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Book Section:
Dobson, H. orcid.org/0000-0003-3124-8546 (2024) Managing the global economy. In: Unpacking the G20: Insights from the Summit. Political Science and Public Policy . Edward Elgar Publishing , pp. 35-58. ISBN 9781786433541

https://doi.org/10.4337/9781786433558.00008

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3. Managing the global economy

3.1 OVERVIEW

As mentioned in Chapter 1, managing the global economy in terms of securing macroeconomic and financial stability was the primary task and *raison d'être* of the G20 in response to the GFC. This continued to be the G20's core business as further interconnected crises followed in the wake of the GFC, most prominently the Eurozone sovereign debt crisis. As a result, for many, this assumption and extension of the role of a crisis committee represented the highpoint of the G20 in terms of focus, purpose, identity and legitimacy. A wider portfolio of issues, which will be explored in the following chapters, soon came to supplement this original economic focus, and as a result the G20's focus, purpose, identity and legitimacy as a financial crisis committee waned. Nevertheless, even if its function and remit have evolved, economic growth and financial stability have remained at the heart of the G20's agenda.

To be sure, specific emphases and nuances have changed over time and are neatly demonstrated by summit slogans. With the focus on the GFC, the 2009 summits in London and Pittsburgh focused on *Stability, Growth, Jobs* and *Strong, Sustainable and Balanced Growth*, respectively. The following year's two summits in Toronto and Seoul demonstrated a more forward-looking shift in the G20's agenda signalled by the respective slogans of *Recovery and New Beginnings* and *Shared Growth beyond Crisis*. The 2011 Cannes summit continued this post-crisis optimism by emphasizing *New World, New Ideas*. By 2015 and the Antalya summit, the focus of the slogan was on the collective and inclusion: *Collective Action for Inclusive and Robust Growth*. This emphasis was echoed the following years in the 2016 Hangzhou summit's alliterative slogan that pointed *Towards an Innovative, Invigorated, Interconnected, and Inclusive World Economy* and the 2017 Hamburg summit's goal of *Shaping an Interconnected World*, although in the case of the latter the economic aspect was dropped. This omission continued the following year under the Argentinian presidency and its goal of *Building Consensus for Fair and Sustainable Development*. Although disrupted by Covid-19, the 2020 Riyadh summit emphasized in broad terms *Realizing Opportunities of the 21st Century for All*. The following year's Italian presidency chose the alliterative but equally wide-ranging *People, Planet, Prosperity*, whereas the

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2022 Bali summit returned to an earlier emphasis on recovery in the context of the Covid-19 pandemic with *Recover Together, Recover Stronger*, before the Indian presidency eschewed any economic focus and adopted probably the vaguest slogan of *One Earth, One Family, One Future*.

In light of these shifts in the nature of its core business, and with the evolution of the G20's role from a crisis committee in mind, this chapter is structured around the key economic and financial challenges that have emerged over the seventeen summits that took place between 2008 and 2022. It will begin by focusing on the natural starting point of the turmoil in the global financial system caused by the GFC. Although this turmoil continued through a series of interconnected crises that stretched from the GFC to the Eurozone sovereign debt crisis and beyond to include a series of trade wars, the GFC provides the logical starting point for exploring country-specific approaches as the catalyst for the upgrading of the G20 to the leaders' level in 2008. Thereafter, the chapter shifts the focus sideways from the global financial system to the associated issue of IFI reform. It then explores the specific issues of growth, trade and taxation, all from the perspective of G20 members, their positions and approaches to these challenges.

3.2 THE GLOBAL FINANCIAL CRISIS

The 2008 Washington summit was for obvious reasons almost exclusively focused on the crisis at hand, billed as it was as the Summit on Financial Markets and the World Economy. As host, the US president, George W. Bush, took the opportunity ahead of the summit in a speech in New York to defend free market capitalism and resist European calls for increased financial regulation. Although supportive of essential reforms that increased transparency and stability, Bush regarded following the former path in response to 'a few months of crisis' as a 'terrible mistake': 'While reforms in the financial sector are essential, the long-term solution to today's problems is sustained economic growth … And the surest path to that growth is free markets and free people.'[1]

The US position was incrementalist and minimalist at Washington, characterized as 'go slow, go long, go limited and go light' (Kirton 2013, 243–245). Bush emphasized the iterative process of summitry, its role in establishing broad principles under which member countries could pursue bespoke solutions.[2] Ultimately, in his words, 'government intervention is not a cure-all'.[3] For the US, the complicating factor at the Washington summit was that Bush was in the final weeks of his presidency and attention was focused on President-elect Barack Obama's position. The approach of the incoming Obama administration was to maintain a degree of distance. Obama himself did not attend the summit and instead dispatched former secretary of state,

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Madeleine Albright, and former Republican congressman, Jim Leach, as envoys to meet with other countries' delegations.

However, divisions emerged among the G7 countries with European members wanting to 'go fast, go short, go wide and go deep' by taking a much more universal, comprehensive and rapid response to the GFC (Kirton 2013, 243–245). For example, the German chancellor, Angela Merkel, approached Washington with optimism and a range of proposed ideas, including promoting transparency through a global register of large-scale loans that highlighted potential defaults, mapping risks across financial institutions and addressing CEO bonuses and salaries.[4] The French president, Nicolas Sarkozy, was one of the leaders who actively campaigned for the upgrading of the G20 to the leaders' level and advocated concrete and radical outcomes to result from the Washington summit, especially as regards tighter regulation of hedge funds, tax havens and CEO salaries.[5] He proclaimed before the summit that '[w]e want to change the rules of the game in the financial world' and 'refound the capitalist system'. Sarkozy even threatened to walk out of the G20: 'It's very clear. If I don't get concrete results, I will go. I will leave Washington and go home.'[6] Media representations of these differing positions were as melodramatic as Sarkozy. For example, as the summit opened, Canada's *The Globe and Mail* reported 'deepening divisions' between the US and Europe as '[l]eaders gird for battle over global finance crisis' with predictions of a stand-off between the US and Europe.[7]

Within the EU, members stressed the necessity for a single European voice and its responsibility to participate in creating a new financial architecture.[8] To this end, the EU hammered out its position ahead of the Washington summit and as a result was regarded as speaking with a cohesive voice on financial regulation at the height of the GFC (Moschella and Quaglia 2016, 912). The EU statement released ahead of the Washington G20 stressed that 'no market segment, no territory, and no financial institution should escape proportionate and adequate regulation or at least oversight'.[9] However, ahead of the Washington summit, France was in a strong position of influence because of its dual role as rotating president of the European Council and able to advocate concrete and immediate reforms of the global financial system to be reviewed at a second summit in early 2009, soon after Obama's inauguration as president. EU finance ministers met at the beginning of November to discuss an eleven-point plan that had been developed by France and outlined tighter regulation of credit-rating agencies (CRAs), increased transparency of financial markets and measures to deter excessive risk-taking. There was some support for the French position but also opposition, with the UK expressing concerns.[10] EU leaders then met a week prior to the Washington summit to discuss the plan and establish a common stance at an informal pre-summit meeting in Brussels, which was hosted and influenced by France under its presidency of

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the Council of the EU. Sarkozy was blunt in apportioning blame to the US: 'This is a global crisis and we have to remember where it started.'[11] At the same time, he claimed the EU was 'defending a common position, a vision … for reforming our financial system'. This 'common position' espoused by Sarkozy was that reforms to the global financial system were required immediately and should be global in their reach. In addition, the IMF should be the 'the pivot of a renewed international system', working with others to prevent future financial crises, although the specifics of its role remained a moot point.

