

THE NEW DYNAMICS OF SUMMITRY: INSTITUTIONAL INNOVATIONS FOR G20 SUMMITS

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3:45 – 5:45 p.m. Session I: Restoring Political Trust in National and Global Leadership

- *The Politics of National and Global Leadership*
- *The National Press, Leadership and the Public*
- *Linkages of G20 Summits with G20 Parliaments*
- *Implications for Summit Communications Practice*

1) What general observations, insights, proposals, and innovative ideas arise out of that national experience that may be relevant for improved G20 summitry practice in the future? What are the lessons learned?

The G20 has proved to be an effective mechanism in the management of problems involving international collective action. At the Pittsburgh Summit, the Leaders expressed their decision to consolidate the G20 as the premier forum on economic cooperation.

The enactment of coordinated economic policy plans restoring confidence and sustainability in the world economy in the aftermath of the 2008 financial crisis has been undoubtedly its first major success. However, if the G20 wishes to make a lasting contribution to economic global governance, Leaders must acknowledge some lessons derived from recent experiences, as follows:

- The presence of systemic risk in advanced economies and the implications it has on developing countries suggests that the most important contribution of the G20 to global economic governance is the creation of new rules ensuring egalitarian participation of developed and developing countries sitting at the negotiation table. Only by acknowledging plurality, systemic risk and complex interdependence will the economic global challenges be effectively confronted.
- The G20 must go beyond the traditional dynamics of power politics and take deliberate measures to ensure equal participation. Legitimacy and representation must be two inescapable goals. The non G8 members of the G20, as well as the rest of the UN membership must perceive the G20 as a positive force and a plausible vehicle to advance issues of global interest (as opposed to the G8, which was perceived as an imposition of the powerful by many countries and sectors). To this end, transparent working methods and decision making processes will be crucial. Some concrete measures could be:
 - The submission of a consolidated meeting calendar early in the year, including the Leaders Summit, Sherpas, Finance Ministers and Central Bank Governors as well as Finance Deputies meetings.

- G20 Summit host and troika must consult G20 members extensively in preparation for the Summit, particularly in the agenda setting process and drafting of joint documents.
 - Wide-ranging outreach sessions should take place in coordination with UN and other multilateral institutions, to include both a diverse set of countries as well as technical experts, civil society and the business sector.
 - The inclusion of clear rules regarding chair rotation as well as the faculties of the chair and the Troika.
 - In order to improve summitry and outreach in the future, the G20 needs to coordinate efforts with other formal multilateral organizations, particularly the UN. Given the universality of the UN system and the operative specialization of G20 in financial global governance, close coordination can play an important function in unblocking international cooperation and advancing a stable economic and financial system. In this manner, the G20 can contribute to reduce tension and conflict between advanced and emergent economies. This is the most important task the G20 has in order to contribute to a healthy global order. In order to achieve this, the G20 should not intrude but complement the work of the UN
 - Better coordination and transparency among the international institutions that work with the G20 is needed. Their mandate and responsibilities should be clear. In other words, G20 partners should have a clear picture of which organization is doing what. This will contribute to efficiency and prevent duplication.
- With the purpose of improving commitment and enforcement mechanisms the dialogue at G20 summits should take place primarily among Leaders. Action plans should be enforced by the commitment of all leaders. Additionally, discussions among leaders could be more fruitful and relevant if they take place in a frank and flexible fashion, without preconceived outcomes.
 - Mexico should play an assertive and active role within the G20. In doing so, its participation should be based upon the principles of legitimacy, equal representation and transparency. Mexico should coordinate and exchange information with other developing G20 countries in order to enhance collective action. The G20 can indeed contribute to advance national and regional agendas. A recent example of this is the recent decision to double the capital base of the Inter American Development Bank in 2010, which was achieved partly thanks to the momentum generated by the G20.

2) What are the weaknesses in individual leadership performance or systemic relations or political constraints that can be addressed and remedied?

