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# 2. The G20 and its position within global governance

#### 2.1 OVERVIEW

Debates surrounding the G20 have focused over time on the most effective role it can play as an informal mechanism of global governance (Slaughter 2020), how it should develop (if at all), which countries should be represented, how it is organized, as well as its relationship to the other informal and more formal mechanisms of global governance. Inevitably, not all members of a diverse grouping like the G20 have agreed on this range of key existential questions. It is these issues, positions and occasional compromises over the course of the G20's history that provide the focus of this chapter.

The G20 met for the first time as a grouping of finance ministers and central bank governors from 15 to 16 December 1999 in Berlin in the aftermath of a different crisis – the East Asian Financial Crisis that erupted in 1997. This G20 was the result of a process of rapid evolution that began in immediate response to the crisis with the convening of the Manila Framework Group in November 1997. This was then expanded in April 1998 to create a Group of 22 (G22) (also known as the Willard Group), with the endorsement of the Asia Pacific Economic Cooperation (APEC) forum. The G22 was then expanded to briefly create a Group of 33 (G33), which met twice in the spring of 1999. By autumn of that year, the G7 Finance Ministers proposed the establishment of

a new mechanism for informal dialogue in the framework of the Bretton Woods institutional system, to broaden the dialogue on key economic and financial policy issues among *systemically significant economies* and promote cooperation to achieve stable and sustainable world economic growth that benefits all. We believe that discussions held in this group will prove useful to *complement and reinforce the role of the governing bodies of the Bretton Woods institutions*. (G7 Information Centre 1999; emphases added)

The G33 was functionally too large and unwieldy, and in terms of membership did not meet the criteria outlined above for this new mechanism. So, in its place, the first meeting of a deliberately pared-back forum, in the alphanumeric configuration of the G20, took place in Berlin before the end of that

year, hosted by the German Finance Minister Hans Eichel and chaired by Canadian Finance Minister Paul Martin. As mentioned in Chapter 1, this was very much the creation of Martin and Lawrence Summers and their 'back-of-the-envelope' calculations, rather than based on clear membership criteria. It was also clear from the outset that the role of this new mechanism was not to replace any governing bodies but to complement and reinforce them. With Martin as chair, the G20 met again in Montreal in 2000 and Ottawa in 2001. Thereafter, the chair and venue rotated on an annual basis.<sup>2</sup>

By 2008, as already mentioned, it was another crisis, the GFC, that acted as the catalyst for the upgrading of the G20 to the leaders' level and its first meeting in Washington DC in November 2008. It was also a solution that failed to address a number of other issues, including the group's North American origins and Eurocentric membership. In any case, the objective was to inject political leadership into the crisis by promoting dialogue, coordination, and consensus-building amongst the presidents, prime ministers, and chancellors of the developed and developing economies. Thus, the origins, genesis, nature, and objectives of the G20 were broadly similar to those of the G7 when it met as a G6 in November 1975 in response to a global macroeconomic crisis. However, the defining difference between the two was that the former was more representative in terms of membership and capabilities than the G7, and therefore more legitimate. The G7 includes seven countries (Canada, France, Germany, Italy, Japan, the UK and the US), as well one intergovernmental organization (the EU). It accounts for 66 per cent of global economic output but only 14 per cent of global population. In contrast, the G20 includes twelve other countries (Argentina, Australia, Brazil, China, India, Indonesia, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Türkiye), accounts for 90 per cent of global economic output and 67 per cent of global population. As Paul Martin, one of the progenitors of the original G20 and advocate of its upgrade to a Leaders 20, explained, '[p]ut simply, the right countries were not sitting down at the same table at the same time' (2005, 2).3 Or, as Vestergaard and Wade colourfully put it (2012, 258):

Whatever the miseries in its wake the 2008 global economic crisis at least served to persuade the G7 heads of government that they must consult regularly with heads of government of some developing economies. Otherwise the G7 would be like the captain of a ship who stands at the wheel turning it this way and that – knowing that the wheel is not connected to the rudder.

Thus, the G20 at the leaders' level emerged as a crisis committee focused on an immediate goal of stemming the contagion of the GFC and reforming the global financial rulebook. The following year, the G20 moved to the centre-stage in the architecture of global governance by declaring itself 'the

premier forum for international global cooperation' at the Pittsburgh summit of September 2009. This was no great surprise as the perceived impotence of the G8 came sharply into relief at its L'Aquila summit of July 2009, partly as a result of the sudden departure of Hu Jintao before the summit, but also as a result of the limited capabilities of the G8 in responding to the GFC, which had been evident at the previous year's summit in Tōyako, Japan. In short, the G8 was seen to be suffering a hollowing-out of its role and the G20 was now portrayed as the vehicle for tackling the GFC. Many people declared the age of the G8 to be over and attention turned from the G20 as a short-term crisis committee to a more long-term vision as a global steering committee.

However, the move from G8 to G20 was not a simple upgrade or replacement. Rather, it should be regarded within the broader context and history of the G8 struggling with the rise of multipolarity and the issue of representation in order to demonstrate relevance and legitimacy, while seeking to maintain the effectiveness that a smaller number of participants can produce. The frequency with which terms like 'BRIC(S) countries' (Brazil, Russia, India, China (and South Africa)) found their way into G8 summit discussions and preparations, the number of initiatives like the Heiligendamm-L'Aquila Process (HAP) that pre-date the GFC, and a range of proposed and actual alphanumeric configurations from 2 to 20 and beyond pay testament to this. For example, at the German-hosted Heiligendamm summit of the G8 in June 2017, an eponymous process was launched to foster dialogue between the G8 and a Group of 5 (G5) emerging economies, Brazil, China, India, Mexico, and South Africa, also known as the Outreach 5 (O5). The Interim Report on the Heiligendamm Dialogue Process (HDP) was presented to the Japan-hosted G8 Hokkaido-Tōyako summit of July 2008 and signalled the leaders' intention to 'intensify their co-operation ... [and] launch a dialogue on equal footing that deals with issues of global scope and serves to enhance confidence and understanding among dialogue partners' (Ministry of Foreign Affairs Japan 2008a). The following year, the HDP's Concluding Report was presented to the G8 leaders at the L'Aquila summit and included within the first joint G8/ G5 declaration. It documented the extent of progress on a range of topics such as cross-border investment, intellectual property rights, African development, and energy efficiency. In addition, the joint declaration rebranded the HDP as the HAP, reiterated its goal of 'foster[ing] a genuine partnership, in the context of a strengthened multilateralism', and extended its mandate for another two years until the 2011 French-hosted G8 summit (Ministry of Foreign Affairs Japan 2008b). Although these processes were eclipsed by the promotion of the G20 to the leaders' level and the centre-stage of global governance, the narrative of a zero-sum game as one group rose and another declined was an over-simplification. Rather, what we were left with was a 'messy multilateralism' or a 'Gaggle of Gs', the settlement of which remains unclear over

a decade later. Even after the creation of the G20, the traditional G7 countries initially dominated this process with the first four summits held in the US, UK and Canada on a biannual basis at the height of the GFC. The first opportunity for a non-G7 country to host the summit and thereby influence its agenda and role did not emerge until the fifth G20 summit, in Seoul in November 2010, but the following year it reverted to France. Thus, the opportunities for emerging countries to shape the G20's agenda were initially limited (Bayne 2011, 194). Thereafter, the period from 2012 to 2016 saw a series of non-G7 countries host the G20, in the form of Mexico, Russia, Australia, Türkiye and China, before the G20 presidency returned to a G7 country in 2017 at Hamburg. This period saw both an expansion of the summit agenda into new issues, as well as a consolidation on core macroeconomic business, as a series of first-time hosts sought to make their own mark on the G20, its agenda, organization and outcomes.

