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# 4. Sustainable development

### 4.1 OVERVIEW

Whether the G20 has been successful in engaging with sustainable development as an issue and whether it should even be on the G20's agenda are moot questions. As Robin Davies, Australia's representative on the G20's working group on development when it was established in 2010, wrote: '... the G20's achievements under its development agenda appear distinctly modest, sometimes random, and at best marginal ... for the most part, they could have as easily have been produced in a G20-less world' (2015, 150-151). In a similar vein, Homi Kharas pertinently asked, '[w]hy should a global steering committee care about development' (2011, 165), especially in such a diverse forum of countries promoting a diverse range of developmental paradigms. Kharas's answer is threefold. Pragmatically, the G20's emphasis on 'strong, sustainable and balanced growth' inevitably requires the members of the G20 and the developing world to engage with each other. Morally, the G20 was compelled to engage with development, in the same way that the G7/8 was compelled. This moral compunction resonated with the strongly held faith of Gordon Brown, one of the key influencers in the initial years of the leaders' G20, and extended more broadly: 'One could also assume that in the G20, countries such as Mexico, Brazil, Argentina, India and South Africa carry a moral responsibility to voice the needs and priorities of vulnerable populations and to push for development effectiveness for less developed countries' (Villanueva Ulfgard and Vega 2019, 631).

Strategically, placing a longer-term issue on the G20's agenda gave it a future *raison d'être* that transcended the GFC and its role as a crisis committee. In short, '[the G20] has the moral duty and resources to combat poverty, reduce inequality, and set the world on the path to sustainable development' (Lesage and Wouters 2022, 1).

At the same time, the G20's emergence and evolution mirror important shifts in debates and policies surrounding sustainable development. Although the G20 mirrors the G7/8 in many ways, the former's engagement with development differed significantly in that the latter focused largely on Africa as exemplified by the 2005 Gleneagles summit. At the same time, although the GFC led to the upgrading of the G20, it also presented a considerable risk to

the achievement of the eight Millennium Development Goals (MDGs): (1) eradicate extreme poverty and hunger; (2) achieve universal primary education; (3) promote gender equality and empower women; (4) reduce child mortality; (5) improve maternal health; (6) combat HIV/AIDS, malaria and other diseases; (7) ensure environmental sustainability; and (8) a global partnership for development. The MDGs placed the emphasis on human capital, infrastructure and human rights, whether they be social, economic or political. Each goal had a number of targets, twenty-one in total, and 2015 was the deadline for achieving them.

The other watershed event was the adoption of the 2030 Agenda for Sustainable Development in 2015 and the seventeen SDGs outlined therein. The SDGs are seventeen overarching goals, each containing a number of targets, 169 in total, to be achieved by 2030: (1) end poverty in all its forms everywhere; (2) end hunger, achieve food security and improved nutrition and promote sustainable agriculture; (3) ensure healthy lives and promote well-being for all at all ages; (4) ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; (5) achieve gender equality and empower all women and girls; (6) ensure availability and sustainable management of water and sanitation for all; (7) ensure access to affordable, reliable, sustainable and modern energy for all; (8) promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; (9) build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation; (10) reduce inequality within and among countries; (11) make cities and human settlements inclusive, safe, resilient and sustainable; (12) ensure sustainable consumption and production patterns; (13) take urgent action to combat climate change and its impacts; (14) conserve and sustainably use the oceans, seas and marine resources for sustainable development; (15) protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss; (16) promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels; and (17) strengthen the means of implementation and revitalize the global partnership for sustainable development. So, in short, there are a number of compelling reasons why the G20 should engage with sustainable development, from the moral to the pragmatic, and from the strategic to the operational.

#### 4.2 THE G20 AND SUSTAINABLE DEVELOPMENT

The G20 first began to address the issues of poverty reduction, development assistance and the MDGs in its previous life as a meeting of finance ministers

and central bank governors in 2003 when they met in Morelia, Mexico (Cooper and Thakur 2013, 45). By 2008 and the upgrading of the G20 to the role of a crisis committee at the Washington summit, attention was firmly focused on addressing the GFC. Nevertheless, some leaders sought to draw attention to the perspectives of developing countries. In particular, the Indian prime minister, Manmohan Singh, asserted that emerging markets and developing countries 'were not the cause of this crisis, but they are amongst the worst affected victims' (Sachdeva 2022, 85). Thereafter, Singh assumed the role of spokesperson for developing countries, ensuring that their voice was not lost in the middle of the GFC and backing up words with concrete proposals and financial contributions (Sachdeva 2022, 90–94). In the end, the leader's declaration that came out of the Washington summit highlighted these concerns and the central importance of the MDGs:

We are mindful of the impact of the current crisis on developing countries, particularly the most vulnerable. We reaffirm the importance of the MDGs, the development assistance commitments we have made, and urge both developed and emerging economies to undertake commitments consistent with their capacities and roles in the global economy. In this regard, we reaffirm the development principles agreed at the 2002 UN Conference on Financing for Development in Monterrey, Mexico, which emphasized country ownership and mobilizing all sources of financing for development. (G20 Information Centre 2008b)

The declaration also highlighted the status of developing economies within IFIs and pledged to increase their voice and representation over the medium term. Some members sought to raise the profile of this issue within the G20 at this early stage while it was still in crisis mode responding to the GFC. For example, the EU was vocal in seeking a place for development within any new global financial architecture. Seeking to establish a G20 consensus on development, European Commissioner for Development and Humanitarian Aid Louis Michel announced ahead of the Washington summit that '[t]he G20 must also make it one of its central priorities to address poverty'.

The subsequent 2009 London summit was still chiefly focused on the GFC but declared that the G20 should 'recognise that the current crisis has a disproportionate impact on the vulnerable in the poorest countries and recognise our collective responsibility to mitigate the social impact of the crisis to minimise long-lasting damage to global potential', before then proceeding to make statements similar to the Washington summit as regards commitments to the MDGs and strengthening IFIs to ensure capital flows to developing countries and emerging economies (G20 Information Centre 2009a).

It was not long after the Washington and London summits that a series of G20 hosts were able to move the G20 away from its role as a global crisis committee and place sustainable development on the agenda in a more

substantial manner. Ostensibly this appeared to be motivated by a desire to bolster the G20's relevance, as the GFC abated, as well as its legitimacy, as its selective membership came into question (Fues and Wolff 2010, 1). The 2009 Pittsburgh summit began this transition by placing the emphasis on macro-economic coordination, declaring itself to be the 'premier forum for international economic cooperation' and launching the Framework for Strong, Sustainable and Balanced Growth, which envisioned development playing a central role therein (G20 Information Centre 2009a). South Korea, in particular, had been pressing for the inclusion of development on the G20's agenda for some years and President Lee Myung-bak stated ahead of this summit that 'the G20 leaders should pay special attention to the needs and causes of emerging and developing countries ... The G20 should also continue to try to further increase the voice and representation of the emerging and developing world, to reflect global economic reality more closely' (G20 Information Centre 2009b).