At his Lord Mayor's banquet speech ahead of the Washington summit, the UK prime minister, Gordon Brown, argued for internationalism over protectionism and a programme of massive fiscal stimulus; at the same time, he sought to resist any attempts at excessive and formal coordination of policies that would hamper London's financial markets and advocated more pragmatic and specific reforms that might serve as a compromise, such as the creation of a 'college of supervisors' to oversee the world's thirty largest banks.[12] Also, seeking to find a middle path through these extreme positions, the Canadian prime minister, Stephen Harper, placed the emphasis on dialogue and unity.[13] As a country that survived the GFC relatively well, Canada was able to advocate a pragmatic approach based on the selective adaptation of national regulations to avoid protectionism, citing its own regulatory framework as an exemplar, with the role of any international body being to coordinate different systems, provide oversight and act as an early-warning mechanism.[14] He advocated an increased role for the IMF and a mandatory and transparent peer review system whereby G20 members collectively scrutinized, rather than regulated, each other's financial systems.[15]

The newly appointed Japanese prime minister, Asō Tarō, approached the Washington G20 as a political opportunity for Japan to play a leadership role drawing on its experience during the Heisei recession of addressing a crisis in its own banking sector. His approach was centred on an eponymous initiative that was based on recent experience of economic crisis management, as well as an emphasis on Asia. As regards the former, Asō described:

> … the weightiness of the role that Japan is expected to play, and the role that Japan must fulfil. One of those roles is to present Japan's experiences. The experience of the collapse of the bubble and of overcoming it. Japan overcame that major crisis all by itself, of course also with major sacrifice. The other role is for Japan to take the lead in the building of a new framework. In order to respond to such expectations I made some concrete proposals, and I believe they have been reflected in the leaders' declaration today. (Kantei 2008)

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To this end, he supported international, rather than national, regulation of financial institutions and CRAs, as well as high-quality international accounting standards.[16] As regards the latter emphasis on Asia, he argued that

> regional cooperation that is open to outside the region, such as regional cooperation in Asia, I believe complements globalism. In the run up to the ASEAN + 3 summit in December and the East Asia summit Meeting that also takes place during December, Japan shall strive to make efforts to strengthen financial cooperation in Asia and to support self-sustained development. Japan feels the need to translate the result of this meeting into concrete action, and also Japan shall strive to exercise leadership toward the realization of an international economic system that corresponds to the new world economy and finance. (Kantei 2008)

BRICS countries were united by the fact that their leaders had now secured a seat at the top table of global summitry. They approached the Washington G20 seeking increased regulation of the leading economies' financial systems without damaging the growth prospects of emerging economies, an overhaul of the Bretton Woods system and avoidance of protectionism.[17] They also sought acknowledgement by the leading economies of their culpability for the GFC: 'The crisis revealed weakness in risk management, regulation and supervision in the financial sectors of some advanced economies. Therefore we call for reform of regulatory and supervisory frameworks, as well as clearer rules and transparency.'[18]

The Brazilian president, Luiz Inácio Lula da Silva, was particularly blunt in apportioning blame for the GFC by famously and provocatively arguing that it was 'created by white men with blue eyes'. He hoped to place structural reform on the table (Kirton 2013, 243–245), and stood alongside Sarkozy in terms of vocally supporting regulation:

> Under the banner of 'no financial institution should escape regulation and supervision', Sarkozy has subsequently tried to bring back into international debate the regulation of offshore financial centres and the hedge fund industry. … Lula da Silva openly chastised 'the irresponsibility of speculators who have transformed the world into a gigantic Casino'. (Helleiner and Pagliari 2009, 281)

In the case of China, it was supportive of the development of this enlarged and informal forum of leaders and was the first country to accept the invitation to attend the Washington G20 unconditionally, signalling its readiness to engage with this new forum (Cooper and Alexandroff 2019). However, it adopted a more cautious approach at Washington than some of its BRICS partners, something it could afford to in the absence of a pressing domestic crisis. As regards tighter regulation, China was cautious, supporting greater coordination while upholding national sovereignty.[19] Its position was that on the national level all countries should act to improve financial supervision, restore market

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confidence and maintain global economic growth.[20] At the same time, China made important and supportive contributions that were largely in line with what the G7 countries most impacted by the crisis had framed as the correct response. These included maintaining exchange rate stability, as well contributing a substantial share of stimulus packages agreed by the G20 to address the crisis at Washington and London (US$40 billion of US$1.1 trillion) (Kirton 2016, 30–44). According to Kirton and Wang (2023), this set a template for China's future engagement with G20 initiatives.

Similarly, the Indian prime minister, Manmohan Singh, was measured in his statements ahead of the Washington summit, placing the emphasis on dialogue and unity.[21]

President Dmitry Medvedev represented Russia at Washington and argued for the harmonization of accounting standards, capitalization of financial institutions, a new global risk management system and the immediate reform of the IMF so that its role was focused on providing analysis and an early-warning mechanism.[22] Like Japan, Russia was eager to stake its claim to financial leadership by heading to Washington with a range of proposals to reform the global financial system through reform of the Bretton Woods institutions and specific measures that encouraged transparency and stricter regulations.