However, by the Hamburg summit, the lack of consensus within the G20 was becoming starkly obvious, but not as a result of the inclusion of emerging economies in global summitry. Rather, the inauguration of the Trump administration at the beginning of 2017 was the trigger for a period characterized by nativist politics, an absence of consensus, and unpredictability in global summitry. This was most evident over issues such as climate change, free trade versus protectionism and the purpose of multilateralism in general. When the G20 did function, it was not as a collective but on a minilateral basis of 19+1 that excluded the US. This was seen in the leaders' declaration at the Hamburg summit that noted the US withdrawal from the Paris Agreement but stated the other leaders' position that this agreement was irreversible (G20 Information Centre 2017a). The following two summits in Buenos Aires and Osaka were similarly marked by the Trump administration's position on trade in particular, in addition to climate change.

Under the Saudi presidency, the G20 was moved online at an early stage in response to the Covid-19 pandemic. An emergency virtual summit was held on 26 March 2020 to discuss the pandemic, with the leaders' summit similarly held online from 21 to 22 November of the same year (see Naylor 2020 on the pitfalls of virtual versus in-person summitry). The leaders' summit proved to be Trump's final G20 for at least four years as he had lost the presidential election to Joe Biden earlier that month. In any case, Trump's participation, the summit itself and the G20's response to the pandemic were all muted. G20 summitry returned to something close to normality at the Rome summit of October 2021, with a physical summit taking place, but also with little in terms of concrete outcomes and sense of purpose. The following year saw first-time host Indonesia struggle, but ultimately succeed, to navigate the diverse membership of the G20 through highly divisive issues that would test the ability of the most experienced summit host, including the conflict in Ukraine, as

well as energy and cost-of-living crises. This period of summitry amplified long-standing questions around the purpose and value of the G20 that had been voiced even during the highpoint of the G20's relevance in the immediate aftermath of the GFC. Restoring a sense of purpose and direction will present key challenges for India, Brazil and South Africa in 2023, 2024 and 2025 respectively, as they all assume their G20 presidencies for the first time.

In summary, Larionova (2022, 252) has suggested a useful timeline of G20 development informed by historical institutionalism. The historical junctures she draws from 2008 onwards by and large map onto the brief history provided above. The first five summits of Washington (2008), London (2009), Pittsburgh (2009), Toronto (2010) and Seoul (2010) were formative in nature and provided the template and norms that shaped subsequent G20 summits. The Cannes (2011), Los Cabos (2012) and St Petersburg (2013) summits consolidated and expanded the G20's role, organization and agenda. Thereafter, the Brisbane (2014), Antalya (2015) and Hangzhou (2016) summits progressed incremental changes in the nature of the G20, although its sense of unity was waning. Hamburg (2017), Buenos Aires (2018) and Osaka (2019) were 'testing times', characterized by 'the absence of cohesive club dynamics' as a result of the Trump administration. Most recently, the Riyadh (2020) and Rome (2021) summits – Bali (2022) could be added to this period – saw the G20 atrophy politically and institutionally, unable to respond flexibly to multiple crises.

### 2.2 ROLE AND AGENDA

As regards its role, the G20 was initially hailed at its first three summits as an improvised crisis committee to address the GFC. Soon thereafter, it was cast as a global steering committee that expanded the role beyond an exclusive G7/8, which was seen to be defunct in light of the crisis, to embrace developed and developing countries (Cooper 2010). Russian President Dmitry Medvedev rashly predicted that the fifth Seoul summit was the last crisis summit and 'the next summit will be post-crisis'. However, the summiteers' attention was firmly focused on the European sovereign debt crisis and by default it continued to play an extended crisis committee role. It could even be argued that we are in an age of permacrisis that characterizes international politics and dominates the G20's agenda, whether it be Syria at the 2015 Antalya summit, the US-China trade war at the 2018 Buenos Aires and 2019 Osaka summits. Covid-19 at the 2020 Riyadh and 2021 Rome summits, or Ukraine at the 2022 Bali summit. Nevertheless, as outlined above and in Chapter 1, debates have evolved beyond the binary question of whether the G20 should act as a crisis or global steering committee to categorize it as a club, hub and network. However, across the G20's diverse membership, these questions have attracted little consensus.

On the one hand, as regards the initial upgrading of the G20 to the leaders' level at Washington in response to the GFC, the US under President George W. Bush was an obvious driver of this development. Although other formats existed and were mooted. Bush made use of an existing and inclusive 'off the hook' solution. However, several other leaders kept the momentum going, including UK Prime Minister Gordon Brown and Australian Prime Minister Kevin Rudd, who actively lobbied and encouraged Bush in this direction (Kirton 2013, 235). Although preferring a smaller group of leaders with shared values, French President Nicolas Sarkozy directly petitioned Bush at Camp David to host a global summit of leaders and, alongside President of the European Commission, José Manuel Barroso, they can thus also lay claim to be architects of the G20. The EU had been generally supportive of the creation of the G20 meeting of finance ministers and central bank governors, and thus supported the upgrading of the G20 to the leaders' level in 2008, and the expansion of its agenda, even if it was unable to host a summit, in line with its status within the G7/8 (Debaere et al. 2014).

Several emerging economies took a similar position in favour of establishing the G20 as a crisis committee and future global steering committee. For example, Brazil was chairing the G20 finance ministers forum in 2008 but wanted to upgrade it to the leaders' level in order to create a more 'agile' group that could respond to developments in the fast-changing GFC (Cooper 2010, 748). South Africa's intention was to 'carve out a new space for dialogue and a springboard for new ideas in the international sphere' (Postel-Vinay 2014, 2). Mexico demonstrated something close to flattered acceptance of Bush's invitation (Kirton 2013, 238). In the case of South Korea, it demonstrated enthusiastic buy-in (Kirton 2013, 237–238). It welcomed the G20's elevation to the leaders' level on a permanent basis and its evolution thereafter. Rhee Changyong, South Korea's Secretary-General of the Presidential Committee for the G20 summit, sought to consolidate its role as the 'key forum for crisis management' but also for 'beyond-crisis economic cooperation' (Cooper 2013a, 978). Il SaKong, the Korean sherpa at the 2010 Seoul summit, believed that having guided the global economy out of the current crisis, the G20 would evolve into a global steering committee, representing 'a more promising and legitimate architecture for cooperation than has existed for many years' (Cherry and Dobson 2012).

