



Unit 1

The New Structure of the World Economy — G20

20 世纪 90 年代末亚洲金融危机发生后，各方要求增加新兴市场国家在全球经济活动中发言权的呼声更多更高，1999 年 9 月 25 日，八国集团财长在华盛顿宣布成立二十国集团（G20）。这个国际论坛由欧盟、布雷顿森林机构和来自 19 个国家的财长和中央银行行长组成，宗旨是作为布雷顿森林体系框架内非正式对话的一种新机制，推动发达国家和新兴市场国家之间就实质性问题进行讨论和研究，以寻求合作并促进国际金融稳定和经济持续增长。

G20 成员包括阿根廷、澳洲、巴西、加拿大、中国、法国、德国、印度、印尼、意大利、日本、韩国、墨西哥、俄罗斯、沙特阿拉伯、南非、土耳其、英国、美国和欧盟。

Warm-up questions:

1. What do you know about G20?
2. What are the key accomplishments of the Pittsburgh Summit in 2009?
3. Why do some people say it is a hard climb for G20 to push the financial reform?



Text A: Group of 20

The Group of 20, or G20, is an international body that meets to discuss economic issues. Its members — 19 countries with some of the world's biggest industrial and emerging economies, plus the European Union — represent about 90 percent of the world's gross national product, 80 percent of world trade (including trade within the European Union) and two-thirds of the global population. The G20, which represents a far broader range of the world's industrialized economies than the more Atlantic-oriented G8, has taken on a new prominence in the current economic crisis.

The G20 summit convened in the former steelmaking center of Pittsburgh on Sept. 24, 2009, five months after the group of nations met in London and agreed to bail out developing countries, stimulate world trade and regulate financial firms more stringently.

In Pittsburgh, world leaders agreed that the once elite club of rich industrial nations known as the Group of 7 will be permanently replaced as a global forum for economic policy by the much broader Group of 20 that includes China, Brazil, India and other fast-growing developing countries. The move highlights the growing economic importance of Asia and some Latin American countries, particularly since the United States and many European countries have found their banking systems crippled by an economic crisis originating in excesses in the American mortgage market.

The G20 was established in 1999 as a response to the Asian financial crisis of the late 1990s and to a “growing recognition that key emerging-market countries were not adequately included in the core of global economic discussion and governance,” according to the G20's public materials.

A smaller group of industrialized nations has been meeting since the 1970s (the **G7** and **G8**, which convene finance ministers and heads of government, respectively). In the 1990s, given the extent of the Asian financial crisis, government leaders decided to involve a broader

group of countries, including emerging market countries, to deal with the turmoil. A group of 22 countries (“G22”) and then a group of 33 countries (“G33”) met on an ad hoc basis. The G20 was created as a more permanent international economic body that includes representation from emerging countries. The member countries are Argentina, Australia, Brazil, Britain, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey and the United States. The European Union is also a member, represented by the rotating council presidency and the European Central Bank.

The membership of the G20 has not changed since it was established, and the organization says there are “no formal criteria for G20 membership”. With the exceptions of Argentina, Saudi Arabia and South Africa, all of the member countries fall within the list of the top 20 biggest state GDP’s in the world (using the 2007 rankings from the *C.I.A. World Factbook*, International Monetary Fund and the World Bank).

Usually, the attendees of the annual meetings are the finance ministers and central bank governors of the member countries, plus top leadership of the World Bank and the International Monetary Fund. In November 2008, heads of government attended an emergency G20 session held in Washington to deal with the crumbling of global credit.

The Washington meeting was referred to by many observers as a possible prelude to a sort of Bretton Woods II, meaning an event that marks the start of a new international financial framework. (The term **Bretton Woods System** refers to an international monetary system set up during a 1944 conference in Bretton Woods, N.H.; it established, among other things, the I.M.F.).

