reform at Seoul G20."

about 20th at the IMF and its voting block is only 1.33% of the total. Shares at the World Bank and the International Development Association (IDA) are not high either. China is even more underrepresented. It is now the world's second largest economy, but at the IMF, its voting power is 3.66% of the total. Redistribution of the voting quota and reform of governance at the IMF is one of the main issues on the agenda for the upcoming Seoul Summit. IMF members have already agreed to shift at least 5% of shares from overrepresented to underrepresented countries, on the basis of each country's GDP in 2008.[45] (August 19, 2010, *Korea Times*)

The G20 committed to strengthening the financial regulatory system both to sustain global growth and to prevent future crises. More stringent international rules regarding bank capital and liquidity requirements will be created by the end of 2010. At the Toronto Summit, the G20 affirmed their intention to reach agreement on a new capital framework by the Seoul Summit and called on the FSB to consider and develop concrete policy recommendations to deal with systemically important financial institutions (SIFIs) by the Seoul Summit. In addition, the leaders called on the FSB, the Basel Committee on Banking Supervision and other relevant organizations to report on the progress made, and new reforms required, in the areas of supervision, hedge funds, credit rating agencies and over-the-counter derivatives to the finance ministers and central bank governors at their October meeting.[46] (July 2010, *Seoul Summit* website)

The G20 leaders have committed to reforming the IMF by the Seoul Summit. Those reforms entail a shift in quota share to dynamic emerging market and developing countries of at least 5%. In addition, the leaders committed to addressing the issue of the size of any increase in quotas, size and composition of the executive board; ways of enhancing the board's effectiveness; the governor's involvement in the strategic oversight of the IMF; staff diversity; and a merit-based selection of heads and senior leadership of all international financial institutions. The IMF is expected to strengthen its ability to provide even-handed, candid and independent surveillance of the risks facing the global economy and the international financial system. Moreover, in collaboration with the FSB, it is expected to provide advance warning of macroeconomic and financial risks, and offer appropriate recommendations to head them off.[47] (July 2010, *Seoul Summit* website)

Offshore Jurisdictions and Tax Havens

Eight Argentinean banks are under investigation for questionable transactions. Argentina has been working to avoid being added to a banking system grey list. If added to the list, which includes regional neighbors Paraguay and Bolivia, Argentine banks would face operational difficulties and credit could become more expensive in the country. Ahead of a decision by the Financial Action Task Force on Argentina's status, which is expected in October, authorities are providing the international body with information and working to

[45] *Korea Times* (August 19, 2010), "Korea merits bigger say in IMF, World Bank."
[46] *Seoul Summit* (2010), "Agenda." Accessed 20 July 2010.
http://seoulsummit.kr/eng/goPage.g20?menu_seq=G20MENU00059&return_url=TOP01_SUB03
[47] *Seoul Summit* (2010), "Agenda." Accessed 20 July 2010.
http://seoulsummit.kr/eng/goPage.g20?menu_seq=G20MENU00059&return_url=TOP01_SUB03#

crack down on possible weaknesses. Investigations are already underway against banks with weak control measures.[48] (July 14, 2010, *Reuters News*)

Trade

WTO director-general Pascal Lamy said that ramping up the Doha negotiations will be challenging. Lamy welcomed the developments from the first round of negotiation and small group engagements and brainstorming by representatives from WTO members. "We need to continue to provide the space and air for these efforts to further develop," he said. Small group engagements have been carried out on agriculture, non-agricultural market access, services, rules (including fisheries subsidies), trade facilitation, development, trade-related intellectual property rights, environment and dispute settlement. These activities will continue until mid-November, before the G20 Seoul Summit. "We are all looking to leaders to send a clear political signal that they are ready to enter the end-game of the Doha negotiations," Lamy said.[49] (October 19, 2010, *Xinhua News Agency*)

For the most part, G20 leaders have kept their anti-protectionist pledge. According to the WTO, global trade will increase 13.5% in 2010. However, some barriers are raising concerns. "We've had a trend towards more disputes, as compared to the sort of businesslike flow which we had for the two to three years preceding the crisis," WTO director-general Pascal Lamy said. Measures that the G20 pledged to resist are now occurring with more regularity. Bernard Hoekman, director of international trade at the World Bank, said protectionist measures to date equal at most about 2% of total world trade. However, others worry that there has been a shift.[50] (September 29, 2010, *The Globe and Mail*)

The G20 leaders will discuss the issue of increased protectionism when they meet in November. "I am of course worried about the growing trend of protectionism," Indian finance minister Mukherjee said. "And G20 leaders should take note of it and when they meet in Korea they will make it quite clear that the answer to the problems in the international financial crisis does not lie in protectionism."[51] (September 20, 2010, *Reuters News*)

Korea has the highest trade dependence rate among the G20, with exports accounting for 43.4% and imports making up 38.8% of their GDP in 2009. Germany's dependence on exports is 33.6%, followed by Mexico at 26.6% and China at 24.5%. The U.S. is least dependent on exports, at just 7.5% of its GDP. Brazil and Japan have similar low dependence at 9.7% and 11.4%, respectively. Mexico's imports make up 28.1% of GDP and Germany's 28.0%. South Africa, Canada and Saudi Arabia are all high as well. Numbers for Brazil, Japan and the United States, however, stand between 8 to 11%. "Excessive reliance on overseas markets could cause serious problems if there is a sharp

[48] *Reuters News* (July 14, 2010), "INTERVIEW-Argentina works to avoid 'grey list' designation."
[49] *Xinhua News Agency* (October 19, 2010), "Lamy says Doha negotiations need higher gear."
[50] *Globe and Mail* (September 29, 2010), "Despite G20 pledge, global trade friction is heating up."
[51] *Reuters News* (September 20, 2010), "India worried about possible US protectionism – finmin."

downturn in the global economy," a finance ministry official said.[52] (September 14, 2010, *Organisation of Asia-Pacific News Agencies*)

International Currencies

International currency disputes will the G20 Seoul Summit agenda. G20 finance ministers vowed to move towards more market-determined exchange rate systems and "refrain from competitive devaluation of currencies" at their meeting at the end of October in Gyeongju, Korea. They pledged to work to reduce excessive imbalances and maintain current account imbalances at "sustainable" levels.[53] (October 31, 2010, *Agence France Presse*)

Signs of currency tensions resurfaced once again at the end of October. "There is no doubt that few countries prefer their currencies' appreciation (at least amid the sensitive phase)," said a Bank of Korea official. "As each country seeks their vested right, I don't believe the dispute will ease off easily … Japan will not tolerate the dollar sliding below 80 yen, a level from 15 years ago," he said. "Ultimately, Japan will have no choice but to buy the greenback (to block further appreciation)."[54] (October 29, 2010, *Korea Herald*)

G20 finance ministers and central bankers agreed to avoid "competitive devaluation" at their October 23 meeting. Whether members will stick to this vow is less clear, however.[55] (October 27, 2010, *Economic Times*)

International cooperation for not pursuing competitive currency devaluation is expected to take centre stage at the G20 finance ministers meeting on October 22-23. The G20 will discuss how to involve emerging economies in international cooperation for foreign exchange market stability. The U.S. and Europeans are hoping that China will make its currency more flexible.[56] (October 19, 2010, *Jiji Press English News Service*)

At the G20 finance ministers' meeting on October 22-23, Korea "will stress that a currency war is tantamount to mutual economic destruction and push for a compromise." Working-level officials have been holding numerous talks on how to resolve the foreign exchange confrontation between the U.S., EU and China. "Judging by recent remarks from all sides, there is a chance that some sort of understanding may be reached during the two-day-long gathering," the official said. "If no headway is made, Seoul, as the chair, may adopt the foreign exchange issue as an agenda item for the summit." If

[52] *Organisation of Asia-Pacific News Agencies* (September 14, 2010), "S. Korea's trade dependence highest among G20 nations: reports."
[53] *Agence France Presse* (October 31, 2010), "S.Korea hopes to settle currency row at G20 summit."
[54] *Korea Herald* (October 29, 2010), "Signs of currency tension resurface."
[55] *Economic Times* (October 27, 2010), "Rupee gains as G20 deters intervention."
[56] *Jiji Press English News Service* (October 19, 2010), "G20 to Address Currency Devaluation Competitoin."

progress is made on foreign exchange, a "Seoul Declaration" on this issue may be put forward at the November summit.[57] (October 18, 2010, *Yonhap English News*)

Korea is pushing for new ideas to resolve the currency battles going on. There was little progress on the issue at the October IMF meeting. Korean officials are worried that unless there is progress at their November summit, countries may decide that the G20 is not the right forum for dealing with critical global economic issues. "Every country taking part must not pursue only their national interest," Korean president Lee Myung-bak said. "If this happens, I fear the recovery and sustainable growth of the global economy will be put into question." Korea will encourage the U.S. and European countries to ease their pressure on China to revalue its currency, and look for other ways to change the sizable trade surpluses China has generated. In addition to reducing the current volatility, Korean officials are eager for a solution because they want the G20 to prove itself a worthy successor to the G8. "We are placed in a position that allows us to ensure success," Lee has said. He said the summit "will not just be a talk show" and must produce results "so that it becomes undoubtedly the premier forum for discussing international economic matters."[58] (October 12, 2010, *The Wall Street Journal*)

Korean president Lee Myung-bak has urged the G20 to resolve disputes over foreign exchange rates before the November G20 summit. "The issue of exchange rates can be discussed at the Seoul Summit in the course of assessing macroeconomic policy submitted by each nation," he said. "If the world fails to reach an agreement on the current issue and others and each country insists on its own interest during the recovery phase, it will lead to trade protectionism, which will make the world economy very difficult." Lee said the G20 "should reach agreements on several pending issues including the exchange rate issue" before the Seoul Summit.[59] (October 11, 2010, *Yonhap English News*)

Exchange rates will be on the agenda of the G20 summit in Seoul, according to Korean president Lee. In September, Korean finance minister Yoon Jeung-hyun said that the Seoul Summit should not be the forum to pressure China to appreciate its currency, but noted that the broader issue of exchange rates would be discussed.[60] (October 11, 2010, *Asia Pulse*)

Japan has said it will continue to intervene to strengthen the yen if necessary. China has continued to allow the yuan to rise. It recently reached new highs against the U.S. dollar. Russian deputy finance minister Dmitry Pankin said Brazil, China, India and Russia see the recent moves in emerging market currencies as a deeper problem that cannot be solved through a free float. "Free float is not an exit prescription, it's not a prescription for all illnesses," he said.[61] (October 7, 2010, *Reuters News*)

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[57] *Yonhap English News* (October 18, 2010), "G20 nations to try find middle ground on currency in Gyeongju."
[58] *Wall Street Journal* (October 11, 2010), "Currency Debate Moves On to G20; Aiming for a Productive Summit Next Month, South Korea's President Calls for Fresh Solutions to Conundrum."
[59] *Yonhap English News* (October 11, 2010), "Lee calls for G20 members to agree on currency policy."
[60] *Asia Pulse* (October 11, 2010), "S.Korean C.Bank Warns of Currency War Without Rates Coordination."
[61] *Reuters News* (October 7, 2010), "Japan stands firm on FX, China lets yuan rise."

The Korean won moved 0.38% higher at the end of September, a new four-month high against the U.S. dollar. The recent appreciation in the won is mainly attributed to growing expectations in and out of the country that the U.S. dollar value will continue to drop. Due to continued poor expectation on the U.S. economy, the U.S. Federal Reserve is forecast to boost the economy through another stimulus package. Major economies are trying to defend their currency values, which already have rose to unusually low levels. The Chinese renminbi and Japanese yen have both increased recently. The U.S. will bring up the currency issue at the G20 Seoul Summit, but the Korean government is trying to secure its status as an intervener.[62] (September 29, 2010, *Xinhua News Agency*)

Governments in Japan, Korea and Taiwan have recently intervened to make their currencies cheaper. China has also continued to suppress the value of its renminbi, in spite of pressure, particularly from the U.S. to allow it to rise. A weaker exchange rate makes national exports cheaper, potentially boosting economic growth for struggling economies. This increase in countries managing their exchange rates is making it more difficult to coordinate the issue on a global level. Korea, however, has been reluctant to place the issue on their G20 agenda thus far.[63] (September 27, 2010, *Financial Times*)

U.S. treasury secretary Geithner promised to try and mobilize the G20 to press China for faster appreciation of the yuan at the Korean summit in November. "The U.S. is more determined than the rest of the G20 to get something out of China on the yuan," one eurozone monetary official said. "It's largely a bilateral matter with the rest looking on as spectators, either because they don't count enough or because they aren't very interested." Korean Finance Minister Yoon Jeung-hyun ruled out the yuan as a G20 topic, saying the forum might take up exchange rates in general or their impact on the global economy. "But aside from that, I do not believe that it is appropriate to have a discussion regarding the foreign exchange rate or level of a specific country," Yoon said.[64] (September 26, 2010, *Reuters News*)

Korean finance minister Yoon Jeung-hyun said it is not appropriate for the G20 to discuss the Chinese yuan at their November summit. "By the nature of the G20, which is an open forum, we may discuss for example the general approach toward foreign exchange rates ... or the impact foreign exchange could have on the global economy. …But aside from that, I do not believe that it is appropriate to have a discussion regarding the foreign exchange rate or level of a specific country."[65] (September 23, 2010, *Reuters News*)

U.S. treasury secretary Timothy Geithner will push China for trade and currency reforms at the G20. However, China has warned that pressures from Washington could have negative consequences. The U.S. will use the G20 Summit in November to try to mobilize others to get China to let the yuan strengthen faster. "This process of adjustment

[62] *Xinhua News Agency* (September 29, 2010), "Roundup: S. Korean currency on steep hike amid global currency war."
[63] *Financial Times* (September 27, 2010), "Brazil warns of 'currency war.'"
[64] *Reuters News* (September 26, 2010), "U.S. set to be a posse of one on China yuan at G20."
[65] *Reuters News* (September 23, 2010), "Korea's G20 summit will not discuss yuan-min."

in their exchange rate is going to have to happen over time," said Geithner. "We are using every approach we can find." Making China's currency system a focal point of the G20 summit would help show that the Obama administration is serious about using "all tools available" to remedy the situation. But it could also cause more tensions among the countries. "We expect there to be a significant focus of attention ... on China's exchange rate policy," Geithner said. "It's about the broad interests of all of China's trading partners in a level playing field." China's foreign ministry said pressure over exchange rates "not only would fail to solve the problems; on the contrary, it could have the opposite effect."[66] (September 16, 2010, *Reuters News*)

Japan intervened in the currency markets in September to weaken the yen. The action could have an impact on the debate over China's control over the renminbi. Japan's intervention will likely heighten tension around China's persistent intervention to hold down the renminbi, which has been one of the most contentious issues at the G20, and is likely to come up again at the summit in Seoul. Several G20 countries, particularly the U.S., feel that they are under competitive threat from China's currency policy.[67] (September 15, 2010, *Financial Times*)

Energy

Proposed rules clamping down on financial markets may create big unintended consequences for oil trading, the International Energy Agency warned. Costs for airlines, oil refiners and businesses using financial risk instruments could rise sharply. A crimping effect on investment funds may also reduce the ability of markets to absorb risk. The IEA said in its monthly review of energy markets that "governments are moving apace with new regulations on financial markets, including energy derivatives … By way of example, the study reports that limiting participation of fund investors may unintentionally deprive futures markets of liquidity and risk-absorption capacity."[68] (July 13, 2010, *Agence France Presse*)

Green Growth and Climate Change

Korea will take up the issue of green growth at the G20 Seoul Summit and Business Summit in November. Young Soo-gil, chair of the Presidential Committee on Green Growth, said: "The agenda for the summit will be crowded with other issues of pressing priorities to allow much discussion on green growth. The Korean G20 Summit Preparatory Committee is aiming for mainstream advancement on the agenda for the summit, and so 'development' will be a prominent theme … This will hopefully allow President Lee Myung-bak to bring the attention of the G20 Leaders to the value of the theme of green growth as a catalyst for global cooperation in many development dimensions." Emissions reductions are being limited by developing countries. "Korea would like to help those developing countries harmonize their growth aspirations with the

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[66] *Reuters News* (September 16, 2010), "Geithner vows to take China currency dispute to G20."
[67] *Financial Times* (September 15, 2010), "Japan intervenes to weaken yen."
[68] *Agence France Presse* (July 13, 2010), "New rules for securities pose big unintended risks: IEA."

environmental ones by sharing its green growth tool kits and experiences, as well as by working together to undertake specific mitigation and adaptation projects in cost-effective and growth-friendly ways in individual countries," Young said. "Korea is also willing to take leadership in the international efforts to help build physical infrastructures in the developing countries in climate-change resilient ways." Korea, which has recently joined the OECD's Development Assistance Committee (DAC), will thus make green growth partnership a leading component of its increased ODA.[69] (August 22, 2010, *Korea Times*)

Development

The G20 Seoul Summit will establish the "Korea Initiative." The presidential committee said the initiative could expand the scope of the G20 and will focus mainly addressing the needs of underdeveloped countries all over the world. "An agreement on development agendas and on the global financial safety net can lay the foundation for a win-win arrangement between G20 countries and the developing world," one official said. The initiative is expected to be endorsed by leaders when they meet on November 11-12. G20 members were asked to forward multi-year plans to help build infrastructure, trade, personnel development and knowledge-sharing programs to benefit newly emerging economies. The plans are expected to be approved at the summit. The aim is for provide countries with a way to grow on their own, instead of relying on temporary aid.[70] (November 1, 2010, *Yonhap English News*)

Korea believes that the G20 cannot achieve sustainable global growth without addressing the issue of development. "The approach right now is one of economic growth that does not take into consideration the social effects of the global financial crisis," one official said. "We believe that a more sustainable approach is necessary. Korea's proposal in development is a good opportunity to balance the G20 agenda." The G20 development working group is discussing ways to help developing countries alleviate poverty through faster economic growth. Some would like that scope expanded. "We would like to see more elements aimed at helping not just the countries with the lowest incomes, but also emerging economies that have large poor populations," one Mexican official said. "Within the G20 there are still deprived regions and vulnerable populations that need to overcome considerable challenges. The G20 should be one of the mechanisms to overcome them."[71] (September 26, 2010, *Korea Times*)

Development is critical for long-term, sustainable global economic growth. "In the last few decades, the development doctrine focused primarily on aid for alleviating poverty, rather than on promoting genuine economic development by increasing the capability of the lowest income countries," said SaKong Il, chair of the Seoul Summit committee. "In Seoul, we would like the G20 to establish a new framework of development with multiyear action plans. Korea, which has recently gone from being an aid recipient to an

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[69] *Korea Times* (August 22, 2010), "Seoul to bring G20 leaders' attention to 'green growth.'"
[70] *Yonhap English News* (November 1, 2010), "G20 summit to set 'Korea Initiative' as key global agenda."
[71] *Korea Times* (September 26, 2010), "Mexico seeking to lead G20 development issues."

aid donor, can act as a bridge between the developed and developing worlds in this effort." The G20 development working group is preparing a multi-year action plan for each country that will be delivered at the Seoul Summit.[72] (September 26, 2010, *Korea Times*)

Korean president Lee Myung-bak and finance minister Yoon Jeung-hyun have said that as the chair of the G20 Summit in November, Korea will actively reflect African views to the leading economies of the world.[73] (September 15, 2010, *Yonhap English News*).