As regards the G20's evolution beyond a crisis committee, UK Prime Minister David Cameron was tasked ahead of the 2011 Cannes summit with drafting a report that came to be known as 'Governance for growth: building consensus for the future'. Although the report has been critiqued as little more than old wine in new skins (Dobson 2013b), it does represent UK thinking

on the functioning and future development of the G20. Cameron argued that '[t]he G20's efforts need to be better coordinated, and backed up by effective governance, to ensure that their political commitments secure growth for the future' (G20 Information Centre 2011a, 4). To this end, he made a number of recommendations that were welcomed by the G20 leaders in their Cannes summit declaration (G20 Information Centre 2011b). Cameron argued that the G20's 'role should be to promote and catalyze consensus-building' by:

providing the space for the key global economies – advanced and emerging alike – to come together on an equal basis to discuss and resolve economic issues openly and in the spirit of enlightened self-interest, without the historical legacy of North–South divisions that may still affect institutions which were developed in a different economic and political context;

enabling leaders of the world's major economies to find the political will necessary to coordinate and mutually assess their respective economic policies, agree approaches or solutions to the broad economic challenges of globalization, and hold each other to account for the commitments they make;

sustaining political consensus on a continuous basis, to ensure that commitments from political leaders are followed through over time;

setting an example for greater effectiveness and coherence among the range of international institutions, standards and rules that are governing international economic activity. (G20 Information Centre 2011a, 11)

On the other hand, another grouping of countries, most notably Japan, Canada and Italy, were not wholly on board with the G20, fearing dilution of the G8 and their position therein – something they had long been sensitive towards (Subacchi 2015, 11; Dobson 2012a). Canada under Prime Minister Stephen Harper accepted the G20 with a sense of the inevitable (Kirton 2013, 237). Japan reacted initially to the global shift of power and reform of global governance institutions by continuing to respond to the internationalist normative impulse that had shaped its foreign policy previously. This can be seen in making substantial financial contributions to support the work of the G20, particularly the largest loan in history at the 2008 G20 Washington summit. However, Japan experienced setbacks - most clearly demonstrated in its inability to secure the role of G20 chair and in fact losing out to regional rivals South Korea in 2010 and China in 2016. It also felt its identity-defining position as Asia's representative in the mechanisms of global governance under threat as the G20 now included China, India, Indonesia, South Korea, and even Australia as Asian members. According to one MOFA official, Japan had lost its G20 leadership role to Korea.<sup>4</sup> In reaction, several Japanese prime ministers and policymakers reverted to more aggressive and competitive behaviours by openly questioning China and South Korea's levels of commitment to the pledges made at G20 summits, and thus, their sense of responsibility to the international community and ability to behave as contemporary great powers.

In addition, Japan's Ministry of Foreign Affairs briefing documents stated that '[t]he G8 provides an opportunity where major advanced countries underpinned by shared values gather to show their leadership and the G20 as an opportunity where advanced and emerging countries take coordinated action for tackling global challenges' (Dobson 2012a, 242). Thus, between 2008 and 2012, Japan's leaders repeatedly acknowledged the importance of the G20 but reasserted a continued role for the G7/8. For example, in a press conference after the 2009 Pittsburgh G20, Prime Minister Hatoyama Yukio declared that:

I believe that the G8 should not be discarded ... The G20 involves twenty or twenty-five people gathering and discussing. It is extremely difficult to reach conclusions in such setting ... On the other hand, at the G8 political leaders can hold very frank and candid discussions with each other. The Canadian Prime Minister expressed exactly the same view when I had a short meeting with him today. He said that the merit of the G8 was that leaders whose values are similar can speak their own minds as much as they wish. I believe that a good political reason for the G8, a meeting of the developed countries, will continue to exist. On the other hand, G8 is not a gathering of just developed countries. Leaders of developing and emerging countries will take part as well [in the outreach meetings etc]. I think there are important discussions to be had in this format. It is all right to consider the G20 as being the premier forum [for international economic cooperation], but that does not make the G8 irrelevant. (Kantei 2009)

However, by the time of the first Japan-hosted G20 in July 2019, Japan was more committed to the role of the G20 and beginning to feel frustrated by the G7. Thus, Japan's role in the G20 has at times appeared either qualified, contradictory or reactionary.

Somewhere in the middle were countries such as France. Despite Sarkozy's petitioning of Bush to convene a meeting of the G20 at the leaders' level mentioned above, French officials had expressed several concerns around the original G20, especially around the issues of representation, legitimacy and efficiency. German officials had been similarly concerned (Kirton 2013, 64-65). As regards China's position on the G20's role, it was clearly more supportive of a G20 than a G7 that it had always regarded as illegitimate (Chin 2010a). However, it was initially wary of the G20 and emphasized the legitimate position of the UN as the centre of global governance. In fact, it was caught off guard by Bush's proposal and displayed reactive acquiescence (Kirton 2013, 237). Chin and Dobson (2016) have argued that the Chinese leadership held the view that the global community was living through a period of extended transition from one global order to another. As a result, they regarded the G20 as a necessary, transitionary mechanism for coordination. The distance China has travelled from initial wariness of the G20 can be seen in Xi Jinping's call for concerted action among G20 member states to 'consolidate' its status as the 'premier forum for global economic governance'

and for its development from 'crisis response mechanism to one of long-term governance' (cited in Chin and Dobson 2016). As Zeng expertly outlines, although it would be premature to regard it as a champion, the discourse in China has embarked upon a considerable journey from the starting point of adopting a low profile in foreign affairs, with the 'concept of "global governance" [being] a political taboo in China until the early 1990s' (2019, 581), via its first engagement with the term 'global economic governance', from 2008 and the GFC, through to Xi defending globalization at Davos in January 2017. He concludes that the country's engagement with the G20 has been a theme running through this timeframe and that 'dialogue platforms - the G20 in particular – rather than key institutions of global economic governance such as International Monetary Fund (IMF), World Bank and World Trade Organization (WTO) win overwhelming attention in the Chinese discourse' (Zeng 2019, 578). Thus, China's traditional and defining emphasis on the more formal and legalistic mechanisms of global governance has waned and instead it has embraced the informals like the G20.

Inextricably linked to the G20's role is the question of its agenda and specifically whether to expand or streamline its remit. On the one hand, several members have supported expanding the G20 agenda beyond its economic and financial comfort zone. The EU was supportive of the G20 expanding its role as a crisis committee focused on the GFC to include issues such as development and climate change (Debaere et al. 2014). Türkiye has sought to widen the agenda and charge the G20 with a 'comprehensive agenda' of inherited and legacy issues, including *inter alia* global economic recovery, macroeconomic cooperation and coordination, work and employment, international financial regulation and architecture, corruption, development, climate change and energy, terrorism, and Middle East security issues, most prominent of which has been Syria. According to Ambassador Erdoğan Iscan: '[the G20's] agenda should be expanded in a phased manner to cover other related topics, such as the development issues, food security, poverty eradication, climate change, energy security, etc.' (Engelbrekt 2015, 550).