Beyond the G7 and BRICS countries, leaders of the middle powers who had secured seats at the G20 came with specific proposals. The Mexican president, Felipe Calderón, announced ahead of the summit that he would seek the revision and reinforcement of financial control mechanisms and the transparency of regulations.[23] Australia assumed a leadership position ahead of the Washington G20 as regards the supervision of CRAs by touting its own model of regulatory reforms introduced to its parliament in the run-up to the summit. The Australian minister for corporate law, Nick Sherry, said: 'We will be using it to take a global leadership position in respect to the supervision of these entities.'[24] Indonesia came to Washington with a proposal it had mooted at the Sao Paulo G20 meeting of finance ministers and central bank governors for a global emergency fund supported by countries with large budget surpluses to provide support to developing countries.[25]

As late additions to the Washington G20, the Dutch government sought to propose a freshly constituted IMF as a putative Global Financial Stability Organization, which would have greater oversight of the domestic financial affairs of member countries. The Spanish government similarly sought higher levels of transparency and regulation in the global financial system.

By the end of the Washington summit, positions had become slightly less entrenched as European advocates of a Bretton Woods II-style overhaul of the global financial system, personified by Sarkozy, toned down their demands. In the end, there was no 'assault on capitalism, or the death of capitalism, or the

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death of the free market system'.[26] Soederberg (2010) argues that the resulting compromise ultimately reproduced the dominant neoliberal order.

The Washington summit also called for the Financial Stability Forum (FSF) to expand its membership from G7 to G20 countries and expand its remit. This was achieved the following year at the London and Pittsburgh summits with the establishment of the FSB, tasked with developing, implementing and monitoring robust policies with the goal of financial stability.

However, at the following year's London summit, differences of opinion re-emerged within the G7 over the solution to the GFC, with Brown, as host, and Obama together prioritizing growth through substantial fiscal stimulus. As leaders tend to do, Gordon Brown sought to use the 2009 London summit to promote his own vision and plan for an ambitious 'global new deal' and 'the biggest fiscal stimulus the world has ever agreed', sometimes at the expense of his precarious domestic position; as one of Brown's aides was reported to quip: 'There are no votes in the G20.'[27]

Although he maintained an appropriate diplomatic distance from the Washington summit, post inauguration, Obama was ready to support Brown as host of the London summit. According to White House Press Secretary Robert Gibbs, Obama's two objectives at London were '[e]nsuring there is concerted action around the globe to jump start economic growth, and … advancing a regulatory reform agenda to ensure this crisis never happens again'. In contrast, Sarkozy and Merkel resisted additional stimulus spending, instead advocating financial regulation and austerity. Sarkozy declared ahead of London that he would 'fight for the moralisation of financial capitalism and for the refoundation of a better regulated capitalism'.[28] In response to Brown's plans, Sarkozy declared that '[w]e consider that in Europe we have already invested a lot for the recovery, and that the problem is not about spending more, but putting in place a system of regulation so that the economic and financial catastrophe that the world is seeing does not reproduce itself'.[29] Luckhurst neatly captures the dynamics and alliances at play at London:

> The main proposals … originated from two bilateral alliances: the Franco-German proposals for an enhanced international regulatory framework, which took shape in the form of the FSB; and Anglo-US proposals for a coordinated international fiscal stimulus strategy, with countries contributing US$1.1 trillion primarily to augment the financial resources of the IMF. (2012, 756)

As part of stricter regulatory framework, Merkel advocated a 'global financial market constitution as has not existed before, so that we can finally draw lessons from this disaster'.[30] Once again, Sarkozy dramatically threatened to walk out of the summit if the G20 did not take action on tax havens (Kirton 2013, 269–296). The EU's joint position ahead of the London summit was

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that a range of tests would form the basis of success at the London G20. These included global coordination, not necessarily boosting, of fiscal stimulus plans, increasing demand and jobs, building trust in the financial system through effective regulation, reforming and resourcing the IFIs, resisting protectionism, and responding to the crisis with development and climate change in mind. This position contributed to the divide between the Anglo-US position on boosting fiscal stimulus as opposed to the European emphasis on coordination and financial regulation to prevent a future crisis.[31] The Czech prime minister and president of the European Council, Mirek Topolánek, was bolder in his language, calling for EU unity in the face of US pressure to boost fiscal stimulus as 'a road to hell',[32] and seeking to resolve 'its own problems at the expense of the rest of the world'.[33]

As regards the BRICS countries, Medvedev supported Brown's position emphasizing stimulus packages.[34] China continued its cautious approach by seeking to be all things to all people. It demonstrated a more high-profile role at London by contributing to the trillion-plus fiscal stimulation package as part of a strategy of presenting itself as a responsible member of the international community that was actively engaged in responding to the crisis. At the same time, China advocated economic measures in line with each country's specific context while cooperating to stimulate growth and employment. It agreed with reform of the global financial system but in a 'balanced, gradual and effective manner'.[35] This motherhood-and-apple-pie approach was evident in Chinese President Hu Jintao's comments to other G20 leaders in London: 'China will continue to work with the rest of the international community to enhance macroeconomic policy coordination, advance the reform of the international financial system, maintain the stability of the multilateral trading system and contribute its share to world economic recovery.'[36]

Lula da Silva's position on the causes of the GFC was consistently clear and blunt: 'This crisis was not caused by a black man or woman or by any indigenous person or by any poor person. This crisis was fostered and boosted by the irrational behaviour of some people that were white and blue eyed.'[37] However, for the G20 to agree on the international regulation of hedge funds was an important shift, considering the previous resistance and preference for self-regulation in some countries. The crisis converted the US to accepting some regulation while it also reinforced the preference for regulation in France and Germany. The UK promoted the G20's code for fear of a stricter EU regulatory model (Fioretos 2010).

At the Pittsburgh summit later the same year, G20 leaders found themselves between a rock and a hard place. On the one hand, signs of recovery in the global economy emboldened them to declare the G20 as the 'premier forum for international economic cooperation' in place of the G8 and to consider mid- to longer-term challenges discussed below, such as rebalancing the global

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economy and reforming IFIs in line with the aspirations of many emerging powers.[38] On the other hand, they felt it was too early to move out of crisis mode and the emphasis on stimulus measures. The summit saw leaders largely paper over resulting issues, differences of opinion and inevitable tensions, or in the words of the IMF's managing director, Dominique Strauss-Kahn, '[o]nce the fire is out, there's water everywhere, it has to be mopped up. In Pittsburgh, we have to say, there are still fires to be put out, we'll see later how to do the mopping up.'[39]

The conflicting agendas were captured in Hu's words ahead of the Pittsburgh summit:

> Now the world economy is showing positive changes, but the foundation for a further turn for the better is unstable. There are still many uncertain factors. A full recovery will be a sluggish and tortuous process. … Various countries should maintain the intensity of their economic stimulus programmes. [On the other hand], [t]here should not be slackness of determination in promoting the international financial system reform, nor should the objectives be lowered. There is a need to increase developing countries' representation and rights to speak and continuously push for substantial progress in reform.[40]

