

Enter the B20

Business hopes to be heard at next week's G20 summit

When the G20, a group of governments from the world's biggest economies, meets in Los Cabos, Mexico, later this month, business will have a seat at the table. The bosses of more than 300 large companies will be at the same beach resort for the fourth summit of the B20, a group that tries to persuade governments to be more business-friendly. For the first time, B20 leaders will be invited to address the assembled politicians.

They will give advice on matters ranging from infrastructure to jobs, but the B20's most useful role may be as a watchdog. The politicians at these powwows have a reputation for saying one thing and doing another (or nothing) when they return home. To hold them to account, the B20's chairman, Alejandro Ramírez, touts a new "performance dashboard".

This dashboard, prepared with input from the International Chamber of Commerce, the McKinsey Global Institute and the University of Toronto, will track each G20 country's progress in keeping promises made at each year's summit. Initially, the dashboard will focus only on commitments directly relevant to business.

The Economist has seen a draft dashboard, minus the country names. It tracks progress made between the 2010 and 2011 G20 summits on 13 categories of pledge. They include improving the financial system (by implementing Basel 3 capital-adequacy rules), fighting climate change, promoting free trade and curbing corruption.

It makes dismal reading, in places. On trade, only four of the G20 did what they said they would. Five made no progress at all, or regressed. Pledges to fight corruption, manage exchange rates sensibly and price fossil fuels to reflect their carbon emissions were also widely breached.

The dashboard ought to embarrass people who deserve to be embarrassed. But although it has been shown to the G20 governments, the B20 is dithering about whether to publish it. Fans of good government will be disappointed. What use is a watchdog that does not bark?

For now Mr Ramírez, whose day job is boss of Cinépolis, a Mexican cinema chain, will say only that Australia has performed best, making progress on every pledge, whereas Argentina has performed poorly. No surprises there. Australia has grown rich selling food and minerals to China, and is rolling out the welcome mat for foreign talent (see next article). Argentina, in contrast, cannot even keep honest inflation statistics, and has a nasty habit of nationalising foreign companies.

Following a disappointing B20 last year in Cannes, when the politicians lectured the bosses but did not listen, Mr Ramírez has been doing all sorts of sensible things to make the B20 seem more than just a club of rich grumblers. He has invited NGOs and other outsiders to join its deliberations. Barbara Stocking, the head of Oxfam UK, is on the B20's food-security task force. John Evans, a veteran trade-union official, is on its employment task force. But a pressure group is measured by results, not intentions. The B20 has yet to prove itself.

Fonte: The Economist, London, v. 403, n. 8788, p. 72, 9-15 Jun. 2012.