2010 was a pivotal year when, under the Canadian and South Korean co-presidencies, development first received serious treatment. Taking place immediately after the similarly Canadian-hosted G8 summit with a strong focus on the MDGs and specifically maternal, newborn and child health, the antepenultimate paragraph in the Toronto summit declaration established the Development Working Group (DWG), which was chaired initially by South Korea and South Africa:

Narrowing the development gap and reducing poverty are integral to our broader objective of achieving strong, sustainable and balanced growth and ensuring a more robust and resilient global economy for all. In this regard, we agree to establish a Working Group on Development and mandate it to elaborate, consistent with the G20's focus on measures to promote economic growth and resilience, a development agenda and MYAPs to be adopted at the Seoul summit. (G20 Information Centre 2010c)

Later that year, and in response to this mandate, the Seoul summit leaders' declaration showcased the Seoul Development Consensus for Shared Growth, its aims, and the emphasis on concrete measures as summarized in the MYAP on Development supported by the OECD (G20 Information Centre 2010d). The Seoul summit document highlighted six principles upon which the Seoul Development Consensus and the MYAP were based in the support of resilient and shared growth:

- First, an enduring and meaningful reduction in poverty cannot be achieved without inclusive, sustainable and resilient growth, while the provision of ODA, as well as the mobilization of all other sources of financing, remain essential to the development of most LICs [low-income countries].
- Second, we recognize that while there are common factors, there is no single formula for development success. We must therefore engage other developing

countries as partners, respecting national ownership of a country's policies as the most important determinant of its successful development, thereby helping to ensure strong, responsible, accountable and transparent development partnerships between the G20 and LICs.

- Third, our actions must prioritize global or regional systemic issues that call for collective action and have the potential for transformative impact.
- Fourth, we recognize the critical role of the private sector to create jobs and wealth, and the need for a policy environment that supports sustainable private sector-led investment and growth.
- Fifth, we will maximize our value-added and complement the development efforts of other key players by focusing on areas where the G20 has a comparative advantage or could add momentum.
- And finally, we will focus on tangible outcomes of significant impact that remove blockages to improving growth prospects in developing countries, especially LICs. (G20 Information Centre 2010e)

The Seoul summit document also outlined nine key pillars of the Seoul Development Consensus 'where we believe actions are necessary to resolve the most significant bottlenecks to inclusive, sustainable and resilient growth in developing countries' (G20 Information Centre 2010a). Building on these pillars, the MYAP outlined more detailed actions and mechanisms to address these bottlenecks and, soon thereafter, chairs and facilitators were assigned. They included: (1) infrastructure - South Korea, France and the US); (2) private investment and job creation – Germany and Saudi Arabia; (3) human resource development (HRD) – South Korea and Argentina; (4) trade - Argentina, the EU and the UK; (5) financial inclusion - an expert group; (6) growth with resilience - Australia, Indonesia, and Italy; (7) food security – Brazil, Canada, France and Japan; (8) domestic resource mobilization (DRM) (South Africa and Spain); and (9) knowledge sharing – South Korea and Mexico (G20 Information Centre 2010e; Zondi 2013, 80-81). However, Davies (2015) argues that out of the original nine, three have received most attention, namely food security, infrastructure and financial inclusion.

This was an important initiative in and of itself for the South Korean government and President Lee, who were keen to share Korea's developmental experience. Il SaKong, the Korean G20 sherpa, explained the Korean presidency's choice of agenda items: 'By bringing up the development issue, South Korea is playing a pivotal role in bridging emerging economies and advanced nations. As we still belong to the emerging economies' side group but are now an OECD member, we know better than any other country what development is.' At the same time South Korea grasped the opportunity to also bolster the G20's position in global governance moving forward and South Korea's position therein (Lesage and Wouters 2022). However, this positive spin that South Korea placed on its contribution to the G20's treatment of development

was not universally accepted and some analysts argued that it only represented a highly selective and sanitized version of its own development:

There is no doubt that scholars, civil society groups and government officials from developing countries can learn a lot from Korea's development successes but also from the failures and costs of rapid industrialization. However, it is important that experts from developing countries study Korean development from their own perspective and not rely on a selective and biased interpretation presented to them by the Korean government. The latter understandably stresses those aspects of the Korean development model that are in line with the interests of the powerful Korean export industry and Korean multinationals. (Kalinowski 2010, 87)

Other analysts have also been critical of the Seoul Consensus for failing to provide a genuine alternative to the growth-focused, neoliberal agenda of the Washington Consensus propagated by Europe, North America and the IFIs (McConnell 2010; Cammack 2012; Zondi 2013). Zondi criticizes the Seoul Development Consensus for prioritizing growth and private-sector development, while omitting social and human development from the six principles and nine pillars outlined above, and ignoring the MDGs. The result was that '[l]ike the Washington Consensus, the Seoul Declaration springs from an absolute faith in economic growth as a cure-all for the ills of the global socio-economy' (2013, 82). Yet the various documents that came out of the Seoul summit, from the leaders' declaration to the Seoul summit document to the Seoul Development Consensus and MYAP, made multiple references to the MDGs. Zondi's conclusion provides a more reasonable assessment, namely that the Seoul Development Consensus was ultimately a compromise between the countries most closely involved in its conception - South Korea, South Africa and Türkiye – and then mediated through the diversity of opinion and experience within the G20. In short, it was always likely to be a curate's egg. It is true that 'the new consensus merely modifies old ideas and paradigms in the hope that, if championed by a more legitimate institution like the G20, it would be broadly embraced' (Zondi 2013, 79). However, this is not an insubstantial achievement. Although hardly radical, these principles and areas of action did shift the focus of development away from the simple provision of financial contributions. Moreover, as Cherry and Dobson (2012) have explored in their evaluation of the 2010 Seoul summit, as the first non-G8 country to assume the G20 presidency, the South Korean hosts took a pragmatic approach in terms of striking a balance between the legacy issues that they were obliged to address and the new issues that they wanted to place on the G20's agenda and the future direction they wanted the summit to take. So, instead of adding more heavyweight issues, such as climate change, the South Korean government emphasized growth-oriented development as one of a number of its signature initiatives that it was likely to make progress on. It then made deliberate efforts to distinguish the Seoul Development Consensus from other multilateral efforts and development paradigms such as the Washington Consensus, the MDGs or the G8's engagement with the issue, with its focus on aid (Davies 2015, 150). Ultimately, politics as the art of the possible prevailed.

Since then, the G20's efforts in the field of development have been directed through its Development Working Group (DWG), which is co-organized by the OECD and United Nations Development Programme (UNDP) and engages a number of other global and regional intergovernmental organizations, like the AU, as well as G20 and non-G20 members. The DWG met twice in 2011 and presented its first annual report at the 2011 Cannes summit. Although the French presidency's attention was focused on the Eurozone crisis and the threat to global recovery, it was reported at Cannes that the group had started implementing the MYAP by 'taking both individual and collective actions along two avenues: setting the foundations for strong and balanced growth and building resilience' (G20 Information Centre 2011c).