So, the divisions evident at Washington and London between the Anglo-US position and the European stance continued to some extent. Sarkozy, with the support of Merkel but resisted by the UK and US, continued to prioritize penalizing previous bad practice in financial markets, including caps on bankers' bonuses. In typically dramatic language, he announced that '[t]ax havens, banking secrecy, that's all over. I will fight for sanctions tomorrow in Pittsburgh.'[41] Sarkozy used his regular tactic of threatening to walk out of the summit if the G20 did not reach agreement.[42]

However, areas of consensus within the G7 did emerge. There was agreement among Brown, Sarkozy and Merkel on imposing a global bank levy and they used Pittsburgh to request an IMF report on the issue (Kirton 2013, 308). As regards the issue of executive pay and bonuses, the three leaders sent a joint letter to the President of the European Council arguing for a single EU voice on the issue. This was established ahead of Pittsburgh with the EU's agreed position being that of taking a firm stance in favour of stricter rules, while also supporting continued fiscal stimulus for the foreseeable future, and while establishing exit strategies at an early stage that would be implemented in coordinated fashion.

In the end, G20 leaders agreed to continue with stimulus measures and avoid an uncoordinated rush to exit strategies. They agreed on rules around how much capital banks need to maintain to avoid another crisis. On executive pay and bonuses, the G20 agreed on a basic outline of how to limit their reward and compensation, rather than strict rules and limitations.[43]

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At the 2010 Toronto summit, the focus had turned to the Eurozone debt crisis alongside the ongoing response to the GFC (Kirton 2013, 321–369). It was billed as the 'most divisive summit to date' with a perfect storm of divisive issues from US–European disagreements on fiscal stimulation and regulation, Canada against many members over a global bank levy, and G7 versus emerging countries over global imbalances (Kirton 2013, 321).

Ahead of Toronto, President of the European Commission José Manuel Barroso and President of the European Council Herman Van Rompuy sent a joint letter to the other G20 leaders outlining the EU's position, established as usual ahead of the summit. In the face of the sovereign debt crisis, several EU countries were rapidly exiting stimulus programmes and launching fiscal austerity measures. In this light, their letter highlighted the need for 'a coordinated and differentiated exit strategy to ensure sustainable public finances', and a reaffirmed commitment to the reform of financial markets to strengthen crisis management mechanisms and encourage cross-border coordination.[44]

At Toronto, the US and China favoured economic stimulus packages as the way to promote growth, whereas Europe advocated austerity and deficit-cutting measures. On financial regulation, China's position was one of support for a range of measures that were agreed at the meeting of G20 finance ministers and central bankers at Busan immediately prior to the summit, including the need to develop rigorous capital and liquidity rules, reduce moral hazard associated with systemically important financial institutions, establish a single set of high-quality, global accounting standards, and improve transparency, regulation and supervision of hedge funds, CRAs, compensation practices and over-the-counter derivatives (G20 Information Centre 2010b; Ren 2015, 2033–2034). However, China was still cautious in its approach to leading at the G20 and, not wanting to be singled out at Toronto or in the future, it was successful in having praise for enhancing its exchange rate flexibility removed from the summit declaration.[45] Knowing that it would be hosting the next G20 summit, South Korea was able to take advantage of the opportunity provided by foresight to approach Toronto in a strategic manner and seed new issues, especially on development as a broad issue, but also the related and the more specific issue of a global financial safety net that would support developing countries to manage capital volatility and prevent a future crisis.[46]

Later that year in Seoul, under the South Korean presidency, the Basel III code was finalized with the aim of 'making banks safer and bankers less adventurous with their customers' (and taxpayers') money'.[47] However, tensions emerged around the specific issues of a potential currency war and quantitative easing. Despite discussion and tentative agreement at the previous month's G20 finance ministers and central bank governors' meeting in Gyeongju, the leaders' discussions resulted in modest or compromised outcomes. On the positive side of the ledger, President Lee Myung-bak declared

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in his post-summit press conference that there was no currency war and that the G20 had agreed to exchange rate flexibility and avoidance of aggressive currency devaluation, as had been agreed in Gyeongju. However, the Seoul summit document went on to state that ‘in circumstances where countries are facing undue burden of adjustment, policy responses in emerging market economies with adequate reserves and increasingly overvalued flexible exchange rates may also include carefully designed macro-prudential measures’ (G20 Information Centre 2010a).

The Eurozone crisis continued to dominate the 2011 Cannes summit and 2012 Los Cabos summit. Pressure was placed on Germany to do more to support struggling economies like Greece, although Merkel resisted this pressure, concerned by the domestic reaction.[48] Hu was also keen to see stability in the Eurozone and to this end provide the required resources. At Los Cabos, China contributed US$43 billion to the IMF’s US$430 billion firewall fund.

In time, the GFC receded into the G20’s rear-view mirror and attention turned to its post-crisis role as the ‘premier forum for international economic cooperation’. Nevertheless, the GFC and the fallout still framed the issues that the G20 sought to lead on. This was clearly evident in the case of reform of the IFIs.

3.3 REFORMING IFIS

As touched on above, as part of its response to the GFC, the G20’s discussions focused on the specific role of the IMF but also the wider issue of the legitimacy of the Bretton Woods institutions. Despite many countries publicly seeking either its overhaul or at least reform, the G20 identified the IMF at the Washington summit as the vehicle for addressing the GFC. The means by which G20 countries would enable the IMF to fulfil this role as financial firefighter was an increase in special drawing rights (SDRs). However, an increase in SDRs was also linked to the need to recognize systemic changes in the global economy and resulting questions around the IMF’s legitimacy and reform. The meeting of G20 finance ministers and central bank governors in advance of the leaders’ summit highlighted this need by agreeing that the Bretton Woods institutions ‘must be comprehensively reformed so that they can more adequately reflect changing economic weights in the world economy’.[49]

Ahead of the Washington summit, the UK prime minister, Gordon Brown, was keen to boost the IMF’s emergency provision and toured the Gulf states before the summit, promising reform of the IFIs and ‘to give countries like your own a bigger place in the order’.[50] To this end, he argued for updating rather than overhauling ‘a new Bretton Woods with a new IMF that offers,

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by its surveillance of every economy, an early warning system and a crisis prevention mechanism for the whole world'.[51]

Japan, under Prime Minister Asō, was keen to take a leadership role centred on the IMF and provided US$100 billion in temporary funds to help emerging economies and called on other member states to follow suit.[52] As regards its role in reform of the IFIs, Japan initially responded in line with its traditional, self-appointed role as Asia's representative and sought their reform to increase Asia's voice. However, much of this rhetoric was undermined by Prime Minister Abe's return to power in December 2012 and a new foreign policy doctrine that supplanted the previous low-profile Yoshida doctrine and the Asia-focused Fukuda doctrine with an 'Abe doctrine' that emphasized great power status, breaking with the postwar regime and historical revisionism. For example, in relation to promises made at the 2009 G20 London summit and reiterated at the 2010 G20 Pittsburgh summit that the head of any international institution would be chosen through an 'open, transparent and merit-based process', the Abe administration in fact reinforced its historic control of the Asian Development Bank (ADB) by installing Nakao Takehiko, another Japanese citizen, as its president to replace Kuroda Haruhiko, who was moved to the Bank of Japan (Dobson 2017).