(http://topics.nytimes.com/top/reference/timestopics/organizations/g/group_of_20/index.html 有删节)



New Words and Expressions

gross national product

(GNP) the total market value of goods and services produced by all citizens and capital during a given period (usually 1 year) 国民生产总值: 指一个国家(或地区)所有国民在一定时期内(一般为一年)新生产的产品和服务价值的总和

prominence *n.*

the fact of being important or well-known 重要, 杰出, 著名

convene	v.	(<i>formal</i>) to come together usually for an official or public purpose; assemble formally [正式] 召集, 集合; 正式集会
bail out		to provide money to get someone or something out of financial trouble (提供经费) 帮助……摆脱困境
stringent	adj.	very strict and must be obeyed 严格的
elite	n.	(C) a group of people who have a lot of power and influence because they have money, knowledge, or special skills (社会) 精英; 上层人士
permanent	adj.	continuing to exist for a long time or for all future time 长久的; 永久的; 永恒的
highlight	v.	to make prominent; emphasize 使……显得重要; 强调
mortgage	n.	a legal arrangement by which you borrow money from a bank or similar organization in order to buy a house, and pay back the money over a period of years 抵押借款, 按揭
turmoil	n.	a state of confusion, excitement, and trouble; commotion or tumult 混乱, 骚动, 动乱
ad hoc	adv.	for the specific purpose, case, or situation at hand and for no other 特别地, 专门地
GDP		(gross domestic product) the total market value of all final goods and services produced in a country in a given year (usually 1 year) 国内生产总值: 所有在一个国家内一段特定时间 (一般为一年) 里所有生产产品和货物的总值。
World Bank		The World Bank is an international institution, owned by about 180 member countries, that provides financial and technical assistance to developing nations. In that mission, the World Bank provides low-interest loans, interest-free credit, and grants for education, health, infrastructure, communications, etc. 世界银行是一个包含 180 个左右成员的国际组织, 向发展中国家提供金融和技术援助, 并向发展中国家的教育、卫生、基础设施、通信等领域提供低息贷款、无息贷款和赠款。

International Monetary Fund

Headquartered in Washington, D.C., it's a global organization made up of 185 member countries, founded in 1944 with the purpose to oversee global financial health and provide assistance when needed to its members. Today, the IMF states its goals as "to promote international monetary cooperation, exchange stability, and orderly exchange arrangements; to foster economic growth and high levels of employment; and to provide temporary financial assistance to countries to help ease balance of payments adjustment." 国际货币基金组织：成立于1944年，总部位于华盛顿，是一个由185个成员国组成的全球组织，其成立时的宗旨是监管全球财经情况并在必要时给其成员国提供资助。今天，国际货币基金组织的目标是“促进国际货币合作，保持汇率稳定和有序汇率制度；促进经济发展和高就业率；向有关国家提供临时性的金融资助以帮助其调节收支平衡。

attendee *n.*prelude *n.*

one who is present at or attends a function 出席者，在场者
an introductory performance, event, or action preceding a more important one; a preliminary or preface 序幕；先于较重要部分的介绍性表演，事件或行动；开端或序



Notes

1. **G7:** In the early 1970s, the deterioration of Western economy drove six countries — France, Germany, Italy, Japan, United Kingdom, and United States — to meet in Paris to analyze the world economy and better the economic condition. Canada joined the Group of 6 in 1976. Thus G7 was formed, which is the meeting of the finance ministers from these seven industrialized nations to discuss economic policies. 20 世纪 70 年代初，西方经济形势恶化，法国、德国、意大利、日本、英国和美国等六国在巴黎举行会议，目的是研究经济形式，改善西方经济。1976 年加拿大加入这一组织，从而形成了七国集团首脑会议，即这七个工业国家的财政部长集会讨论经济政策的会议。