On the other hand, several countries have preferred a streamlined, narrow agenda. As outlined in more detail in Chapters 2 and 4, Australia sought to focus the agenda of its 2014 G20 presidency on economic growth, at the expense of climate change. Indonesia also sought to highlight the economic remit of the G20 during its 2022 presidency. As will be discussed in Chapter 6, Indonesia was faced with the challenge of keeping the G20 together despite the challenge of Russia's invasion of Ukraine. Thus, the resulting leaders' declaration displayed several caveats including a reiteration 'that the G20 is not the forum to resolve security issues' and an emphasis that these issues would be viewed in terms of their economic impact (G20 Information Centre 2022a). As mentioned above, China initially regarded the G20 with caution,

citing a traditional and seemingly oxymoronic emphasis on the primacy of state sovereignty and preference for the UN (Cooper and Farooq 2016, 88). However, when it came to actually hosting a summit, China also took a comprehensive approach, addressing 'global economic growth, reform of the IMF and the international monetary system, trade, development, infrastructure, financial regulation in state-owned enterprises and health' (Kirton 2017, 19). India also displayed a similar resistance to the expansion of the G20's role and agenda, displaying a preference for the UN with one eye on the ultimate prize of a permanent seat on the United Nations Security Council (UNSC) (Cooper and Farooq 2016, 92–96). Other BRICS countries have resisted climate change appearing on the G20's agenda, preferring the more formal mechanisms that already exist to address this particular issue.

In many ways, the G20 provides a forum for a number of emerging issues, which are not covered in this book and have yet to find a natural home. Artificial intelligence and its military application provides one example (Cihon et al. 2020; Jelinek et al. 2021). Yet, there are also known unknowns and unknown unknowns that the G20 could be well placed to manage in the future. Its informality and the resulting flexibility are key strengths of the G20 in playing an anticipatory role in responding to these challenges, although the diversity of the group is the long-standing obstacle in establishing a consensus (Morin et al. 2019).

#### 2.3 MEMBERSHIP

One definition of minilateralism is 'the smallest possible number of countries needed to have the largest possible impact on solving a particular problem. Think of this as minilateralism's magic number' (Naím 2009). Whether the G20 is a crisis committee, steering committee, club, hub, network or nexus for policy coordination in terms of its role and agenda, the number and selection of member countries are key drivers of its development and functioning. Its role as a crisis committee and the ad hoc nature of preparations were used as justification for keeping membership limited and using the pre-existing format of the G20 finance ministers' process. Although this provided an off-the-peg template for use at the first Washington summit of leaders, it did not resolve the question of membership, which remains an issue today, as seen with the addition of the AU in September 2023. This is partly because the initial process was opaque and the criteria unilaterally decided and arbitrarily applied, as touched upon in the previous chapter. As Canada had been appointed as chair under Paul Martin for the first two years of the G20 of finance ministers and central bank governors, it had a high degree of influence and the criterion that appears to have been used was, as mentioned above, the vague and flexible term 'systemically significant' countries. For example, Sweden and the Netherlands were culled during the shift from G33 to G20 and, ultimately, inclusion in the original G20 meant automatic membership to the upgraded leaders' G20. So, for many countries it was simply a matter of being in the right place at the right time. In any case, despite common media depictions, the G20 is certainly not a gathering of the largest economies in the world, otherwise Spain, the Netherlands and Switzerland could lay claim to automatic membership (as discussed below).

As regards the UK's position, Cameron's 2011 report, 'Governance for growth', demonstrated his belief in working with other like-minded leaders but was silent on the issue of G20 membership, and thereby effectively shelved it. However, UK Foreign Minister William Hague was more explicit in stressing the shift in relevance from the G8 to the G20 and the possibility of other countries being added:

In addition to the established 'emerging powers' such as the BRICS countries, many other countries are bursting onto the international scene, powered by a combination of economic dynamism, geographic location, youthful populations, natural resources, sovereign wealth, and the spread of global connectivity thanks to the internet and related technologies. We have moved irreversibly from a G8 world to a G20-plus world. (Foreign and Commonwealth Office 2012; emphasis added)

China was the obvious addition under this definition and had been the subject of discussions around further G8 enlargement in the past, especially after Russia had joined in 1998. In addition to China, the other G5 countries of Brazil, India, Mexico and South Africa were obvious additions, with traditional middle powers like Australia, Indonesia, South Korea and Türkiye also touted successfully as 'systemically significant' countries.

European representation was an initial issue within the G20 in terms of both over-representation and who speaks for the whole of Europe. To some extent, these debates mirror similar ones that took place within the G7, which first met in 1975 and 1976 with the European countries of France, Italy, West Germany and the UK occupying a dominant position and seen to been making decisions on behalf of the rest of Europe. The 'solution' was that the European Community participated from 1977 (see Debaere and Orbie 2012), and the EU even hosted a summit in 2014 in place of the suspended Russia. In similar fashion, the EU was included within the G20 alongside the individual seats of France, Italy, Germany and the UK but without the opportunity to assume its presidency and host a summit. The challenge of so many European voices is that '[e]ither each European brings the same message, causing irritation and boredom with the other G20 members. Or the EU fails to speak with one voice, so it will not influence the result at the end of the day' (Debaere 2010, 141). So, there are a number of existing channels and representatives within

the EU through which member countries can influence preparations and shape the EU's position ahead of a leaders' summit (see Nasra and Debaere 2016).

Nevertheless, some smaller EU countries, such as the Nordic, Benelux and Iberian countries, have expressed concern about the G20's exclusivity and their possible marginalization (Debaere et al. 2014). Clearly, as a result of their individual seats at the table, the EU4 of France, Germany, Italy and the UK (pre-Brexit) are a dominant European bloc within the G20. This was evident when the G20 decided at the Pittsburgh summit of 2009 to increase the IMF voting rights of emerging economies at the expense of over-represented countries: 'Several European countries complained that they were confronted with a *fait accompli* arranged between the EU4 and the other members of the G20 (in particular the US and China)' (Debaere and Orbie 2012).

Some non-EU4 countries have been included in the summit on occasions, partly to assuage their concerns as regards possible marginalization, but also because they have something concrete to contribute. Spain is a permanent guest. The Netherlands was able to attend the first four summits in Washington, London, Pittsburgh and Toronto. Sweden attended earlier summits before the Lisbon Treaty took effect, when it occupied the rotating presidency of the European Council. So, on occasions, in different ways and on specific issues (Nasra and Debaere's analysis highlights Sweden's promotion of bank levies), countries outside the EU4 have been able to influence the G20's work.

The status of Spain within the G20 has attracted a disproportionate amount of attention and it occupies the unique position of the G20's only 'permanent guest'. Spanish Prime Minister José Luis Rodríguez Zapatero was reportedly 'desperate' to be invited to the first Washington G20 summit, and initially 'appalled' not to be. In response, he adopted a strategy of pleading Spain's case to other world leaders, including the Brazilian, Chinese, French and US presidents, as part of a 'national obsession'. 5 Spain's case was based on its claim to be a 'systemically significant' country and despite Bush's opposition, was not without its supporters. According to Jaime Malet, Chairman of the American Chamber of Commerce in Spain, organizing a global summit on the financial crisis and financial reform without Spain in attendance was described in a communication with US Secretary of the Treasury Henry Paulson as 'inconceivable'. Eventually, Zapatero secured attendance at the first G20 summit because France had dual representation at the time because it occupied the rotating role of president of the European Council. Thus, Spain secured its attendance at the first G20 summit in Washington through its relationship with France, rather than the host country. However, Spain's subsequent diplomatic manoeuvring, petitioning of host governments and charm offensive across all the G20 members failed to result in outright membership and instead a fudged permanent guest status that was intended to avoid contributing to European over-representation, but ultimately added to it (Naylor 2019b, 88-93).