"The ultimate challenge for the G20 Summit is to show that it is possible to overcome the development gap between [advanced and emerging economies] and to mobilize international efforts to do so," said Young Soo-gil, chairman of the Presidential Committee on Green Growth. Korea's own experience of transforming from being among the poorest countries 50 years ago to becoming a newly industrialized country, shows that it is possible to overcome the challenge. "By reflecting on its own experiences, Korea can lead international efforts to close this gap, as a bridge country. This would help Korea become a constructive and influential force, a soft power as it were, in the international efforts to solve global problems," Young said. "Korea's hosting of the G20 Summit this year offers a unique opportunity to demonstrate to the world that we can make a change by ably brokering meaningful global cooperation to overcome the developmental gaps … The experiences with the latest global economic crisis demonstrate that the thinking of policymakers from both the emerging countries and the advanced ones about good economic management have been flawed and that there is a need for re-thinking and thought innovation on each side, as well as for renewed efforts for reconciliation of such thoughts between the two," he said. "From this perspective, the current global crisis presents a unique opportunity for a new global thinking. We now know that many of the old 'international best practices' are no longer valid. There is both a need and an opportunity for new global standards. In this sense Korea should try to introduce humility as well as flexibility into the thinking of all G20 players," he added.[74] (August 22, 2010, *Korea Times*)

At the Toronto Summit, the leaders agreed to establish a Working Group on Development, tasked with exploring measures to promote economic growth and resilience, and outlining a development agenda and multi-year action plans to be adopted at the Seoul Summit. Korea and South Africa are co-chairing high-level G20 Development Working Group meetings to facilitate the formulation of multi-year action plans. The ultimate outcomes of these meetings will be reported to the G20 sherpas and leaders for their consideration and endorsement.[75] (July 2010, *Seoul Summit* website)

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[72] *Korea Times* (September 26, 2010), "[G20] Seoul to propose multi-year action plan for sustainable development."
[73] *Yonhap English News* (September 15, 2010), "S. Korea to increase support for African countries."
[74] *Korea Times* (August 22, 2010), "Korea's experience to help bridge G20 'development gap.'"
[75] *Seoul Summit* (2010), "Agenda." Accessed 20 July 2010. seoulsummit.kr/eng/goPage.g20?return_url=TOP01_SUB03_02

Other

The G20 are expected to discuss a proposal to set up a permanent executive office when they meet in November. Some member governments and private experts called for the establishment of a secretariat to ensure the effective implementation of their accords. "There is a growing need for a G20 secretariat to maintain the momentum that has so far been effective in pushing the world out of the recession," a Korean finance ministry official said. "The idea has been put forward by some G20 nations as well as think tanks so it will be discussed in the Seoul summit." Korea and France are both in favour of the proposal. French president Nicolas Sarkozy said the G20 needs a permanent secretariat like the OECD and IMF. "The G20 decided it would be the main global forum for economic and financial issues. But it must still give itself the means to work more effectively. Shouldn't we create a G20 Secretariat to continuously monitor the implementation of decisions and deal with issues in conjunction with all pertinent international organizations?" Sarkozy said.[76] (October 28, 2010, *Korea Herald*)

Korea welcomed a recent proposal to establish G20 secretariat. SaKong Il, head of the organizing committee for the upcoming Seoul Summit, said Korea is hoping the issue will be addressed following their summit. "Under the current circumstances, we must continue working with the G20 forum as the G8 cannot be an answer … It is true there are some pessimistic views about the fate of the G20 in the future, but as the chair of the forum, Korea is working to make the Seoul summit a successful one," he said. "There is a need to solidify the status of the G20 summit as the world's top steering economic committee," SaKong said.[77] (September 28, 2010, *Yonhap English News*)

Korea may propose setting up an international cyber security body at the G20 summit in Seoul in November. "We are planning to propose organizing a comprehensive cyber security body with its headquarters possibly based in Seoul," an official from the ministry of public administration and security said. The suggestion comes after a number of private and government websites in the U.S. and Korea encountered distributed denial-of-service attacks in July.[78] (February 22, 2010, *Xinhua News Agency*)

Participants

Newly elected Brazilian leader Dilma Rousseff will attend the G20 Seoul Summit alongside outgoing President Lula.[79] (November 1, 2010, *Agence France Press*)

Korea will invite Ethiopia, Malawi, Singapore, Spain and Vietnam to the G20 summit in November. Seven international organizations, including the UN, IMF, World Bank and FSB will also be invited. "Malawi and Ethiopia could be representatives of low-

[76] *Korea Herald* (October 28, 2010), "G20 to discuss establishment of secretariat."
[77] *Yonhap English News* (September 28, 2010), "S. Korea seeks institutionalization of G20 following Seoul meeting."
[78] *Xinhua News Agency* (February 22, 2010), "Seoul to propose international cyber security body at G20 summit."
[79] *Agence France Presse* (November 1, 2010), "Sarkozy congratulates Brazil's new president."

developed countries (to support) the development issue on the summit agenda, while Vietnam is also expected to advocate fast-growing, low-developed Asian countries," Korean sherpa Rhee Chang-yong said.[80] (September 23, 2010, *Dow Jones International News*)

Vietnam held a conference on ASEAN's role in the G20 in August. ASEAN has participated in the past two G20 summits — in Pittsburgh in September 2009 and in Toronto in June 2010. Representatives agreed that ASEAN should play a more important and active role in the G20.[81] (August 20, 2010, *Xinhua News Agency*)

In addition to leaders of the 20 member countries, central bankers and finance ministers, the heads of key international institutions, including the United Nations, the International Monetary Fund, the World Bank and the Financial Stability Board, will participate in the November 11-12 summit.[82] (July 2010, *Seoul Summit* website)

Preparations

Preparatory Meetings

- July 19-20, 2010: G20 Development Working Group (Seoul, Korea)
- July 19-20, 2010: G20 Sherpas (Seoul, Korea)
- July 2010: G20 Workshop on Macro Framework (France)
- September 4-5, 2010: G20 Finance Deputies Meeting (Gwangju, Korea)
- October 7, 2010: G20 Finance Deputies Meeting (Washington, DC)
- October 21, 2010: G20 Finance Deputies Meeting (Korea)
- October 22-23, 2010: G20 Finance Ministers and Central Bank Governors Meeting (Gyeongju, Korea)
- November 10-11, 2010: B20 Business Summit (Seoul, Korea)
- November 11-12, 2010: G20 Leaders Summit (Seoul, Korea)
- November 2011: G20 Leaders Summit (France)

Preparations

Korean president Lee Myung-bak recently attended his last preparatory summit ahead of the G20 when he went to the East Asian Summit (EAS) in Hanoi. At the summit, he "exchanged opinions with other leaders on major global issues, including economic

[80] *Dow Jones International News* (September 23, 2010), "S Korea Govt: To Invite Ethiopia, Malawi, Singapore, Spain, Vietnam to G20 Seoul Summit."
[81] *Xinhua News Agency* (August 20, 2010), "ASEAN urged to play more important role in G20 process."
[82] *Seoul Summit* (2010), "Introduction to the Seoul Summit." Accessed 20 July 2010. http://www.seoulsummit.kr/eng/goPage.g20?menu_seq=G20MENU00058&return_url=TOP01_SUB02

recovery, sustainable growth and climate change, and discussed ways for cooperation in the EAS," an official from Lee's office said.[83] (October 30, 2010, *Yonhap English News*)

Korean finance minister Yoon Jeung-hyun planned to fine-tune the main agenda for the G20 summit at the APEC meeting in Kyoto on November 5-6. Yoon planned to reaffirm Korea's commitment to help avert the competitive devaluation of currencies and to call for support for a global financial safety net and the Korean development agenda.[84] (October 30, 2010, *The Korea Herald*)

Korean president Lee Myung-bak held telephone conversations with several G20 leaders at the end of October. He planned to talk with other leaders, who were not members of the G20, in the lead up to the summit as well. Much of the conversations were to focus on the issue of development.[85] (October 27, 2010, *Yonhap English News*)

Brazil finance minister Guido Mantega will not attend the October 22-23 G20 finance ministers meeting because of currency issues. Central bank president Henrique Meirelles will also not attend.[86] (October 18, 2010, *Reuters News*)

The Committee of Ten finance ministers and central bank governors (C10) will meet for the fifth time in Washington DC on October 6, 2010. The C10 reviews the impact of the financial crisis on Africa and advises Africa on how to respond. It also puts forward African perspectives to the G20. Africa's economic recovery, domestic resource mobilization, financing of sustainable energy solutions in Africa will be discussed at the meeting.[87] (October 1, 2010, *All Africa*)

Canada will chair a G7 finance ministers and central bankers meeting in Washington, DC in October. The IMF meets in Washington on October 8-9 and the G7 will meet on the sidelines of that gathering. No final G7 communiqué is expected. The G7 will discuss global currencies, in particular China's yuan. "I have been speaking with some of our colleagues in the G7 as we prepare for meetings next week in Washington. We will have a G7 meeting there of finance ministers and central bankers which I will chair," Canadian finance minister Jim Flaherty said. "Currency issues are major issues in the world. They distort trading relationships … We believe that currencies, including the Asian currencies, including the Chinese currency, need to be more flexible so that our trading relationships are more rational."[88] (September 29, 2010, *Reuters News*)

Korean finance minister Yoon Jeung-hyun will visit Russia, Germany, France, Brazil and the United States ahead of the November G20 summit. The trip is aimed at coordinating agendas on G20 issues, including financial safety nets and IMF reform. "The finance minister has been in contact with his counterparts in the U.S. and other countries on key

[83] *Yonhap English News* (October 30, 2010), "Lee wraps up summit diplomacy focused on regional cooperation."
[84] *Korea Herald* (October 30, 2010), "Finance minister committed to fine-tuning G20 agenda."
[85] *Yonhap English News* (October 27, 2010), "Lee starts telephone diplomacy on Seoul G20 summit."
[86] *Reuters News* (October 18, 2010), "Brazil's top economic officials won't attend G20."
[87] *All Africa* (October 1, 2010), "C10 to Discuss Development Agenda for G20 Summit in Seoul."
[88] *Reuters News* (September 29, 2010), "Canada to chair meeting of G7 finmins, bankers."

issues in the past with the planned visit to help leaders reach tangible results at the upcoming summit, the ministry said. Yoon will hold talks with his counterparts and central bankers and meet heads of the European Central Bank and the IMF. Additional bilateral talks have been planned with finance ministers from Saudi Arabia, China, India and Switzerland.[89] (September 16, 2010, *Yonhap English News*)

G20 finance ministers are not likely to meet on the sidelines of the IMF and World Bank meetings in Washington in October. Instead, the finance ministers from the UK, U.S., Canada, Korea and France (the past, present and future chairs of the G20) and the G20 deputy ministers will hold meetings.[90] (September 9, 2010, *Reuters News*)

Finance ministers from the Commonwealth countries are planning to meet in Washington DC on October 8 to map out strategies to deal with continued the global economic crisis. The meeting will take place during the annual meetings of the IMF and the World Bank, and will be held at the IMF. Commonwealth Secretary General Kamalesh Sharma said that the ministers would discuss the potential relationship between the Commonwealth and the G20. "The G20 has been established at leaders' level for almost two years now, as a framework of global governance. But it can only represent a part of global public opinion," Sharma said. "Five of the Commonwealth members are in the G20, but 49 are not. There is a 'G172' of those countries which do not sit at its table. But in a Commonwealth meeting, we are able to bring together those inside it and outside it, to express and discuss mutual concerns."[91] (September 8, 2010, *All Africa*)

The first G20 parliamentary summit meeting took place on September 3-4 in Ottawa, Canada. Korean national assembly speaker Park Hee-tae planned to attend. Participants were to discuss improving the regulation of the global financial system, coping with international food shortages and other outstanding issues facing the world. "The Korean speaker is scheduled to propose ways for countries to work together to promote better production and sharing of food," a Korean official said.[92] (August 30, 2010, *Yonhap English News*)

Korea is hosting the 2010 Korea Africa Economic Cooperation Ministerial Conference on September 14-17. A meeting on "G20 African Outreach" has been planned on the sidelines to help table African voices at the G20 Seoul Summit. "The conference is expected to offer Korea an opportunity to upgrade its ODA policies in a way to reflect Africa's voices and enhance economic cooperation with Africa," the Korean finance ministry said.[93] (August 24, 2010, *Xinhua News Agency*)

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[89] *Yonhap English News* (September 15, 2010), "Finance minister to tour 5 nations to win support for G20 summit."
[90] *Reuters News* (September 10, 2010), "G20 fin mins unlikely to meet in Washington – sources."
[91] *All Africa* (September 8, 2010), "Finance Ministers to Meet in Washington DC."
[92] *Yonhap English News* (August 30, 2010), "S. Korea's parliamentary speaker to take part in G20 gathering."
[93] *Xinhua News Agency* (August 24, 2010), "S. Korea to host ministerial conference on economic cooperation with Africa."

G20 deputy finance ministers and central bank governors meet in Gwangju, Korea on September 4-5. The meeting will focus on setting out the agenda for the G20 Seoul Summit. 200 officials from the IMF and World Bank will also attend the meeting. Participants will draw up a framework for sustainable growth and discuss the role and capability financial institutions.[94] (August 23, 2010, *KBS World News – English Edition*)

Korea is planning to host a conference for emerging countries to help boost their interest and participation in the November G20 summit. The meeting will be co-hosted by the FSB on September 2-3 in Seoul. Approximately 400 officials and scholars from Sweden, Hong Kong and Singapore, and the G20 are expected. Participants will discuss ways to encourage emerging markets to get onside with G20 regulatory measures and how the G20 can better reflect emerging economies' interests. "We will discuss a broader spectrum of issues such as desirable roles the host country would play in the successful November summit and the future path the forum will take in a post-crisis world," a G20 Seoul Summit committee official said.[95] (August 16, 2010, *Yonhap English News*)

The G20 Presidential Committee released the official logo of the G20 Seoul Summit. The symbol incorporates an image of the sun rising over the East Sea and a traditional Korean lantern with a red-and-blue silk shade. It is based on "Seoul's Lantern" (Chung-South Africa-cho-rong), an original design submitted by Jang Dae-young to a nationwide contest in April and May 2010.[96] (July 22, 2010, *Seoul Summit* official site)

Japan hopes there is a link made between the G20 Seoul Summit and the Asia-Pacific Economic Cooperation (APEC) summit that will take place immediately after. "It is important to connect APEC and G20 closely," said Toshinori Shigeie, Japan's ambassador to Korea. "I expect to see cooperation between Japan and the Republic of Korea, which is aimed at reflecting the voices of other Asia-Pacific countries that can not participate in the G20 … South Korea will show its leadership through the G20 by mediating the economic policies of developed and emerging nations." Shigeie also expressed caution about whether the G20 could develop into an international governance system capable of dealing with political and diplomatic issues, including North Korea's nuclear programs. "It is a difficult problem. The G20 summit was built as a ground for tackling the financial and economic crisis. As the global economy is still in an unpredictable situation, the priority lies with the problems we are now confronted with," he said. "The issues that the G20 should be focused on are those of finance and the economy. The currently expected agenda of the G20 is not directed toward the North Korean issues."[97] (February 18, 2010, *Yonhap English News*)

[94] *KBS World News – English Edition* (August 23, 2010), "G20 Vice Ministerial Meeting to Open Next Week."
[95] *Yonhap English News* (August 16, 2010), "S. Korean G20 committee to host meeting for emerging economies."
[96] Seoul Summit (2010), "Official Symbol and Website for the Seoul Summit." Accessed 22 July 2010. http://www.seoulsummit.kr/eng/boardDetailView.g20.
[97] *Yonhap English News* (February 18, 2010), "Japan stresses importance of linkage between."