2. **G8:** Russia joined the Group of 7 in 1997. This is G8. In addition, the European Union is represented within the G8, but cannot host or chair. “G8” can refer to the member states or to the annual summit meeting of the G8 heads of government. 1997 年, 俄罗斯加入 7 国集团首脑会议, 从而形成八国集团首脑会议。此外, 欧盟也参加八国集团首脑会议, 但却没有主办权或主持会议的权利。G8 指八国集团首脑会议的成员国, 也指每年由各成员国首脑参加的八国集团首脑峰会。
3. **G22:** G22 or G20 plus is a group of developing countries. The current members of the G22 are Argentina, Bolivia, Brazil, Chile, China, Colombia, Costa Rica, Cuba, Ecuador, Egypt, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, Peru, Philippines, South Africa, Thailand and Venezuela. More than 51 percent of the world's population and 63 percent of farmers live in the G22 countries, which produce more than a fifth of global agricultural output and more than a quarter of farm exports. G22 又称为 G20+, 是一个由若干发展中国家组成的组织, 目前其成员国包括: 阿根廷、玻利维亚、巴西、智利、中国、哥伦比亚、哥斯达黎加、古巴、厄瓜多尔、埃及、危地马拉、印度、印尼、墨西哥、尼日利亚、巴基斯坦、巴拉圭、秘鲁、菲律宾、南非、泰国和委内瑞拉。超过 51% 的世界人口和 63% 的农民居住在 G22 国家中, 世界上超过 1/5 的农产量和超过 1/4 的出口农产品都产自于这些国家。
4. **G33:** The G33 is the name for a group of developing countries that coordinate on trade and economic issues. It has 45 member countries, including Indonesia, India, Philippine, South Korea and China. It was created in order to help group countries which were all facing similar problems. The G33 has proposed special rules for developing countries at WTO negotiations. G33 (简称“33 国协调组”) 是一些发展中国家联合起来形成的一个组织, 它们在经济和贸易问题上进行合作, 目前该组织共有印尼、印度、菲律宾、韩国、中国等 45 个成员国。成立“33 国协调组”的目的在于帮助面临相似问题的国家。它还为发展中国家在世贸组织谈判中专门制定了一些规则。
5. **C.I.A. World Factbook:** The *World Factbook*, also known as the *CIA World Factbook*, is a reference resource produced by the Central Intelligence Agency of the United States with almanac-style information about the countries of the world. 《CIA 世界各国概况》
6. **Bretton Woods system:** A set of multilateral agreements on international economic relations, negotiated at the UN Monetary and Financial Conference held in July 1944 (in the aftermath of the Second World War) attended by the finance ministers of the UK, US, and other Allied countries. The major objectives of this conference included (1) financing the reconstruction of the postwar Europe, and (2) avoiding unstable exchange rates and

competitive-devaluations of pre-Second World War Western economies by instituting fixed exchange rates. The World Bank (then called International Bank for Reconstruction & Development or IBRD) was established to serve the first objective, and the International Monetary Fund (IMF) for the second. The System, however, collapsed in 1971 when the US suspended the dollar's convertibility (\$20.67 per ounce) to gold in August, devalued it in December, and thereafter opted for a floating exchange rate. Bretton Woods is the name of the township in the US state of New Hampshire where the negotiations were conducted. 布雷顿森林体系：是指 1944 年 7 月（二战后）在联合国货币金融会议上达成的一系列有关国际经济关系的多边协议，英国、美国和其他联盟国的财政部长参加了这次会议。会议的主要目标是：① 给战后欧洲的重建提供财政支持；② 制定固定汇率，以避免汇率的不稳定以及二战前西方经济体出现的货币竞争性贬值。世界银行（当时称之为国际复兴开发银行）的成立实现了第一个目标，货币基金组织的成立实现了第二个目标。1971 年布雷顿森林体系崩溃，因为时年 8 月美国终止了一盎司黄金兑换 20.67 美元的可兑换性，同年 10 月，美元贬值。从此，黄金与美元的兑换实行不固定兑换率。由于当时的谈判是在新罕布什尔州的布雷顿森林镇进行的，由此得名。



Exercise A

I. Match the words in column A with the meanings in column B.

A

1. turmoil
2. mortgage
3. attendee
4. highlight
5. prelude
6. permanent
7. ad hoc
8. prominence
9. stringent
10. convene

B

- a. strict
- b. the fact of being important
- c. one who is present
- d. assemble formally
- e. emphasize
- f. a temporary, conditional pledge of property
- g. an introductory action
- h. continuing to exist for a long time
- i. commotion or tumult
- j. for the specific purpose

II. Talk about the following terms.

1. G7

2. G8
3. G22
4. G33
5. Bretton Woods system

III. Answer the following questions.

1. What is the global significance of G20 summit?
2. What stimulated the establishment of G20?
3. Please brief the history of G20.
4. Who can represent the European Union to attend G0 summit?
5. Why was the Washington Summit regarded as a possible prelude to a sort of Bretton Woods II?

Supplementary Reading



Text B: The Pittsburgh Summit: Key Accomplishments

The Pittsburgh G20 Summit marks a critical transition from crisis to recovery. When the G20 last met in April, the world was facing the greatest challenge to the world economy in generations. The G20 responded forcefully by committing to a coordinated set of policy actions that were unprecedented in scale and effect. Those actions pulled the world economy back from the brink of a depression.

