

# TRANSITION TIMES



Carnegie Mellon University, 5000 Forbes Ave., Pittsburgh, PA 15213  
<http://www.psy.cmu.edu:16080/~transitiontimes>

Dear Transition Times Families,

*We are now entering the third year of the new Transition Times study – for some of you this will be the last year in our study, for some the second year, and some of you will be contacted by us in the next couple of months about starting the study. It has been so interesting to follow everyone since about age 12 through high school graduation. This can be a tough time (especially in this economic climate) for everyone, whether teens are going on to more school or finding a job. We hope the transition is going smoothly.*

*We thought we would provide you with some "current events" information in this newsletter. The most relevant current event in Pittsburgh seems to be the upcoming G-20 Summit. Enjoy the rest of the summer.*

Sincerely,  
Vicki S. Helgeson

## Pittsburgh Summit 2009

In November 2008, as a response to the global economic crisis, the financial ministers of a number of countries (the G-20) held a meeting called the Washington Summit on Financial Markets and the Global Economy. The Leaders committed to an Action Plan which was reviewed and renewed in London in April 2009. The Leaders reached agreement on six pledges:

- to restore confidence, growth, and jobs
- to repair the financial system to restore lending
- to strengthen financial regulation to rebuild trust
- to fund and reform our international financial institutions to overcome this crisis and prevent future ones
- to promote global trade and investment and reject protectionism
- to build an inclusive, green, and sustainable recovery

### INSIDE THIS ISSUE

PITTSBURGH SUMMIT 2009	1
WHY PITTSBURGH?	2
WHO WILL ATTEND?	2
WHERE WILL THEY GO?	3
FORMER G-20 SITES	3
FAQS	4

In London, the Leaders also called for another meeting to be held before the end of 2009. After consultation with his G-20 counterparts, President Obama agreed to host the next meeting in September and chose Pittsburgh, Pennsylvania, as the site. With governments and international organizations now hard at work to reach the objectives they first set out, the meeting in Pittsburgh will give Leaders the opportunity to evaluate their progress and discuss further actions to assure a sound recovery from the global economic and financial crisis.

Among the issues to be discussed is a proposal to radically reform the International Monetary Fund (IMF). This is an international organization that oversees the global financial system by following the macroeconomic policies of its member countries. It is an organization formed to stabilize international exchange rates and facilitate development. It also offers highly leveraged loans mainly to poorer countries. Many want a new-style IMF to be able to help countries when economic problems loom rather than acting as a port of last call when they face bankruptcy.



## Why Pittsburgh?

The city, which marked its 250th birthday last year, saw its Pittsburgh Steelers football team make history this year, winning its sixth Super Bowl, more than any other team in the National Football League. Its Penguins hockey team also secured the Stanley Cup.

In picking Pittsburgh, the Obama administration capitalizes on one of its favorite themes -- the environment. The David L. Lawrence Convention Center, completed in 2003, received an endorsement from the U.S. Green Building Council, a nonprofit group that promoted environmentally friendly design. The center relies on skylights for much of its lighting, uses recycled hand towels and reclaims water from fountains for use in toilets.

"The city has remade itself over the past 25 years," said James Rohr, chairman and chief executive of PNC Financial Services, based in downtown Pittsburgh. "I think there's an opportunity for the city to showcase itself as a great place to work and live." He noted the region lost 250,000 steel-related jobs in the 1980s, but a number of other industries, including health care, technology and robotics, have sprung up since then. Pittsburgh has been able to transform itself to a city of today with 21<sup>st</sup> century jobs- high tech, bio tech, and green jobs.

That broader economic base has helped the region weather the recession, which some local leaders said played a role in its being chosen to host the summit. Pittsburgh's unemployment rate of 7.6% in March was more than a percentage point below the national average of 8.9%.

The city's 29-year-old mayor, Luke Ravenstahl, was understandably pleased. "We're especially proud that Pittsburgh was chosen because of our status as a symbol of economic transformation, as well as our leadership in the green movement," he said.

"Hosting a global economic summit will allow the world to see that Pittsburgh is a great, progressive city with a distinguished history and a limitless future.

We've recognized the region's appeal for years and are thrilled that others will have the same opportunity," said Chuck Ardo, spokesman for Gov. Ed Rendell.



## Who will attend?

*World leaders as of August 2009.*

Argentina: President Cristina Fernández de Kirchner

Australia: Prime Minister Kevin Rudd

Brazil: President Luiz Inácio Lula da Silva

Canada: Prime Minister Stephen Harper

China: President Hu Jintao

France: President Nicolas Sarkozy

Germany: Chancellor Angela Merkel

India: Prime Minister Manmohan Singh

Indonesia: President Susilo Bambang Yudhoyono

Italy: Prime Minister Silvio Berlusconi

Japan: Prime Minister Taro Aso

Mexico: President Felipe Calderón

Russia: President Dmitry Medvedev

Saudi Arabia: King Abdullah

South Africa: President Jacob Zuma

South Korea: President Lee Myung-bak

Turkey: Prime Minister Recep Tayyip Erdoğan

United Kingdom: Prime Minister Gordon Brown

United States: President Barack Obama

## Where will they go?

President Barack Obama and First Lady Michelle Obama will welcome G-20 leaders to the United States at a reception at Phipps Conservatory and Botanical Gardens in Oakland on Thursday, September 24. The Phipps Conservatory has placed a high priority on the environment, incorporating green building and practice. Located on the edge of Schenley Park in Oakland, the heart of Pittsburgh's world-renowned university and medical community, Phipps combines a 116-year-old Victorian greenhouse with upgrades to operations and new facilities built to cutting-edge "green building" specifications.