In advocating sustainable and equitable development paths as well as assisting the disadvantaged, Mexico was one of the original and vocal supporters of placing development on the G20's agenda. By 2012, and its assumption of the presidency, Mexico was able to contribute to the development agenda by emphasizing the specific importance of investing in infrastructure, reconceptualizing 'green growth' through the lens of development and food security. However, reiterating the need to conclude the Doha Round of WTO multilateral trade talks was inevitably ineffective (G20 Information Centre 2012a). The leaders also released a DWG progress report, which did little apart from reinforce the emphasis on inclusive green growth, infrastructure and food security and confirm the G20's role as 'a relevant coordination forum for international economic cooperation' (G20 Information Centre 2012b).

The 2013 St Petersburg Development Outlook expanded the remit of the G20 in terms of its engagement with development by adding the adjectives 'inclusive' and 'resilient' to the mantra of strong, sustainable and balanced growth. By 2013, some observers were doubting the centrality, focus and effectiveness of the DWG as well as how seriously it was being taken within the G20 (Kharas 2014a, 179). However, 2013 also saw a three-year review of the nine priority areas that dropped the social protection elements of growth with resilience, knowledge sharing, trade, private investment and job creation and highlighted five priority areas: infrastructure, DRM, financial inclusion and remittances, food security and nutrition, and HRD (G20 Information Centre 2013a). These five priority areas provide a loose structure for the remainder of this chapter. In the following year, the Australian presidency continued this review and within the five priority areas adopted a 3+2 approach by giving greater priority to infrastructure, financial inclusion and DRM, as issues that could be incorporated into the G20's wider agenda, over food security and

HRD. It also agreed to an Accountability Framework and produced an Annual Progress Report to track progress on G20 commitments.

Under the G20 presidency of Türkiye in 2015, the G20 adopted the Low-Income Countries Development Framework. More significantly, 2015 also saw the United Nations General Assembly (UNGA) affirm the SDGs and the goal of 2030 for their achievement. In many ways, there appeared to be a high degree of overlap between the G20's development agenda up to this point and the SDGs, as well as potential synergy moving forward. At least on paper, the two were happy bedfellows:

The G20 has called for economic growth that is 'inclusive and resilient' as well as strong, sustainable and balanced. Similarly, the post-2015 development agenda is aimed at finding a set of development goals that would be inclusive, transformative and sustainable. Both offer a new commitment to multilateralism in the course of enabling all individuals to grow to their full potential while avoiding environmental threats. (Kharas 2014b)

However, Kharas also points to the differing approaches between the G20, as an exclusive club focused on economic growth, and the UN, as an inclusive organization focused on poverty reduction, especially in LICs. This was an important consideration the following year when China assumed the G20 presidency. As seen in other issue-areas where the G20 and UN's roles overlap, 'China believes that the realization of these goals [SDGs] requires the UN to take the lead' (Gao and Wouters 2022, 74). At the same time, China has traditionally also assumed the role of leader of the developing world, taking the opportunity to promote its own developmental model. Thus, the emphasis given to infrastructure within the Seoul Development Consensus and thereafter resonated with China's priorities at home and internationally. So, under China's presidency, the G20's engagement with development evolved with the adoption of an Action Plan on the 2030 Agenda for Sustainable Development (G20 Information Centre 2016a). This Action Plan was intended to be 'a policy framework to align the G20 Agenda with the 2030 Agenda – and ultimately aimed at contributing to global efforts to achieve all 17 SDGs by 2030' (OECD 2019). Despite this overlap of interest and leadership during the Chinese G20 presidency of 2016, the well-worn limitations and shortcomings of the G20 around diversity and effectiveness, as well as the position of the DWG within the G20's organizational structure, mean that it will not replace the central role of the UN in Chinese eyes any time soon unless substantial reforms take place (Gao and Wouters, 2022, 78-81).

The G20 specifically and multilateralism in general then hit choppy waters with the advent of the Trump presidency. However, as Lesage and Wouters (2022) demonstrate, the G20's treatment of development avoided the high-profile disengagement associated with the disrupter-in-chief on other

global governance challenges and instead developed incrementally during this difficult period. The 2017 Hamburg summit was intended from the outset to promote the 2030 Agenda and although not seen as a 'great breakthrough for sustainable development', provided some opportunities and concrete outcomes (Scholz and Brandi 2017, 156). The G20 published an update on the progress with the Action Plan (G20 Information Centre 2017b), and the DWG adopted the Voluntary Peer Learning Mechanism (VPLM) to foster knowledge-sharing around the 2030 Agenda for Sustainable Development that would support individual countries' progress towards its implementation. The German presidency proposed this initiative, which was supported by Mexico in particular, as seen in the active and inclusive participation of the Mexican Agency of International Cooperation for Development in its working groups, contributing to the creation of a governance network on this issue (Villanueva Ulfgard and Vega 2019, 635–636). The German presidency also placed cooperation with Africa on the agenda of its Finance Track, thereby raising its profile, and introduced the Compact with Africa, whereby individual African countries would establish agreements with G20 countries to enhance the private sector investment environment (Leininger 2017, 197).

The environment worsened thereafter with Covid-19, and in the same way that the GFC threatened to derail progress towards the MDGs, as mentioned above, the global pandemic impacted negatively on the already delayed progress towards the achievement of the SDGs by 2030 (Lesage and Wouters 2022). The Saudi G20 presidency of 2020 was severely disrupted and produced little in terms of concrete outcomes in sustainable development and other challenges. However, the following year at the Rome G20 in 2021, and with the return of the US to its international responsibilities under the Biden administration, G20 leaders welcomed the IMF's implementation of a reallocation of SDRs, which resulted in the creation of US\$650 billion of additional reserves for IMF members. They pledged US\$45 billion of voluntary contributions from these reserves to be targeted towards the neediest countries and set a new target of US\$100 billion (G20 Information Centre 2021a).<sup>3</sup>

This potted history of the G20's engagement with sustainable development highlights many specific issues that cut across the thematical chapters of this book. So, trade could be dealt with here rather than in the previous chapter. Food security is included below in this chapter when it could be incorporated into Chapter 6. In an attempt to cut through this inevitable blurring of lines, the remainder of this chapter is structured around the five priorities outlined above: infrastructure investment, DRM, financial inclusion, food security and HRD.