Six months later, the first signs of global recovery are in sight and financial markets have come back to life. In Pittsburgh, President Obama forged an agreement with G20 Leaders to continue implementing aggressive policies to restore economic growth and create jobs, enact a new *Framework for Strong, Sustainable and Balanced Growth* and to reform financial regulation and supervision to avoid a return to the risky practices that led to crisis – policies that will be supported and implemented by a redesigned global economic architecture.

Strengthen Recovery: Since the G20 London Summit, stresses in financial markets have eased markedly, the decline in output has been arrested, and G20 recovery actions will have saved or created at least 7 – 11 million jobs by the end of this year. In Pittsburgh, the G20 agreed to continue their stimulus until recovery is secured and to start identifying the best ways for the G20 to coordinate efforts to wind down the enormous fiscal, monetary, and

financial support efforts taken in response to the crisis once recovery is secured.

Launch Framework for Strong, Sustainable and Balanced Growth: The G20 adopted President Obama's proposed *Framework for Strong, Sustainable and Balanced Growth*, which outlines a process for economic cooperation and coordination to help ensure that post-crisis policies avoid a return to dangerous imbalances that undermine long-term economic growth. This is the first time such a large number of countries — the G20 accounts for 85 percent of world output — have agreed to work together to assess each others' economic plans, reach consensus on best practices for needed reforms, and adopt policies to support the necessary rebalancing of global demand to ensure strong growth for all.

Advance Tough New Financial Market Regulations: Following aggressive US efforts to strengthen capital standards and compensation rules for companies receiving government support, the G20 agreed to strong international standards for **bank capital** — calling on banks to hold more and higher quality capital — and also agreed to strong international standards for compensation aimed at ending practices that lead to excessive risk-taking. Capital allows banks to withstand losses and is thus crucial to our efforts to help regulators hold banks accountable for the risks they take. These vital reforms were joined with steps to make the opaque over-the-counter (OTC) derivatives markets far more transparent; and procedures for managing the failure of large global financial firms. In each of these areas, the G20 countries set out strict and precise timetables for reaching international agreement and then for implementing new standards nationally, promoting a regulatory race to the top. These rules will result in a financial system that looks far different from the one that led to this financial crisis, with more capacity to absorb losses and new incentives to avoid a return to past excesses. A return to reckless behavior and a lack of responsibility that led to the crisis will not be tolerated.

Phase Out Inefficient Fossil Fuel Subsidies and Increase Energy Market Transparency: Inefficient fossil fuel subsidies encourage wasteful consumption, reduce our energy security, impede investment in clean energy sources and undermine efforts to deal with the threat of climate change. The G20 leaders — including representatives from major energy producers and other nations with large subsidies — today committed to phase out fossil fuel subsidies over the medium-term while providing targeted support to help the poorest. They make this commitment concrete by calling on their Energy and Finance Ministers to report on their implementation strategies and timelines at the next meeting of the G20. This groundbreaking effort will encourage the conservation of energy, improve our energy security, and provide a

down-payment on our commitment to reduce greenhouse gas emissions. The G20 also took steps to better oversee and regulate oil commodity futures markets and improve oil market transparency by increasing reporting of oil production, consumption and stock data.

Modernize the Infrastructure of Global Economic Cooperation: The G20 Leaders committed to update the architecture for global economic cooperation. They reached a historic agreement to put the G20 at the center of their efforts to work together to build a durable recovery and reform the international financial system. As part of this modernization, they agreed to a shift of at least 5% in IMF quota share from over-represented countries to underrepresented countries, giving dynamic emerging market and developing economies a say in the IMF more in line with their weight in today's global economy. They agreed to an increase of at least 3% in the voting power of developing and transition countries at the World Bank and called on a reformed World Bank to play a leading role in responding to challenges that require globally coordinated action.

Support the World's Most Vulnerable Citizens: The G20 made specific commitments to increase access to food, fuel and finance among the world's poorest, with a new World Bank Trust Fund to finance investments in food security, a commitment to fund programs that expand access to renewable energy and a call to identify new ideas to strengthen the poor's access to financial system. They agreed to explore new ways of increasing the capability of the international system to mobilize quickly the resources needed to help the most vulnerable countries deal with future crises.

