**Headline:** How the Wealthiest Countries Schemed to Avoid Economic Commitments at COP26

**Teaser:** The G20, an exclusive club of mostly wealthy nations, met just before the COP26 in Glasgow and paid little more than lip service to the world’s leading problems, while preserving their own financial dominance.

By Sonali Kolhatkar

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**[Article Body:]**

Heads of state from the world’s wealthiest nations gathered for the first time in person since the start of the COVID-19 pandemic at the recent G20 summit meeting in Rome, Italy. The two-day meeting culminated in a grand dinner at the Quirinale Palace, where the evening’s [menu](https://www.italy24news.com/local/244878.html) featured salmon with dill, pumpkin risotto, sea bass fillets, tomato and celeriac puff pastry, and for dessert, a “delicate” steamed mandarin cream. Guests sat around a large formal dining table in a high-ceilinged palatial room with an impressive crystal chandelier and window dressings of tasseled red drapes.

The dinner was the modern-day equivalent of “let them eat cake,” the phrase ([inaccurately](https://www.britannica.com/story/did-marie-antoinette-really-say-let-them-eat-cake)) attributed to the epitome of frivolous luxury by the ruling class (and the last queen of France before the French Revolution), Marie Antoinette. The leaders of the G20 nations, who had gathered under the banner of “[People, Planet, Prosperity](https://www.g20.org/italian-g20-presidency/priorities.html),” appear to have disproportionately focused on the third rung of their agenda and limited its scope to the prosperity of elites like them. On the three critical issues of climate change, global corporate taxation, and COVID-19 vaccines, the world’s wealthiest nations looked out for themselves at the expense of the rest of the world.

In contrast to the United Nations General Assembly, which represents all the world’s nations, the [G20](https://www.g20.org/about-the-g20.html) is a self-selected private club of the top tier of global wealth, only one step below the even-more-exclusive [G7 club](https://www.cfr.org/backgrounder/where-g7-headed). Its members are mostly economic powerhouses, with a handful of exceptions of developing nations such as India, China, South Africa, Mexico, and Argentina.

Proudly [proclaiming](https://www.g20.org/about-the-g20.html) that G20 nations “account for more than 80 percent of world GDP” and “75 percent of global trade,” the club sets the rules of global finance. Summit host Mario Draghi, the Italian prime minister, said the 2021 gathering demonstrated that multilateral decision-making is once more possible, [declaring](https://www.politico.eu/article/draghi-g20-summit-shows-multilateralism-is-still-alive/), “We have succeeded, in the sense of keeping our dreams alive,” with no mention of how self-serving the exclusive club really is.

Although the 26th meeting of the United Nations Conference of Parties (COP) in Glasgow, Scotland, is currently generating more news headlines than this year’s G20 summit, wealthy nations made many of their preliminary decisions on [climate change](https://www.reuters.com/business/environment/g20-leaders-face-tough-climate-talks-second-day-summit-2021-10-30/) at their club meeting before the global climate gathering. While they came to agreement on a [handful of issues](https://www.washingtonpost.com/world/2021/10/31/g20-rome-cop26-live-updates/#link-UJ3M6FHT7VCYTJOQFXOWOJPTOU), such as cutting off funding to coal plants, and getting to “net-zero” emissions in a few decades, climate advocates slammed the pledges as “the bare minimum.” Draghi admitted, “It’s easy to suggest difficult things. It’s very very difficult to actually execute them.”

Eric LeCompte, executive director of [Jubilee USA Network](https://www.jubileeusa.org/), explained to me in an [interview](https://risingupwithsonali.com/assessing-the-g-20-summit-on-taxation-pandemic-and-more/) that developing countries are suffering from the fact that “their natural resources were taken during the industrialization period that took place in Europe and the United States in the 1800s and the 1900s, fueling the climate crisis.”

Most of these same nations were left out of the recent climate discussions by the G20, as they are too poor to be considered members of the exclusive club. It remains to be seen if these nations will be able to extract greater commitments at the COP26 meeting.