However, the Achilles heel in the organization of this chapter is that health does not feature strongly. To an extent this is more a fault of the G20, as its treatment of health has not been of central importance generally, or included

within its treatment of sustainable development, except for including nutrition within its focus on food security (Kirton et al. 2014). The 2014 Brisbane summit was the first to issue a dedicated statement on a global health issue in the form of the G20 Leaders' Brisbane Statement on Ebola, expressing concern and calling for coordinated action (G20 Information Centre 2014a). Global health was given greater prominence as a result of the German presidency establishing the first-ever ministerial meeting of health ministers in Berlin in May 2017. Although this development was met with both praise and criticism (McBride et al. 2019, 2), thereafter each G20 host has continued with these ministerial meetings. As regards SDG-3 of ensuring healthy lives and promoting well-being for all at all ages, the G20 has made reference to some of the thirteen targets, such as achieving universal health coverage and access to safe, effective, quality and affordable medicines and vaccines, supporting the research and development of vaccines and medicines for communicable and non-communicable diseases that primarily affect developing countries, increasing the recruitment, development, training and retention of the health workforce in developing countries, as well as strengthening the early warning, risk reduction and management of national and global health risks. However, the G20 has failed to mention many of the targets, including inter alia maternal health, child health, mental health, and sexual and reproductive health (McBride et al. 2019, 7).

The Covid-19 pandemic inevitably dominated the agenda of the Saudi presidency in 2020. The immediate impact of the pandemic was on the conduct of summitry as it shifted online for the Riyadh summit of November 2020. Naylor (2020) has convincingly explored the impact of virtual diplomacy on a process that is built on informality and interpersonal relationships. Several other factors stymied the chances of the G20 coordinating an immediate response to the pandemic, including the Trump administration's rejection of multilateralism, and tensions resulting from the US–China trade war (Nelson 2020, 9). The G20 leaders soon returned to in-person meetings without Trump from the Rome summit of October 2021 onwards, with a focus on supporting the UN-backed COVAX programme, although it was slow to roll out vaccine programmes in developing countries. UN Secretary-General Antonio Guterres captured the challenge in the following damning terms:

On the one hand, we see the vaccines developed in record time – a victory of science and human ingenuity. On the other hand, we see that triumph undone by the tragedy of a lack of political will, selfishness and mistrust. A surplus in some countries. Empty shelves in others. This is a moral indictment of the state of our world. It is an obscenity. We passed the science test. But we are getting an F in Ethics. (UNGA 2021)

The G20 health ministers stressed the importance of multilateralism in addressing this challenge and facilitating access to vaccines when they met a month before the leaders. Health received second billing after the global economy in the leaders' declaration the following month. This included a commitment to work towards the WHO's goal of fully vaccinating at least 40 per cent of the population in every country by the end of 2021 and 70 per cent by mid 2022 by boosting the supply of vaccines and essential medical products and inputs in developing countries as well as removing relevant supply and financing constraints. The G20 leaders tasked their health ministers with monitoring progress and identifying ways to accelerate the take-up of vaccinations globally. By the end of 2022 and Indonesia's G20 presidency, the joint meeting of finance and health ministers welcomed increasing vaccination rates but noted that they remained 'far short' of the WHO vaccination target of 70 per cent (G20 Information Centre 2022b). The leaders' declaration that came out of the Bali summit namechecked Covid-19 in its preamble but relegated the issue down the agenda as the conflict in Ukraine, food and energy security, and climate change took top billing (G20 Information Centre 2022a).

### 4.3 INFRASTRUCTURE INVESTMENT

The scale of opportunities in infrastructure investment has often been demonstrated by the OECD's estimation that infrastructure requirements up to 2030 total US\$50 trillion, with much of the demand in Asia (Della Croce 2011, 27). It is therefore no surprise that infrastructure investment in developing countries and emerging economies was identified as an opportunity for the G20 to drive global growth from its first meeting. For example, Singh's advocacy was evident at the Washington summit around the role of infrastructure investment in the G20's response to the GFC and as a driver of economic growth, although his words largely fell on deaf ears until the 2010 Seoul summit when the South Korean presidency placed it on the agenda with the support of Brazil, China, India, Indonesia, Japan, Russia and South Africa (Chin and Zhu 2022, 163-166). However, according to Elek (2011), the G20's High-Level Panel on Infrastructure, established in 2010 to provide practical guidance and innovative ideas to inform its approach to infrastructure investment, was operating too narrowly in terms of its geographical remit and needed to refocus its attention to more viable projects.

The next high-profile development within the G20's treatment of infrastructure was the establishment of the G20 Infrastructure Hub as part of Australia's 2014 presidency. The hub was a key initiative of the Australian government and found its origins in a B20 proposal to address global growth and employment. To set it apart from other initiatives, the hub was initially established to operate for only four years, to avoid it becoming a permanent institution; however,

at the time of writing, it is still in operation. It is headquartered in Sydney with the Australian government providing the lion's share of US\$10 million funding per annum through to 2018 (Davies 2015, 154). The Australian prime minister, Tony Abbott, was personally associated with the initiative, having promoted himself before his election as the 'infrastructure prime minister'.4 A general criticism of the approach to infrastructure projects that appeared early in discussions as part of Australia's presidency was 'a sense that every country was reinventing the wheel' and promoting its own 'best practices' when they were not necessarily globally transferable.<sup>5</sup> So. Abbott stressed that the hub would not be 'another international bureaucracy' and would work 'like a clearing house for ideas on raising commercial funds for new public works, such as roads and railways, [and] cut through red tape and close the "information gap" between investors and infrastructure projects in G20 states'.6 In contrast, at the same time Abbot conceived of the hub as a vehicle to promote Australia's 'quite innovative approach to infrastructure'. 7 In addition, the proposal was also motivated by, and conceived as contributing to, Australia's other headline initiative of increasing growth by 2 per cent within five years. Although approved by the G20 by the time of the Brisbane summit in November 2014 and welcomed by international and regional multilateral development banks, there was a difference of opinion between the US, UK and Japan on the one hand, who were supportive, and India and France on the other hand, who were concerned that it could overlap and duplicate the work of the World Bank. Only a few weeks prior to Brisbane, the World Bank had announced its Global Infrastructure Facility with a similar mandate to Abbott's initiative. In the same month, China announced its new Asian Infrastructure Investment Bank (AIIB), which opened for business at the beginning of 2016. The result was a confusing flurry of competing initiatives and uncoordinated activity towards the end of 2014 in the field of infrastructure.

The AU's permanent membership of the G20 was announced in September 2023. However, as the only African country represented in the G20, South Africa occupied an important position between 2008 and 2022. As articulated by Deputy Minister of International Relations and Cooperation Luwellyn Landers, South Africa's participation at the G20 is guided by its four strategic foreign policy pillars:

- (1) advancing its national interest to attain domestic objectives;
- (2) enhancing the African agenda and promoting Africa's sustainable development;
- (3) influencing the global multilateral architecture; and
- (4) advancing the agenda of the South through strengthening South–South cooperation and North–South Dialogue.<sup>8</sup>

To this end, South Africa's role at the G20 has often been to mainstream the development agenda within the G20 and focus other countries' attention on Africa's development broadly speaking, but also on specific issues such as placing the Compact with Africa under the Finance Track (as mentioned above), #eSkillsforGirls and Rural Youth Development initiatives, and the G20's prioritization of addressing illicit financial flows as a development issue for Africa. As regards infrastructure investment, President Jacob Zuma appealed to other G20 leaders at Brisbane to accelerate infrastructure investment in Africa especially, in order to sustain global growth, help lift intra-Africa trade and contribute towards industrialization and job creation in high-value sectors. South Africa was able to use the regular BRICS meeting on the sidelines of the G20 to secure the support of Brazil, Russia, India and China.<sup>9</sup>

A number of other countries have made considerable efforts to include infrastructure development on the G20's agenda, including Argentina, who made it one of the three priorities of its presidency in 2018. As regards the specific issue of an FTT to support development initiatives, France and Germany have been two of the more vocal advocates, whereas South Korea has been against it.

