

Media Information, July 4, 2017

G20: Recoupling Economic and Social Progress

Today in Berlin, the Co-Chairs of the Think 20 group of think tanks called on the leaders of the G20 countries to expand their agenda of economic growth and macroeconomic stability to include a greater focus on social needs as well as environmental and climate protection. They also urged the summit to send a clear signal that global issues would continue to be addressed in a coordinated, multilateral manner.

“Many people now feel that economic growth has become decoupled from social progress. The G20 should respond by creating the conditions not only for economic development but also for social prosperity,” said Dennis Snower, President of the Kiel Institute for the World Economy (IfW), talking to the press. Dirk Messner, Director of the Bonn-based German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE), added: “Ideologies that put ‘our country first’ are undermining the foundations of multilateralism, without which it would be impossible for our highly connected global economy to function. It would be extremely important if it were made clear at the G20 summit that the vast majority of G20 leaders share this view.”

Snower and Messner are co-chairing the [T20](#) during Germany’s presidency of the G20. The T20 is an officially mandated network of research institutes and think tanks from the G20 countries that provides research-based policy recommendations to G20 decision makers. The T20 has formulated the key challenges that the G20 currently faces and developed a range of [proposals](#) under the theme “Recoupling the World,” which were presented to the German government at the T20 summit [Global Solutions](#) at the end of May.

Snower and Messner pointed to the fact that not all basic human needs are economic in nature. Until very recently, economic growth was closely associated with social progress. In many G20 countries, however, growth in total income is now accompanied by rising inequality and stagnating living standards.

The planned protests around the G20 summit are an expression of dissatisfaction with the globalization process in the industrialized and emerging countries. It is therefore important that during its presidency of the G20, Germany also establishes new priorities beyond the sphere of economics that address important issues, such as migration, digitalization, climate change, development in Africa, and social justice.

Dirk Messner, Director of the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE):

On international climate policy:

“The US government has decided to withdraw from the Paris climate agreement. It is therefore all the more important that the other G20 nations, together with many individual US states, continue to make progress on climate protection and use it as a framework for modernizing the global economy.”

On the 2030 Agenda:

“The 2030 Agenda for Sustainable Development adopted by the international community in the fall of 2015 is a roadmap for globalization that aims to combat poverty and inequality while acknowledging the limitations of our planet. Germany has presented an ambitious strategy to move the world in this direction. A Franco-German tandem could use the G20 to encourage many of its member states to become key drivers of the 2030 Agenda. This will enable Europe to position itself within the G20 as an engine of sustainable globalization.”

On Africa (G20 Compact with Africa):

“Long-term global stability will only be possible if Africa finds its place in the global economy. The G20 should contribute to the development of sustainable infrastructures, cities, and institutions in African countries.”

Dennis Snower, President of the Kiel Institute for the World Economy (IfW):

On the importance of the G20:

“The opportunity for heads of state and heads of government to meet in person is valuable in itself—especially in these times of global uncertainty. The G20 can help to offset isolationism at the national level and thus promote global cooperation. In our highly connected world, problems, such as terrorism, cybercrime, climate change, and financial crises, can only be resolved through global cooperation.”

On digitalization

“In order to reconcile the overall increase in wealth and growth promised by digitalization with the demand for secure and socially acceptable development, the G20 should support the human transition to the digital age, for example, through new forms of education and training. It should also prioritize the security of data and digital infrastructures.”

On migration:

“The initial host countries in the affected regions, which currently bear an excessive part of the burden, hold the key to a better refugee policy. The G20 must provide greater financial support for these countries and help them to develop adequate infrastructures, e.g., in the housing market and for better integration of forced migrants. One important element would be support from the industrialized nations for the establishment of special economic zones in refugee-hosting countries.”

Read more here: [20 Solutions for the G20](#)

Learn more about the Think 20 Group: <http://www.t20germany.org/>

The G20 Insights Platform contains all G20 policy proposals developed by the T20 and other institutions across 12 policy areas: <http://www.g20-insights.org/>

Media Contact:

Guido Warlimont

Kiel Institute for the World Economy /
Institut für Weltwirtschaft (IfW)
T +49 431 8814-629
guido.warlimont@ifw-kiel.de

Tanja Vogel

German Development Institute /
Deutsches Institut für Entwicklungspolitik (DIE)
T +49 228 94 927-264
presse@die-gdi.de

Institut für Weltwirtschaft

Kiel Institute for the World Economy
Kiellinie 66 | 24105 Kiel, Germany

www.ifw-kiel.de |    