In contrast, BRICS countries called for a reorganization of the global financial system, historically based on the Bretton Woods order, and reform of the IMF as well as the World Bank, as partial acknowledgement of shifts in the global economy and the importance of rising powers. As touched on above, China's position on responding to the GFC was that on the national level all countries should act to improve financial supervision, restore market confidence and maintain global economic growth. At the same time, on the international level, IFIs should be reformed and updated to reflect changes in the global economy and developed countries should engage with developing countries in macro-economic policymaking.[53] To this end, China was ready, like Japan, to fulfil its responsibilities as a global governance leader by providing the IMF with the necessary funds. However, China was equally keen to ensure that a commitment to reform was on the agenda and that related quotas and voting rights in the IMF were also addressed in order to represent its status.

As a fellow advocate of reform, ahead of the London summit, Russia called for an 'enlargement of the list of currencies used as reserve ones [and] introduction of a supra-national reserve currency to be issued by IFIs'.[54]

At the Pittsburgh summit later the same year, the G20 'committed to a shift in IMF quota share to dynamic emerging markets and developing countries of at least 5 per cent from overrepresented countries to under-represented coun-

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tries using the current quota formula as the basis to work from'. In the case of the World Bank, it also stressed the

> importance of moving towards equitable voting power … over time through the adoption of a dynamic formula which primarily reflects countries' evolving economic weight and the World Bank's development mission, and that generates in the next shareholding review a significant increase of at least 3% of voting power for developing and transition countries. (G20 Information Centre 2009a)

The reforms to the World Bank 'made significant progress without much difficulty' and were endorsed by the following year's Toronto summit (Rhee and Sheel 2014, 53). As regards IMF reform, the South Korean presidency progressed discussion on the issue of increasing the representation of emerging economies and reconsidering that of European countries. Specifically, it was agreed and announced in the Seoul summit document that reforms to the IMF included:

- Shifts in quota shares to dynamic emerging market and developing countries and to under-represented countries of over 6%, while protecting the voting share of the poorest, which we commit to work to complete by the Annual Meetings in 2012.
- A doubling of quotas, with a corresponding rollback of the New Arrangements to Borrow (NAB) preserving relative shares, when the quota increase becomes effective.
- Continuing the dynamic process aimed at enhancing the voice and representation of emerging market and developing countries, including the poorest, through a comprehensive review of the quota formula by January 2013 to better reflect the economic weights; and through completion of the next general review of quotas by January 2014.
- Greater representation for emerging market and developing countries at the Executive Board through two fewer advanced European chairs, and the possibility of a second alternate for all multi-country constituencies.
- Moving to an all-elected Board, along with a commitment by the IMF's membership to maintain the Board size at 24 chairs, and following the completion of the 14th General Review, a review of the Board's composition every eight years. (G20 Information Centre 2010a)

This shift in quota shares would leave China ranked third in voting rights and raise Brazil, India and Russia into the top ten. In addition, European representation on the IMF's twenty-four-member Executive Board would decrease from eight seats to six seats. Strauss-Kahn, hailed this as 'the most important reform in the governance of the institution since its creation'.[55] Despite the hyperbole, the agreed deadlines for these reforms were missed and blocked by the US Congress (Rhee and Sheel 2014, 54). The review of quotas in the IMF that was agreed in 2010 was eventually implemented in 2016, pushing back the schedule of subsequent reviews. Reform of the IMF and World Bank to reflect the

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voices of emerging economies continued to be a feature of India's presidency of the G20 in 2023.

3.4 STRONG, SUSTAINABLE AND BALANCED GROWTH

The highlight of the 2009 Pittsburgh summit was to place the G20 at the centre of global economic cooperation, a development championed by the US and rising powers like Brazil and India, despite some reluctance from Canada and Japan, who were traditionally more wedded to the G8. China was at this stage still married to the UN as the centre of global governance and would only begin to nuance this position as the 2016 Hangzhou summit approached.

As mentioned above, the slogan for the summit captured the Pittsburgh G20's commitment to *Strong, Sustainable and Balanced Growth* in acknowledgement of the fact that '[o]ne of the strongest common denominators amongst the crisis narratives was the identification of global imbalances as a key source of financial and economic instability' (Rommerskirchen and Snaith 2018, 391). In response to this challenge and with the goal of stimulating growth in a coordinated way to reap the benefits of an open global economy, the Pittsburgh summit adopted the eponymous Framework for Strong, Sustainable and Balanced Growth.

This framework provided G20 countries with a mechanism by which they set macro-economic objectives, agreed on the policies by which these objectives would be achieved, and introduced the Mutual Assessment Process (MAP) as a voluntary, non-binding, joint G20–IMF mechanism to monitor national growth policies. Vines describes the MAP as 'a form of "concerted unilateral action" in global macroeconomic policymaking' (2015a, 9). Rommerskirchen and Snaith (2018, 393) provide an overview of how MAP functioned:

> The MAP describes an in-depth country review, carried out by the IMF and agreed by G20 leaders, to assess the existence of destabilising imbalances between countries. G20 leaders gauge progress towards the Framework goals via indicative, non-numerical guidelines to identify and assess imbalances. The guidelines feature a total of 40 indicators, called G20 MAP Inputs, spanning 6 groups (domestic variables; monetary and financial policy; fiscal policy; labour markets; external development; external variables).

They also point to Sarkozy and Obama as playing salient leadership roles in its creation. However, in the case of the latter, national interest was also behind the positive response to the MAP. The Obama administration used the Pittsburgh summit to promote a framework by which all G20 countries would adjust their economic policies to address local circumstances with the goal of rendering the global economy more balanced.[56] By arguing that China

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and Germany should limit exports and increase imports, the US was clearly responding to domestic concerns and its own national interests. The MAP also deflected criticisms of US responsibility for and role in the crisis by sharing the blame, and provided a multilateral mechanism to single out Chinese policies around currency manipulation (Rommerskirchen and Snaith 2018, 397). In this light, Chodor characterizes the US approach towards the MAP as a failure to act as a responsible hegemon, from its creation at Pittsburgh through to the following year's G20 summit in Seoul, when the Obama administration pointed fingers at China for keeping its currency undervalued (2017, 217–218). China's reaction to the MAP was 'lukewarm, at best', regarding it as reflecting US national interests in particular but also those of some members of the G7 (Chin and Dobson 2016).