Distinct country-specific approaches to infrastructure investment are also apparent within the G20, although hard-nosed national interest and deeper rivalries are never far from the surface. China's own initiatives for promoting infrastructure investment have received the lion's share of attention, whether it be the AIIB, New Development Bank, or Belt and Road Initiative (BRI). In some ways, these Chinese initiatives have the same intention as the more established development banks and initiatives, like the Global Infrastructure Hub, that seek to mobilize private-sector funding and match it to public works. However, one of China's objectives is that they will operate on an equal footing to the Western-dominated institutions. In addition, when the Chinese G20 presidency sought to place Africa predominantly on its agenda in 2016, this was seen to be largely motivated by its economic presence on the continent and the centrality of the BRI to its overall foreign policy (Leininger 2017, 198). Under the Japanese presidency, in 2019, the G20 Principles for Quality Infrastructure Investment were adopted. These six overarching principles and seventeen sub-principles were intended to reflect the G20's common strategic direction in terms of quality infrastructure investment and were adopted unanimously at Osaka; however, they were voluntary and non-binding. Within Japanese governmental discourse, quality infrastructure investment has often been thinly disguised shorthand for criticism of China's foreign investment and the specific infrastructure initiatives mentioned above. Aizawa (2020, 5) notes this rivalry in casual terms, saying that '[s]ome joke that Japan sees quality infrastructure as anything not built by the Chinese', but also more seriously that 'infrastructure is part of Japan's strategy to ensure security in the Asia-Pacific region in the face of an increasingly bellicose Chinese presence'. This was also reflected in Japan's G7 presidency in 2016 (Dobson 2016), as well as its support for what came to be known as the G7 Partnership for Global Infrastructure and Investment (PGII), which was agreed and rolled out during the 2021 UK presidency and the 2022 German presidency.

In this context, Chin and Zhu draw some 'sobering' conclusions in terms of the implications for the G20's engagement with infrastructure investment and place the blame firmly on the G7 countries in resisting BRICS and Asian proposals and according preference to their own initiatives mentioned above:

The deeper reality is that the story of infrastructure in the G20 process involves a lack of serious commitment from key member states of the G20 club, specifically the Group of Seven (G7) nations, to use the G20 process as a forum for dealing with infrastructure investment. The nations of the BRICS grouping and Asian members of the G20 initially showed some interest in addressing the infrastructure needs of the developing world within the G20. However, this interest was not shared by the bloc of advanced economies. When some attention was given to infrastructure in the early phase of the G20 leaders meetings, due to the advocacy of the BRICS and Asian nations, infrastructure was, nonetheless, kept low on the agenda of the early G20 summits. The area has been saddled with a low level of ambition ever since. There were, and continue to be, no tangible G20 investment commitments on infrastructure. The G20 joint statements on infrastructure were left lacking in their boldness, collective vision, and group effort. (Chin and Zhu 2022, 160)

### 4.4 DOMESTIC RESOURCE MOBILIZATION

The role that the G20 can play in DRM was neatly encapsulated by the president of the State of Palestine, Mahmoud Abbas, when speaking in September 2019 at the 43rd Annual Meeting of the Ministers for Foreign Affairs of the Group of 77 (G77) of 134 developing nations within the UN. He stressed that it was counterproductive to highlight the importance of DRM in developing countries without addressing the gap in global governance that allows for international loopholes that impede these countries' ability to retain a large proportion of the resources. The disappearance or artificial shifting of corporate profits to low or no-tax environments, or BEPS as mentioned in the previous chapter, is estimated to result in the annual loss of between US\$100 and US\$240 billion, or 4 to 10 per cent of global corporate income tax revenues. At the same time, with the relative decline of official development assistance (ODA) as a source of financing development, and the principle that each country is responsible for its own development, the importance of managing domestic resources effectively has increased.

As discussed in Chapter 3, it was under the Mexican G20 presidency and with the active leadership of the German and UK governments that BEPS was taken up at the 2012 Los Cabos summit and the work of the OECD in this area

noted. The 2013 G20/OECD BEPS Action Plan identified fifteen actions to put an end to international tax avoidance, structured around three pillars: (1) coherence in domestic tax rules that relate to cross-border activities; (2) alignment of taxation with the location of economic activity and value creation; and (3) improving transparency and thereby certainty (OECD 2013). Despite the Australian presidency's 3+2 approach that emphasized DRM, and the OECD's presentation to G20 leaders at the 2014 Brisbane summit of sections of this Action Plan, the G20 only made a broad commitment to help LICs participate in and benefit from its efforts to address tax-base erosion within G20 countries through a range of toolkits and technical assistance in tax administration.

It was in the following year, at the 2015 Antalya summit, that the G20 leaders included the following paragraph in their communiqué:

To reach a globally fair and modern international tax system, we endorse the package of measures developed under the ambitious G20/OECD BEPS project. Widespread and consistent implementation will be critical in the effectiveness of the project, in particular as regards the exchange of information on cross-border tax rulings. We, therefore, strongly urge the timely implementation of the project and encourage all countries and jurisdictions, including developing ones, to participate. To monitor the implementation of the BEPS project globally, we call on the OECD to develop an inclusive framework by early 2016 with the involvement of interested non-G20 countries and jurisdictions which commit to implement the BEPS project, including developing economies, on an equal footing. (G20 Information Centre 2015a)

As is apparent from the language used in the communiqué, the recommendations of the BEPS project were the result of consensus and intended to be flexible, offering solutions to governments in closing the gaps in existing international tax rules. Nevertheless, with the establishment of the inclusive framework in 2016, the OECD proceeded to work with interested countries and jurisdictions to progress the BEPS project, and by the end of 2022 the framework included 142 members. The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (or BEPS Convention for short) was signed in 2017 and came into effect in 2018, providing a multilateral mechanism by which countries can respond to agreed measures while avoiding the time-consuming process of addressing a large number of bilateral treaties.

Thereafter, the focus of BEPS shifted to agreeing a consensus-based, long-term solution to the tax challenges arising from the digitalization of the economy. The G20/OECD agreed a roadmap and programme of work around this issue between 2017 and 2020, within the inclusive framework, and released a 'blueprint' for a two-step approach in October 2020, which was finalized the following year and implemented during 2023. The two steps seek to: (1) 'ensure a fairer distribution of profits and taxing rights among countries

with respect to the largest multinational enterprises (MNEs)'; and (2) 'put a floor on tax competition on corporate income tax through the introduction of a global minimum corporate tax that countries can use to protect their tax bases' (OECD 2021). By the end of 2022, 138 counties had agreed to it.

