

GLOBAL GROWTH: THE NEED FOR A PARADIGM SHIFT

Washington, April 16, 2015 – The B20 Coalition presents its Global Business Outlook for the year 2015 in anticipation of the IMF and World Bank Spring meetings on April 17, 2015, in Washington D.C.

The Coalition, which brings together leading independent industry associations and business organizations from G20 countries and represents 6.8 million businesses of all sizes and from all sectors, acknowledges that economic recovery is proceeding at a modest pace and that of late the global economic landscape has been marred by skewed global output, geopolitical crises, divergent cross-country performances, subdued investments, soft commodity prices and slow growth in world trade.

The B20 Coalition's *Global Business Outlook 2015 (GBO 2015)* identifies the drop in oil prices, the volatility in exchange rates (strengthening of the US dollar, not only against the euro but also other currencies), and the monetary policy stances (particularly those of the Federal Reserve System, US, and the European Central Bank) as decisive factors that would guide economic actions and determine the future course of business growth.

The *GBO 2015* notes that global economic growth is threatened by high political risks and uncertainties posed by conflicts in East Europe, North Africa and the Middle East; by the fragility in the global labor market and by rising protectionism among the G20 countries.

Thus, in the *GBO 2015* the Coalition presses the leadership of G20 governments to implement key reforms. President of the B20 Coalition, Perrin Beatty, said, "The situation necessitates urgent implementation of committed policy measures by the governments of G20 nations to address structural reforms, fiscal adjustments, monetary policy, labor reforms, trade facilitation, and technology promotion".

Members of the B20 Coalition believe that in aiming for robust and sustainable growth, governments must undergo a paradigm shift. "Government must transition to being a catalyst, nurturing an enabling environment, where large corporations, SMEs and small self-employed entrepreneurs can all flourish," said President Beatty.

In the *GBO 2015*, the Coalition calls for well-balanced policy initiatives that give priority to removing capacity bottlenecks and enhancing investment and demand; initiatives that focus on sound fiscal

and monetary policies, and encompass an agenda for inclusive growth with an added dimension of social reforms.

To achieve these objectives, the *GBO 2015* identifies 22 action points for G20 governments. The key recommendations in the document - aimed at integrating macroeconomic forces, increasing growth and enabling inclusive growth for sustainable development - are summarized below.

Integrate Macroeconomic Forces

- Establish a synergy between public and private investment for growth, job creation, research & development, support for infrastructure and human development.
- Make monetary policy more accommodative and expansionary, support growth needed to stabilize inflation and currencies and bolster financial system stability.

Increase Growth

- Encourage alternative financing sources, such as public-private-partnership (PPP)-based development. Review the factors that deter private investment, and take steps to rectify them.
- Introduce investments in skill development to contribute to higher economic growth and empower individuals.
- Implement the Bali package, an essential component of any pragmatic policy framework designed by the G20 nations. Adopt a realistic approach ahead of the July deadline for agreeing the work program mandated in the Bali Declaration, and WTO's Tenth Ministerial Conference in December.
- Give priority to the digital economy and particularly the industrial Internet, as a way to boost productivity and innovation and improve business performance.

Enable Inclusive Growth for Sustainable Development

- Introduce an inclusive growth approach targeted towards greater female and youth participation in the work force. Focus on labor market reforms, improving the workplace environment, enhancing the quality of jobs and promoting entrepreneurship.
- Introduce policies and measures directed at export competitiveness, technology advancement and research & development in SMEs to ensure their long-term growth and sustainability.

The B20 Coalition also underlines the contribution of the private sector to the recovery by creating jobs, innovating, and investing; with President Beatty adding, "Driven by an increasingly open and liberalized structure, the private sector has matured into a vibrant and dynamic force, operating not just at the international cutting edge, but also with a global scale and reach. The potential of this global network needs to be taken into account in G20 policy making".

This statement is issued in Berlin, Brasilia, Brussels, Buenos Aires, Istanbul, Johannesburg, London, Madrid, New Delhi, Ottawa, Paris, Rome, Seoul, Sydney, and Washington D.C.
by the B20 Coalition members.

ABOUT THE B20 COALITION

The B20 Coalition brings together leading independent business associations from G20 economies and operates as a worldwide exchange platform between national business communities, aiming at building consensus and developing common positions on critical issues for enterprises.

Through its broad-based representation, the Coalition on behalf of more than 6.8 million businesses of all sizes and from all sectors engages policy-makers on a global scale and advocates policies that contribute to global growth and job creation at regional and international levels. The Coalition is instrumental, notably, in supporting the G20 process and ensuring continuity over successive Country Presidencies.

B20 COALITION MEMBERS

*Ai Group, Australia · BDI, Germany · BUSA, South Africa · BUSINESSEUROPE, Europe
CBI, United Kingdom · CCC, Canada · CEOE, Spain · CII, India · CNI, Brazil · Confindustria, Italy
FKI, South Korea · MEDEF, France · TUSIAD, Turkey · UIA, Argentina · US Chamber, USA*



CONTACT US

Presidency

360 Albert Street Suite 420 Ottawa, ON K1R 7X7

Secretariat

55, avenue Bosquet 75007 Paris France

Email: secretariat@b20-coalition.org

FOLLOW US

on twitter [@B20Coalition](https://twitter.com/B20Coalition)

on our website at www.b20coalition.org

and join our business community on LinkedIn at [B20 Coalition](https://www.linkedin.com/company/b20-coalition)



B20 is a registered trademark of the B20 Coalition