At the following year's Toronto summit, the G20 was held back-to-back with the G8 as a sign that the mantle of premier forum for international economic cooperation had been passed over.[57] The legacy of the discussion at Pittsburgh was also apparent. Although the focus was the European debt crisis, trade and reform of the IFIs, the Framework for Strong, Sustainable and Balanced Growth continued to take centre stage as countries shared assessments of their national policies with the goal of achieving globally balanced and coordinated patterns of growth. Publicly China was supportive of the rationale for the framework, as seen in Vice Foreign Minister Cui Tiankai's comments at a pre-summit press conference: 'China hopes that the G20 members at the Toronto summit would fully implement the Framework for Strong, Sustainable and Balanced Growth and enhance communications and coordination of macro-economic policies to support the global economic recovery.' However, the fear that the US was using the framework for national interests and to curtail Chinese exports was clear.[58]

By November 2010 and the Seoul summit, the focus had firmly shifted from crisis mode to sustained recovery and future growth, as captured by the summit slogan *Shared Growth beyond Crisis*. President Lee was able to piggy-back on the Toronto summit by highlighting that: 'We [the G20 leaders] promised to do all that we can to bring about workable and substantive agreements on issues such as reform of IFIs, financial regulatory reform and balanced and sustainable growth, among others.'[59]

So, as expected, the legacy issues of the Framework for Strong, Sustainable, and Balanced Growth, alongside IFI reform and financial regulations, were still on the agenda. However, as mentioned above, the South Korean hosts sought to emphasize an agreement on a global financial safety net. In addition, as explored in Chapter 4, they also placed the issue of development on the G20's agenda as its contribution to global summitry, building on the momentum of the establishment of the Development Working Group (DWG) at Toronto tasked with drafting a multi-year action plan (MYAP) for adoption at Seoul.

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Hu articulated China's priorities ahead of the Seoul summit as being 'the momentum of the world economic recovery', 'reforming the international financial system', 'fighting trade protectionism', and coordinating macro-economic policies on the 'principle of mutual benefit and win-win results', in a thinly veiled reference to the framework.[60] After the summit, Hu placed the onus on sovereignty: 'We should stick to the country-led principle, take into full account the different national circumstances and development stages of various members, and appreciate and respect each country's independent choice of development path and policies.'[61] Only thereafter and ahead of its presidency of the G20 in 2016, as Chin and Dobson (2016) have argued, did China begin to demonstrate strategic ambitions by seeking to reset the core agenda of the G20 and the global economy through a 'structural and systemic remedy' that is more open, inclusive and interconnected between growth and development.

Although the pursuit of growth and the MAP was derailed by the emphasis on fiscal austerity that was dominant across several G20 countries from 2011, Australia sought to place global growth centre-stage as part of its G20 presidency in 2014 (Vines 2015a, 21–22). As will be discussed in other chapters, this emphasis was to the exclusion or de-prioritization of health, security and climate change as agenda items (Harris Rimmer 2015, 41). The aim was to achieve global growth through unilateral, domestic microeconomic reforms (Vines 2015a; Slaughter 2015b). In collaboration with its Canadian counterparts and with the support of China, but in the face of German opposition and scepticism on the part of Argentina, Brazil and Türkiye, the Australian government sought to use its G20 presidency to encourage fellow G20 countries to identify their own strategies in a wide range of specific areas, possibly including domestic structural reforms. These strategies and reforms would provide the foundations of Australia's overarching objective, which was to achieve a shared 2 per cent growth target and increase the number of jobs, as captured in the Brisbane Action Plan (Downie and Crump 2017, 687; Crump and Downie 2018, 37). This was consistent with the Australian government's approach to the first G20 summit at the leaders' level six years previously, when Prime Minister Kevin Rudd went to Washington with the aim of encouraging his counterparts to prioritize growth and called for a 'global war' against unemployment.[62] The Australian presidency also worked with its Japanese counterparts and with the support of the US, Türkiye and OECD in inputting a gender perspective into this focus of G20 work, especially a '25 by 25' target; in other words, reduce the gender participation gap in G20 labour markets by 25 per cent by 2025 (Harris Rimmer and Byrne 2019, 168).

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At the Rome G20 in 2021, leaders agreed on a number of responses to concerns in the global economy, specifically on recovery from the pandemic, inflation and supply chain disruption. Respectively, they agreed that:

> We will continue to sustain the recovery, avoiding any premature withdrawal of support measures, while preserving financial stability and long-term fiscal sustainability and safeguarding against downside risks and negative spill-overs.
>
> Central banks are monitoring current price dynamics closely. They will act as needed to meet their mandates, including price stability, while looking through inflation pressures where they are transitory and remaining committed to clear communication of policy stances.
>
> We remain vigilant to the global challenges that are impacting on our economies, such as disruptions in supply chains. We will work together to monitor and address these issues as our economies recover and to support the stability of the global economy. (G20 Information Centre 2021a)

3.5 TRADE

The importance of combatting trade protectionism has been at the heart of the G20's mission since its creation. In the words of Herman and Cooper: 'The specter surrounding the G20 since its creation in November 2008 has been whether it could act collectively to stem a return to the economic nationalism that marked the Great Depression of the 1930s' (2013, 399).

At the same time, the first G20 in Washington came at a time when the Doha round of WTO trade negotiations was in its seventh year and suffering from inertia. Almost inevitably, in parallel with the G7, the G20 became a forum for nudging these stalled trade negotiations forward in some form. President Lula da Silva of Brazil was a vocal advocate at the summit of using the G20 as a mechanism to break through on stalled trade negotiations. With the implicit support of the incoming Obama administration, Gordon Brown was similarly ambitious at Washington.[63] He declared at the outset of the summit that '[i]f over the coming days countries can resolve what I now regard as small differences it would send a huge signal to the whole world that the answer to 2008's crisis is not the beggar-thy-neighbour protectionism of past crises, but stimulating a world trade agreement'.[64]

Concerned about the impact on its agricultural sector, India advocated the conclusion of the Doha round but attached no timescale to this call. The Bush administration was in no position to negotiate ahead of the transfer of power and stressed dialogue and substance over the timing of any agreement (Kharas 2014a, 185). In the end, the G20's 'Declaration of the summit on financial

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markets and the world economy' avoided watering down the language and stated that:

> We underscore the critical importance of rejecting protectionism and not turning inward in times of financial uncertainty. In this regard, within the next twelve months, we will refrain from raising new barriers to investment or to trade in goods and services, imposing new export restrictions, or implementing World Trade Organization (WTO) inconsistent measures to stimulate exports. Further, we shall strive to reach agreement this year on modalities that leads to a successful conclusion to the WTO's Doha Development Agenda (DDA) with an ambitious and balanced outcome. We instruct our Trade Ministers to achieve this objective and stand ready to assist directly, as necessary. We also agree that our countries have the largest stake in the global trading system and therefore each must make the positive contributions necessary to achieve such an outcome. (G20 Information Centre 2008a)

Reaching agreement on modalities – the concrete way forward including targets and formulas towards the objective of cutting tariffs and subsidies – was an ambitious objective that was unlikely to have been achieved and, indeed, never was.