Implementation

Policy makers need to implement the Toronto G20 commitments, Canadian central bank governor Mark Carney said. They need to do better than their G7 counterparts, who have an "underwhelming track record" coordinating policy. "Without successful completion of the G20 reforms, the current recovery is at risk," said Carney. "Faith is required, but not in a barbarous relic or a utopian global central bank. Rules on bank capital are set to dominate the November G20 summit.[98] (September 11, 2010, *National Post*)

Site

Security

Korean armed forces will be on their highest level of military preparedness for the G20 Seoul Summit. The military will guard key national facilities, bolster the joint South Korea-U.S. monitoring system and raise its readiness level against armed infiltration and provocations. "With the summit around the corner, we will deploy forces at major facilities and areas surrounding the summit's venue," officials said. "We will join forces with the coast guard and inspect and block (suspect) vessels and also strengthen our air patrol." They will also share intelligence and information on potential terrorist attacks with the U.S. forces stationed in Korea and expand their joint monitoring capabilities[99] (October 18, 2010, *Asia Pulse*)

Movable security fences will be erected around the G20 summit venues in Seoul to protect visiting state leaders, Seoul police said. The fences, made with a concrete base and plastic on top, will be 2.2 metres high. The security wall will be set up near the Convention and Exhibition Centre (COEX), located in the Gangnam district in southern Seoul. The barrier will run about 1.6 kilometres and can be moved to different locations if needed. After the summit, the fences will be used as road lane dividers. COEX houses Asia's largest underground shopping mall. It will stay open during the weekend of the summit. Officials will divert traffic away from the secure zone. A provisional law has been put in place to limit demonstrations and gatherings and give the police greater authority to make arrest and allow the government to mobilize the military to help police in their security duties.[100] (September 15, 2010, *Yonhap English News*)

The Korean National Police Agency said it will mobilize a total of 400,000 police to tighten security against terrorism and illegal protests ahead of the G20 summit in November in Seoul. The agency will launch its operation headquarters on September 1 and a special squad that will consist of combat police. It will also run a monitoring office

[98] *National Post* (September 11, 2010), "Stay with G20 reforms: Carney; Global risk."
[99] *Asia Pulse* (October 18, 2010), "S Korean Military to be On Highest Preparedness During G20 Summit."
[100] *Yonhap English News* (September 15, 2010), "Seoul to set up fences around G20 summit venues for security."

and keep all police officers on standby during the 20 days ahead of the summit.[101] (August 3, 2010, *Yonhap English News*)

The Republic of Korea launched a special police force to enhance security measures during the Seoul Summit in November. The security committee headed by Kang Hee-rak, chief of the National Police Agency, will be responsible for all safety measures, including airport security, traffic control and food safety, during the summit, which anticipates a presence of more than 10,000 people including 35 heads of state and international organizations. The committee consists of 25 government-related agencies, it added, which includes the Presidential Security Service, the National Intelligence Service, the Ministry of National Defence, the National Police Agency, as well as the National Emergency Management Agency. "The G20 summit is the largest international conference to be held in the Republic of Korea, and therefore, we need to be prepared to provide complete security measures for a successful hosting of the event."[102] (March 5, 2010, *Xinhua News Agency*)

Other

Many Korean firms made last-minute preparations to use the G20 summit as a way to present their advanced technologies to the leaders. An IT experience hall that introduces 60 years' worth of the nation's cultural assets will be set up at the COEX Convention Centre, where the G20 meeting will take place. "We will enable other nations' representatives to walk around Seoul and naturally find the merits of the advanced technologies of Korea," said a spokesperson for the G20 preparation committee. The must-see places in Seoul designated by UNESCO will also be feature on a large screen, supported with virtualization technology.[103] (October 29, 2010, *Korea Herald*)

Domestically developed eco-freindly vehicles will be operated for local and foreign journalists during the G20 Seoul Summit. The city plans to supply 38 electric cars and 15 hydrogen fuel cell-powered buses. Sixteen buses will shuttle between the main venues of the summit and nearby facilities, while 37 cars will transport reporters and other staff of the event. The city plans to actively promote the nation's technology in electric cars, such as high-speed battery charger, battery and motor.[104] (October 27, 2010, *KBS World News – English Edition*)

The Korean Culture and Information Service is holding an online event from October 15 to November 14 to celebrate the G20 Seoul Summit. This event is intended to bring attention to the goals and aims of the summit by providing online users with fun and exciting ways to interact with each other. There is quiz section where participants can answer questions about the G20, a webcam section where users can take photos of their own face and upload it with personal message for G20 participants, and a writing contest

[101] *Yonhap English News* (August 3, 2010), "Police beef up security ahead of G20 summit."
[102] *Xinhua News Agency* (March 5, 2010), "South Korea launches security committee for G20 summit."
[103] *Korea Herald* (October 29, 2010), "Firms to highlight IT skills during G20."
[104] *KBS World News – English Edition* (October 27, 2010), "Seoul City to Operate Green Vehicles for G20 Summit."

for people to share their stories of the G20. Selected participants will receive prizes, which include digital cameras, e-book readers and USB drives. The events are available on the Korea.net website (korea.net).[105] (October 19, 2010, *Korea.net news*)

Korea is launching a mobile phone homepage to help people follow the G20 summit in November. The G20 summit organizing committee said the homepage (m.seoulsummit.kr), would be launched at the beginning of October and is designed to offer fast reliable information on the event for people using smartphones. The information will be provided in both Korean and English, and cover breaking news, summit agendas, schedules, photos and video images. The site will also offer "press tour" guide information. The committee said that once the homepage is open, people from all over the world will be able to access up-to-date information about the upcoming summit.[106] (September 30, 2010, *Yonhap English News*)

The Korean government started a three-month program for rural tourism. The government hopes it will attract 2,000 foreign guests, including those visiting the country during the G20 summit in November. The Ministry of Food, Agriculture, Forestry and Fisheries said that it will offer two-day trips to farming and fishing villages for foreigners. It is part of a "Rural 20 Project" to promote rural areas in the country as tourist destinations. The program consists of one- or two-day trips to rural areas and has four different themes: experience, nature, orientation and well-being. More information is available at <www.rural20.kr> in Korean, English, Chinese and Japanese.[107] (August 11, 2010, *Joins.com*)

The Republic of Korea has launched its G20 website. The opening of the site <www.seoulsummit.kr> came 250 days ahead of the start of the event scheduled for November 11-12, 2010. "The homepage will provide general information on the G20 summit, its significance, agenda, preparations for the conference, and related press releases." The committee said it would open an official website, which will also include English and other language services, after June in consideration of the G20 summit to be held in Canada in that month. The committee added it will collect ideas and opinions from Internet users on the official website.[108] (March 5, 2010, *Yonhap English News*)

Future Summits

France will try to reform the global monetary system during its upcoming G20 presidency, finance minister Christine Lagarde said. "Very clearly the international monetary system should be modified, improved and re-established to protect emerging countries and to diversify reserves," she said. French president Nicolas Sarkozy has said that France's stewardship of the G20 will target an ambitious agenda, including combating volatility in commodities markets and improving global economic

[105] *Korea.net news* (October 19, 2010), "Korea.net online event to celebrate G20 Seoul Summit."
[106] *Yonhap English News* (September 30, 2010), "S. Korea to open G20 summit mobile homepage."
[107] *Joins.com* (August 11, 2010), "Tours to focus on rural experiences."
[108] *Yonhap English News* (March 5, 2010), "S. Korea partially opens Web site on G20."

governance. France also hopes to make more progress on the issue of "global safety nets."[109] (October 27, 2010, *Reuters News*)

France is planning on tackling issues of energy, agriculture and financial regulation at its G20 summit in 2011. Russia has announced that it hopes to chair the G20 in 2013. Russia hopes to gain support for the idea in the following months.[110] (October 18, 2010, *ITAR-TASS World Service*)

France will address regulatory problems in financial markets, the global monetary system and commodity markets when it hosts the G20 summit in 2011. "In 2011 when France has the presidency of the G20, the G8 and the G7, we will be looking at appropriate regulations for financial markets. It will be one of the priorities," French finance minister Christine Lagarde said. New regulation must address dark liquidity pools and over-the-counter trading, Lagarde said. France also wants to impose a rule on naked short selling. "This is the issue of what kind of assurance you give that you are located and identified, and that you have the back up that puts you in a position to do naked short selling." Lagarde has said naked short sales should be "no longer accepted" in its current form. "We do not [have the intention] of crippling the system and making it non-creative and non-innovative. But equally we don't want to see the type of abuses and excesses we have seen recently," she said.[111] (October 11, 2010, *Dow Jones International News*)

French president Nicolas Sarkozy will press for a global tax on financial transactions when he hosts the G8 and G20 in 2011. Sarkozy said major powers use the international financial crisis as an excuse to avoid past commitments. "We have no right to shelter behind the economic crisis as supposed grounds for doing less," he said. "Finance has globalized, so why should we not ask finance to participate in stabilizing the world by taking a tax on each financial transaction … While all developed countries are in deficit, we must find new sources of financing for the struggle against poverty, for education and for the ending of the planet's big pandemics."[112] (September 20, 2010, *Agence France Presse*)

France wants to reform commodities rules and is likely to use its G20 presidency to try and overhaul commodities markets. France is taking the lead in reforming commodities rules. In a letter to the European Commission, French finance minister Christine Lagarde said "We consider European regulation of trading in commodity derivatives to be insufficient … the role played by financial investors in fuelling the volatility of commodity derivatives is not clearly understood." She warned that there was "no real regulatory and supervisory regime" for physical markets. French president Nicolas Sarkozy has signalled that an international agreement on regulation of markets in

[109] *Reuters News* (October 27, 2010), "French G20 to seek reform to global monetary system."
[110] *ITAR-TASS World Service* (October 18, 2010), "RF could deal with energy, agriculture in G20 – French expert."
[111] *Dow Jones International News* (October 11, 2010), "Lagarde: G20 To Address Financial Market Regulation."
[112] *Agence France Presse* (September 20, 2010), "Sarkozy says banks must help meet poverty goals."

commodities will be one of his main objectives for his G20 presidency. Much of the focus will be on improving transparency.[113] (September 8, 2010, *Financial Times*)

France is planning to get the G20 to examine ways to curb excessive exchange rates and commodity price volatility and to take up a financial transaction tax when it holds the G20 presidency in 2011. French president Nicolas Sarkozy has said that the G20 countries need to find ways to limit excessive exchange rate swings and the economic imbalances they create. “Who would challenge the fact that exchange rate instability poses a major threat to global economic growth?” asked Sarkozy. He said that China had to be included in such discussions. “What we surely need to do is go further and map out a new framework for consultation on exchange rate developments,” he said. “But how can we discuss exchange rates nowadays without China? We need to debate a better way of responding on this critical matter.” Sarkozy said that commodity price volatility, highlighted by the current increase in wheat prices, was also highly destructive and that the G20 should regulate commodity derivatives just as it is seeking to do so for other financial derivatives. “That way we will limit speculation,” he said.[114] (August 25, 2010, *Reuters News*)

When France takes over the presidency of the G8 and G20 in 2011, it plans to champion several key issues, including stronger financial and market regulations, discussions about the international monetary system, and measures to limit volatility in commodity markets.[115] (July 16, 2010, *Associated Press Newswires*)

Civil Society and Other G20 Related Activities

Microsoft founder Bill Gates will not attend the B20 in Seoul. However, several G20 leaders are scheduled to attend, including German chancellor Angela Merkel, British prime minister David Cameron, South African president Jacob Zuma, Argentinean president goog Cristina Fernandez de Kirchner, Australian prime minister Julia Gillard, Mexican president Felipe Calderon, Turkish prime minister Recep Tyyip Erdogan, European Commission president Jose Manuel Barroso and Korean president Lee Myung-Bak. Spanish prime minister Jose Zapatero also plans to attend.[116] (November 1, 2010, *Agence France Presse*)

The main objective of the B20 to be held on November 10-11 is to better coordinate the global corporate sector’s efforts with governments to prevent future financial crises and prepare for possible recurrences. A mid-term review meeting of the B20 was held in Tianjin, China, on September 14.[117] (October 28, 2010, *Korea Herald*)

[113] *Financial Times* (September 8, 2010), “France leads charge on commodities rules reform.”
[114] *Reuters News* (August 25, 2010), “France to press G20 to curb currency swings – Sarkozy.”
[115] *Associated Press Newswires* (July 16, 2010), “Debt crisis will strengthen Europe, French PM says.”
[116] *Agence France Presse* (November 1, 2010), “Bill Gates to miss G20 business summit: organisers.”
[117] *Korea Herald* (October 28, 2010), “G20 Business Summit to draw leading figures.”

Korea will forbid all protests and rallies near the G20 leaders in November. A 2-kilometer radius around the Convention and Exhibition Center (COEX), where the G20 will meet, will be off limits to people from November 8-12. "We will ensure that no illegal, violent protests will tarnish the meaning of the summit," an official said. The government will resort to all equipment including water cannons to disperse protestors. Peaceful demonstrations outside the temporary security zones will be allowed; 30,000 police officers, with an additional 20,000 officers on standby, will be out for the summit. Security will be increased around areas including subway stations.[118] (October 11, 2010, *Xinhua News Agency*)

A group of 81 activist and union groups has launched a coalition to oppose the goals and principles of the G20 and plans to hold a series of protests before and during the Seoul Summit. The coalition includes the Korean Confederation of Trade Union (KCTU) — an umbrella labor group with about 700,000 members — and the People's Solidarity for Participatory Democracy — one of Korea's largest civic organizations. Under the slogan "Put People First, People's G20 Action," the anti-G20 body urged the Korean government to impose stricter regulations and more taxes on financial institutions whose risk-taking practices contributed to the economic crisis. The coalition also charged that officials have been violating the rights of the homeless, street vendors and migrant workers in advance of the summit, unjustifiably suggesting that they could be terrorists and a risk to public safety. The group plans to hold a mass rally in October in protest of a special law on G20 security that will go into effect on October 1.[119] (September 15, 2010, *Yonhap English News*)

Business representatives from the G20 gathered in Tianjin, China, on September 12 to prepare for the B20 Business Summit that will take place in Seoul in November. Representatives from the companies who will chair the summit's 12 working groups gave briefings on their activities and work. The draft reports were to be reviewed by working-level financial officials' in Washington in October. Representatives from Nestlé, Infosys, SK Corp., Hanjin Group, Hanwha Corp., Hyundai Heavy Industries, KT Corp. and Lotte planned to attend. More than 115 CEOs will attend the G20 Business Summit in Seoul to discuss post-crisis global growth, financial stability, green development and corporate social responsibility.[120] (September 14, 2010, *The Korea Herald*)

Leading Asian pop stars will gather in Korea on October 23 for the Asia Song Festival, an annual pop music event. The date for this year's celebration was chosen with the G20 summit in mind. All proceeds from the festival will be donated to UNICEF for children in Pakistan. "I've been trying to do this kind of peace concert for many years," Hong Kong actor Jackie Chan said. "Every day I watch the news and read newspapers. I ask myself, 'What's wrong?' Natural disasters we cannot stop, but people-created disasters

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[118] *Xinhua News Agency* (October 11, 2010), "S. Korea to shut out all protests near G20 summit venue."
[119] *Yonhap English News* (September 15, 2010), "Seoul to set up fences around G20 summit venues for security."
[120] *Korea Herald* (September 14, 2010), "G20 business leaders to discuss CEO meet."

we can stop," he said. "It's not only about a concert, it's also about a message — love each other."[121] (August 23, 2010, *Yonhap English News*)

Fifteen Korean business leaders have been chosen to attend the G20 Business Summit in Korea in November. Twelve come from non-financial firms. The list includes Lee Kun-hee of Samsung Electronics, Chung Mong-koo of Hyundai Motor, Chey Tae-won of SK, Koo Bon-moo of LG, Sin Dong-bin of Lotte, Chung Joon-yang of POSCO, Hur Dong-soo of GS Caltex, Min Keh-sik of Hyundai Heavy Industries, Cho Yang-ho of Hanjin, Lee Suk-chae of KT, Park Yong-hyun of Doosan, Kim Seung-youn of Hanwha, Euh Yoon-dae of KB Financial Group, Shin Chang-jae of Kyobo Life Insurance and Im Kee-young of Daewoo Securities. The main themes for the B20 are international trade and investment, financial stability, green growth and corporate social responsibility. The participants will also look at the role of private businesses in keeping growth going as stimulus is withdrawn. Participants will form 12 working groups to discuss the subjects. Participants from other countries will include: Deutsche Bank's Josef Ackermann, HSBC's Stephen Green, Standard Chartered's Peter Sands, Blackstone Group's Stephen Schwarzman, Nomura Holdings' Kenichi Watanabe, ArcelorMittal's Lakshmi Mittal, Nestle's Peter Brabeck, Qualcomm's Paul Jacobs, Total's Christophe de Margerie, Bosch's Franz Fehrenbach, Infosys' S. Gopalakrishnan and Li & Fung's Victor Fung. The Korean government is pushing to make the business gathering a regular part of the G20 process.[122] (August 23, 2010, *Korea Herald*)

A G20 Business Summit will be held on November 10-11 in Seoul, ahead of the G20 Summit. The CEOs will likely use the opportunity to discuss their concerns about protectionism and the possibility of "excessive" regulations on banks and other financial institutions. The meeting will take place at the COEX, a major business convention centre in southern Seoul. Approximately 100 people will be invited. The CEOs of America's Qualcomm, Switzerland's Nestlé, Britain's Standard Chartered, Germany's Deutsche Bank, France's Total, India's Infosys and Japan's Mitsubishi are among those who will attend. The delegates are to exchange views about the private sector's role in the global attempt for a job-rich recovery, while also looking to influence political leaders in their discussions for coordinating fiscal policies, financial sector reform, trade, development and innovation. The agenda of the Seoul Business Summit will be divided into four main topics: improving trade activity and investment, stabilizing financial systems, achieving green growth and encouraging corporate social responsibility. The roundtable discussions will be followed by direct exchanges between business leaders and G20 leaders. Also to be discussed is establishing the global business summit as a permanent part for future G20 summits. Forty-three CEOs participated in the Toronto Business Summit.[123] (August 2, 2010, *Korea Times*)

Korea is organizing a business summit in Seoul, gathering about 100 major corporate chairs and CEOs from around the world on November 10-11, 2010. The key goals are for the private sector to take the lead on stimulus; to engage CEOs and the business sector in

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[121] *Yonhap English News* (August 23, 2010), "Asian pop stars to add sparkle to G20 summit."
[122] *Korean Herald* (August 22, 2010), "Korean delegates chosen for G20 CEO summit."
[123] *Korea Times* (August 2, 2010), "Seoul attracts 'all-star' lineup of CEOs."

the areas of trade and investment, finance, green growth and corporate social responsibility; and to enhance the sense of shared social responsibility.[124] (July 2010, *Seoul Summit* website)

The Korean summit will be held in Seoul on November 11-12, 2010. Just ahead of the summit, Korea will also be organizing a business summit on November 10-11 to establish networks among CEOs and provide an opportunity for dialogue between global CEOs and G20 leaders.[125] (February 11, 2010, *US Fed News*)

Appendices

List of Meetings

Leaders

- November 14-15, 2008: Summit on Financial Markets and the World Economy, Washington, DC
- April 1-2, 2009: London Summit, London, United Kingdom
- September 24-25, 2009: Pittsburgh Summit, Pittsburgh, U.S.
- June 26-27, 2010: Canadian-Korean Summit, Toronto, Ontario, Canada
- November 11-12, 2010: Korean Summit, Seoul, Republic of Korea
- November 2011: France
- 2012: Mexico

Ministerials

A list of past ministerial meetings is available from the G20 Information Centre website at <http://www.g20.utoronto.ca/ministerials.html>.

- April 22-23, 2010: G20 finance ministers and central bank governors meeting, Washington, DC
- June 3-5, 2010: G20 finance ministers and central bank governors meeting, Busan, Korea
- October 22-23, 2010: G20 finance ministers and central bank governors meeting, Gyeongju, Korea

Deputies

- September 4-5, 2010: G20 finance deputies meeting, Gwangju, Korea
- October 7, 2010: G20 finance and central bank deputies meeting, Washington, DC
- October 21, 2010: G20 finance deputies meeting, Gyeongjiu, Korea

[124] *Seoul Summit* (2010), "Agenda." Accessed 20 July 2010. http://seoulsummit.kr/eng/goPage.g20?return_url=TOP01_SUB03_02
[125] *US Fed News* (February 11, 2010), "Views of Association of Southeast Asian Nations Sought for G20 Agenda."