Deliver on Previous Commitments: The G20 took stock of their efforts to implement their commitments from previous summits, proving that when the G20 speaks, it acts. Their London commitment to act forcefully to halt the decline in the global economy resulted in the largest and most coordinated fiscal and monetary stimulus ever undertaken. The actions of the G20 are projected to save or create at least 7 - 11 million jobs across their economies by the end of this year, including over 1 million jobs saved or created as a result of the **American Recovery and Reinvestment Act (ARRA)**. The G20 delivered on its commitment to provide over a trillion dollars to the international financial systems to enable them to fight the spread of the crisis including over \$500 billion for the IMF's renewed **New Arrangement to Borrow (NAB)**. Important first steps have been taken to raise regulatory standards for banks and financial institutions the world over, strengthening the global financial system.

(<http://www.pittsburghsummit.gov/resources/129665.htm>)



New Words and Expressions

unprecedented <i>adj.</i>	never having happened before, or never having happened so much 空前的, 前所未有的
enact <i>v.</i>	to make a proposal into law 将……制定成法律
wind down	to gradually reduce the work of a business or organization so that it can be closed down completely 使(业务)逐步结束, 使(组织)停止运作
fiscal <i>adj.</i>	(formal) connected with money, taxes, debts, etc. owned and managed by the government [正式](政府)财政的; 国库的
sustainable <i>adj.</i>	an action or process that is sustainable can continue or last for a long time 能长期保持的; 能持续的
undermine <i>v.</i>	to gradually make someone or something less strong or effective 逐渐削弱, 逐渐损害
consensus <i>n.</i>	an opinion that everyone in a group will agree with or accept 共同意见, 一致看法
opaque <i>adj.</i>	neither transparent nor translucent 不透明的
over-the-counter <i>adj.</i>	(AmE) OTC over-the-counter business shares are ones that do not appear on an official stock exchange list [美]场外的, 买卖双方直接交易的, 非挂牌的
derivative <i>n.</i>	something that has developed or been produced from something else 派生物, 衍生物
transparent <i>adj.</i>	capable of transmitting light so that objects or images can be seen as if there were no intervening material 透明的
incentive <i>n.</i>	something which encourages you to work harder, start new activities, etc. 刺激; 动力
phase out	to gradually stop using or providing something 逐步停止使用(提供)
subsidy <i>n.</i>	money that is paid by a government or organization to make prices lower, reduce the cost of producing goods, etc. (政府或组织为平抑物价、降低生产成本等而发放的)津贴, 补贴, 补助金

impede <i>v.</i>	to prevent something from happening in the normal way, or make it happen more slowly 妨碍, 阻隘, 延缓
conservation <i>n.</i>	the act of preventing something from being lost or wasted 保存, 保护
down-payment <i>n.</i>	a payment you make when you buy something that is only part of the full price, with the rest to be paid later (分期付款购物的) 首次(期)付款
emission <i>n.</i>	an amount of gas or other substance that a machine or factory produces and sends into the air (机器或工厂的) 排气, 排放物
futures <i>n.</i>	(plural) technical goods, money, land etc. that will be supplied or exchanged in the future at a time and price that has already been agreed [复数][术语](货物、货币、土地等的) 期货(交易)
infrastructure <i>n.</i>	the basic systems and structures that a country or organization needs in order to work properly, for example, transport, communications, and banking systems 基础设施(如运输、通讯、银行制度等); 基础结构
quota <i>n.</i>	a proportional share, as of goods, assigned to a group or to each member of a group; an allotment 配额
in line with	if something changes in line with something else, it changes in the same way and at the same rate as it 符合; 与……一致
vulnerable <i>adj.</i>	susceptible to physical, moral or emotional injury 易受伤的
mobilize <i>v.</i>	to bring together the supporters, resources etc. that you need and prepare them for action 争取/动用资源等
deliver on	to do what you promised to do 履行诺言