President Obama and G-20 leaders will remain at the Conservatory for a working dinner. A dinner for Mrs. Obama and the First Spouses will be held at Rosemont Farm, a working farm in Fox Chapel owned by philanthropist Teresa Heinz.



The next day, Mrs. Obama will accompany the other First Families on a tour of the Creative and Performing Arts School, Downtown, and will host a luncheon at the North Side's Andy Warhol Museum.

The conference will take place at the David L. Lawrence Convention Center on September 24 and 25.

## Former G-20 Sites

**MARCH 1973:** The U.S. Treasury secretary George Shultz initiated a meeting in the White House library of five finance officials to discuss the devaluation of the dollar. This meeting marked the beginning of the summit and represented the economies of the U.K., France, Germany, Japan, and the U.S.

**NOVEMBER 1975:** The French President Valery Giscard d'Estaing held the meeting in a castle outside of Paris, France. The meeting was then referred to as the G-5 summit, however, the prime minister of Italy, Aldo Moro, also attended.

**SEPTEMBER 1985:** The summit was held at the Plaza Hotel in New York City.



The G-5 ministers and central bank governors came to an agreement to depreciate the value of the U.S. dollar in relation to the Japanese yen and the German Deutsche Mark, and later called this the Plaza Accord.

**FEBRUARY 1987:** The G-7 finance ministers, minus Italy, agreed to the Louvre Accord and signed an agreement to stabilize the dollar in Paris, France. The G-5 finance ministers met for the last time, and the G-7 was made up of France, Germany, Italy, Japan, the U.K., and the U.S.

**JULY 1994:** The G-7 summit was held in Naples, Italy at the former Royal Palace. The Russian President Boris Yelstin participated in the meeting for the first time.

**MAY 1998:** G-8 summit was officially created at a formal meeting in Birmingham, England. However, the G-7 continued to meet periodically.

**DECEMBER 1999:** The representatives of the G-8 countries combined with 11 emerging market economies and the European Union met to discuss issues relating to the global economy and governance. The first meeting of the G-20 was hosted by German Finance Minister Hans Eichel and was held in Berlin, Germany.



## FREQUENTLY ASKED QUESTIONS

**What is the G-20?** The G-20 is an informal forum that promotes meaningful and open discussions between industrial and emerging-market countries on key issues related to global economic stability.

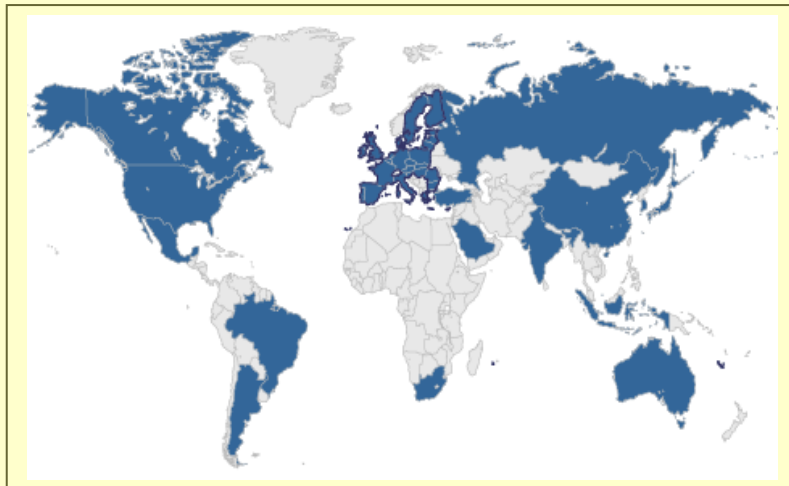
**What countries represent the G-20?** The G-20 is made up of the financial ministers of the following 19 countries: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the United Kingdom, the United States of America, and The European Union.

**How much of the global population does the G-20 represent?** The members of the G-20 represent TWO THIRDS of the global population and 90% of the global gross national product, or GNP.

**Why are there only 19 world leaders listed above?** The 20th member is the European Union, which is represented by the rotating Council presidency and the European Central Bank.

**Do all member countries of the G-20 exert equal influence?** The G-20 aims to achieve consensus among all parties involved. However, there are no formal votes on the basis of economic criteria or voting shares. Every member has one voice, and the extent to which each voice is heard is shaped through each individual's commitment.

**What are the criteria for G-20 membership?** In a forum such as the G-20, it is particularly important for the number of countries involved to be restricted and fixed to ensure the effectiveness and continuity of its activity. There are no formal criteria for G-20 membership and the composition of the group has remained unchanged since it was established.



*Map above indicates the high degree of representation due to its geographical composition. Shaded areas represent the member countries of the G-20.*

In view of the objectives of the G-20, it was considered important that countries and regions of systemic significance for the international financial system be included. Aspects such as geographical balance and population representation also played a major part.

**Does the G-20 have permanent staff?** No, the G-20 does not have a permanent staff of its own, and the G-20 chair rotates between members. The chair member is selected from a different regional grouping of countries every year, and consists of a rotating three member management Troika. The Troika consists of past, present, and future chairs. The chair establishes a temporary secretariat for the duration of its term to coordinate the work and organize the meetings. The 2009 G-20 chair is the United Kingdom, who will work with the former 2008 G-20 chair, Brazil, as well as the upcoming 2010 chair, South Korea.