Within the G20, the EU has highlighted DRM as a pillar of its 'Collect More, Spend Better' approach to supporting developing countries. To this end, it has been supportive of the G20/OECD activities in addressing BEPS while keen to encourage the participation of developing countries in these discussions and decisions. India also has a particular interest in BEPS and its fair and balanced implementation so as not to scare away investment and interest in the projected growth in its economy. It was able to voice its concerns as a member of the ad hoc group that helped develop the BEPS Convention.

### 4.5 FINANCIAL INCLUSION

Financial inclusion seeks to reach out to the unbanked population of the world so that it can access financial services. This in turn, it is argued, will impact on economic growth and employment as well as financial stability, all of which are of central concern to the G20. In addition, a number of G20 countries lead the world in terms of financial inclusion. According to BBVA Research's Multidimensional Index of Financial Inclusion, Brazil, Canada and South Korea are three of the four leading countries in the world in terms of financial inclusion. So, over time, the G20 has naturally given financial inclusion high priority and defined it as 'a state in which all working age adults have effective access to credit, savings, payments, and insurance from formal service providers'.<sup>11</sup>

The G20 first highlighted financial inclusion at the 2009 Pittsburgh summit and followed up the following year when the nine principles for innovative financial inclusion were announced at the Toronto summit of June 2010. They included:

- Leadership: Cultivate a broad-based government commitment to financial inclusion to help alleviate poverty.
- 2. Diversity: Implement policy approaches that promote competition and provide market-based incentives for delivery of sustainable financial access and usage of a broad range of affordable services (savings, credit, payments and transfers, insurance) as well as a diversity of service providers.
- Innovation: Promote technological and institutional innovation as a means to expand financial system access and usage, including by addressing infrastructure weaknesses.
- Protection: Encourage a comprehensive approach to consumer protection that recognises the roles of government, providers and consumers.
- 5. Empowerment: Develop financial literacy and financial capability.

- Cooperation: Create an institutional environment with clear lines of accountability and co-ordination within government; and also encourage partnerships and direct consultation across government, business and other stakeholders.
- Knowledge: Utilize improved data to make evidence based policy, measure progress, and consider an incremental "test and learn" approach acceptable to both regulator and service provider.
- 8. **Proportionality**: Build a policy and regulatory framework that is proportionate with the risks and benefits involved in such innovative products and services and is based on an understanding of the gaps and barriers in existing regulation.
- 9. Framework: Consider the following in the regulatory framework, reflecting international standards, national circumstances and support for a competitive landscape: an appropriate, flexible, risk-based Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) regime; conditions for the use of agents as a customer interface; a clear regulatory regime for electronically stored value; and market-based incentives to achieve the long-term goal of broad interoperability and interconnection. (G20 Information Centre 2010f)

Chief Executive Officer Alexia Latortue of the Consultative Group to Assist the Poor, the independent think tank dedicated to the issue of financial inclusion that worked with the G20, stated:

The G20 Principles for Innovative Financial Inclusion encourage policy makers to harness the potential of new approaches such as branchless banking to reach the more than 2.7 billion people globally who are unable to open a bank account, get insurance, or receive loans that would help them save for the future, and invest in their homes or businesses ... The G20 leaders' backing will go a long way to encourage both policy makers and the private sector to be innovative yet prudent in their approach to reaching poor people around the world.<sup>12</sup>

Later in 2010 at the Seoul summit, the G20 announced a Financial Inclusion Action Plan (FIAP) and a month later launched the Global Partnership for Financial Inclusion (GPFI) (G20 Information Centre 2010b). This was intended to provide an inclusive platform for all G20 countries, interested non-G20 countries and a range of international organizations and relevant stakeholders to carry forward work on financial inclusion, including implementation of the FIAP, which was renewed in 2014, 2017 and 2020. It also worked to establish agreed financial inclusion indicators including inter alia the density of commercial banks, ATMs, and percentage of people over 15 with bank accounts or loans. The G20's achievements lie in raising the profile of financial inclusion, shifting debates from why to how, and encouraging countries to develop policy goals to increase financial inclusion.<sup>13</sup> Furthermore, access to financial services increased after the G20 began to engage the challenge, as seen in the 700 million people across the world who obtained an account for the first time between 2011 and 2014, thereby reducing the world's unbanked population to 2 billion.

As part of this challenge, the G20 has also worked to reduce the cost of remittances. Under the French presidency, leaders pledged at the 2011 Cannes summit that: 'We will work to reduce the average cost of transferring remittances from 10% to 5% by 2014, contributing to release an additional 15 billion USD per year for recipient families' (G20 Information Centre 2011b).

However, it missed this target and had to reaffirm it at the 2014 Brisbane summit. Under the Mexican presidency, the G20 launched a Financial Inclusion Peer Learning Programme to enable countries to share their experiences of developing financial inclusion mechanisms and implementing strategies, and tasked the GPFI to identify the barriers preventing women and youth from gaining access to financial services and financial education.

Under the Chinese presidency the emphasis shifted to digital financial inclusion. As a result, the G20 developed a set of high-level principles to guide both G20 and non-G20 countries in this area. These 66 recommendations covered a range of subjects, from the use of digital technology to the promotion of a basic infrastructure for digital financial services, and were targeted at LICs. The G20 also revised their financial inclusion indicators to include digital financial services. In the Hangzhou communiqué, G20 leaders committed themselves to take 'concrete actions to accelerate progress on all people's access to finance' (G20 Information Centre 2016b). The subsequent German and Argentinian presidencies continued this focus on digital financial inclusion. For example, the Argentinian government worked with the Inter-American Development Bank from 2016 to draft a financial inclusion strategy and promote measures to facilitate access to financial products and to improve financial education levels among the general public. The subsequent of the products and to improve financial education levels among the general public.

At the outset of its presidency, Saudi Arabia continued the emphasis on digital financial inclusion, but especially with regard to women and young people, within its agenda. Although the advent of Covid-19 derailed the Saudi G20 presidency in many ways, it served to highlight the importance of financial inclusion in driving the post-pandemic recovery. With these factors in mind, the virtual Riyadh summit in November 2020 endorsed and welcomed the G20 High-Level Policy Guidelines on Digital Financial Inclusion for Youth, Women and SMEs (GPFI 2020a), as well as a revised 2020 G20 Financial Inclusion Action Plan to shape the work of the GPFI through to 2023 (GPFI 2020b).