Workshops and Working Groups

- July 2010: G20 Workshop on Macro Framework, France
- July 19-20: G20 Working Group on Development, Seoul, Korea

Other

- November 2010: Meeting of G20 Tourism Ministers, Korea
- November 10-11, 2010: Business Summit, Seoul, Korea

G20 Leaders' Experience

(as of September 23, 2010)

Country	Leader	Assumed Office	Next Election	# of G8 summits attended	# of G20 summit attended
Argentina	Cristina Fernández de Kirchner	Dec 10/07	2011	0	4
Australia	Julia Gillard	Jun 24/10	By 30 Nov 2013	0	0
Brazil	Luiz Inácio Lula da Silva	Jan 1/03	3 Oct 2010	6	3
Canada	Stephen Harper	Feb 6/06	By 15 Oct 2012	5	4
China	Hu Jintao	Nov 15/02	2013	6	4
France	Nicolas Sarkozy	May 16/07	2012	4	4
Germany	Angela Merkel	Nov 22/05	Fall 2013	5	4
India	Manmohan Singh	May 22/09	By 2014	5	4
Indonesia	Susilo Bambang Yudhoyono	Oct 20/04	2014	2	4
Italy	Silvio Berlusconi	May 8/08	Variable	9	4
Japan	Naoto Kan	June 8/10	By 2014	1	1
Korea	Lee Myung-bak	Feb 25/08	2012	2	4
Mexico	Felipe Calderón Hinjosa	Dec 1/06	2012	3	4
Russia	Dmitry Medvedev	May 7/08	2012	3	4
Saudi Arabia	Adbullah bin Abdul Aziz Al Saud	Aug 1/05	N/A	0	4
South Africa	Jacob Zuma	May 9/09	2014	1	2
Turkey	Recep Tayyip Erdoğan	Mar 14/03	Variable	1	4
UK	David Cameron	May 6/10	By June 11/15	1	1
U.S.	Barack Obama	Jan 20/08	Nov 2012	2	3
EU	José Manuel Barroso	Nov 22/04	June 2014	6	4
EC	Herman Van Rompuy	Dec /09	2012	1	1
Average				3.00	3.19

G20 Finance Ministers and Central Bank Governors

Country	Finance Minister	Start of Term	Central Banker	Start of Term
Argentina	Amado Boudou	July 8/09	Mercedes Marcó del Pont	Feb 3/10
Australia	Wayne Swan	Dec 3/07	Glenn Stevens	Sep 18/05
Brazil	Guido Mantega	Mar 27/06	Henrique Meirelles	Jan 1/03
Canada	James Flaherty	Feb 6/06	Mark Carney	Feb 1/08
China	Xie Xuren	Aug 31/07	Zhou Xiaochuan	Dec 2002
France	Christine Lagarde	June 19/07	Christian Noyer	Nov 1/03
Germany	Wolfgang Schäubble	Oct 28/09	Axel Weber	Apr 30/04
India	Pranab Mukherjee	Jan 24/09	Duvvuri Subbarao	Sep 5/08
Indonesia	Agus Martowardojo	May 20/10	Darmin Nasution	Sep 1/10

Italy	Giulio Tremonti	May 8/08	Mario Draghi	Jan 16/06
Japan	Yoshihiko Noda	June 8/10	Masaaki Shirakawa	Apr 9/08
Korea	Yoon Jeung-Hyun	Feb 10/09	Kim Choong-soo	Mar 31/10
Mexico	Ernesto J. Cordero	Dec 9/09	Agustín Carstens	Jan 1/10
Russia	Alexei Kudrin	May 7/00	Sergey Ignatyev	Mar 20/02
Saudi Arabia	Ibrahim Abdulaziz Al-Assaf	Jan/96	Muhammed Al-jasser	Feb 28/09
South Africa	Pravin Jamnadas Gordhan	May 11/09	Gill Marcus	Nov 9/09
Turkey	Mehmet Şimşek	May 1/09	Durmuş Yilmaz	Apr 18/06
UK	George Osborne	May 12/10	Mervyn A. King	June 30/03
U.S.	Timothy Geithner	Jan 26/09	Ben Bernanke	Feb 1/06
EU	Didier Reynders (Belgium)	Dec 30/08	Jean-Claude Trichet	Nov 1/03

G20 Sherpas

Argentina	Alfredo Chiaradia
Australia	Gordon De Brouwer
Brazil	Pedro Luiz Carneiro de Mendonça
Canada	Louis Lévesque
China	Tiankai Cui
France	Xavier Musca
Germany	Jens Weidmann
India	Montek Singh Ahluwalia
Indonesia	Mahendra Siregar
Italy	Bruno Archi
Japan	Yoichi Otabe
Korea	Rhee Changyong
Mexico	Maria de Lourdes Aranda
Russia	Arkady Dvorkovich
Saudi Arabia	Hamad Al Bazai
South Africa	Sipho George Nene
Turkey	Hakkı Akil
United Kingdom	Jon Cunliffe
United States	David Lipton
European Commission	António Cabral

G20 Leaders' Biographies

Argentina's Cristina Fernández de Kirchner became president of Argentina on December 10, 2007 after winning the general election in October. She replaced her husband, Néstor Kirchner, who was president from May 2003 to December 2007. She is Argentina's second female president, but the first to be elected. Prior to her current position, she was a senator for Beunos Aires province and Santa Cruz province. She was first elected to the Senate in 1995, and in 1997 to the Chamber of Deputies. In 2001 she won a seat in the Senate again. Born on February 19, 1954, in La Plata, Buenos Aires, she studied law at the National University of La Plata. She and her husband were married in March 1975 and have two children.

Australia's Julia Gillard became prime minister of Australia on June 24, 2010, replacing Kevin Rudd, who had held the position since 2007. Before entering into politics, Gillard worked as a lawyer. From 1996 to 1998, she served as chief of staff to

Victorian opposition leader John Brumby. Gillard was first elected as a member of the House of Representatives in 1998. Since then she has served in various positions including shadow minister for population and immigration, shadow minister for health and deputy leader of the opposition. From 2007 to 2010, Gillard served as deputy prime minister. She was born in Barry, Vale of Glamorgan, Wales, on September 29, 1961. She moved to Australia in 1966. She earned a bachelor of arts and bachelor of law in 1986 from the University of Melbourne. She lives with her partner, Tim Mathieson.

Brazil's Luiz Inácio Lula da Silva first assumed the office of the president on January 1, 2003, after being successfully elected in October 2002. He was re-elected in October 2006, extending his term until January 2011. "Lula" first ran for office in 1982 in the state of Sao Paulo, but it was not until 1986 that he was first elected to congress. He did not run for re-election in 1990. Instead, he became more involved in the Workers' Party, where he continued to run for the office of the president. He was born in Caetés, Pernambuco, Brazil, on October 27, 1945. He received no formal education and began working in a copper pressing factory at the age of 14. He became heavily involved in the workers unions at a young age. He is married to Marisa Letícia and has five children.

Canada's Stephen Harper was first elected prime minister of Canada in January 2006, assuming office from Paul Martin in February and leading a minority government. He later ran for re-election in October 2008 and returned to the House of Commons with a stronger minority. Before running for politics he served as a policy advisor for the Reform Party. Harper first ran for a seat in the House of Commons in 1988, but was not successfully elected until 1993. He served as leader of the opposition for a number of years before becoming prime minister. He was born in Toronto, Ontario, on April 30, 1959. He did studied economics at the University of Toronto and the University of Calgary, later returning to the University of Calgary to earn his master's degree in economics in 1991. He and his wife, Laureen Harper, have two children.

China's Hu Jintao has been president of the People's Republic of China since March 15, 2003. He replaced Jiang Zemin, who had held the position since 1989. Hu also serves as general secretary of the Communist Party of China's (CPC) Central Committee and chair of the Central Military Commission. Before entering into politics he worked as an engineer. He joined the CPC in April 1964, and began working with the party in 1968. In 1992, he was elected to the Standing Committee of the Political Bureau of the CPC Central Committee and re-elected in 1997. He became vice-president of China in March 1998 and vice-chair of the Central Military Commission in 1999. In November 2002, Hu was elected general secretary of the CPC Central Committee. He was born in Jiangyan, Jiangsu, on December 21, 1942. In 1965 he received his engineering degree from Tsinghua University. He is married to Lui Yongqing and they have two children.

France's Nicolas Sarkozy became president of France on May 16, 2007, taking over from Jacques Chirac, who had held the position since 1995. He worked as a lawyer while he pursued politics. From 1983 to 2002, he was mayor of Neuilly-sur-Seine. He has been president of the Union pour un Mouvement Populaire, France's major right-wing party, since 2004. During his time in parliament he has held a number of cabinet portfolios including minister of state of economy, finance and industry, minister of the budget and minister of the interior. He was born in Paris on January 28, 1955. In 1978, he received his law degree from the Université de Paris. He is married to Carla Bruni and has three children from his two previous marriages.

Germany's Angela Merkel became the first female chancellor of Germany on November 22, 2005, replacing Gerhard Schröder who had been in power since 1998. Before entering into politics Merkel worked as a researcher and physicist. She was first elected to the Bundestag in 1990 and has held the cabinet portfolios of women and youth, environment, nature conservation and nuclear safety. She was born in Hamburg on July 17, 1956. In 1978, she received her doctorate in physics from the University of Leipzig. She is married to Joachim Sauer and has no children.

India's Manmohan Singh was re-elected prime minister of India in May 2009. He was first elected in 2004 when he replaced Atal Bihari Vajpayee. Before entering into politics, Singh worked as an economist, including for the International Monetary Fund. He was governor of the Reserve Bank of India from 1982 to 1985. Singh was first elected to the upper house of Indian parliament in 1995. He was re-elected in 2001 and 2007 and held cabinet positions including minister of finance and minister for external affairs. Singh also served as minister of finance from November 2008 to January 2009. He was born in Gah, Punjab (now known as Chakwal district, Pakistan), on September 26, 1932. He received his bachelor's and master's degrees from Punjab University in 1952 and 1954. He also received an additional undergraduate degree from Cambridge University in 1957 and a PhD from Oxford University in 1962. He and his wife, Gursharan Kaur, have three children.

Indonesia's Susilo Bambang Yudhoyono re-elected president in July 2008. He first became president on October 20, 2004, after winning the election in September, replacing the incumbent Megawato Sukarnoputri. Before entering into politics, he served as a lecturer and a military general. His first experience in politics came when he was appointed minister of mines and energy in 1999. He later served as co-ordinating minister for politics and security. He was born on September 9, 1949, in Pacitan, East Java. He received his doctorate in agricultural economics from the Bogor Institute of Agriculture in 2004. He and his wife, Kristiani Herawati, have two children.

Italy's Silvio Berlusconi became prime minister of Italy for the fourth time after winning the April 2008 election. Before entering politics, he started his career as a building contractor. In 1980, he established Canale 5, the first private national television network in Italy. He also became a leading Italian publisher with Mondadori. In 1994 he resigned from all his posts at Gruppo Fininvest in order to establish the political movement Forza Italia and, in the same year, he became president of the Council of Ministers for the first time. In June 2001 Berlusconi became premier again, an office he held until 2006. In 2009, for the third time, he chairs the presidency of the G8. Born in Milan on September 29, 1936, he received his law degree from the University of Milan. He is married to Veronica Lario and has five children.

Japan's Naoto Kan became prime minister of Japan in June 2010, replacing Yukio Hatoyama, who had held the position since September 2009. Kan was first elected to the House of Representatives in 1980. He served as minister of health and welfare, minister of state for science and technology, deputy prime minister and minister of finance during his time in politics. Kan was born in Ube City, Yamaguichi Prefecture on October 10, 1946. He graduated from the Tokyo Institute of Technology in 1970 and opened a patent office in 1974. Kan is married and has two children.

Korea's Lee Myung-bak became president on February 25, 2008, replacing Roh Moo-hyun, who had occupied the position since 2003. Lee joined the Hyundai Construction company in 1965 and eventually became chief executive officer of the Hyundai Group before being elected to the Korean National Assembly in 1992. In 2002 he was elected mayor of Seoul, a position he held until 2006. He was born in Kirano, Osaka, Japan on December 19, 1941. He received a degree in business administration from Korea University in 1965. Lee and his wife, Kim Yun-ok, have four children.

Mexico's Felipe Calderón Hinojosa became president of Mexico on December 1, 2006, replacing Vicente Fox, who held the position from 2000 to 2006. In his early twenties Calderón was president of the youth movement of the National Action Party. He later served as a local representative in the legislative assembly in the federal chamber of deputies. In 1995 he ran for governor of Michaocán. He served as secretary of energy from 2003 to 2004. Born in Morelia, Michoacán, on August 18, 1962, he received his bachelor's degree in law from Escuela Libre de Derecho in Mexico City. He later received a master's degree in economics from the Instituto Tecnológico Autónomo de México as well as a master's degree in public administration from Harvard University. He and his wife, Margarita Zavala, have three children.

Russia's Dmitry Medvedev became president of Russia on May 7, 2008, after winning the presidential election in March, replacing Vladmir Putin, whose term in office had expired. Before entering politics, Medvedev worked as a legal expert and lawyer. He was officially endorsed as a presidential candidate on December 17, 2007, by Russia's largest political party, United Russia, as well as by Putin. Medvedev served as deputy prime minister from 2005 to 2008. He was born in Leningrad (now St. Petersburg) on September 14, 1965. He earned a degree in law in 1987 and a doctorate in private law in 1990 from Leningrad State University. He is married to Svetlana Medvedeva and they have one child.

Saudi Arabia's King Abdullah bin Adbul Aziz Al Saud has been in power since August 2005. He replaced Fahd bin Abdul Aziz Al Saud, who had reigned since June 1982. As crown prince since 1987, King Abdullah had previously acted as *de facto* regent and thus ruler since January 1, 1996, after Fahd had been debilitated by a stroke. He was formally enthroned on August 3, 2005. He also serves as prime minister of Saudi Arabia and commander of the National Guard. King Abdullah is chair of the supreme economic council, president of the High Council for Petroleum and Minerals, president of the King Abdulaziz Centre for National Dialogue, chair of the Council of Civil Service and head of the Military Service Council. He was born August 1, 1924, in Riyadh and has a number of wives and children.

South Africa's Jacob Zuma became president of South Africa on May 9, 2009, succeeding Petrus Kgalema Motlanthe, who had held the position since September 2008. Zuma joined the ANC in 1958 and started serving in the National Executive committee of the African National Congress (ANC) in 1977. In 1994, Zuma was elected National Chair of the ANC and chair of the ANC in KwaZulu-Natal. He was re-elected to the latter position in 1996 and selected as the deputy president of the ANC in December 1997. Zuma was appointed executive deputy president of South Africa in 1999. He held that position until 2005 and was elected ANC president at the end of 2007. He was born April 12, 1949, in Inkandla, KwaZulu-Natal Province. He has three wives and several children.

Turkey's Recep Tayyip Erdoğan became prime minister of Turkey on March 14, 2003, replacing Abdullah Gül, who had occupied the office since 2002. Before becoming prime minister, Erdoğan was mayor of Istabul from 1994 to 1998. He was born on February 26, 1954, in Rize, Turkey, and studied management at Marmar University's faculty of economics and administrative sciences. He is married to Emine Erdoğan and has two children.

The **United Kingdom's David Cameron** became prime minister of the United Kingdom of Great Britain and Northern Ireland in May 2010. He was first elected to parliament in 2001 as representative for Witney. Before becoming a politician Cameron worked for the Conservative Research Department and served as a political strategist and advisor to the Conservative Party. He has served as party leader since December 2005. Born in London, England, on October 9, 1966, Cameron received a bachelor's degree in philosophy, politics and economics at the University of Oxford. He is married to Samantha Sheffield and had three children, one who passed away in 2009.

The **United States of America's Barack Obama** became president-elect on November 4, 2008, and was inaugurated January 20, 2009, replacing George W. Bush. In 2005 Obama was elected to the Senate, having previously worked as a community organizer, a civil rights lawyer and a state legislator for Illinois. The first black president of the United States, he was born on August 4, 1961, in Honolulu, Hawaii, to a Kenyan father and American mother. He received his bachelor's degree from Columbia University in 1983 and a law degree from Harvard University in 1991. He is married to Michelle Obama and they have two children.

The **European Union's José Manuel Barroso** became president of the European Commission on November 23, 2004. He was re-elected to the position on September 16, 2009. Previously he was prime minister of Portugal from 2002 to 2004. Before entering politics Barroso was an academic. Born in Lisbon, Portugal on March 23, 1956, he studied law at the University of Lisbon, holds a master's degree in economics and social sciences from the University of Geneva and received his doctorate from Georgetown University in 1998. He is married to Maria Margarida Pinto Ribeiro de Sousa Uva and has three children.

The **European Union's Herman Van Rompuy** was elected the first full-time president of the European Council on November 19, 2010. Previously he was prime minister of Belgium from 2008 to 2009. Before entering politics Rompuy was a lecturer. Born in Etterbeek, Belgium, on October 31, 1947, he holds a bachelor of philosophy and a master's degree in applied economics from Katholieke Universiteit Leuven. He is married to Geertrui Windels and has four children.

International Organization Participants

United Nations secretary-general, Ban Ki-moon of the Republic of Korea, became the eighth UN secretary-general on January 1, 2007 succeeding Kofi Annan. At the time of his election, he served as the minister of foreign affairs and trade in Korea and was a diplomat to the UN. His involvement with the ministry included postings in New Delhi, Washington DC and Vienna. Born on June 13, 1944 in Eumseong County, at the end of the Japanese rule of Korea, Ban received his bachelors of International Relations from Seoul National University and a master's of public administration from the J.F. Kennedy School of Government at Harvard University. He is married to Yoo Soon-taek and has three children.

World Bank chief executive Robert Zoellick became the eleventh president of the World Bank Group on July 1, 2007. Prior to joining the World Bank, Zoellick served as chair of Goldman Sachs Board of International Advisors. He was also the deputy secretary of the U.S. State Department and the Department's chief operating officer and policy alternate for the secretary of state. From 2001 to January 2005, Zoellick served in the U.S. cabinet as the thirteenth U.S. trade representative. Born on July 25, 1953 in Naperville, Illinois, U.S., he graduated from Swarthmore College, earned a J.D. magna cum laude from Harvard Law School and a masters in public policy from the Kennedy School of Government. He is married to Sherry Zoellick.