Concomitantly, the Netherlands launched a campaign for G20 membership, similarly based on its systemic significance to the global economy and seeking to leverage key bilateral relationships to this end. However, it was ultimately France's dual representation that facilitated its attendance at Washington, and precedent assured its participation thereafter (Naylor 2019b, 89–90). However, in response to the issue of European over-representation, and in an effort to bolster its own status, South Korea stripped the Netherlands of its position as a guest at the Seoul G20, with the support of France as the host of the following summit (Naylor 2019b, 43, 94–97).

Switzerland was a member of the G33 and has experience of participating in G20 finance ministerial meetings. It is also another country that is nominally one of the twenty largest economies in the world. So, based on its economic and financial status, it has lobbied for either membership of, or at least an invitation to, the G20 since it was upgraded to the leaders' level (Naylor 2019b, 94–95). The Swiss efforts were eventually successful in December 2019, when it was invited as a guest to the following year's G20 under the Saudi presidency, and Swiss President Simonetta Sommaruga joined the G20 leaders at the virtual Riyadh summit in November 2020. Despite the above rationale for Swiss membership, it was ultimately the Saudi presidency's prerogative to invite guests and the relatively cordial nature of Swiss–Saudi relations that resulted in its inclusion for that year. Under the following years' Italian and Indonesian presidencies, Switzerland was not invited.

Returning to the broader issue of European over-representation, the idea of creating a single European seat has been mooted (Debaere et al. 2014). Although it may be dormant for the time being, the issue of European over-representation within the G20 remains.

Other decisions regarded by some as controversial have included membership of Indonesia instead of Malaysia. The rationale for Indonesia's membership was that, alongside Saudi Arabia, it increased representation from the Islamic world and was the only other OPEC member of the G20. However, Indonesia suspended its OPEC membership in 2009, reactivated it in 2016 but suspended it again later that same year, whereas Saudi Arabia has remained a central member. In addition, South Africa was included as the only African representative, instead of Nigeria, which requested membership at the 2010 Toronto summit. Argentina was included in the original G20 of finance ministers and central bank governors that resulted from the East Asian Financial Crisis because it was seen as a country that was impacted by the turmoil of the crisis. As a member of the original G20, it automatically became a member of the upgraded leaders' G20, although many have questioned Argentina's inclusion and contribution to the G20 process. As regards Australia's membership, Prime Minister Kevin Rudd was particularly supportive of, and diplomatically proactive in pushing for, the G20's self-appointment as the 'premier forum

for international economic cooperation' at Pittsburgh in 2009. By also laying claim to be one of the G20's progenitors, this enabled him to secure his country's position at the top table in the face of attempts to maintain a G8 by expanding it to include outreach countries, focusing on BRICS countries and excluding Australia.<sup>7</sup>

When membership is clearly not a possibility, non-members have sought some form of inclusion rather than opposing the G20 outright (Cooper 2011a). The Global Governance Group (3G) was established in 2009 and brings together a diverse range of thirty countries. 8 Singapore played a central role in its creation in an attempt, not to reject the G20, but to broaden its representation and enhance its legitimacy by having the voices of non-G20 countries heard in a forum where decisions might be made with impact beyond the immediate membership. In addition, the 3G is concerned that the UN retains its position as 'the only global body with universal membership and unquestioned legitimacy'. This concern was particularly salient in the early years after the G20's elevation to a leaders' summit in the wake of the GFC, and was exemplified at the 2010 Toronto G20 by the confusion over whether UN Secretary-General Ban Ki-moon was invited as an observer or a participant. The 3G's position was that the UN should be invited and involved in future summits and preparations as 'a matter of course'. Ultimately, 'given the complexities and interdependencies of the global economy, it is important for the G20 to be consultative, inclusive and transparent in its deliberations for its outcome to be effectively implemented on a global scale' (Ministry of Foreign Affairs Singapore 2010).

The 3G has supported the growth policies of the G20, advocated an open, rules-based multilateral trading system under the WTO with the G20 as a driver of the Doha Round and a stalwart of anti-protectionism. It has also been supportive of placing development, broadly defined, on the G20's agenda and using it as a forum to drive progress towards achieving the MDGs and SDGs.

As regards the issue of non-member attendance and participation in any given summit, the G20 eventually agreed to allow the host to invite up to five guests. These five should be invited on the basis of consensus within the G20 rather than the unilateral decision of the presidency but have often increased the representation of the summit host's immediate region.

#### 2.4 ORGANIZATION

As is already clear and will be explored in more detail below, the G20 operates in an informal space within the broader network of other global governance mechanisms, some informal, but mostly formal. The way in which it is organized has evolved over time, but in the absence of a permanent secretariat, it

is the host country that assumes the presidency of the G20 on the first day of December each year and is pivotal in shaping the agenda, deciding on guests and organizing the format of the leaders' summit in a given year. Sherpas, usually prominent bureaucrats trusted by the individual leaders, play a central role in this process. This is known as the sherpa track, which operates through a series of working groups, co-chaired by an advanced and an emerging economy, and specific initiatives focused on a broad range of issues, including *inter alia* sustainable development, education, digital economy, the environment and climate change. Working groups were a feature of the G20 when first established at the finance ministers' level in 1999 that was adopted at the leaders' level from 2008. These groups consist of experts in a given field from G20 member countries who contribute to the sherpas' regular discussion of what will appear on the agenda and in what form throughout the year (see Hajnal 2014, 41–43).

The sherpa track runs in parallel to the finance track, in which G20 finance ministers and central bank governors meet regularly throughout the year to discuss an agenda prepared by their deputies that focuses on economic and financial issues. A troika of immediate past, present and future G20 presidencies exists in an attempt to provide consistency in the agendas over time. Except for the innovation of introducing this troika, the format is similar to that of the G7/8 summit process, as is the proliferation of ministerial meetings. Ministers with responsibility for agriculture, digitization, education, energy, finance, foreign affairs, health, labour and employment, tourism and trade have all met at some time. In addition, speakers of the parliaments of G20 member states have also met on occasion. Countries that have shaped these developments include Japan, which organized the first-ever combined G20 Trade and Digital Economy Ministerial Meeting during its G20 presidency in 2019.