LeCompte reflected, “it seems right now that there is a lot of despair among countries in terms of if it’s going to be possible to fulfill” pledges like a [$100 billion financing pledge](https://www.nature.com/articles/d41586-021-02846-3) to help poorer nations combat climate change. Indeed, UN Secretary-General António Guterres declared on [Twitter](https://twitter.com/antonioguterres/status/1454824213261455360?s=20) as the summit ended, “While I welcome the #G20’s recommitment to global solutions, I leave Rome with my hopes unfulfilled.”

In addition to their shamefully insufficient climate pledges, G20 leaders congratulated themselves on tackling the issue of corporate tax evasion. The grand agreement they came to was a minimum [15 percent tax rate](https://www.bbc.com/news/world-59101218) for wealthy companies. Hailed as a historic deal, the goal was to ensure reliable tax revenues from big corporations that chase tax havens offering lucrative terms. U.S. Treasury Secretary Janet Yellen declared that the agreement would “end the damaging race to the bottom on corporate taxation.”

LeCompte commented that the 15 percent minimum rate was “certainly progress but falls short of the more ambitious calls of the Biden administration earlier on of 27-28 percent.” And, shockingly, it exempts [digital technology corporations](https://www.reuters.com/world/europe/italy-says-remove-unilateral-digital-tax-by-2024-2021-10-13/) largely based in the U.S., like Google, Facebook, Amazon, and Apple, from being subject to this bare-bones rate. The U.S. essentially lobbied the G20 on behalf of these major companies to carve out the loophole.

LeCompte explained that “this agreement really only supports and helps the wealthy countries.” While the United States would raise an additional [$60 billion](https://apnews.com/article/coronavirus-pandemic-climate-g-20-summit-business-health-a603db3072f0df473a590d783ba5c9c9) in revenues if the agreement is actually adopted, developing nations would not see much of an increase in revenues and are particularly impacted by the tax exemptions for digital technology companies. Even the [Wall Street Journal](https://www.wsj.com/articles/g-20-to-back-tax-overhaul-that-makes-rich-countries-big-winners-11635586202) admitted that the G20 tax deal “makes rich countries big winners.”

The G20 nations are also disproportionate beneficiaries of COVID-19 vaccine technology. [Draghi](https://whyy.org/articles/g-20-opens-with-call-for-more-vaccines-for-poor-countries/) opened the summit’s proceedings by acknowledging that the world’s wealthiest nations have vaccination rates of about 70 percent while only 3 percent of residents in poor nations have been vaccinated. He called such a gap, “morally unacceptable.”

Indeed, LeCompte shared that “the crisis in many developing countries is really horrific,” and that “most countries are experiencing economic loss because of not having access to vaccines.” Ahead of the summit, he expected the G20 to offer a concrete plan for financing and distributing vaccines to the world’s poorest nations. And yet, at the summit, “they didn’t do that,” said LeCompte. Instead, he said that “they put forward a process in order to do it.”

That process was essentially to create a [task force](https://www.reuters.com/business/healthcare-pharmaceuticals/g20-want-70-world-vaccinated-by-mid-2022-set-up-task-force-pandemic-fight-2021-10-29/), which, according to a statement signed by G20 leaders, is “aimed at enhancing dialogue and global cooperation on issues relating to pandemic prevention, preparedness and response.” One advocacy group, Global Citizen, dismissed such demonstrations of lip service, saying, “It’s no longer the time for statements of intentions. Now is the time for our leaders to act.”

Among the only pandemic-related achievements at the G20 was a deal that the U.S. arranged for the African Union to [buy 33 million doses of the Moderna vaccine](https://www.usnews.com/news/world/articles/2021-10-30/the-latest-uk-pledges-20m-vaccine-doses-to-poor-nations) originally intended for sale to the U.S.—an embarrassingly low bar for success on vaccine equity.

While the G20 leaders and their spouses enjoyed their fine dining experience at the culmination of their two-day meeting, it became clear that the summit was little more than an exercise in grand [pontifications](https://www.quirinale.it/elementi/60563) of multilateralism. Like the erstwhile top echelons of pre-revolutionary French society, the world’s wealthy nations remain out of touch with reality.