The following year at the London summit, domestic pressures manifested themselves as protectionist measures in both the US and France. On the one hand, 'Buy American' clauses in the US stimulus package barred foreign iron, steel and manufactured goods from public works projects funded by the package. On the other hand, Sarkozy encouraged French car makers in receipt of government funds to firewall domestic jobs.[65] Brown was keen to stress that the London summit should send a strong anti-protectionist message to the world: '… we will reject protectionist countries, we will monitor those countries and name and shame if necessary countries that are not following free trade practices'.[66] Concerned about the impact on its agricultural sector, India advocated the conclusion of the Doha round but attached no timescale to this call. The Bush administration was nearing its end at the time of the Washington summit but Obama was in power by the time of the London summit. The EU also called for a strong G20 statement in support of anti-protectionism, expressing the concern that a panic-driven knee-jerk protectionist response could extend the economic crisis.

Despite the G20's strong and iterative statements to avoid protectionism, the evidence demonstrates that domestic pressures and national interests trumped economic internationalism and collective action with most G20 members introducing discriminatory measures and protective policies in response to the GFC. The World Bank suggested that seventeen countries introduced forty-six protectionist measures between the Washington and London summits.[67] Herman and Cooper single out India, Russia, Argentina and the EU27 (in particular, Germany), as 'the worst offenders as measured by total implemented

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discriminatory trade measures, though 2012 has seen an increase in measures implemented by the USA, notably those targeting China and Mexico' (Herman and Cooper 2013, 403).

It was clearly in South Korea's national interest to continue pushing the G20 on its anti-protectionist mission considering that exports accounted for 43.4 per cent of South Korea's GDP. However, progress was modest in this area, with no tangible movement in the DDA, to the extent that the following Cannes G20 under France's presidency admitted to past failures in this space and called for fresh and credible approaches (Cherry and Dobson 2012).

The G20's long-standing anti-protectionist position and matching lip service became controversial with the advent of the Trump administration. Trade had not been a priority for Germany when it assumed the G20 presidency in December 2016. However, Trump's election the previous month, his 'America First' protectionist rhetoric and withdrawal from the Trans-Pacific Partnership in early 2017 created a 'stress test' that forced the German presidency to revise this position and instead seek to preserve the pre-Trump status quo (Berger and Evenett 2017, 130–131). The German presidency was able to include a statement on trade in the Hamburg leaders' declaration, although it represented a compromise by which, on the one hand, it name-checked the continued fight against protectionism, underlined the role of the rules-based international trading system and supported the WTO. On the other hand, it highlighted unfair trade practices and recognized the role of legitimate trade defence instruments (G20 Information Centre 2017a; for an expert close-reading of the declaration and comparison with the previous year's statement, see Berger and Evenett 2017). In November 2018, APEC leaders meeting in Papua New Guinea failed to issue a joint communiqué for the first time in the forum's history, due to differences on trade; this set the context for the G20 leaders' meeting in Buenos Aires, where an agreement on trade could only be reached by dropping the anti-protectionist commitment from the summit statement.[68]

3.6 TAXATION

As part of the G20's actions to combat financial volatility and avoid a repeat of the GFC, attention focused upon what has been termed a global bank tax, more popularly known as the Tobin Tax, named after the economist James Tobin, or officially a financial transactions tax (FTT) (see Kalinowski 2019 for a detailed review). Regardless of the nomenclature, the idea has been championed by some economists and various CSOs to discourage short-term, speculative currency trading, encourage exchange rate stability and generate revenue for developing countries. At the time of the 2009 Pittsburgh G20, the German government released a statement advocating an FTT as one measure that could assist in paying for the damage of the GFC (Mahrenbach 2019, 260). The G20

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leaders' statement spoke to this proposal by tasking the IMF with preparing 'a report for our next meeting with regard to the range of options countries have adopted or are considering as to how the financial sector could make a fair and substantial contribution toward paying for any burdens associated with government interventions to repair the banking system' (G20 Information Centre 2009a). However, a variety of responses within the G20 were in evidence. The French and German governments were early and active supporters of the idea of an FTT, although the US and UK blocked these initiatives within the G20 (Luckhurst 2012, 758). As host of the 2010 Toronto summit and with a banking sector relatively unharmed by the GFC, the Canadian government opposed it. Bayne explains this difference by citing the unpopularity of the banking sector in Europe resulting from the GFC, in contrast to the feeling in Canada that its banks had not behaved irresponsibly (2011). Even within Europe, there was no consistent position. The European Commission was a vocal advocate of the FTT but the agreed EU pre-summit position was lukewarm at times (Moschella and Quaglia 2016, 914). Concerned about its impact on London as a financial hub, the UK was opposed to a European FTT but indicated that it could be more amenable to a global one (Luckhurst 2012, 750). In the end, the IMF report commissioned at Pittsburgh watered down the issue, Canada and Brazil led the resistance at the Toronto summit of June 2010 that included China, Japan, Mexico and South Africa, and by the November 2010 Seoul summit the idea was left to the discretion of national governments and not pursued at a globally coordinated level as the G20's focus moved on (Cooper 2013a, 964; Mahrenbach 2019, 261).

As regards addressing tax havens during the GFC, Sarkozy's tough stance at Washington and London and threats to walk out of the summit meeting have been mentioned above. In the end, Obama brokered a deal and used bilateral meetings to secure a change in the language of the communiqué to 'note' rather than 'recognize', in reference to the list of tax havens identified by the OECD and G20 (Cooper 2010, 748). China was keen to protect Macau and Hong Kong in the discussions and keep them outside any final G20 agreed statements, but beyond that was willing to be flexible (Kirton 2016, 39–40).