Financial Stability Board chair Mario Draghi was elected in April 2006. He is an Italian economist and banker who has been the governor of the Banca d'Italia since January 16, 2006. He is a member of the governing and general councils of the European Central Bank and a member of the board of directors of the Bank of International Settlement. Born in Rome on September 3, 1947, Draghi graduated from La Sapienza University of Rome and earned a doctorate in economics from the Massachusetts Institute of Technology. He was also an executive director of the World Bank from 1984 to 1990.

International Monetary Fund managing director Dominique Strauss-Kahn assumed office as the tenth managing director on September 28, 2007. An economist, lawyer, and politician, Strauss-Khan prior to taking up his position at the IMF was member of the French National Assembly and Professor of Economics at the Institut d'Etudes Politiques de Paris. He served as finance and economy minister and sought the nomination in the primaries to the Socialist presidential candidacy for the 2007 election, but was defeated. Born on April 25, 1949 in Paris, he studied political science at Sciences Po Paris and obtained a degree in public law as well as a doctorate. He is married to Anne Sinclair and they have four children.

Statistical Profiles[126]

(as of 10 January 2010)

Argentina

Polity	
Political party:	Frente para la Victoria (FV)/Justicialist Party
Head of State:	President Cristina Fernandez de Kirchener
Most recent election:	28 Oct 2007
Government:	Lower House — Majority; Upper House — Majority
Political system:	Presidential
Legislature:	Bicameral, elected Chamber of Deputies, elected Senate
Capital:	Buenos Aires
Official language:	Spanish
Economy	
Currency:	Peso (P)
GDP (official exchange rate):	$324.8 billion (2008 est.)
Predicted change:	-2.5% (2009); 1.5% (2010)
Composition by sector:	9.2%-agriculture; 34.1%-industry; 56.7%-services (2008 est.)
Central bank interest rate:	NA
Official reserve assets:	$48,908.23 million (Oct. 2009)
Foreign currency reserves:	$43,752.38 (Oct. 2009) [in convertible foreign currencies]
Securities:	$5,116.79 million (Oct. 2009)
IMF reserve position:	$0.31 million (Oct. 2009)
Special Drawing Rights:	$ 3,216.86 million (Oct. 2009)
Gold:	$1,829.02 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$ -54.47 million (Oct. 2009)
Loans to nonbank residents:	$130.66 million (Oct. 2009)
Other reserve assets:	$33.48 million (Oct. 2009)
(IMF	
Commercial bank prime lending rate:	28.00% (2009, 28 Nov. 2008)
Stock of money:	$33.93 billion (31 Dec. 2007)
Stock of quasi money:	$45.92 billion (31 Dec. 2007)
Stock of domestic credit:	$72.55 billion (31 Dec. 2007)
Household income or consumption by % share:	1.0%-lowest 10%; 35.0%-highest 10% (Jan.-Mar. 2007)
Inflation rate (consumer prices):	22.0% (2008 est.) [based on non-official estimates]
Investment (gross fixed):	23.2% of GDP (2008 est.)
Current account balance:	$7.6 billion (latest year, Q4 2008)
Budget:	$86.65 billion-revenues; $82.85 billion-expenditures (2008 est.)
Budget balance:	-0.8% of GDP (2009 forecast)

[126] Complied by Harry Skinner, Senior Researcher, G20 Research Group, and Sophie Langlois, Researcher, G20 Research Group.

Public debt:	48.5% of GDP (Q4 2008) [cumulative debt of all government borrowing]
Exchange rates (per USD):	3.70 (6 May 2009); 3.18 (6 May 2008)
Economic aid-recipient:	$99.66 million (2005)
Debt-external:	$135.5 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$69.1 billion-at home; $26.81 billion-abroad (2008 est.)
Market value of publicly traded shares:	$52.31 billion (31 Dec. 2008)
Distribution of family income-Gini index:	49.0 (Jan-Mar. 2007)
Unemployment rate:	7.8% (Sep. 2008)
Labour force:	16.27 million (2008 est.) [urban areas only]
Oil production:	38th (world rank, 2008)
Oil consumption:	29th (world rank, 2008)
Natural gas production:	21st (world rank, 2008)
Natural gas consumption:	18th (world rank, 2008)

Military

Military expenditures:	1.3% of GDP; 120th in world rank (2005)

Markets

MERV index:	2,352.760 (10 Jan 2010)
% change on 31 Dec. 2008:	+30.6 (local currency); +21.8 ($ terms)

Trade

Trade balance:	$13.6 billion (last 12 months, May. 2009)
Trade to GDP ratio:	45.2 (2006-2008)
Exports:	$70.02 billion f.o.b. (2008 est.)
Top export partners:	Brazil (18.9%); E.U. (18.8%); China (9.1%); United States (7.9%); Chile (6.7%) (2008)
Imports:	$54.56 billion f.o.b. (2008 est.)
Top import partners:	Brazil (31.3%); EU (15.7%); China (12.4%); U.S. (12.2%); Paraguay (3.1%) (2008)

Australia

Polity

Political party:	Australian Labour Party
Head of State:	Prime Minister Kevin Rudd
Most recent election:	24 Nov 2007
Government:	Lower House — Majority; Upper House — Minority
Political system:	Parliamentary
Legislature:	Bicameral, elected House of Representatives, elected Senate
Capital:	Canberra
Official language:	English

Economy

Currency:	Australian dollar (A$)
GDP (official exchange rate):	$1.013 trillion (2008 est.)
Predicted change:	-2.1% (Q1 2009); -0.7% (2009)
Composition by sector:	2.5%-agriculture; 26.4%-industry; 71.1%-services (2008 est.)
Central bank interest rate:	3.00% (7 Apr. 2009)
Official reserve assets:	$44,768.56 million (Oct. 2009)
Foreign currency reserves:	$39,912.34 (Oct. 2009) [in convertible foreign currencies]
Securities:	$34,500.12 million (Oct. 2009)

IMF reserve position:	$1,143.96 million (Oct. 2009)
Special Drawing Rights:	$ 4,680.67 million (Oct. 2009)
Gold:	$2,661.04 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$-0.66 million (Oct. 2009)
Loans to nonbank residents:	$0.00 (Oct. 2009)
Other reserve assets:	$371.20 million (Oct. 2009)
Commercial bank prime lending rate:	8.91% (31 Dec. 2008)
Stock of money:	$298.5 billion (31 Dec. 2007)
Stock of quasi money:	$667.2 billion (31 Dec. 2007)
Stock of domestic credit:	$1.312 trillion (31 Dec. 2007)
Household income or consumption by % share:	0.9%-lowest 10%; 38.2%-highest 10% (2004)
Inflation rate (consumer prices):	4.4% (2008 est.)
Investment (gross fixed):	27.6% of GDP (2008 est.)
Current account balance:	$-44.1 billion (latest year, Q4 2008)
Budget:	$350.3 billion-revenues; $332.4 billion-expenditures (2008 est.)
Budget balance:	-3.3% of GDP (2009)
Public debt:	14.7% of GDP (2008 est.)
Exchange rates (per USD):	1.34 (6 May. 2009); 1.06 (6 May. 2008)
Economic aid-donor:	$2.9899 billion (2006-2007 expected) [ODA]
Debt-external:	$799.8 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$366.5 billion-at home; $197.2 billion-abroad (2008 est.)
Market value of publicly traded shares:	$1.298 trillion (31 Dec. 2007)
Distribution of family income-Gini index:	30.5 (2006)
Unemployment rate:	4.2% (Dec. 2008)
Labour force:	11.25 million (2008 est.)
Oil production:	30th (world rank, 2008)
Oil consumption:	21st (world rank, 2008)
Natural gas production:	20th (world rank, 2008)
Natural gas consumption:	26th (world rank, 2008)

Military

Military expenditures:	2.4% of GDP; 69th in world rank (2006)

Markets

All Ord. index:	4,981.400 (10 Jan. 2010)
% change on 31 Dec. 2008:	+4.9 (local currency); +11.2 ($ terms)

Trade

Trade balance:	$+5.2 billion (latest year, Mar. 2009)
Trade to GDP ratio:	46.1(2006-2008)
Exports:	$189.9 billion (2008 est.)
Top export partners:	Japan (22.8%); China (14.6%); E.U. (10.5%); Korea, Republic of (8.3%); India (6.1%) (2008)
Imports:	$194.2 billion (2008 est.)
Top import partners:	E.U (21%); China (15.6%); U.S. (12%); Japan (9%); Singapore (7.2%) (2008)

Brazil

Polity

Political party:	Workers' Party (PT)
Head of State:	President Luiz Lula de Silva
Most recent election:	29 Oct 2006
Government:	Lower House — Minority; Upper House — Minority
Political system:	Presidential
Legislature:	Bicameral, elected Chamber of Deputies, elected Senate
Capital:	Brasilia
Official language:	Portuguese

Economy

Currency:	Real (R)
GDP (official exchange rate):	$1.573 trillion (2008 est.)
Predicted change:	-13.6% (Q1 2009); -1.5% (2009)
Composition by sector:	6.7%-agriculture; 28%-industry; 65.3%-services (2008 est.)
Central bank interest rate:	10.25% (29 Apr. 2009)
Official reserve assets:	$231,122.62 million (Oct. 2009)
Foreign currency reserves:	$220,508.37 million (Oct. 2009) [in convertible foreign currencies]
Securities:	$211,853.59 million (Oct. 2009)
IMF reserve position:	$645.14 million (Oct. 2009)
Special Drawing Rights:	$4,590.38 million (Oct. 2009)
Gold:	$1,123.69 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$1.12 million (Oct. 2009)
Loans to nonbank residents:	$65.55 million (Oct. 2009)
Other reserve assets:	$4,188.38 million (Oct. 2009)
Commercial bank prime lending rate:	47.25% (31 Dec. 2008)
Stock of money:	$95.03 billion (31 Dec. 2008)
Stock of quasi money:	$724.5 billion (31 Dec. 2008)
Stock of domestic credit:	$1.249 trillion (31 Dec. 2008)
Household income or consumption by % share:	0.9%-lowest 10%; 44.8%-highest 10% (2004)
Inflation rate (consumer prices):	5.7% (2008 est.)
Investment (gross fixed):	19% of GDP (2008 est.)
Current account balance:	$-23.0 billion (latest year, Mar. 2009)
Budget:	NA
Budget balance:	-2.0% of GDP (2009 est.)
Public debt:	38.8% of GDP (2008 est.)
Exchange rates (per USD):	2.12 (6 May 2009); 1.67 (6 May 2008)
Economic aid-recipient:	$191.9 million (2005)
Debt-external:	$262.9 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$294 billion-at home; $127.5 billion-abroad (2008 est.)
Market value of publicly traded shares:	$589.4 billion (31 Dec. 2008)
Distribution of family income-Gini index:	56.7 (2005)
Unemployment rate:	8.5% (Feb. 2008)
Labour force:	100.9 million (2008 est.)

Military

Military expenditures:	2.6% of GDP; 62nd in world rank (2006)

Markets

BVSP index:	70,262.7031 (10 Jan. 2010)
% change on 31 Dec. 2008:	+37.1 (local currency); +50.7 ($ terms)

Trade

Trade balance:	$27.0 billion (latest year, Apr. 2009)
Trade to GDP ratio:	26.2 (2006-2008)
Exports:	$197.9 billion f.o.b. (2008 est.)
Top export partners:	E.U. (23.5%); U.S. (14%); Argentina (8.9%); China (8.3%); Japan (3.1%) (2008)
Imports:	$173.1 billion f.o.b. (2008 est.)
Top import partners:	E,U, (20.9%); U.S. (14.9%); China (11.6%); Argentina (7.7%); Japan (3.9%); (2008)
Oil production:	13th (world rank, 2008)
Oil consumption:	8th (world rank, 2008)
Natural gas production:	39th (world rank, 2008)
Natural gas consumption:	32nd (world rank, 2008)

Canada

Polity

Political party:	Conservative Party of Canada
Head of government:	Prime Minster Stephen Harper
Most recent election:	14 Oct 2008
Government:	Lower House — Minority; Upper House — Minority
Political system:	Parliamentary
Legislature:	Bicameral, elected House of Commons, appointed Senate
Capital:	Ottawa
Official language:	English, French

Economy

Currency:	Canadian dollar (C$)
GDP (official exchange rate):	$1.6 trillion (2008 est.)
Predicted change:	-0.7% (Q4 2008); -2.3% (2009)
Composition by sector:	2.0%-agriculture; 28.4%-industry; 69.6%-services (2008 est.)
Central bank interest rate:	0.25% (21 April. 2009)
Official reserve assets:	$56,236.00 million (Oct. 2009)
Foreign currency reserves:	$44,323.00 million (Oct. 2009) [in convertible foreign currencies]
Securities:	$43,378.00 million (Oct. 2009)
IMF reserve position:	$2,459.00 million (Oct. 2009)
Special Drawing Rights:	$9,341.00 million (Oct. 2009)
Gold:	$113.00 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Oct. 2009)
Loans to nonbank residents:	$0.00 (Oct. 2009)
Other reserve assets:	$0.00 (Oct. 2009)
Commercial bank prime lending rate:	4.73% (31 Dec. 2008)
Stock of money:	$356.2 billion (31 Dec. 2008)
Stock of quasi money:	$1.299 trillion (31 Dec. 2008)
Stock of domestic credit:	$2.335 trillion (31 Dec. 2008)
Household income or	

consumption by % share:	2.6%-lowest 10%; 24.8%-highest 10% (2000)
Inflation rate (consumer prices):	1.0 % (Jan. 2009 est.)
Investment (gross fixed):	22.6% of GDP (2008 est.)
Current account balance:	$11.3 billion (latest year, Q4 2008)
Budget:	$608.3 billion-revenues; $606.0 billion-expenditures (2008 est.)
Budget balance:	-2.5% of GDP (2009)
Public debt:	62.3% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	1.18 (6 May 2009); 1.02 (May 2008)
Economic aid-donor:	$ 4. 079 billion (2007) [ODA]
Debt-external:	$781.1 billion (31 Dec. 2008)
Stock of direct foreign investment:	$433.4 billion-at home; $520.7 billion-abroad (31 Dec. 2008 est.)
Market value of publicly traded shares:	$2.187 trillion (31 Dec. 2007)
Distribution of family income-Gini index:	32.1 (2005)
Unemployment rate:	8.0% (Mar. 2009)
Labour force:	18.22 million (2008 est.)
Oil production:	6th (world rank, 2008)
Oil consumption:	10th (world rank, 2008)
Natural gas production:	4st (world rank, 2008)
Natural gas consumption:	10nd (world rank, 2008)

Military

Military expenditures:	1.1% of GDP; 132nd in world rank (2005)

Markets

S&P TSX index:	11, 953.83 (10 Jan. 20 10)
% change on 31 Dec. 2008:	+12.9 (local currency); +18.5 ($ terms)

Trade

Trade balance:	$37.1 billion (latest year, Feb. 2009)
Trade to GDP ratio:	70.9 (2006-2008)
Exports:	$459.1 billion (2008 est.)
Top export partners:	U.S. (77.6%); E.U. (7.5%); Japan (2.3%); China (2.2%); Mexico (1.2%) (2008)
Imports:	$415.2 billion (2008 est.)
Top import partners:	U.S. (52.4%); E.U. (12.5%); China (9.8%); Mexico (4.1%); Japan (3.5%) (2008)

China

Polity

Political party:	Communist Party of China
Most recent election:	15 Mar 2008
Government:	Single House — Majority
Political system:	Presidential
Legislature:	Unicameral, elected National Congress
Capital:	Beijing
Official language:	Mandarin

Economy

Currency:	Yuan (¥)
GDP (real):	$4. 327 trillion (2008 est.)

Predicted change:	6.1% (Q1 2009); 6.5% (2009)
Composition by sector:	11.3%-agriculture; 48.6%-industry; 40.1%-services (2008 est.)
Central bank interest rate:	5.31% (22 Dec. 2008)
Official reserve assets:	NA
Foreign currency reserves:	1, 953.7 billion (Mar. 2009)
Securities:	NA
IMF reserve position:	$1,286.78 million (Feb. 2009)
Special Drawing Rights:	NA
Gold:	$14,969.06 million (Nov. 2007)
Financial derivatives:	NA
Loans to nonbank residents:	NA
Other reserve assets:	NA
Commercial bank prime lending rate:	5.31% (31 Dec. 2008)
Stock of money:	$2.434 trillion (31 Dec. 2008)
Stock of quasi money:	$4.523 trillion (31 Dec. 2008)
Stock of domestic credit:	$4.653 trillion (31 Dec. 2008)
Household income or consumption by % share:	1.6%-lowest 10%; 34.9%-highest 10% (2004)
Inflation rate (consumer prices):	6.0% (2008 est.)
Investment (gross fixed):	40.2% of GDP (2008 est.)
Current account balance:	$400.7 billion (latest year, Q2 2008)
Budget:	$847.8 billion-revenues; $861.6 billion-expenditures (2008 est.)
Budget balance:	-3.5% of GDP (2009)
Public debt:	15.7% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	6.82 (May 2009); 6.99 (Mar. 2008)
Economic aid-recipient:	$1.331 billion (2007) [ODA]
Debt-external:	$420.8 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$758.9 billion-at home (2007 est.); $149.33 billion-abroad (2008 est.)
Market value of publicly traded shares:	$2.794 trillion (31 Dec. 2008)
Distribution of family income-Gini index:	47.0 (2007)
Unemployment rate:	4.0% (2008 est.)
Labour force:	807.3 million (2008 est.)
Oil production:	5th (world rank, 2008)
Oil consumption:	3rd (world rank, 2008)
Natural gas production:	11th (world rank, 2008)
Natural gas consumption:	12th (world rank, 2008)

Military

Military expenditures:	4.3% of GDP; 25th in world rank (2006)

Markets

SSEA index:	3,397.15 (10 Jan. 2010)
% change on 31 Dec. 2008:	+42.3 (local currency); +42.4 ($ terms)
SSEB index ($ terms):	255.75 (10 Jan. 2010)
% change on 31 Dec. 2008:	+52.0 (local currency); +52.0 ($ terms)

Trade

Trade balance:	$316.9 billion (latest year, Mar. 2009)
Trade to GDP ratio:	73.4 (2006-2008)
Exports:	$1.435 trillion (2008 est.)