Debates have focused on the possible formalization of the G20 and specifically the creation of a permanent secretariat to make the organization of annual summits smoother and ensure consistency in discussions, decisions and accountability. The French president, Nicolas Sarkozy, was an advocate of formalization and argued in favour of establishing a secretariat to support the work of the G20. At various times, Australia, Brazil and Russia have endorsed the idea. In his report 'Governance for growth' (G20 Information Centre 2011a), Cameron advocated that the G20 should strike a balance between the

benefits of its informal nature and the formalization of structures and process. In other words, the G20 must:

maintain its informal and Leader-driven nature for the foreseeable future, and provide a clear public declaration of its role and purpose within the global system;

become much more consistent and effective at engaging non-members, international institutions and other actors, welcoming their effective participation in specific areas of the G20's work;

develop clear agreed working practices to manage and deliver its agenda through time more effectively; formalize the Troika of past, present and future Presidencies; and underpin it with a small secretariat, possibly staffed by officials seconded from G20 countries and based on and chaired by the presidency. (G20 Information Centre 2011a, 5)

The emphasis was therefore placed on the G20's informality, flexibility and the opportunity it affords leaders to lead. Although Cameron resisted any radical measures to formalize the G20, he expressed support for the formalization of the troika and the creation of a small secretariat to support it, all with the emphasis on continuity and effectiveness. A number of other countries have also supported this balancing act of informality and institutionalization. Korean sherpa Il SaKong promised that Korea would cooperate with its global partners to make the G20 an 'effective and durable' permanent institution with a lean, small and efficient secretariat. By introducing country-specific undertakings backed up with monitoring and transparency, and institutionalizing the B20 summit, held for the first time in Seoul at the suggestion of the Korean government, the G20 took a step toward greater institutionalization at the Seoul summit of 2010 (Cherry and Dobson 2012).

China's position on the question of formalization of the G20 has been ambivalent. It has supported some kind of administrative mechanism to assist with logistics in hosting summits but one that is purely operational with no agency to shape the future strategic direction of the G20.

Australia has championed a number of organizational reforms, including reducing the amount of documentation that emanates from summits by limiting the G20 leaders' communiqué to three pages. It also sought to finesse interaction between the sherpa and finance tracks and bolster the troika arrangements, including personnel secondments and exchange of information between the Australian and Turkish presidencies (Downie 2017, 1503).

An energetic Australian presidency has also strengthened habits of cooperation within the forum through improvements in managing time, the length of speeches, and maintaining the relevancy of the G20 discussions through peer-to-peer conversations and informality of interactions (Sainsbury 2015a, 7).

Nevertheless, informality remains a key characteristic of the G20. Like the rest of the world, the G20 moved online in 2020 during the Saudi presidency,

although the following year it resumed physical meetings during the 2021 Italian presidency. This shift from the physical to the virtual is particularly damaging for a forum like the G20 that is based on informality, flexibility and the interpersonal experience. As Naylor (2020) has persuasively argued, although the formal agenda can be retained and slavishly followed, the grandness and pomp of a mega-event like a summit that focuses the mind and leads to concrete outcomes, as well as the opportunity for the unexpected to happen in between working lunches and formal sessions, were lost. Think of the scale and urgency of the 2009 London summit producing results in response to the GFC, or moments (whether casual or staged) like Barack Obama and Vladimir Putin meeting in a huddle with only their close advisors in a corner of the venue's lobby at the 2015 Antalya summit to discuss Syria.

One of the most visible ways in which the G20 differs from the G7 as regards addressing the issue of legitimacy is through the creation of engagement groups. Over time, the G20 has embraced these groups on a much grander and more systematic scale than the G7. There are currently eight in total, including: the B20 of business leaders and interest groups, established in 2008 and formally recognized by the G20 in 2010 under the Korean presidency; the Civil Society 20 (C20) of civil society organizations (CSOs), established in 2008 and recognized by the G20 in 2013 under the Russian presidency; the Labour 20 (L20) of trade union representatives, established in 2008 with its first formal summit taking place in 2011 under the French G20 presidency; the Science 20 (S20) of scientific researchers that was established as part of the G20 in 2017 under the German presidency; the T20 of think tankers and academics that met formally for the first time in 2012 under the Mexican presidency; the Urban 20 of mayors, governors and representatives of G20 cities that was established in 2017 and met formally for the first time in 2018 under the Argentinian presidency; the W20 of women's rights organizations and campaigners that was established in 2015 during the Turkish presidency; and the Youth 20 of youth leaders and representatives that met for the first time in 2010. For a few years there was even an alphabetical rival G20 in the form of the G(irls) 20.

The *raison d'être* of these engagement groups is to widen the range of input into the G20 deliberations and thereby bolster its effectiveness, as well as its legitimacy. The need for these engagement groups was outlined in the Seoul summit document of November 2010:

We recognize, given the broad impact of our decisions, the necessity to consult with the wider international community. We will increase our efforts to conduct G20 consultation activities in a more systematic way, building on constructive partnerships with international organizations, in particular the UN, regional bodies, civil society, trade unions and academia. (G20 Information Centre 2010a)

In a similar vein, Slaughter regards these groups as

... transnational policy networks, which are involved in widening the field of policy communication and deliberation. The importance of these transnational policy networks rest [sic] upon their role in developing and disseminating G20 policy priorities and principles; and are an attempt to enhance the legitimacy and influence of the G20 and its policy proposals. (2015a, 171)

Exploring these engagement groups in turn, G20 hosts may actively seek, or at least be seen, to incorporate these voices within the summit preparations. As regards the W20, '[o]verseeing [its] establishment ... during his G20 presidency, some might nominate Recep Tayyip Erdoğan, President of Türkiye, as the surprising mother of feminist economic governance in the G20' (Harris Rimmer and Byrne 2019, 168). However, two years later:

The W20 summit in Berlin was the first engagement summit that made global news headlines due to the extended participation of Angela Merkel as the first woman to ever preside over an economic summit of this kind. The language of the Hamburg communiqué – the use of 'women's empowerment' and the avoidance of the more politically charged 'gender equality' – and the focus on entrepreneurship and leadership suggest that success for women's equality in Hamburg was partial and focused on the role of women entrepreneurs. (Harris Rimmer and Byrne 2019, 168)

Louis (2016) has argued that the B20 and L20 find their roots in the work of a number of traditional international organizations, particularly the International Labour Organization (ILO), which was represented at the 2009 Pittsburgh summit for the first time. At this summit, Director General Juan Somavia presented the ILO's Global Jobs Pact to a positive reception and thereafter a symbiotic relationship developed by which the ILO was imbued with 'renewed legitimacy' and the G20 was able to promote its agenda with a key partner.

As regards civil society, Canada hosted the Toronto G20 in 2010 in a way that isolated and frustrated CSO representatives, who found themselves excluded from the IMC and only allowed entry by invitation. Moreover, they were housed in a comparatively pared-down alternative media centre. In contrast, Sarkozy met with civil society representatives ahead of the Cannes summit the following year, according them considerable access, although they were not as privileged as other groups, such as the B20 (Cooper 2013b, 195). The Mexican presidency sought to incorporate the voices of CSOs in the G20, with preparations beginning some time before the 2012 Los Cabos summit, by inviting

... a variety of nongovernmental groups and individuals for consultation in a series of outreach dialogues, replicating the recent trend to open up intergovernmental fora

to civil society participants. This idea might have long-term benefits for G20 policymaking, by gaining useful contributions and feedback from key civil society and private actors while reducing legitimacy concerns linked to perceived exclusivity. It also helped the Mexican government present itself as open and inclusive, reinforcing its liberal-democratic political identity by actively promoting norms associated with it. (Luckhurst 2015, 33)

It has been argued that '[c]ivil society was granted a greater degree of inclusion at the 2012 Los Cabos G20 summit than they had ever before been granted' (Naylor 2019b, 58). However, some CSO representatives questioned the quality and degree of innovation of this engagement (Villanueva Ulfgard and Alejo Jaime 2014).