### 4.6 FOOD SECURITY

After the 2009 Pittsburgh summit highlighted food security for the first time, the G20 established the Global Agriculture and Food Security Program under the administration of the World Bank (Kharas 2014a, 182). The following year's G20 summit in Seoul then identified it as a priority area in the epony-

mous Development Agenda, calling on various agencies and organizations to explore policy options. However, it was under the French presidency that the issue was given prominence in response to the ongoing global food crisis. In a New Year speech that outlined his G20 priorities, President Nicolas Sarkozy sought to bring the G20 together by predicting that '[i]f we don't do anything we run the risk of food riots in the poorest countries and a very unfavourable effect on global economic growth. The day there are food riots, what country at the G20 table will say this does not concern them? I don't see a single one.'17 This led to the establishment of the first meeting of G20 Agriculture Ministers. in Paris, from 22 to 23 June 2011. The following year's Mexican presidency continued with this innovation but it then fell into abevance until 2015 and the G20 presidency of Türkiye. Thereafter, it became a regular feature in the calendar of annual G20 ministerial meetings. Thus, the G20's treatment of food security has partly been the result of the interest and commitment of a given year's presidency as well as the immediacy of food prices as an issue. In any case, as Warren (2018) demonstrates, within this process G20 ministers have on occasions 'forged links between agriculture and climate change and between agriculture, water scarcity, migration and political instability. They thus connected the economic, social, environmental and security dimensions of agriculture.'

Returning to their first meeting in Paris, the G20 agriculture ministers adopted an Action Plan on Food Price Volatility and Agriculture (G20 Information Centre, 2011d), which was welcomed by the G20 leaders later that year at the Cannes summit. The leaders highlighted five specific objectives from the Action Plan that sought to combat food shortages and price volatility: (1) improving agricultural production and productivity; (2) increasing market information and transparency; (3) reducing the effects of price volatility for the most vulnerable; (4) strengthening international policy coordination; and (5) improving the functioning of agricultural commodity derivatives' markets (G20 Information Centre 2011e). Hajkowicz et al. (2012) were relatively optimistic as regards the effectiveness of achieving these objectives but argued that major innovations would be required, first and foremost 'a renewed recognition by the global community about the importance of the agricultural sector'. Some analysts have been much more critical of the G20's approach to food security, accusing it of adopting a narrow focus, ignoring broader structural issues and prioritizing the Eurozone crisis when the issue first appeared on its agenda (McLean-Drevfus 2012; Edwards 2017).

Within this remit, a range of country-specific approaches to the issue of food security have been in evidence with one major cleavage being over whether rising prices should be addressed by increased food production or regulation.

Engelbrekt (2015, 543) captures the diversity of positions within the G20 and the resulting limitations:

Whereas the US and Brazil argue that price volatility only diminishes when markets produce adequate amounts of foodstuffs, India, China, and Argentina insist on harnessing national food reserves and domestic quota requirements to supply domestic markets. Amidst such disputes, France was in 2011 content to win support for a global database to better measure the level of food staples, along with a prohibition on export restrictions and taxes on World Food Program purchases for humanitarian purposes. In 2011 China put its considerable weight behind the French-led food security initiative ...

Picking up on Engelbrekt's final point, China not only supported the French initiative but has also demonstrated a leadership role in placing the issue of food security on the G20's agenda. Duggan and Naarajärvi (2015) have argued that China's motivations in assuming this role can be understood as an attempt to reclaim its traditional role as a leader of the developing world and to neutralize accusations of neocolonialist land grabbing in developing countries, particularly in sub-Saharan Africa, as China seeks to ensure the food security of its own population. This proactive engagement has shaped the global food security agenda, linking it to global economic recovery and focusing the G20's agenda more on issues of development than finance.

In 2012, Australia, Canada, Italy, the UK, the US and the Gates Foundation were instrumental in funding the AgResults initiative announced at the Los Cabos summit. According to its webpage, this US\$145 million fund 'uses pay-for-results prize competitions to incentivize, or "pull", the private sector to overcome agricultural market barriers by investing in innovative research and delivery solutions that improve the lives of smallholder farmers'. However, despite leading on this initiative both financially and conceptually, Australia failed to progress any concrete measures on food security when it assumed its presidency of the G20 in 2014. In fact, as mentioned above, among the five topic areas within the G20's development agenda of infrastructure, financial inclusion, DRM, food security and HRD, the Australian presidency prioritized the first three over the last two, and continued a review of the issue from the Russian presidency as to whether it should remain on the G20's agenda. The modest outcomes of Brisbane were that food security survived the review and was not removed. At the same time, the leaders established a G20 Food Security and Nutrition Network to support the Agricultural Market Information System (AMIS), which was launched as part of the Action Plan on Food Price Volatility and Agriculture mentioned above, and sought to make international markets for agricultural commodities more effective by improving market information and transparency.

It has been argued that food and agriculture became important G20 agenda items thanks to Turkish and German leadership during their respective presidencies of 2015 and 2017 (Muhanna no date). On the one hand, the 2015 Antalya summit saw the G20 adopt an Action Plan on Food Security and Sustainable Food Systems that sought to complement the SDGs adopted the same year and stressed responsible investment, market transparency, HRD, sustainable productivity growth and the reduction of food waste (G20 Information Centre 2015b). On the other hand, the 2017 Hamburg summit emphasized the link between food security and water sustainability and called for the strengthening of AMIS (G20 Information Centre 2017a). In similar vein, during the course of its G20 presidency in 2020, the Saudi government highlighted the issue of food security, positioning it on the G20's agenda alongside water scarcity, an issue of immediate concern to the host. It intended to continue the tradition of hosting a meeting of agriculture ministers. However, the Covid-19 pandemic led to its postponement and eventual reconfiguration later in the year as a meeting of agriculture and water ministers. The following year's G20, under Italian leadership, began with pledges of further investment in food security, nutrition and sustainable food systems in light of the Covid-19 pandemic. In June 2021, G20 foreign and development ministers released the Matera Declaration, which was endorsed by the leaders later in the year in Rome (G20 Information Centre 2021a). This declaration called on the international community to address the impact of Covid-19 on livelihoods, strengthen food chains and ensure adequate nutrition for all in line with SDG-2 on zero hunger by 2030. India's foreign minister, Subrahmanyam Jaishankar, tweeted his praise for Italy's leadership and believed this declaration reflected India's concerns for small and medium farmers' welfare, the promotion of food cultures and agri-diversity.<sup>18</sup>

The Russian invasion of Ukraine in February 2022 in many ways dominated Indonesia's G20 presidency and is discussed in terms of traditional security in Chapter 6. One corollary was the resultant disruption to supply chains and a spike in food prices. Ahead of the Bali summit, the EU announced an enhanced package of aid totalling 210 million euros for fifteen countries in Africa, Latin America and the Middle East most impacted by the crisis. The resulting leaders' declaration paid substantial attention to food security and supply chains. At the New Delhi summit in September 2023, under India's presidency, G20 leaders continued to focus on food security and supply chains by seeking to revive the Black Sea Grain Initiative.

#### 4.7 HUMAN RESOURCE DEVELOPMENT

HRD is concerned with developing the skills of the workforce, especially in LICs in the context of sustainable development, and because the connection to

economic growth and employment is of clear interest to the overarching goals of the G20. However, the G20's prioritization of HRD has varied over time. Within the development agenda, although the MYAP featured HRD as one of the nine areas of activity under the co-chair of Argentina and South Korea and it remained as one of the five development priorities, it was downgraded under the Australian presidency's 3+2 approach at the Brisbane summit of 2014 (see 3.1 above). It did result in knowledge-sharing activities in the field of HRD but the outcomes in this area have been dismissed as 'painfully process-oriented. It has never been clear what development business the G20 has in this area, and the results suggest none' (Davies 2014).