Top export partners:	E.U. (20.5%); U.S. (17.7%); Hong Kong, China (13.4%); Japan (8.4%); Japan (8.1%); Republic of Korea (5.2%) (2008)
Imports:	$1.074 trillion (2008 est.)
Top import partners:	Japan (13.3%); E.U. (11.7%); Republic of Korea (9.9%); Taipei, Chinese (9.1%); China (8.2%) (2008)

France

Polity

Political party:	Union for a Popular Movement (UMP)
Head of Government:	President Nicolas Sarkozy
Most recent election:	22 Apr and 6 May 2007
Government:	Lower House — Majority; Upper House — Majority
Political system:	Semi-presidential
Legislature:	Bicameral, elected National Assembly, elected Senate
Capital:	Paris
Official language:	French

Economy

Currency:	Euro (€)
GDP (official exchange rate):	$2.867 trillion (2008 est.)
Predicted change:	-1.0% (Q4 2008); -1.9% (2009)
Composition by sector:	2%-agriculture; 20.4%-industry; 77.6%-services (2008 est.)
Central bank interest rate:	1.0% (May. 2009) [European Monetary Union]
Official reserve assets:	$126,421.60 million (Oct. 2009)
Foreign currency reserves:	$26,256.68 million (Oct. 2009) [in convertible foreign currencies]
Securities:	$19,330.28million (Oct. 2009)
IMF reserve position:	$3,668.92million (Oct. 2009)
Special Drawing Rights:	$ 15,403.84 million (Oct. 2009)
Gold:	$81,092.16 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Oct. 2009)
Loans to nonbank residents:	$0.00 (Oct. 2009)
Other reserve assets:	$0.00 (Oct. 2009)
Commercial bank prime lending rate:	8.13% (2008)
Stock of money:	NA
Stock of quasi money:	NA
Stock of domestic credit:	$4.102 trillion (31 Dec. 2008)
Household income or consumption by % share:	3.0%-lowest 10%; 24.8%-highest 10% (2004)
Inflation rate (consumer prices):	2.8% (2008 est.)
Investment (gross fixed):	21 .9% of GDP (2008 est.)
Current account balance:	$-54.4 billion (latest year, Feb. 2009)
Budget:	$1.407 trillion-revenues; $1.506 trillion-expenditures (2008 est.)
Budget balance:	-6.6% of GDP (2009)
Public debt:	68.1% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	0.75 (6 May 2009); 0.65 (May 2008)
Economic aid-donor:	$9. 883 billion (2007) [ODA]
Debt-external:	$5.37 trillion (30 Sept. 2008)
Stock of direct foreign investment:	$1.234 trillion-at home; $1.889 trillion-abroad (2008 est.)
Market value of publicly traded shares:	$2.771 trillion (31 Dec. 2007)

Distribution of family income-Gini index:	32.7 (2008)
Unemployment rate:	8.8% (Mar. 2009)
Labour force:	27.97 million (2008 est.)
Oil production:	57th (world rank, 2008)
Oil consumption:	13th (world rank, 2008)
Natural gas production:	64st (world rank, 2008)
Natural gas consumption:	16nd (world rank, 2008)

Military

Military expenditures:	2.6% of GDP; 61 in world rank (2005)

Markets

CAC 40 index:	4, 045.14 (10 Jan. 2010)
% change on 31 Dec. 2008:	+2.0 (local currency); -2.4 ($ terms)

Trade

Trade balance:	$-79.1 billion (latest year, Mar. 2009)
Trade to GDP ratio:	55.2 (2006-2008)
Exports:	$601.9 billion f.o.b. (2008 est.)
Top export partners:	E.U. (63.6%); U.S. (5.9%); Switzerland (3.0%); China (2.2%); Russian Federation (1.7%); (2008)
Imports:	$692 billion f.o.b. (2008 est.)
Top import partners:	E.U. (60.3%); China (6.5%); United States (5.5%); Russian Federation (2.9%); Switzerland (2.3%) (2008)

Germany

Polity

Political party:	Christian Democratic Union (CDU-CSU)
Most recent election:	23 May 2009
Head of Government:	Chancellor Angela Merkel
Government:	Lower House — Majority (coalition); Upper House — Majority (coalition)
Political system:	Parliamentary
Legislature:	Bicameral, elected Federal Assembly, elected Federal Council
Capital:	Berlin
Official language:	German

Economy

Currency:	Euro (€)
GDP (official exchange rate):	$3.673 trillion (2008 est.)
Predicted change:	-1.7% (Q4 2008); -5.2% (2009)
Composition by sector:	0.9%-agriculture; 30.1%-industry; 69.0%-services (2008 est.)
Central bank interest rate:	1.0% (May 2009) [European Monetary Union]
Official reserve assets:	$176,984.32 million (Oct. 2009)
Foreign currency reserves:	$38,629.48 million (Oct. 2009) [in convertible foreign currencies]
Securities:	$26,119.04 million (Oct. 2009)
IMF reserve position:	$4,552.48 million (Oct. 2009)
Special Drawing Rights:	$19,368.76 (Oct. 2009)
Gold:	$114,433.60 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Oct. 2009)
Loans to nonbank residents:	$0.00 (Oct. 2009)
Other reserve assets:	$0.00 (Oct. 2009)
Commercial bank prime	

lending rate:	5.97% (31 Dec. 2008)
Stock of money:	NA
Stock of quasi money:	NA
Stock of domestic credit:	$5.019 trillion (31 Dec. 2008)
Household income or consumption by % share:	3.2%-lowest 10%; 22.1%-highest 10% (2000)
Inflation rate (consumer prices):	2.7% (2008 est.)
Investment (gross fixed):	19.2% of GDP (2008 est.)
Current account balance:	$206.2 billion (latest year, Feb. 2009)
Budget:	$1.591 trillion-revenues; $1.591 trillion-expenditures (2008 est.)
Budget balance:	-4.4% of GDP (2009)
Public debt:	66% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	0.75 (May 2009); 0.65 (May. 2008)
Economic aid-donor:	$12. 290 billion (2007) [ODA]
Debt-external:	$4.489 trillion (30 Jun. 2007)
Stock of direct foreign investment:	$924.7 billion-at home; 1.36 trillion-abroad (2008 est.)
Market value of publicly traded shares:	$2.106 trillion (31 Dec. 2007)
Distribution of family income-Gini index:	27.0 (2006)
Unemployment rate:	8.1% (Mar. 2009)
Labour force:	43.62 million (2008 est.)
Oil production:	6th (world rank, 2008)
Oil consumption:	10th (world rank, 2008)
Natural gas production:	4st (world rank, 2008)
Natural gas consumption:	10nd (world rank, 2008)

Military

Military expenditures:	1.5% of GDP; 109th in world rank (2005)

Markets

DAX index:	6,037.61 (10 Jan. 2010) [total return index]
% change on 31 Dec. 2008:	+1.5 (local currency); -2.9 ($ terms)

Trade

Trade balance:	$234.6 billion (latest year, Feb. 2009)
Trade to GDP ratio:	87.4 (2006-2008)
Exports:	$1.53 trillion f.o.b. (2008 est.)
Top export partners:	E.U. (63.7%); U.S. (7.2%); Switzerland (4.0%); China (3.4%); Russia (3.2%) (2008)
Imports:	$1.202 trillion f.o.b. (2008 est.)
Top import partners:	E.U. (58.5%); China (7.2%); U.S. (5.6%); Russia (4.4%); Switzerland (3.8%) (2008)

India

Polity

Political party:	Indian National Congress
Head of Government:	Prime Minister Manmohan Singh
Most recent election:	July 2007
Government:	Lower House — Majority (coalition); Upper House — Majority
Political system:	Parliamentary
Legislature:	Bicameral, elected Assembly, indirectly elected Council of States
Capital:	Delhi

Official language:	Hindi

Economy

Currency:	Indian rupee (Rs)
GDP (official exchange rate):	$1.207 trillion (2008 est.)
Predicted change:	5.3% (Q4 2008); 5.0% (2009)
Composition by sector:	17.2%-agriculture; 29.1%-industry; 53.7%-services (2008 est.)
Central bank interest rate:	4.75% (21 Apr. 2009)
Official reserve assets:	$284,391.00 million (Oct. 2009)
Foreign currency reserves:	$266,768.00 million (Oct. 2009) [in convertible foreign currencies]
Securities:	$150,662.00 million (Oct. 2009)
IMF reserve position:	$1,581.00 million (Oct. 2009)
Special Drawing Rights	$5,242.00 (Oct. 2009)
Gold:	$10,800.00 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Oct. 2009)
Loans to nonbank residents:	$0.00 (Oct. 2009)
Other reserve assets:	$0.00 (Oct. 2009)
Commercial bank prime lending rate:	8.5% (31 Jan. 2009)
Stock of money:	$250.9 billion (31 Dec. 2007)
Stock of quasi money:	$647.3 billion (31 Dec. 2007)
Stock of domestic credit:	$769.3 billion (31 Dec. 2007)
Household income or consumption by % share:	3.6%-lowest 10%; 31.1%-highest 10% (2004)
Inflation rate (consumer prices):	7.8% (2008 est.)
Investment (gross fixed):	39% of GDP (2008 est.)
Current account balance:	$-37.5 billion (latest year, Q4 2008)
Budget:	$126.7 billion-revenues; $202.6 billion-expenditures (2008 est.)
Budget balance:	-7.7% of GDP (2009)
Public debt:	78.0% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	49.6 (7 May 2009); 41.4 (May. 2008)
Economic aid-recipient:	$903.19 million (2007)
Debt-external:	$229.3 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$144.2 billion-at home; $61.77 billion-abroad (2008 est.)
Market value of publicly traded shares:	$650 billion (31 Dec. 2008)
Distribution of family income-Gini index:	36.8 (2004)
Unemployment rate:	9.1% (2008 est.)
Labour force:	523.5 million (2008 est.)
Oil production:	23rd (world rank, 2008)
Oil consumption:	5th (world rank, 2008)
Natural gas production:	26st (world rank, 2008)
Natural gas consumption:	19th (world rank, 2008)

Military

Military expenditures:	2.5% of GDP; 66th in world rank (2006)

Markets

BSE index:	17,672.09 (6 May 2010)
% change on 31 Dec. 2008:	+23.9 (local currency); +21.7 ($ terms)

Trade

Trade balance:	$-109.0 billion (latest year, Mar. 2009)
Trade to GDP ratio:	47.6 (2006-2008)
Exports:	$187.9 billion (2008 est.)
Top export partners:	E.U. (21.6%); U.S. (11.8%); UAE (10.5%); China (5.6%); Singapore (4.9%) (2008)
Imports:	$315.1 billion (2008 est.)
Top import partners:	E.U. (13.9%); China (10.0%); U.S. (7.8%); Saudi Arabia (7.3%); UAE (6.2%) (2008)

Indonesia

Polity

Political party:	Democratic Party
Head of Government:	President Susilo Bambang Yudhoyono
Most recent election:	8 July 2009
Government:	Lower House — Minority; Upper House — None
Political system:	Presidential
Legislature:	Bicameral, elected House of People's Representatives, elected House of Regional Representatives
Capital:	Jakarta
Official language:	Indonesian

Economy

Currency:	Rupiah (Rp)
GDP (official exchange rate):	$511.8 billion (2008 est.)
Predicted change:	5.2% (Q4 2008); -1.4% (2009)
Composition by sector:	13.5%-agriculture; 45.6%-industry; 40.8%-services (2008 est.)
Central bank interest rate:	7.25% (May 2009)
Official reserve assets:	$64,528.45 million (Oct. 2009)
Foreign currency reserves:	$58,862.90 million (Oct. 2009) [in convertible foreign currencies]
Securities:	$57,439.61 million (Oct. 2009)
IMF reserve position:	$230.90 (Oct. 2009)
Special Drawing Rights:	$2,797.78 million (Oct. 2009)
Gold:	$2,442.10 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Oct. 2009)
Loans to nonbank residents:	$0.00 (Oct. 2009)
Other reserve assets:	$194.77 million (Oct. 2009)
Commercial bank prime lending rate:	13.6% (31 Dec. 2008)
Stock of money:	$41.71 billion (31 Dec. 2008)
Stock of quasi money:	$131.5 billion (31 Dec. 2008)
Stock of domestic credit:	$166.2 billion (31 Dec. 2008)
Household income or consumption by % share:	3.0%-lowest 10%; 32.3%-highest 10% (2006)
Inflation rate (consumer prices):	11.1% (2008 est.)
Investment (gross fixed):	23.6% of GDP (2008 est.)
Current account balance:	$7.3 billion (latest year, Mar 2009)
Budget:	$92.62 billion-revenues; $98.88 billion-expenditures (2008 est.)
Budget balance:	-2.9% of GDP (2009)
Public debt:	29.3% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	10,410.0 (6 May 2009); 9,225.0 (May. 2008)
Economic aid-recipient:	$362.09 million (2007 est.) [ODA]

Debt-external:	$143.5 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$63.46 billion-at home; $4.277 billion-abroad (2008 est.)
Market value of publicly traded shares:	$98.76 billion (31 Dec. 2008)
Distribution of family income-Gini index:	39.4 (2005)
Unemployment rate:	8.4% (Aug. 2008)
Labour force:	112.0 million (2008 est.)
Oil production:	22nd (world rank, 2008)
Oil consumption:	17th (world rank, 2008)
Natural gas production:	13th (world rank, 2008)
Natural gas consumption:	24th (world rank, 2008)

Military

Military expenditures:	3% of GDP; 50th in world rank (2005)

Markets

JSX index:	2,645.79 (10 Jan. 2010)
% change on 31 Dec. 2008:	+32.7 (local currency); +38.9 ($ terms)

Trade

Trade balance:	$7.3 billion (latest year, Mar. 2009)
Trade to GDP ratio:	60.4 (2005-2007)
Exports:	$139.3 billion f.o.b. (2008 est.)
Top export partners:	Japan (20.2%); E.U. (11.3%); U.S. (9.5%); Singapore (9.4%); China (8.5%); (2008)
Imports:	$116 billion f.o.b. (2008 est.)
Top import partners:	Singapore (16.9%); China (11.8%); Japan (11.7%); E.U. (8.2%); Malaysia (6.9%); (2008)

Italy

Polity

Political party:	People of Freedom (coalition)
Head of Government:	Prime Minister Silvio Berlusconi
Most recent election:	13-14 Apr 2008
Government:	Lower House — Majority (coalition); Upper House — Majority (coalition)
Political system:	Parliamentary
Legislature:	Bicameral, elected Chamber of Deputies, elected Senate
Capital:	Rome
Official language:	Italian

Economy

Currency:	Euro (€)
GDP (official exchange rate):	$2.314 trillion (2008 est.)
Predicted change:	-2.9% (Q4 2008); -4.0% (2009)
Composition by sector:	2.0%-agriculture; 26.7%-industry; 71.3%-services (2008 est.)
Central bank interest rate:	1.0% (May 2009) [European Monetary Union]
Official reserve assets:	$129,330.61 million (Oct. 2009)
Foreign currency reserves:	$35,353.79 million (Oct. 2009) [in convertible foreign currencies]
Securities:	$31,559.27 million (Oct. 2009)
IMF reserve position:	$2,441.60 million (Oct. 2009)
Special Drawing Rights:	$9,553.27 million (Oct. 2009)

Gold:	$81,981.95 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Oct. 2009)
Loans to nonbank residents:	$0.00 (Oct. 2009)
Other reserve assets:	$0.00 (Oct. 2009)
Commercial bank prime lending rate:	11.34% (31 Dec. 2008)
Stock of money:	NA
Stock of quasi money:	NA
Stock of domestic credit:	$3.046 trillion (31 Dec. 2008)
Household income or consumption by % share:	2.3%-lowest 10%; 26.8%-highest 10% (2000)
Inflation rate (consumer prices):	3.4% (2008 est.)
Investment (gross fixed):	20.9% of GDP (2008 est.)
Current account balance:	$-72.9 billion (latest year, Feb. 2009)
Budget:	$1.068 trillion-revenues; $1.132 trillion-expenditures (2008 est.)
Budget balance:	-4.3% of GDP (2009)
Public debt:	103.7% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	0.75 (6 May 2009); 0.76 (May 2008)
Economic aid-donor:	$3. 970 billion (2007) [ODA]
Debt-external:	$2.328 trillion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$374.8 billion-at home; $547.7 billion-abroad (2008 est.)
Market value of publicly traded shares:	$1.073 trillion (31 Dec. 2007)
Distribution of family income-Gini index:	32.0 (2006)
Unemployment rate:	6.9% (Q4 2008)
Labour force:	25.09 million (2008 est.)
Oil production:	44th (world rank, 2008)
Oil consumption:	16th (world rank, 2008)
Natural gas production:	43rd (world rank, 2008)
Natural gas consumption:	8th (world rank, 2008)

Military

Military expenditures:	1.8% of GDP; 93rd in world rank (2005)

Markets

S&P/MIB index:	28,811.13 (10 Jan. 2010)
% change on 31 Dec. 2008:	+3.3 (local currency); -1.2 ($ terms)

Trade

Trade balance:	$-15.7 billion (latest year, Feb. 2009)
Trade to GDP ratio:	57.9 (2006-2008)
Exports:	$546.9 billion f.o.b. (2008 est.)
Top export partners:	E.U. (57.9%); U.S. (6.3%); Switzerland (4.0%); Russia (2.9%); Turkey (2.0%) (2008)
Imports:	$546.9 billion f.o.b. (2008 est.)
Top import partners:	E.U. (53.1%); China (6.3%); Libyan Arab Jamahiriya (3.8%); U.S. (3.1%); Switzerland (3.0%) (2008)

Japan

Polity

Political party:	Democratic Party of Japan (DPJ)
Chief of state:	Emperor Akihito
Head of Government:	Prime Minister Yukio Haytoyama (since 16 Sept 2009)
Most recent election:	August 30, 2009
Government:	Lower House — Majority (coalition); Upper House — Minority (coalition)
Political system:	Parliamentary with Constitutional Monarchy
Legislature:	Bicameral Diet, elected House of Representatives, elected House of Councilors
Capital:	Tokyo
Official language:	Japanese
Population:	127, 078, 679; country comparison to the world: 10th (July 2009 est.)
Population growth rate:	-0.191%; country comparison to the world: 218th (2009 est.)