This all relates to the question of what role the G20 plays and whether it is a summit or a network (Postel-Vinay 2014, 14). The former is akin to the classic nineteenth-century concert diplomacy that operates at the elite level, whereas the latter brings in non-state actors, as can be seen in the formation of stakeholder groups, mentioned above. The G20 could, of course, be both of these things, but the expansion of ministerial meetings and stakeholder groups while resisting formalization is testament to its development as a network.

#### 2.5 POSITION WITHIN GLOBAL GOVERNANCE

As regards the G20's position in the constellation of global governance mechanisms and how it relates to the various institutions, organizations and forums, debates among member countries have coalesced around the formal—informal divide. As regards the former, attention has focused predominantly on the G20's relationship with the UN, the World Bank and the IMF; as regards the latter, debate has sought to resolve the relationship with the G7/8. In both cases, the positions of different members and debates between them have been framed by competition and compromise.

As regards the UN, the relationship with the G20 has evolved considerably from one of initial competition (Heinbecker 2011; Hajnal 2014, 52–54). From within the UN, a number of criticisms were levelled, and initiatives suggested, in order to address the G20's exclusive membership and lack of legitimacy (Debaere et al. 2014; Kirton 2015). Singapore's founding of the 3G in 2009 was a concrete outcome that emerged from these concerns. The specific question of who was better placed to deal with the GFC also surfaced. Secretary-General Ban Ki-moon went as far as to suggest the UN provide the forum and venue in New York for a summit on the crisis by the end of 2008 (Cooper 2010, 751):

Ideationally, the main source of contest came from the move by the General Assembly president to convene a panel of experts, chaired by Joseph Stiglitz, in

contradistinction to the G20. Organisationally, the main alternative focal point became the UN Conference on the Global Economic Crisis at the end of June 2009. (Cooper 2011a, 204)

Similarly, Morgan (2012) highlights the UN's concerns regarding the G20's lack of legitimacy and its own proposal:

A model for a far more representative and legitimate body has already been proposed by the UN, which calls for the creation of a Global Economic Coordination Council, operating in conjunction with an International Panel of Experts. The Council would incorporate all UN member states and have a mandate over the UN system in economic, social, and environmental fields.

Similarly, the Belgian government called upon the G20:

to respect the autonomy and working methods of the international organizations and the United Nations system in particular. Belgium also advocated a composition of the G20 based on [a] constituency system, similar to the ones used in IMF and World Bank in order to strengthen the legitimacy of the group. (Debaere et al. 2014)

China was originally suspicious of the G20 and prioritized the central and legitimate role of the UN. Similarly, Kirton (2011) has outlined how 'Brazil was initially a reluctant participant [fearing] the new G20 might undermine the traditional UN-based multilateralism.' These concerns were still evident at the Antalya G20 in 2015. Not only did the Indian prime minister, Narendra Modi, maintain that the G20 should be subordinated to the UN on the sustainable development agenda, but his ten-point plan to combat terrorism privileged the UN as well (Cooper and Farooq 2016). However, some of this tension has waned, as have certain countries' positions. For China, this happened when it assumed its presidency of the G20 in December 2015 and hosted the leaders' summit in September 2016. In the case of Brazil, it used the G20 to become a vocal advocate of emerging economies, reform of the IMF and taking Western countries to task for their role and responsibility in the GFC.

So, over time, an alternative perspective has emerged that regards the G20 as a useful informal forum for consultation that does not seek to usurp or undermine the work of the UN system, but to reinforce it. This model is supported by the fact that the G20 is provided with some of 'its strongest allies and institutional partners' (Cammack 2012, 2) as a result of its close institutional relationship with the established mechanisms of global governance like the UN, IMF, World Bank, Organisation for Economic Co-operation and Development (OECD) and so on. Thus, the heads of many of these mechanisms of global governance have been invited to the G20 summit since its inception to build a mutually reinforcing relationship whereby the G20

provides an informal forum that is more inclusive than the G7/8 and can reach consensus on specific issues before delegating them to the appropriate formal body of global governance. Zhu argues that the G20's performance can be positive when it works in this way and established international organizations match the G20's deliberative, consensus-building, leadership function with their specific and technical competence:

Over the years, about seven international organizations have been playing important roles in the G20 governance process, namely OECD, IMF, World Bank, WTO, Financial Stability Board (FSB), UN and ILO. On the one hand, these international organizations are entrusted by the G20 to provide technological proposals in preparation for its meetings, including background papers and research reports. On the other hand, these organizations have also contributed a lot to the implementation of the consensus among the G20 countries. (2016, 466)

Similarly, the relationship between the G20 and the IMF is also mutually beneficial and reinforcing. On the one hand, the G20 benefits as it can rely 'on the IMF as one of its main instruments, next to the FSB, to implement and monitor G20 decisions and recommendations. In addition, the IMF provides substantive support by putting its expertise at [the] disposal of the G20' (Debaere et al. 2014).

The close relationship between the G20 and the IMF not only makes the latter's expertise available to the former, it can also enhance the G20's legitimacy by providing 'a means for countries outside the G20 to feed in their views, since the staff could speak up on their behalf' (Bayne 2011, 196). On the one hand, the IMF's position is enhanced. Nicholas Bayne has explained how the decision at the Pittsburgh G20 summit to task the IMF with operating the new framework for economic policy coordination was 'further evidence of the Fund's revival following the resumption of its financial support operations' (Bayne 2011, 196).

The relationship between the G20 and the OECD has become stronger over recent years in a similar way. A clear division of labour has emerged between the two on the basis of the OECD's strengths in operational capacity and issue-specific expertise on the one hand and the G20's lack of a permanent secretariat on the other hand. Wouters and Van Kerckhoven (2011, 345) claim this symbiotic relation has 'allowed the OECD to regain its relevance within the global economic governance architecture, while the G20's functioning is strengthened thanks to the contributions of the OECD on a growing number of issues'. These issues include *inter alia* energy subsidies, international trade, employment and anti-corruption.

As regards the relationship between the G20 and regional organizations, the EU has already been discussed above in terms of membership. For a long time, it was the only regional intergovernmental organization to be a member

of the G20. However, this changed in September 2023 when the AU's permanent membership was announced at the New Delhi summit. As regards other regional organizations, 'regional dynamics act as both critic and driver for the G20' (Cooper 2011b, 266) but with inclusion never far away as a consideration. On the one hand, as Cooper (2011a; 2011b) outlines, a number of regional leaders and organizations, for example Nigeria and the AU as well as Norway and the Nordic Council, have sought a seat at the table. Many hosts have been responsive:

The middle powers, notably South Korea, were especially flexible in their hosting function. One example about how new types of innovation could be initiated came with the rapid move by Korea of new forms of regional outreach – embracing [the Association of Southeast Asian Nations] ASEAN in particular – prior to the November 2010 Seoul summit. (Cooper and Pouliot 2015, 344)

Thereafter, and in addition to the AU and ASEAN, the chairs of other regional organizations including APEC, the New Partnership for Africa's Development (NEPAD), Gulf Cooperation Council, Caribbean Community and Pacific Islands Forum have been invited by the summit host as guest participants, with the attendance of some more institutionalized than for others, even before the AU's permanent membership was announced in September 2023.