In terms of employment and training, individual G20 countries have sought to promote initiatives, but again the record is patchy. The 2010 co-chairs of Canada and South Korea were responsible for explicitly placing development on the G20's agenda and in the field of HRD the Toronto summit endorsed the G20 Training Strategy for a Skilled Workforce for Strong, Sustainable and Balanced Growth developed by the ILO. The goal of the strategy was to equip workforces with the skills required for the jobs of today and tomorrow and at the Seoul summit later that year, G20 leaders pledged support for developing countries in implementing national strategies on skills for employment on the basis of this strategy. In 2012 at the Los Cabos summit the G20 announced a Growth and Jobs Action Plan to strengthen the global recovery, but it lacked concrete deadlines and in similar fashion to many issues at this time was overshadowed by the Eurozone crisis (Goodliffe and Sberro 2012, 6). Australia was more successful in making the G20 leaders commit to 'reduce the gender gap in labour force participation rates by 25% by 2025' at the 2014 Brisbane summit.

Sometimes the stimulus to maintain a focus on HRD has come from outside the G20. For example, ASEAN has sought to push engagement with HRD and encourage G20 countries to do the same, as Thailand demonstrated during its chairmanship of ASEAN and attendance at the G20's Osaka summit in June 2019.

The Argentinian presidency demonstrated innovation in G20 governance by convening the first meeting of G20 Education Ministers in Mendoza in September 2018. The resulting declaration frontloaded the importance of education and the SDGs in its preamble:

We ... affirm the unique role of education as a key driver for *sustainable development* for all nations, recognise the need to place education at the centre of the global agenda and call for collective action. In line with the UN 2030 Agenda, we affirm our commitment to *ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all*. (G20 Information Centre 2018a, original emphasis)

At the subsequent Buenos Aires summit, G20 leaders announced the Early Childhood Development Initiative, made the firm political statement that 'access to education is a human right and a strategic public policy area for the development of more inclusive, prosperous, and peaceful societies', and underlined the importance of girls' education (G20 Information Centre 2018b). Although the Japanese government did not convene a second meeting of the education ministers the following year, the Saudi government picked up the opportunity and held a virtual ministerial meeting in September 2020. Both Italian and Indonesian presidencies followed suit with face-to-face meetings in 2021 and 2022 respectively.

### 4.8 SUMMARY

At the outset of the G20's engagement with sustainable development, Fues and Wolff (2010, 7) warned that '[i]n setting itself up as a relevant actor for global development, the G20 should not get caught up in aspirational declarations or in operational programmes' and instead argued that the G20 should play a more overarching, strategic role in guiding a coherent, global development policy. This resonates with the EU's position that the G20 should seek to add value to and complement existing development commitments in other forums. most notably around the 2030 Agenda on Sustainable Development. China's position has emphasized the interconnected nature of sustainable development and growth, demonstrated particularly well by infrastructure investment, which is an issue for all countries (Chin and Dobson 2016). Over a decade later, the jury would probably conclude that the G20 has done all these things in varying degrees. It has certainly made repeated aspirational declarations while launching concrete operational initiatives. It has also sought to shape the direction of the development agenda and work with other forums. Certainly the debate around development has shifted under the G20 from the aid-giving focus of the G7/8, even though a large number of the emerging economies represented in the G20 are still aid recipients, to a focus on strategic investment and growth. Returning to the central role of the South Korean presidency in placing development on the G20's agenda, its sherpa, Il SaKong, summarized these shifts:

Development issues so far, at the level of the G7 or the UN, have mostly dealt with providing development aid. We are now stressing the issue of how to stimulate growth through an effective market economy. Public-private partnerships are one way, and we are actively discussing ways to link private capital with public capital. You do that not by just giving them aid. You give them what we call the capacity building capabilities. So, you are talking about education, training, you are talking about a whole set of capabilities of these countries that would allow them to develop

on a more medium to long term, and would really create the type of growth that we really need for the global economy. (Cited in Kampmann 2010, 99–100.)

So, for some, the G20's membership of developed and developing countries, as well as its position as the self-declared premier forum for international economic cooperation, represented a radical shift from the previous development paradigm based on North-South dialogue and represented by the G7/8's engagement with the issue, largely focused on Africa (Kloke-Lesch and Gleichmann 2010). In the specific case of Africa, some would see the G20 as having shifted the perception of development as the issue that defines the continent. Nevertheless, the question of how the G20 engages with the continent remains and is shaped by the fact that its representation has been dominated by one country, South Africa. Ironically, the G7/8's engagement with a number of systemically important African countries appears to have been more representative than the G20's reliance on South Africa as the only permanent African member. Partly to address this issue, the chairs of the AU and of NEPAD were invited as guests to summits from Toronto and London onwards, respectively. This level of engagement will improve with the addition of the AU as a permanent member in September 2023. At the same time, this question should not be viewed solely through the blunt tool of membership; the mechanisms of multistakeholder engagement and the forms of network governance in which the G20 is much more highly developed that the G7/8 are also important.

Sustainable development is also a microcosm of the bigger debate surrounding the G20's position in relation to the UN, with many countries, especially China, regarding the latter as the appropriate home for this issue as the legitimate centre of global governance. However, the reality of the process of moving into the field of development has been that the G20 and UN, alongside a range of countries, institutions and stakeholders, have found a way to coexist and collaborate.

Despite these positive developments, as quoted at the beginning of this chapter, Robin Davies characterized the G20's achievements in development as modest, random and marginal. He has gone further by dismissing them in even more expressive terms as 'invertebrate, flabby and toothless' (Davies 2013, 6). Although development has its own working group, its treatment has suffered from diffusion across a number of G20 working groups, such as health, employment, trade and investment, that have ended up working at cross purposes on occasions. As a result, Fues and Saltzmann (2015) have argued that '[t]he involvement of the G20 in international development cooperation suffers from lack of clarity regarding responsibilities and from insufficient coherence ... The resultant fragmentation of G20 development policies is further enhanced by the separate competencies of the governments involved.' Perhaps now is the time for the G20 to disband the DWG and mainstream the

issue. Susan Harris Rimmer (2015, 58) neatly summarizes the issue at the heart of the G20's engagement with the issue of development: 'The G20 is a site where poverty and wealth exist very close together. It should do more to understand itself and the relationship between development, growth and inequality before the G20 can fulfil its global governance potential.'

#### **NOTES**

- 1. Xinhua, 14 November 2008.
- 2. Xinhua, 9 November 2010.
- 3. The Guardian, 1 November 2021.
- 4. *ABC News*, 3 July 2014.
- 5. The Sydney Morning Herald, 10 November 2014.
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- 13. M2 Press Wire, 4 May 2015.
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- 18. *The Hindu*, 30 June 2021.