Notes

1. **Framework for Strong, Sustainable and Balanced Growth:** 强劲、可持续、平衡增长框架

2. **bank capital:** The buffer storage of cash and safe assets that banks hold and to which they need access in order to protect creditors in case the bank's assets are liquidated. The bank's capital/asset ratio is a measure of its financial health. 银行资本: 指银行拥有的缓冲储备金和安全资产, 用于万一银行资产被清算时来保护债权人的利益。银行的资本/资产率是衡量其金融健康状况的标准。
3. **American Recovery and Reinvestment Act (ARRA):** It is an economic stimulus package enacted by the 111th United States Congress in February 2009. The Act of Congress was based largely on proposals made by President Barack Obama and was intended to provide a stimulus to the US economy in the wake of the economic downturn. 《美国复苏和再投资法案》是 2009 年 2 月在美国第 111 次国会上通过的一揽子经济刺激计划, 主要是基于美国总统贝拉克·奥巴马的提议而达成的, 意图向经历了经济低迷期的美国经济打一剂强心针。
4. **New Arrangement to Borrow (NAB):** In January 1997, following an agreement by the Group of Ten (G-10) countries to expand the size and membership of GAB (General Arrangement to Borrow), the IMF's Executive Board voted to create the New Arrangements to Borrow. NAB would not replace GAB, which will remain in force; however, NAB would be the facility of first recourse in the event of a need to provide supplementary resources to the IMF. Under NAB, the number of participating countries will be increased to 25, and the total amount of credit available in NAB will be up to about \$45.5 billion. NAB could be activated when participants representing 80 percent of the credit lines' resources determine that there is a threat to the international financial system. This could make it more difficult to use NAB than GAB, since GAB requires only a 60 percent approval for activation. 于 1997 年 1 月达成的《新借款办法》是国际货币基金组织的《借款总协定》的升级版, 其规模和成员国 (达到了 25 个) 都比后者有了扩大, 但它并不会取代《借款总协定》, 《借款总协定》仍有效力, 但《新借款办法》将成为向国际货币基金组织提供财政援助时首选的借款办法。根据《新借款办法》, 借贷总额将达到 455 亿美元。只有当 80% 的信用额度来源认为国际金融体系存在危险时, 《新借款办法》才能被激活, 而使用《借款总协定》却只需要有 60% 的赞同票就可以。



Exercise B

I. Multiple choice questions.

1. Why does the author say the Pittsburgh Summit strengthen recovery?

- A. Stresses in financial markets have eased markedly.
 - B. The decline in output has been arrested.
 - C. At least 7–11 million jobs are saved or created by the end of 2009.
 - D. All of the above.
2. The ultimate goal of *Framework for Strong, Sustainable and Balanced Growth* is to _____.
- A. outline a process for economic cooperation and coordination
 - B. help ensure that post-crisis policies avoid a return to dangerous imbalances
 - C. avoid undermining short-term economic growth
 - D. make sure G20 members coordinate forcefully
3. Which of the following is NOT a measure that G20 adopted to advance tough new financial market regulations?
- A. To lower the capital loan that companies could get from bank.
 - B. To strengthen capital standards for companies receiving government support.
 - C. To strengthen compensation rules for companies receiving government support.
 - D. To adopt strong international standards for bank capital.
4. According to the passage, which of the following is NOT a result of the tough new financial market regulations?
- A. A totally different financial system.
 - B. Reckless behavior will be tolerated.
 - C. A financial system with more capacity to absorb losses.
 - D. A financial system with new incentives to avoid a return to past excesses.
5. What methods have been taken to improve oil market transparency?
- A. To report on their implementation strategies and timelines.
 - B. To better oversee oil commodity futures markets.
 - C. To better regulate oil commodity futures markets.
 - D. To increase reporting of oil production, consumption and stock data.
6. What does “quota” in “...at least 5% in IMF quota share ...” mean (Para. 7, Line 5)?
- A. An allotment or limited amount.
 - B. The amount of sales needed to reach a company’s sales goal.
 - C. A production assignment.
 - D. A part considered in relation to the whole.
7. What does “say” in “...giving dynamic emerging market and developing economies a say

in the IMF ...” mean (Para. 7, Line 6)?

- A. Something said; a statement.
 - B. Announcement.
 - C. The right or power to influence or make a decision.
 - D. Indication.
8. What previous commitments had been delivered on by G20?
- A. To halt the decline in the global economy.
 - B. To save or create at least 7 - 11 million jobs across their economies by the end of 2009.
 - C. Both A and B.
 - D. Neither A nor B.

II. Answer the following questions.

1. How can G20 countries put the tough new financial market regulations into practice?
2. According to the passage, why should the inefficient fossil fuel subsidies be gradually stopped?
3. What did G20 do in order to modernize the infrastructure of global economic cooperation?
4. What new ways were agreed to explore by G20 in order to support the world's most vulnerable citizens?