As regards indirect representation, South Africa, as the only African representative between 2008 and 2022, sought to amplify the region's voice in the G20 by using 'the regional "Committee of Ten" finance ministers and governors of central banks under the auspices of the African Development Bank, the Economic Commission for Africa and the African Union Commission' (Cooper 2011a, 207).

As regards the G20's relationship with the other informal mechanisms of global governance that constitute the 'Gaggle of Gs', especially the G7/8, Obama committed the US to reform after the 2009 G8 summit in L'Aquila, Italy by stating that: 'in terms of the issue of the Gs and what's the appropriate international structure and framework, I have to tell you there is no doubt that we have to update and refresh and renew the international institutions that were set up in a different time and place'. Other leaders have been more explicit in their proposals. At one extreme, and as mentioned above, for some countries the GFC represented the end of the previous world order represented by the G7/8. In the words of the Brazilian president, Lula da Silva, 'We are talking about the G20 because the G8 doesn't have any more reason to exist'. 12

Others touted a model that respected the central position of the G7/8 as a subgroup that continues to lead, while the G20 provides legitimacy. As mentioned above, the Japanese government was one of the most vocal in advocating this relationship, with Prime Minister Asō Tarō arguing that '[w]ith the G8

at the core, dialogues and international coordination with emerging economies and others should be strengthened' (Ministry of Foreign Affairs Japan 2009). Japan was not alone in seeking to find a working division of labour between the two. With specific reference to the field of security:

Canadian prime minister Stephen Harper ... bluntly states that 'if the world's richest and most powerful nations do not deal with the world's hardest and most intractable problems, they simply will not be dealt with'. Emphasizing the complexity of the challenges that the G7/8 faces. Harper implies that the G20 lacks the format, experience, and political desire to forge mechanisms through which non-traditional security matters are properly managed. (Engelbrekt 2015, 548–549)

Although it discussed the G20's relationship with formal mechanisms like the UN, IMF and WTO, Cameron's 2011 report, 'Governance for growth', was largely silent on its relationship with other informal mechanisms that constitute the 'Gaggle of Gs', especially the G7/8. This is a strange omission in that Cameron had previously suggested a 'division of labour' between the G20 and G7/8:

In mid-2010 Cameron told reporters that the G8, after some tinkering, can remain useful: 'You could make it more focused and strategic, majoring on foreign policy and security issues, while also keeping the particular link to accountability on development aid which is really important'. Cameron further proposed that G8 members consider 'getting rid of the pre-cooked communiqué, to turn it into a proper small strategic discussion' that would 'leave the G20 to be the big economic global governance forum, which it now is'. By refocusing the narrower group toward fireside chats that bolster mutual trust and give rise to innovative thinking, Cameron apparently believed it a good idea to cultivate its competitive advantage. In June 2013, before the Ukrainian war, Russian president Vladimir Putin made remarks to the same effect. (Engelbrekt 2015, 549)

However, these approaches either tended to view the creation of the G20 as a simple replacement for the G7/8, or regarded the resulting relationship between them as a negotiated division of labour in an attempt to avoid such a zero-sum game. The reality is that even if their genesis is similar in terms of both being triggered by crises and informal in nature, and even if the G20 has by and large also replicated traditional diplomatic practices rather than innovate radically, it has its own history as a group that brought developed and developing countries together at the same table (Cooper and Pouilot 2015). So, instead of following the G7's path of development, some have argued that it is carving out its own unique role:

It [the G20] probably prefigures a new but as yet undefined mode of world governance. It is more like a laboratory: within it, a rapidly changing international order is analysed and attempts are made to organise it ... [T]he emergence of the G20 in

the international order arose from a combination of chance and necessity. It is partly the product of improvisation ... In 2008, it was in the right place at the right time. (Postel-Vinay 2014, viii–ix)

So, for many member countries the G20 is clearly not a status quo grouping and this provides the added value in the role it plays. For example, Downie (2017) has demonstrated how having highlighted 'reforming global institutions' as a priority of its G20 presidency, the Australian government made efforts to 'ensure that the USA and China cooperated in the G20 and that the BRICS countries were brought into the existing international order' (2017, 1497). It did this by actively seeking to promote global governance reform that did not reflect the preferences of traditional great powers as captured by the G7, pushed the US to ratify the reform of IMF quotas and thereby voting rates to reflect the importance of rising powers that had been agreed in 2010, and in so doing sought to get the buy-in of the BRIC countries to the rules-based international liberal order (Downie 2017, 1501). Thus, Australia as a middle power was able to negotiate a path between the positions of established great powers like the US and rising powers like the BRICS countries in promoting reform in global governance. It also sought to 'have the capability to set global norms as part of the G20. ... Australia wanted to ensure that the G20 remained an effective and legitimate forum for global governance negotiations [and t]his included the preference that the G20 should transition from its role as a crisis committee to a steering committee for global governance reform' (Downie 2017, 1497-1498).

In any case, despite considerable debate and activity in this area of global governance reform, a final and strategic division of labour among the informals, and in turn between them and the formals, remains a long way off (Morin et al., 2019).

#### 2.6 SUMMARY

The summit communiqués have often included a statement calling for strengthening the G20 but often lacking specific detail. Nevertheless, two distinct camps have emerged. On the one hand, countries including Australia, South Korea and the UK have called for greater institutionalization, including the establishment of a permanent secretariat. On the other hand, countries including Japan, the US, China and the other rising powers have argued that the G20 functions best as an informal gathering with a narrow focus in its agenda (Chin and Dobson 2016). Thus, there is not always a clear correlation or causation between developing and developed countries, rising and risen/declining powers as regards their position on the G20, the role it should play,

how it should do this, who should be involved and where it sits in the mechanisms of global governance.

#### NOTES

- For detailed histories of this genesis, see Cooper and Thakur 2013, 33–51; Hajnal 2007; Hajnal 2014; Heine 2010; Kirton 2013; Postel-Vinay 2014; Wouters and Van Kerckhoven 2011.
- India (2002), Mexico (2003), Germany (2004), China (2005), Australia (2006), South Africa (2007) and Brazil (2008).
- 3. See English, Thakur and Cooper 2005 for a detailed exploration.
- 4. Nihon Keizai Shinbun, 11 October 2010.
- 5. *The Financial Times*, 1 November 2008.
- 6. The Financial Times, 1 November 2008.
- 7. Australian Financial Review, 15 September 2009.
- 8. The Bahamas, Bahrain, Barbados, Botswana, Brunei Darussalam, Chile, Costa Rica, Finland, Guatemala, Jamaica, Kuwait, Liechtenstein, Luxembourg, Malaysia, Monaco, Montenegro, New Zealand, Panama, Peru, the Philippines, Qatar, Rwanda, San Marino, Senegal, Singapore, Slovenia, Switzerland, the United Arab Emirates, Uruguay and Vietnam.
- 9. Singapore Government News, 12 November 2014.
- 10. *Toronto Star*, 26 June 2010.
- 11. Australian Financial Review, 15 September 2009.
- 12. BBC News, 16 November 2008.