



The Voice of OECD Business

Open Letter to the G20

Paris, 30 September 2009

Dear G20 Leaders,

Following the successful G20 Summit in Pittsburgh last week, allow me, on behalf of the Business and Industry Advisory Committee to the OECD (BIAC), to express our appreciation of the concerted action governments have taken in response to the global financial and economic crisis.

We welcome the quick and decisive leadership provided to stabilise the financial sector and provide economic stimulus. While there are signs of early recovery, they are primarily driven by government intervention. The situation remains uncertain with significant risks. In this light, we would like to express our strong support for your continued coordinated efforts as we all work to ensure recovery.

Business welcomes the Pittsburgh Summit communiqué and the G20 Leaders' launch of a Framework for Strong, Sustainable, and Balanced Growth. Providing a sound and stable macro-economic framework under which the global business community can operate is vital in order for business to maximize its contribution to growth.

In support of this vision, we would like to highlight some key policy initiatives which we feel are necessary to achieve sustainable economic activity, enterprise growth and employment creation.

Financial Regulation – Well functioning financial markets are critical to entrepreneurship and all business activity. Business supports G20 efforts to strengthen the financial regulatory system, as effective oversight in the financial sector would have helped to avoid the excessive risk taking that led to the financial crisis. At the same time, we encourage the G20 governments to focus reforms on more effective regulation across all policy areas.

Employment – Long term recovery will not be achieved through continued subsidies, income support or public sector job creation alone. The goal must be a return to sustainable enterprise creation, which is the necessary basis for sustainable job creation. BIAC appreciates the G20 Leaders commitment to hold a Labour Ministerial in early 2010 with business and labour; building on the September OECD Labour Ministers meeting on the jobs crisis. Continued dialogue between governments and stakeholders to ensure practical solutions to the jobs crisis is essential.

Energy – Enhancing energy efficiency can play an important role in promoting energy security and addressing climate change. In this regard, BIAC welcomes the attention given by G20 Leaders to energy security and climate change, and the importance of reliable energy data and forecasting, an area where the IEA is playing a key role. In addition to OECD's and IEA's work in the area of subsidies, BIAC would like to highlight the work the IEA is carrying out on implementing energy efficiency policies, which will be important in international efforts for energy security and climate change.

Open Global Economy – International trade and investment are key drivers of global growth. Protectionism at any time is counterproductive. BIAC welcomes the G20 Leaders' commitment to further trade liberalisation and a conclusion to the Doha Development Round in 2010 as a very important engagement in obtaining open markets for world trade.

In closing, Business appreciates the concerted efforts by G20 Leaders to develop broad consensus necessary for recovery from the crisis. In addition, key policy guidance has been provided by international organisations, including the OECD. In our view, effective solutions are best found through constructive dialogue among all major stakeholders – governments, international organisations, business, labour and civil society. We look forward to working with you to achieve a strong, sustained and balanced global economic recovery.

Sincerely yours,

A handwritten signature in black ink, reading "Charles P. Heeter, Jr.", with a stylized flourish at the end.

Charles P. Heeter, Jr.
BIAC Chairman

Founded in 1962 as an independent organisation, the Business and Industry Advisory Committee to the OECD (BIAC) is the officially recognised representative of the OECD business community. BIAC's members are the major business organisations in the OECD member countries and a number of OECD observer countries.