Text C: Financial Reform and the G20: A Hard Climb

When G20 leaders met in Washington, DC, in November and then in London in April, fear and uncertainty reigned. Ringing statements that the big economies would do whatever it took to shore up the system had real value. The crisis required clarity. The latest round of talks, a meeting of G20 finance ministers and central-bank governors in London on September 4th and 5th, took place against a different backdrop.

The world economy is still fragile but far more stable than it was six months ago. Questions on how to withdraw fiscal and monetary stimulus compete with discussions on what more needs to be done. Ministers and bank governors, whose meeting set the stage for a pow-wow for national leaders later this month in Pittsburgh, promised decisive implementation of expansionary policies “until recovery is secured” and transparent plans to withdraw those programmes when the time is right.

On financial reform, too, there was little really to catch the eye. The build-up to the London meeting was dominated by noisy European calls, largely orchestrated by the French and Germans, to rein in bank bonuses after a round of booming quarterly profits. Ministers duly put compensation and governance reform at the top of their list of reform priorities. The **Financial Stability Board (FSB)**, a Basel-based body of regulators, is to report to the Pittsburgh meeting with detailed proposals on global standards of pay disclosure and structure.

None of this is exactly new. The need to overhaul compensation structures has been part of official thinking since the Washington summit. Even perfidious Anglo-Saxons agree on the need for change. The **Financial Services Authority (FSA)** in Britain came out with guidelines on compensation policy in August that adhere to principles set out by the FSB in April.

The building-blocks of financial reform — higher capital, a focus on systemic risk, countercyclical rules to build bank buffers during good times, better incentives — have been known since the Washington meeting. A host of initiatives are under way in each of these areas. Some have started to yield solid results — on higher capital charges for instruments such as **collateralized-debt obligations (CDOs)**, for instance. But swift progress is difficult. Many topics are fiddly and technical, so rule-making takes time. And many initiatives would have the effect of dampening lending growth and so will not be implemented while economies are weak.

All of which meant that this weekend's gathering struggled to find anything new to say. The same will be true of Pittsburgh, although governance reform at the IMF may provide world leaders with at least one headline-grabbing agreement. Does that matter? In one sense, no. Reforming the world's financial system is bound to take time. And an ongoing international process for resolving the problem of global finance is critical. It has underlined how difficult it is for any one country to press ahead alone with measures to constrain the industry.

There are dangers, too. Agreeing the detail of reform is harder than setting the direction. The build-up to this weekend's meeting revealed worrying fractures between the Americans and British, on the one hand, and the continental Europeans, on the other, on how much tighter rules on bank capital need to get. Sensible calls to improve the supervision and resolution of large, cross-border institutions have yet to produce really meaningful change. What's more, the things that really need to change in finance are as dry as they come: it is far easier to channel public outrage about pay than it is about **Tier-1 capital ratios**. If momentum matters to financial reform, this month's meetings keep the ball rolling, not much more.

(http://www.economist.com/businessfinance/displaystory.cfm?story_id=14391879)



New Words and Expressions

shore up	to help or support something that is likely to fail or is not working well 帮助, 支持 (可能失败的事或运转失常的事物)
backdrop <i>n.</i>	the conditions or situation in which something happens (事件的) 背景
fragile <i>adj.</i>	easily damaged, spoilt, or destroyed 易毁的; 纤弱的; 脆弱的
set the stage for	to prepare for something or make something possible 为……做准备; 使……成为可能
pow-wow <i>n.</i>	(humorous) a meeting or discussion [幽默] 会议; 讨论会
orchestrate <i>v.</i>	to organize an important event or a complicated plan, especially secretly (尤指秘密地) 精心策划
perfidious <i>adj.</i>	of, relating to, or marked by perfidy; treacherous 不忠实的, 背信弃义的
countercyclical <i>adj.</i>	(an economic or financial policy) working against the cyclical tendencies in the economy [经] 反周期的 (指与商业周期既定阶段发展方向相反的)
buffer <i>n.</i>	someone or something that protects one thing or person from being harmed by another 缓冲措施
fiddly <i>adj.</i>	difficult to do because you have to deal with very small objects 精细而难做的
dampen <i>v.</i>	to deaden, restrain, or depress 消除, 抑制, 压抑
momentum <i>n.</i>	the ability to keep increasing, developing, or being more successful 动力, 势头