Economy

Currency:	Yen (¥)
GDP (official exchange rate):	$4.911 trillion (2008 est.)
Predicted change:	-4.3% (Q4 2008); -6.4% (2009)
Composition by sector:	1.5%-agriculture; 26.3%-industry; 72.3%-services (2008 est.)
Central bank interest rate:	0.1% (7 Jan. 2010)
Official reserve assets:	$1, 073, 712 million (Nov 2009)
Foreign currency reserves:	$1,018,414 million (Nov 2009) [in convertible foreign currencies]
Securities:	$962, 886 million (Nov 2009)
IMF reserve position:	$4,430 million (Nov 2009)
Special Drawing Rights:	$21, 536 million (Nov 2009)
Gold:	$28, 926 million (Nov 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Nov 2009)
Loans to nonbank residents:	$0.00 (Nov 2009)
Other reserve assets:	$406 million (Nov 2009)
Commercial bank prime lending rate:	1.91% (31 Dec 2008)
Stock of money:	$5417 trillion (31 Dec 2008)
Stock of quasi money:	$6.16 trillion (31 Dec 2008)
Stock of domestic credit:	$12.34 trillion (31 Dec. 2008)
Household income or consumption by % share:	4.8%-lowest 10%; 21.7%-highest 10% (1993)
Inflation rate (consumer prices):	1.8% (2008 est.)
Investment (gross fixed):	23% of GDP (2008 est.)
Current account balance:	$126.5 billion (latest year, Oct. 2009)
Budget:	$1.72 trillion – revenues; $1.788 trillion – expenditures (2008 est.)
Budget balance:	-7.7% of GDP (2009)
Public debt:	172.1% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	92.15 (7 Jan 2010); 98.7 (6 May 2009); 105 (May 2008)
Economic aid-donor:	$7. 678 billion (2007) [ODA]
Debt-external:	$2.231 trillion (31 December 2008 est.)
Stock of direct foreign investment:	$135.4 billion-at home; $663.9 billion-abroad (2008 est.)
Market value of publicly traded shares:	$NA (31 Dec. 2008)
Distribution of family	

income-Gini index:	38.1 (2002)
Unemployment rate:	5.2% (Nov. 2009)
Labour force:	66.5 million (2008 est.)
Oil production:	47th (world rank, 2008)
Oil consumption:	4th (world rank, 2008)
Natural gas production:	49th (world rank, 2008)
Natural gas consumption:	5th (world rank, 2008)

Military

Military expenditures:	0.8% of GDP (2006)

Markets

Nikkei 225 index:	10,681.83 (5 Jan 2010)
% change on 31 Dec. 2008:	+1.3 (local currency); -7.0 ($ terms)
Topix index:	925.65 (4 Jan 2010)
% change on 31 Dec. 2008:	-1.4 (local currency); -9.5 ($ terms)

Trade

Trade balance:	$27.9 billion (latest year, Oct. 2009)
Trade to GDP ratio:	31.5 (2005-2007)
Exports:	$746.5 billion f.o.b. (2008 est.)
Top export partners:	U.S. (17.8%); China (16%); Republic of Korea (7.6%); Hong Kong (5.1%) (2008)
Imports:	$708.3 billion f.o.b. (2008 est.)
Top import partners:	China (18.9%); U.S. (10.4%); Saudi Arabia (6.7%); Australia (6.2%); UAE (6.1%); Indonesia (4.3%) (2008)

Korea

Polity

Political party:	Grand National Party
Chief of state:	President LEE Myung-bak
Head of State:	Prime Minister Chung Un-chan
Most recent election:	9 April 2008
Government:	Single House — Majority
Political system:	Presidential
Legislature:	Unicameral, elected National Assembly
Capital:	Seoul
Official language:	Korean
Population:	48,508,972; country comparison to the world: 25th (July 2008 est.)
Population growth rate:	0.266%; country comparison to the world: 178th (2009 est.)

Economy

Currency:	Won (W)
GDP (official exchange rate):	$929.1 billion (2008 est.)
Predicted change:	-4.3% (Q4 2009); -5.9% (2009)
Composition by sector:	3%-agriculture; 39.5%-industry; 57.6%-services (2008 est.)
Central bank interest rate:	2.0% (7 Jan. 2010)
Official reserve assets:	$264,187.00 million (Oct. 2009)
Foreign currency reserves:	$259,436.00 million (Oct. 2009) [in convertible foreign currencies]
Securities:	$235,776.00 million (Oct. 2009)
IMF reserve position:	$997.00 million (Oct. 2009)
Special Drawing Rights:	$3,791.00 million (Oct. 2009)
Gold:	$78.00 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Oct. 2009)

Loans to nonbank residents:	$0.00 (Oct. 2009)
Other reserve assets:	$-116.00 million (Oct. 2009)
Commercial bank prime lending rate:	7.17% (31 Dec. 2008)
Stock of money:	$80.66 billion (31 Dec. 2008)
Stock of quasi money:	$478.0 billion (31 Dec. 2008)
Stock of domestic credit:	$937 billion (31 Dec. 2008)
Household income or consumption by % share:	2.7%-lowest 10%; 24.2%-highest 10% (2007 est.)
Inflation rate (consumer prices):	4.7% (2008 est.)
Investment (gross fixed):	27.1% of GDP (2008 est.)
Current account balance:	$+41.9 billion (latest year, Nov. 2009)
Budget:	$227.5 billion-revenues; $216.7 billion-expenditures (2008 est.)
Budget balance:	-4.5% of GDP (2009)
Public debt:	24.4% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	1,277.0 (May 2009); 1,026 (May 2008)
Economic aid-donor:	$699.06 million (2007) [ODA]
Debt-external:	$381.1 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$124.2 billion-at home (31 Dec 2008 est.); $74.6 billion-abroad (30 June 2008)
Market value of publicly traded shares:	$494.6 billion (31 Dec. 2008)
Distribution of family income-Gini index:	31.3 (2006)
Unemployment rate:	3.5% (Nov. 2009)
Labour force:	24.35 million (2008 est.)
Oil production:	69th (world rank, 2008)
Oil consumption:	11th (world rank, 2008)
Natural gas production:	68th (world rank, 2008)
Natural gas consumption:	25th (world rank, 2008)

Military

Military expenditures:	2.7% of GDP; 58th world rank (2006)

Markets

KOSPI index:	1,705 (6 Jan. 2010)
% change on 31 Dec. 2008:	+23.9 (local currency); +22.2 ($ terms)

Trade

Trade balance:	$+41.0 (latest year, Dec. 2009)
Trade to GDP ratio:	85.7 (2005-2007)
Exports:	$433.5 billion f.o.b. (2008 est.)
Top export partners:	China (22.4%); U.S. (10.9%); Japan (6.6%); Hong Kong (4.6%) (2008)
Imports:	$427.4 billion f.o.b. (2008 est.)
Top import partners:	China (17.7%); Japan (14%); U.S. (8.9%); Saudi Arabia (7.8%); UAE (4.4%); Australia (4.1%) (2008)

Mexico

Polity

Political party:	National Action Party
Chief of state:	President Felipe Calderon
Head of Government	President Felipe Calderon

Most recent election:	2 Jul 2006
Government:	Lower House — Minority; Upper House — Minority
Political system:	Federal Republic
Legislature:	Bicameral, elected Federal Chamber of Deputies, elected Senate
Capital:	Mexico City
Official language:	Spanish
Population:	111,211,789; country comparison to the world: 11th (July 2009 est.)
Population growth rate:	1.13%; country comparison to the world: 120th (2009 est.)

Economy

Currency:	Mexican peso (PS)
GDP (official exchange rate :	$1.088 trillion (2008 est.)
Predicted change:	-1.6% (Q4 2008); -4.4% (2009)
Composition by sector:	3.8%-agriculture; 35.2%-industry; 61%-services (2008 est.)
Central bank interest rate:	6.0% (Apr. 2009)
Official reserve assets:	NA
Foreign currency reserves:	$88,867 million (Mar. 2009)
Securities:	NA
IMF reserve position:	SDR503.06 million (Apr. 2009)
Special Drawing Rights:	$496 million (Mar. 2009)
Gold:	175 million (Mar. 2009)
Financial derivatives:	NA
Loans to nonbank residents:	NA
Other reserve assets:	637 Million (Mar 2009)
Commercial bank prime lending rate:	8.71% (31 Dec. 2008)
Stock of money:	$92.34 billion (31 Dec. 2008)
Stock of quasi money:	$147.4 billion (31 Dec. 2008)
Stock of domestic credit:	$287 billion (31 Dec. 2008)
Household income or consumption by % share:	1.8%-lowest 10%; 37.9%-highest 10% (2006)
Inflation rate (consumer prices):	6.2% (2008 est.)
Investment (gross fixed):	22.1% of GDP (2008 est.)
Current account balance:	$-11.2 billion (latest year, Q3. 2009)
Budget:	$257.1 billion-revenues; $258.1 billion-expenditures (2008 est.)
Budget balance:	-4.0% of GDP (2009)
Public debt:	35.8% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	12.78 (7 Jan 2010);14.2 (Mar. 2009); 10.7 (Mar. 2008)
Economic aid-recipient:	$78.95 million (2007)
Debt-external:	$200.4 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$289.8 billion-at home; 45.39 billion-abroad (Dec 31 2008 est.)
Market value of publicly traded shares:	$232.6 billion (31 Dec. 2008)
Distribution of family income-Gini index:	47.9 (2006)
Unemployment rate:	5.3% (Nov. 2009 est.)
Labour force:	45.32 million (2008 est.)
Oil production:	7th (world rank, 2008)
Oil consumption:	12th (world rank, 2008)
Natural gas production:	17th (world rank, 2008)
Natural gas consumption:	13th (world rank, 2008)

Military

Military expenditures:	0.5% of GDP; 161st in world rank (2006)

Markets

IPC index:	32,952.82 (5 Jan. 2010)
% change on 31 Dec. 2008:	+6.8 (local currency); +11.7 ($ terms)

Trade

Trade balance:	$-6.5 billion (latest year, Nov. 2009)
Trade to GDP ratio:	64.5 (2005-2007)
Exports:	$291.3 billion f.o.b. (2008 est.)
Top export partners:	U.S. (80.2%); Canada (2.4%); Germany (1.7%) (2008)
Imports:	$308.6 billion f.o.b. (2008 est.)
Top import partners:	U.S. (49.%); China (11.2%); Japan (5.3%); Republic of Korea (4.4%); Germany (4.1%) (2008)

Russia

Polity

Political party:	United Russia
Chief of state:	President Dimitriy Medvedev
Head of State:	Premier Vladimir Putin
Most recent election:	2 Mar 2008
Government:	Lower House — Majority; Upper House — None
Political system:	Semi-presidential
Legislature:	Bicameral, elected Duma, appointed Federation Council
Capital:	Moscow
Official language:	Russian
Population:	140,041,247; country comparison to the world: 9th (July 2009 est.)
Population growth rate:	-0.467%; country comparison to the world: 226th (2009 est.)

Economy

Currency:	Rouble (Rb)
GDP (official exchange rate):	$1.677 trillion (2008 est.)
Predicted change:	1.2% (Q4 2008); -3.0% (2009)
Composition by sector:	4.7%-agriculture; 37.6%-industry; 57.7%-services (2008 est.)
Central bank interest rate:	12.0% (May 2009)
Official reserve assets:	$434,428.04million (Oct 2009)
Foreign currency reserves:	$378,228.93 million (Oct 2009) [in convertible foreign currencies]
Securities:	$348,868.66 million (Oct 2009)
IMF reserve position:	$1,954.34 million (Oct 2009)
Special Drawing Rights:	$9,021.90 million (Oct 2009)
Gold:	$20,406.77 million (Oct 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Oct 2009)
Loans to nonbank residents:	$0.00 (Oct 2009)
Other reserve assets:	$24,24,816.11 million (Oct 2009)
Commercial bank prime lending rate:	12.23% (31 Dec. 2008)
Stock of money:	$252.5 billion (31 Dec 2008)
Stock of quasi money:	$318.4 billion (31 Dec 2008)
Stock of domestic credit:	$367.2 billion (31 Dec 2008)
Household income or consumption by % share:	1.9%-lowest 10%; 30.4%-highest 10% (Sep. 2007)
Inflation rate (consumer prices):	14.1% (2008 est.)
Investment (gross fixed):	22.1% of GDP (2008 est.)

Current account balance:	$40.8 billion (latest year, Q3 2009)
Budget:	$364.6 billion-revenues; $304.6 billion-expenditures (2008 est.)
Budget balance:	-8.0% of GDP (2009)
Public debt:	6.5% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	32.8 (6 May 2009); 23.8 (May 2008)
Economic aid-recipient:	$982.7 million (FY 2006) [from U.S.]
Debt-external:	$438.5.1 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$491.2 billion-at home (2007); $176.7 billion-abroad (31 Dec. 2008 est.)
Market value of publicly traded shares:	$397.2 billion (31 Dec. 2008 est.)
Distribution of family income-Gini index:	41.5 (Sep. 2008)
Unemployment rate:	8.1% (Nov. 2009)
Labour force:	75.7 million (2008 est.)
Oil production:	2nd (world rank, 2008)
Oil consumption:	6th (world rank, 2008)
Natural gas production:	1st (world rank, 2008)
Natural gas consumption:	3rd (world rank, 2008)

Military

Military expenditures:	3.9% of GDP; 30th in world rank (2005)

Markets

RTS index ($ terms):	1444.61 (31 Dec 2009)
% change on 31 Dec. 2008:	+52.7 (local currency); +42.0 ($ terms)

Trade

Trade balance:	$104.1 billion (latest year, Nov. 2009)
Trade to GDP ratio:	54.1 (2005-2007)
Exports:	$471.6 billion (2008 est.)
Top export partners:	Netherlands (11.2%); Italy (8.1%); Germany (8%); Turkey (6%); Ukraine (5.1%); Poland (4.5%); China (4.3%) (2008)
Imports:	$291.9 billion f.o.b. (2008 est.)
Top import partners:	Germany (13.5%); China (13.2%); Ukraine (6%); U.S. (4.5%); Italy (4.3%) (2008)

Saudi Arabia

Polity

Political party:	None
Chief of state:	King and Prime Minister Abdallah bin Abd al-Aziz Al Saud
Head of State:	King and Prime Minister Abdallah bin Abd al-Aziz Al Saud
Most recent election:	None
Government:	None
Political system:	Absolute monarchy
Legislature:	Monarchy
Capital:	Riyadh
Official language:	Arabic
Population:	28,686,633; country comparison to the world: 41st (July 2009 est.)
Population growth rate:	1.848%; country comparison to the world: 69th (2009 est.)

Economy

Currency:	Riyal (SR)

GDP (official exchange rate):	$469.4 billion (2008 est.)
Predicted change:	4.2% (2008); -1.0% (2009)
Composition by sector:	3.1%-agriculture; 61.9%-industry; 35.0%-services (2008 est.)
Central bank interest rate:	NA
Official reserve assets:	NA
Foreign currency reserves:	NA
Securities:	NA
IMF reserve position:	SDR 1,136.61 million (Feb. 2009)
Special Drawing Rights:	NA
Gold:	NA
Financial derivatives:	NA
Loans to nonbank residents:	NA
Other reserve assets:	NA
Commercial bank prime lending rate:	NA
Stock of money:	$113.2 billion (31 Dec. 2008)
Stock of quasi money:	$134.3 billion (31 Dec. 2008)
Stock of domestic credit:	$66.94 billion (31 Dec. 2007)
Household income or consumption by % share:	NA
Inflation rate (consumer prices):	9.9% (2008 est.)
Investment (gross fixed):	19.4% of GDP (2008 est.)
Current account balance:	$134.0 billion (2008 est.)
Budget:	$293.7 billion-revenues; $136.0 billion-expenditures (2008 est.)
Budget balance:	-0.9% of GDP (2009)
Public debt:	18.9% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	3.75 (May 2009); 3.75 (May 2008)
Economic aid:	NA
Debt-external:	$82.13 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$108.5 billion – at home; 18.07 billion – abroad (31 Dec. 2008 est.)
Market value of publicly traded shares:	$246.3 billion (31 December 2008)
Distribution of family income-Gini index:	NA
Unemployment rate:	8.8 (local bank estimate 2008; other estimates vary significantly)
Labour force:	6.74 million (2008 est.) [about 1/3 of the population aged 15-64 is non-national]
Oil production:	1st (world rank, 2008)
Oil consumption:	9th (world rank, 2008)
Natural gas production:	9th (world rank, 2008)
Natural gas consumption:	11th (world rank, 2008)

Military

Military expenditures:	10% of GDP; 3rd in world rank (2005)

Markets

Tadawul index:	6,260.90 (6 Jan 2010)
% change on 31 Dec. 2008:	+20.8 (local currency); +20.9 ($ terms)

Trade

Trade balance:	$212.0 billion (latest year, 2008)
Trade to GDP ratio:	86.7 (2005-2007)
Exports:	$313.4 billion f.o.b. (2008 est.)

Top export partners:	U.S. (17.1%); Japan (15.2%); Republic of Korea (10.1%); China (9.3%); India (7%); Singapore (4.4%) (2008)
Imports:	$108.3 billion f.o.b. (2008 est.)
Top import partners:	U.S. (12.2%); China (10.5%); Japan (7.7%); Germany (7.4%); Republic of Korea (5.1%); Italy (4.8%); India (4.2%); UK (4.1%) (2008)

South Africa

Polity

Political party:	African National Congress
Chief of state:	President Jacob Zuma
Head of State:	President Jacob Zuma
Most recent election:	22 Apr 2009
Government:	Lower House — Majority; Upper House — Majority
Political system:	Parliamentary
Legislature:	Bicameral, elected National Assembly, elected National Council of Provinces
Capital:	Pretoria
Official language:	Afrikaans, English
Population:	49,052,489; country comparison to the world: 24th (July 2009 est.)
Population growth rate:	0.281%; country comparison to the world: 173rd (2009 est.)