The disappearance or artificial shifting of corporate profits to low or no-tax environments, known as base erosion and profit shifting (BEPS), was placed on the G20's agenda under the Mexican presidency at the 2012 Los Cabos summit and with the support of the German and UK governments. The UK was active in pushing ahead on this issue unilaterally, bilaterally and multilaterally through the G20 as well as through its presidency of the G8 in 2013 (Motala 2019, 64; Mahrenbach 2019, 265). The same year, a G20/OECD BEPS Action Plan was adopted at the St Petersburg summit. BEPS is discussed explicitly as a development issue in more detail in Chapter 4. However, it is worth highlighting here that the G20's focus was largely on supporting the OECD's work

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in this area and its February 2013 report on this issue. Zhu (2016) argues that global tax governance is an area in which the G20 has collaborated successfully with the OECD and found a successful division of labour – the former provides the leadership and the latter possesses the technical ability:

> Global tax governance can be called one of the few success stories of the G20 institutional transition in recent years. In 2013, Russian President Vladimir Putin suggested the G20 has made the fundamental progress and changes to international tax rules. During the summit, the G20 leaders asked the OECD to make 15 action plans to combat the tax evasion. On October 5, 2015, the OECD submitted the 15 plans, which have been rebuilding the international tax system.
>
> From the perspective of the governance architecture, the G20 and OECD individually have been proving their comparative advantages. Considering the absence of some emerging economies in the OECD, the G20 has helped the OECD to buy-in developing countries, while the OECD has been creating a new institutional architecture for the developing countries to participate equally in initiatives on taxation, more precisely on BEPS project. From the perspective of governance process, the G20 creates political consensuses for the BEPS, while the OECD provides the feasible Action Plans for implementing the BEPS. (2016, 468)

The German G20 presidency of 2017 progressed the leadership role that the German and UK governments had previously demonstrated and added value by including Africa in discussions and actions around the global tax agenda (von Haldenwang and Schwab, 2017). The Hamburg summit's leaders' declaration reiterated their commitment to implementing the BEPS package and their pledge to 'continue our work for a globally fair and modern international tax system' (G20 Information Centre 2017a).

At the 2021 Rome summit, the G20 leaders supported an OECD-brokered reform to place a global 15 per cent minimum tax on multinationals by 2023, subject to approval in national legislatures, with a goal of creating 'a more stable and fairer international tax system'. Several high-profile examples, such as Amazon, Apple, Facebook and Google, basing their operations in low-tax countries had raised the profile of the issue.[69]

3.7 SUMMARY

Managing the global economy is the G20's core business. Over seventeen summits, it was born as a crisis committee out of financial crises, declared itself the 'premier forum for international economic cooperation', sought to address specific issues of reforming the IFIs, taxation and trade *inter alia*, and with the Covid-19 pandemic, returned to its role of a crisis committee, although with less success than had been the case at its outset. At first blush, the early summits were marked by a palpable sense of purpose and internationalism, which was embodied by leaders like Gordon Brown, in response

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to the GFC. Although it was hoped that this normative impulse would trump national interests, even if only for a short time, it was not long before domestic pressures and narrow self-interest came into stark relief, sometimes in counter-intuitive ways.

Common or divergent positions rarely map onto the traditional and newly formed subgroupings within the G20, whether they be based on the G7 or BRICS distinction that was evident with the upgrading of the G20 to the leaders' level and the arrival of emerging economies at the top table of global summitry. Rather than subgroup membership or geographical propinquity, the perspectives and positions of individual G20 members have mostly been shaped by domestic politics. Take the G7 as an example. As demonstrated above, Luckhurst has highlighted divisions at the height of the GFC, and how

> the main proposals at the April 2009 London Summit of the G20 originated from two bilateral alliances: the Franco-German proposals for an enhanced international regulatory framework, which took shape in the form of the FSB; and Anglo-US proposals for a coordinated international fiscal stimulus strategy, with countries contributing US$1.1 trillion primarily to augment the financial resources of the IMF. (2012, 756)

Looking beyond the G7, Schirm has also demonstrated how responses to specific issues undercut and transgressed traditional distinctions within the G20. For example, US demands that the G20 continue large-scale economic stimulus packages were aimed as much at fellow G7 members of Germany and Japan as at China. Both Germany and Brazil were critical of the loose fiscal position of the US because of domestic factors and traditional attitudes and economic practices (2013, 698–699). Schirm has also explored currency manipulation and the impact of undervaluation on trade competitiveness, demonstrating how the US was critical of China's policies but in turn found itself criticized by Germany and Brazil (2013, 701–702). These two countries were allied in their criticisms of the US as well as China as a result of domestic factors, as had been the case in their concerns over US stimulus packages. Again, it appears that the coherence of traditional and newly formed subgroups could be easily undermined by domestic politics.

Kalinowski has identified an alternative way of cutting the G20 cake that highlights three constituencies with differing positions on macroeconomic issues and financial governance shaped by domestic pressures and their differing forms of capitalism: (1) the US, which demanded strong stimulus packages within the G20, favoured open markets for the most part and sought to maintain the global role of the dollar; (2) the EU, which unenthusiastically followed the US lead on stimulus, favoured open markets for the most part and sought to stabilize the euro; and (3) East Asia, namely China, Japan and South Korea, which actively followed the US lead on stimulus, favoured more

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regulation and were willing to manipulate currencies to their advantage (2019, 25). However, conflict within each subgroup is also evident, particularly in East Asia but even on occasion in the EU, although it has managed for the most part to resolve country-specific differences and speak with a single voice (Moschella and Quaglia 2016).

This messy and variable geometry of shifting alliances and divisions will emerge in the chapters that follow, both in terms of disagreement and also in cooperation across the range of other agenda items that the G20 came to address. This is also evident in the domestic reception of global summitry, as explored in Chapter 7. Chapter 8, the final chapter, will bring together this wide range of perspectives, behaviours and experiences on a country-by-country basis, loosely based around subgroups within the G20.

NOTES

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3. *The Irish Times*, 15 November 2008.
4. *Deutsche Presse-Agentur*, 14 November 2008.
5. *Ottawa Citizen*, 4 November 2008.
6. *Deutsche Press-Agentur*, 12 November 2008.
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8. *Deutsche Presse-Agentur*, 4 November 2008.
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10. *The Financial Times,* 4 November 2008; *The Irish Times*, 5 November 2008.
11. *The Financial Times*, 10 November 2008.
12. *The Financial Times*, 8 November 2008; *API*, 10 November 2008; *The Globe and Mail*, 15 November 2008.
13. *Ottawa Citizen*, 4 November 2008.
14. *Agence France-Press*, 5 November 2008; *CBC*, 6 November 2008.
15. *The Global and Mail*, 15 November 2008.
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