Economy

Currency:	Rand (R)
GDP (official exchange rate):	$276.8 billion (2008 est.)
Predicted change:	1.0% (Q4 2008); -1.8% (2009)
Composition by sector:	3.3%-agriculture; 33.7%-industry; 63.0%-services (2008 est.)
Central bank interest rate:	7.0% (7 Jan. 2009)
Official reserve assets:	$39,789.00 million (Oct. 2009)
Foreign currency reserves:	$32, 764.00 million (Oct. 2009) [in convertible foreign currencies]
Securities:	$1,518.00 million (Oct. 2009)
IMF reserve position:	$0.00 (Oct. 2009)
Special Drawing Rights:	$2,838.20 million (Oct. 2009)
Gold:	$4,186.90 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Oct. 2009)
Loans to nonbank residents:	$0.00 (Oct. 2009)
Other reserve assets:	$0.00 (Oct. 2009)
Commercial bank prime lending rate:	15.13% (31 Dec. 2008)
Stock of money:	$44.66 billion (31 Dec. 2008)
Stock of quasi money:	$124.1 billion (31 Dec. 2008)
Stock of domestic credit:	$214.8 billion (31 Dec. 2008)
Household income or consumption by % share:	1.3%-lowest 10%; 44.7%-highest 10% (2000)
Inflation rate (consumer prices):	11.3% (2008 est.)
Investment (gross fixed):	23.2% of GDP (2008 est.)
Current account balance:	$-12.0.0 billion (latest year, Q3 2009)
Budget:	$77.43 billion-revenues; $79.9 billion-expenditures (2008 est.)
Budget balance:	-5.0% of GDP (2009)
Public debt:	31.6% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	7.33 (7 Jan 2010); 8.47 (May 2009); 7.52 (May 2008)

Economic aid-recipient:	$597.18 million (2007)
Debt-external:	$71.81 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$120 billion-at home; $63.57 billion-abroad (31 Dec. 2008 est.)
Market value of publicly traded shares:	$491.3 billion (31 Dec. 2008)
Distribution of family income-Gini index:	65.0 (2005)
Unemployment rate:	24.5% (Sept 2009)
Labour force:	17.79 million (2008 est.) [economically active]
Oil production:	41st (world rank, 2008)
Oil consumption:	30th (world rank, 2008)
Natural gas production:	53rd (world rank, 2008)
Natural gas consumption:	54th (world rank, 2008)

Military

Military expenditure:	1.7% of GDP; 98th world rank (2006)

Markets

JSE AS index:	27,998.87 (6 Jan. 2010)
% change on 31 Dec. 2008:	+1.3 (local currency); -10.6 ($ terms)

Trade

Trade balance:	$-2.5 billion (latest year, Nov. 2009)
Trade to GDP ratio:	62.1 (2005-2007)
Exports:	$86.12 billion f.o.b. (2008 est.)
Top export partners:	U.S. (11.1%); Japan (11.1%); Germany (8.0%); UK (6.8%); China (6.%); Netherlands (5.2%) (2008)
Imports:	$90.57 billion f.o.b. (2008 est.)
Top import partners:	Germany (11.2%); China (11.1%); U.S. (7.9%); Saudi Arabia (6.2%); Japan (5.5%); UK (4.0%) (2008)

Turkey

Polity

Political party:	Justice and Development Party (AKP)
Chief of state:	President Abdullah Gul
Head of State:	Prime Minister Recep Tayyip Erddogan
Most recent election:	22 Jul 2007
Government:	Single House — Majority
Political system:	Parliamentary
Legislature:	Unicameral, elected Grand National Assembly
Capital:	Ankara
Official language:	Turkish
Population:	76,805,524; country comparison to the world: 17th (July 2009 est.)
Population growth rate:	1.312; country comparison to the world: 102nd (2009 est.)

Economy

Currency:	Turkish lira (YTL)
GDP (official exchange rate):	$730.0 billion (2008 est.)
Predicted change:	-6.2.% (Q4 2008); -4.4% (2009)
Composition by sector:	8.8%-agriculture; 27.5%-industry; 63.8%-services (2008 est.)
Central bank interest rate:	6.50% (7 Jan 2010)
Official reserve assets:	$75,905.47 million (Nov. 2009)
Foreign currency reserves:	$69,750.01 million (Nov. 2009) [in convertible foreign currencies]
Securities:	$65,330.62 million (Nov. 2009)

IMF reserve position:	$181.00 million (Nov. 2009)
Special Drawing Rights:	$1,559.00 million (Nov. 2009)
Gold:	$4,415.46 million (Nov. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (Nov. 2009)
Loans to nonbank residents:	$0.00 (Nov. 2009)
Other reserve assets:	$0.00 (Nov. 2009)
Commercial bank prime lending rate:	NA
Stock of money:	$53.25 billion (31 Dec. 2008)
Stock of quasi money:	$248.4 billion (31 Dec. 2008)
Stock of domestic credit:	$326.4 billion (31 Dec. 2008)
Household income or consumption by % share:	1.9%-lowest 10%; 33.2%-highest 10% (2005)
Inflation rate (consumer prices):	10.2% (2008 est.)
Investment (gross fixed):	20.3% of GDP (2008 est.)
Current account balance:	$-11.4 billion (latest year, Oct. 2009)
Budget:	$160.5 billion-revenues; $173.6 billion-expenditures (2008 est.)
Budget balance:	-6.3% of GDP (2009)
Public debt:	40% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	1.57 (6 May 2009); 1.25 (May 2008)
Economic aid-recipient:	$237.45 million (2007)
Debt-external:	$278.1 billion (31 Dec. 2008 est.)
Stock of direct foreign investment:	$128.7 billion-at home; $14.8 billion-abroad (31 Dec 2008 est.)
Market value of publicly traded shares:	$117.9 billion (31 Dec. 2008)
Distribution of family income-Gini index:	43.6 (2003)
Unemployment rate:	13.4% (Sept. 2009)
Labour force:	24.06 million (2008 est.) [about 1.2 million Turks work abroad]
Oil production:	64th (world rank, 2008)
Oil consumption:	27th (world rank, 2008)
Natural gas production:	63rd (world rank, 2008)
Natural gas consumption:	23th (world rank, 2008)

Military

Military expenditures:	5.3% of GDP; 17th world rank (2005)

Markets

ISE index:	68,929.90 (6 Jan 2010)
% change on 31 Dec. 2008:	+25.5 (local currency); +23.6 ($ terms)

Trade

Trade balance:	$-37.0 billion (latest year, Nov. 2009)
Trade to GDP ratio:	48.5 (2005-2007)
Exports:	$140.7 billion f.o.b. (2008 est.)
Top export partners:	Germany (9.8%); UK (6.2%); Italy (5.9%); France (5%); Russia (4.9%)(2008)
Imports:	$193.9 billion f.o.b. (2008 est.)
Top import partners:	Russia (15.5%); Germany (9.3%); China (7.8%); U.S. (5.9%) Italy (5.5%); France (4.5%); Iran (4.1%) (2008)

United Kingdom

Polity

Political party:	Labour Party
Chief of state:	Queen Elizabeth II
Head of Government:	Prime Minister James Gordon Brown
Most recent election:	5 Oct 2005
Government:	Lower House — Majority; Upper House — Majority
Political system:	Parliamentary
Legislature:	Bicameral, elected House of Commons, appointed House of Lords
Capital:	London
Official language:	English
Population:	61,133,205; country comparison to the world: 22nd (July 2009 est.)
Population growth rate:	0.279%; country comparison to the world: 175th (July 2009 est.)

Economy

Currency:	British pound (£)
GDP (official exchange rate):	$2.68 trillion (2008 est.)
Predicted change:	-4.1% (Q1 2009); -3.7% (2009)
Composition by sector:	1.3%-agriculture; 24.2%-industry; 74.5%-services (2008 est.)
Central bank interest rate:	0.5% (7 Jan. 2010)
Official reserve assets:	$21,868.00 million (Nov. 2009)
Foreign currency reserves:	$7,730.00 million (Nov. 2009) [in convertible foreign currencies]
Securities:	$6,715.00 million (Nov. 2009)
IMF reserve position:	$0.00 million (Nov. 2009)
Special Drawing Rights:	$0.00 million (Nov. 2009)
Gold:	$0.00 million (Nov. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$-682.00 million (Nov. 2009)
Loans to nonbank residents:	$0.00 (Nov. 2009)
Other reserve assets:	$14,499.00 million Nov. 2009)
Commercial bank prime lending rate:	4.63% (31 Dec. 2008)
Stock of money:	NA (31 Dec. 2008)
Stock of quasi money:	NA (31 Dec. 2008)
Stock of domestic credit:	$NA (31 Dec. 2008)
Household income or consumption by % share:	2.1%-lowest 10%; 28.5%-highest 10% (1999)
Inflation rate (consumer prices):	3.6% (2008 est.)
Investment (gross fixed):	16.7% of GDP (2008 est.)
Current account balance:	$-28.2 billion (lQ3 2009)
Budget:	$1.056 trillion-revenues; $1.214 trillion-expenditures (2008 est.)
Budget balance:	-14.5% of GDP (2009)
Public debt:	47.2% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	0.63 (7 Jan 2010); 0.66 (7 May 2009); 0.51 (May 2008)
Economic aid-donor:	$9. 848 billion (2007) [ODA]
Debt-external:	$9.041 trillion (31 Dec. 2008)
Stock of direct foreign investment:	$1.445 trillion-at home; $1.567 trillion-abroad (31 Dec 2008 est.)
Market value of publicly traded shares:	$5.277trillion (31 Dec. 2007)
Distribution of family income-Gini index:	34.0 (2005)

Unemployment rate:	7.9% (Oct. 2009)
Labour force:	31.23 million (2008 est.)
Oil production:	19th (world rank, 2008)
Oil consumption:	15th (world rank, 2008)
Natural gas production:	14th (world rank, 2008)
Natural gas consumption:	6th (world rank, 2008)

Military

Military expenditures:	2.4% of GDP; 70th world rank (2005 est.)

Markets

FTSE 100 index:	5,530.04 (6 Jan 2010)
% change on 31 Dec. 2008:	-0.8 (local currency); +3.8 ($ terms)

Trade

Trade balance:	$-126.8 billion (latest year, Oct. 2009)
Trade to GDP ratio:	57.7 (2005-2007)
Exports:	$466.3 billion f.o.b. (2008 est.)
Top export partners:	U.S. (13.8%); Germany (11.5%); Netherlands (7.8%); France (7.6%); Ireland (7.5%); Belgium (5.3%); Spain (4.1 (2008)
Imports:	$639.3 billion f.o.b. (2008 est.)
Top import partners:	Germany (13.1%); U.S. (8.7%); China (7.5%); Netherlands (7.4%); France (6.8%); Norway (6%); Belgium (4.7%); Italy (4.1%) (2008)

United States

Polity

Political party:	Democratic Party
Head of State:	President Barack Obama
Most recent election:	4 Nov 2008
Government:	Lower House — Minority; Upper House — Minority
Political system:	Presidential
Legislature:	Bicameral, elected House of Representatives, elected Senate
Capital:	Washington DC
Official language:	English
Population:	307,212,123; country comparison to the world: 3rd (July 2009 est.)
Population growth rate:	0.975%; country comparison to the world: 129th (2009 est.)

Economy

Currency:	Dollar ($)
GDP (official exchange rate):	$14.44 trillion (2008 est.)
Predicted change:	-2.6% (Q1 2009); -2.9% (2009)
Composition by sector:	1.2%-agriculture; 19.2%-industry; 79.6%-services (2008 est.)
Central bank interest rate:	0.25% (7 Jan Dec. 2010)
Official reserve assets:	$133,165.97 million (24 Dec. 2009)
Foreign currency reserves:	$46,143.87 million (24 Dec. 2009) [in convertible foreign currencies]
Securities:	$24,431.00 million (24 Dec. 2009)
IMF reserve position:	$13,416.89 million (24 Dec. 2009)
Special Drawing Rights:	$57,370.15million (24 Dec. 2009)
Gold:	$11,041.06 million (24 Dec. 2009) [including gold deposits and, if appropriate, gold swapped]
Financial derivatives:	$0.00 (24 Dec. 2009)
Loans to nonbank residents:	$0.00 (24 Dec.2009)
Other reserve assets:	$5,194.00million (24 Dec. 2009)
Commercial bank prime	

lending rate:	5.09% (31 Dec. 2008)
Stock of money:	$1.436 trillion (31 Dec. 2008)
Stock of quasi money:	$10.99 trillion (31 Dec. 2008)
Stock of domestic credit:	$15.06 trillion (31 Dec. 2008)
Household income or consumption by % share:	2.0%-lowest 10%; 30.0%-highest 10% (2007 est.)
Inflation rate (consumer prices):	3.8% (2008 est.)
Investment (gross fixed):	14.3% of GDP (2008 est.)
Current account balance:	$-465.3 billion (latest year, Q3 2009)
Budget:	$2.524 trillion-revenues; $2.978 trillion-expenditures (2008 est.)
Budget balance:	-11.9% of GDP (2009)
Public debt:	37.5% of GDP (2008 est.) [cumulative debt of all government borrowing]
Exchange rates (per USD):	NA
Economic aid-donor:	$21. 786.9 billion (2007)
Debt-external:	$13.75trillion (31 Dec. 2008)
Stock of direct foreign investment:	$2.367 trillion-at home; $3.162 trillion-abroad (31 Dec 2008 est.)
Market value of publicly traded shares:	$19.95 trillion (31 Dec. 2007)
Distribution of family income-Gini index:	45.0 (2007)
Unemployment rate:	10.0% (Nov. 2009)
Labour force:	154.3 million (2008 est.) [includes unemployed]
Oil production:	3rd (world rank, 2008)
Oil consumption:	1st (world rank, 2008)
Natural gas production:	2nd (world rank, 2008)
Natural gas consumption:	1st (world rank, 2008)

Military

Military expenditures:	4.06% of GDP; 28th world rank (2005)

Markets

DJIA index:	10,578.44 (6 Jan 2010)
% change on 31 Dec. 2008:	-3.0 (local currency); -3.0 ($ terms)
S&P 500 index:	1,137.66 (6 Jan 2010)
% change on 31 Dec. 2008:	-+1.8 (local currency); +1.8 ($ terms)
NAScomp index:	2,300.21 (6 Jan 2010)
% change on 31 Dec. 2008:	+11.5 (local currency); +11.5 ($ terms)

Trade

Trade balance:	$-523.9 billion (latest year, Oct. 2009)
Trade to GDP ratio:	27.3 (2005-2007)
Exports:	$1.277 trillion f.o.b. (2008 est.)
Top export partners:	Canada (20.1%); Mexico (11.7%); China (5.5%); Japan (5.1%); Germany (4.2%); UK (4.1%); (2008)
Imports:	$2.117 trillion f.o.b. (2008 est.)
Top import partners:	China (16.5%); Canada (15.7%); Mexico (10.1%); Japan (6.6%); Germany (4.6%) (2008)

European Union

Polity

Chief of the Union:	President of the European Commission Jose Manuel Durao Barroso
Political party:	European People’s Party — European Democrats

Most recent election:	4-7 June 2009
Government:	Lower House — Minority; Upper House — None
Political system:	Parliamentary
Legislature:	Bicameral, elected Parliament, indirectly elected council
Official language:	Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovene, Spanish, Swedish
Population:	491,582,852 (July 2009 est.)
Population growth rate:	0.108% (2009 est.)

Economy

Currency:	Euro (€)
GDP (official exchange rate):	$18.14 trillion (2008 est.)
Predicted change:	-1.5% (Q4 2008); -3.7% (2009) [Euro Area]
Composition by sector:	2.0%-agriculture; 27.1%-industry; 70.9%-services (2008 est.)
Central bank interest rate:	1.0% (7 Jan 2010) [European Monetary Union]
Official reserve assets:	$67,886.12 million (Oct. 2009) [European Central Bank]; $648,055.00 million (Oct. 2009) [Eurosystem]
Foreign currency reserves:	$50,618.96 million (Oct. 2009) [in convertible foreign currencies, European Central Bank], $196,171.04 million (Oct. 2009) [in convertible foreign currencies, Eurosystem]
Securities:	$48,037.84 million (Oct. 2009) [European Central Bank], $165,342.64 million (Oct. 2009) [Eurosystem]
IMF reserve position:	$0.0 million (Oct. 2009) [European Central Bank], $17,191.68 million [Eurosystem]
Special Drawing Rights:	$506.16 million (Oct. 2009) [European Central Bank], $73,295.52 million (Oct. 2009) [Eurosystem]
Gold:	$16,766 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped, European Central Bank], $361,085.96 million (Oct. 2009) [including gold deposits and, if appropriate, gold swapped, Eurosystem]
Financial derivatives:	$-5.92 million (Oct. 2009) [European Central Bank], $307.84 million (Oct. 2009) [Eurosystem]
Loans to nonbank xresidents:	$0.00 (Oct. 2009) [European Central Bank], $0.00 (Oct. 2009) [Eurosystem]
Other reserve assets:	$-5.92 (Oct. 2009) [European Central Bank], $3.10 million (Oct. 2009) [Eurosystem]
Commercial bank prime lending rate:	8.6% (31 Dec. 2008)
Stock of money:	$5.679 trillion (31 Dec. 2008) [Euro Area]
Stock of quasi money:	$11.38 trillion (31 Dec. 2008) [Euro Area]
Stock of domestic credit:	$21.17 trillion (31 Dec. 2008) [Euro Area]
Household income or consumption by % share:	2.8%-lowest 10%; 25.2%-highest 10% (2001 est.)
Inflation rate (consumer prices):	3.0% (2008 est.)
Investment (gross fixed):	21.0% of GDP (2008 est.)
Current account balance:	$-109.6 billion (latest year, Oct. 2009) [Euro Area]
Budget:	NA
Budget balance:	-6.5% of GDP (2009) [Euro Area]
Public debt:	NA
Exchange rates (per USD):	0.7 (7 Jan 2010); 0.75 (6 May 2009); 0.65 (May 2008)
Economic aid-donor:	NA
Debt-external:	NA
Stock of direct foreign investment:	NA

Market value of publicly traded shares:	NA
Distribution of family income-Gini index:	31.0 (2005 est.)
Unemployment rate:	9.8% (Oct. 2009) [Euro Area]
Labour force:	224.4 million (2008 est.)
Oil production:	11th (world rank, 2008)
Oil consumption:	2nd (world rank, 2008)
Natural gas production:	3rd (world rank, 2008)
Natural gas consumption:	2nd (world rank, 2008)

Military

Military expenditures:	N/A

Markets

FTSE Euro 100 index:	2,260.37 (6 Jan 2010)
% change on 31 Dec. 2008:	+1.0 (local currency); -3.4 ($ terms)
DJ STOXX 50 index:	2,617.35 (6 Jan. 2010)
% change on 31 Dec. 2008:	-0.4 (local currency); -4.7 ($ terms)

Trade

Trade balance:	$+14.5 billion (latest year, Oct 2009) [Euro Area]
Trade to GDP ratio:	26.4 (2004-2006)
Exports:	$1.952 trillion f.o.b. (2007) [external exports, excluding intra-EU trade]
Top export partners:	NA
Imports:	$1.69 trillion f.o.b. (2007) [external imports, excluding intra-EU trade]
Top import partners:	NA

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