- The G20 as a Leaders forum should provide the most favorable conditions for open deliberations and collective decision making among its leaders. Leaders should not delve into technical discussion, but rather focus on taking political decisions, finding cross-cutting trade-offs and providing broad policy guidelines. The fact that most Leaders attending the summits are not financial experts might be an advantage in this sense. Setting “Leaders only” tables and sitting the Finance Ministers apart reduces the potential for discussing technical issues. In order to solve this, some countries have requested that no technical issue is left unresolved before discussions. The current crisis has taught us that sometimes it is necessary to go beyond technocratic orthodoxy and take extraordinary measures. That’s where the Leaders stepped in.
- Since key issues are negotiated before Leaders’ summits (during Deputies and Sherpas’ meetings), Presidents and Prime Ministers should ideally become ‘instrumental leaders’—using and amplifying the ideas of technical experts and getting them on the international political agenda. During the past three summits, we have seen instrumental leadership from President Bush, Prime Minister Gordon Brown and President Obama. Measures could be taken to foster this kind of Leadership, as opposed to presenting pre-cooked documents for Leaders to approve at a ceremonial Summit.
- Informal sessions and networking activities could produce an atmosphere of comradeship and confidence among G20 leaders, so that they’ll feel free to speak their minds and even address divisive and difficult issues as opposed to preconceived speeches for the press.
- Leaders’ participation in the G20 is shaped, first and foremost, by the constraints and priorities they face at home. Very few countries exert directional leadership within the G20, which gives place to the pre-eminence to a limited set of alternatives for collective decision. Only few have the necessary technical capabilities to produce relevant proposals in all financial, economic and regulatory matters.
- The effective political communication channel established by the G20 should ensure the correction of failures in the international financial system. In this regard, the positive effects achieved by G20 coordinated fiscal stimulus and monetary policies should not postpone the decision and political will to reduce systemic risk in banking regulation, one of the main causes that produced the recent crisis
- In dealing with banking reforms, G20 leadership should be aware of financial lobbies reluctant to advance a new regulatory framework. Civil society could play

a crucial role in monitoring and advancing the agenda regarding systemic risk, sustainable growth and climate change.

- The G20 could work on three fronts to help counter the political constraints that Leaders face at home: 1) exploring the possibility of creating an inter-Parliamentary G20 group; 2) informing and taking insight from civil society on its function and usefulness and 3) approaching the business sector in the same spirit. This may help obtain domestic support for participation in the G20.

3) What are the strong elements in leadership, press relations, communications, articulation and action that can be highlighted and built upon for generating still better results in future summits or by other leaders, their governments or their press corps?

- As one would expect, the congregation of these particular 20 Leaders in a summit attracts considerable public attention worldwide. Thus, the G20 as an informal institution should take further advantage of such global interest and inform, in a concise and simple manner, the main agreements and achievements of the Summit, progress on their implementation in addition to the real-world changes that the G20 has produced.
- Also, the G20 should seek to legitimize and distinguish itself by truly delivering on its commitments. The most effective enforcement mechanism that the G20 will have is the mutual assessment or peer review process that will be launched as part of the Framework for Growth. A similar mechanism is already put in place on the field of regulatory reform.
- Quite often, final communiqués are written in such a technical way that only experts can understand them. Greater efforts must be made to convey to the general public on the impact that G20 decisions actually has in their immediate reality. Also, brevity should be the name of the game.
- Domestic constituencies are not fully aware of what is been discussed during the summits neither during the preparatory meetings. It should be better explained to national constituencies how are G20 discussions germane to their life.
- It is also necessary to improve people's perception of the relevance of the participation of their Leader in this forum. An ambitious information campaign must be put in place, conveying the message that the G20 plays a relevant and positive role on the global scenario. This exercise must be done not only with civil society and business sectors, but also within the government itself.
- There are no clear mechanisms to enforce compliance with G20 summit actions plans. Also, effective monitoring tools on implementation must be adopted. As some action guidelines are set on broad and general lines, there is a need for a broader empirical base to test and measure the fulfillment of the G20 action plans and the alignment of coordination mechanisms amongst economies. The

mutual assessment component of the Framework for Strong, Sustained and Balanced Growth could be a step on the right direction.

4) Are there any specific innovations that could better link G20 Summit leaders to their parliaments to strengthen follow-up and implementation?

Parliaments are the institutional setting where commitment expressed by leaders during G20 summits materializes in the form of new legislation and specific allocations approved in the Budget Plan. Ideally, leaders should establish close communication with parliaments regarding G20 activities, providing information and exchanging views about commitments and action plans that require detailed discussion before the enactment of policy proposals. Presidents and assemblies should discuss in a multiparty and cooperative fashion that guarantees the best policy alternatives for adapting G20 commitments at the national level. In order to achieve this, Parliamentary action could take place on two tracks:

At the national level:

- The creation of legislative working groups and/or special legislative committees and joint committees (e.g. Foreign Affairs, Finance and Appropriations Committees) analyzing policy alternatives, enacting new legislation and monitoring the execution of G20 related policy proposals. These legislative bodies should be accountable for analyzing the extent in which national legislation and executive actions comply with international commitments deriving from G20 summit commitments. The working groups should also be entitled to monitor and evaluate the implementation of executive actions deriving from G20 action plans. These mechanisms should expand information available for adapting at the national level action plans and evaluate progress in execution.

At the international level:

- The G20 could launch an inter-parliamentary dialogue for the exchange of best legislative practices, national experiences and concerns, as well as to enhance cross-party ownership of the process. The fact that parliamentarians feel part of the national "G20" team could have very positive effects in implementation of G20 commitments. This would be very useful for Mexico.

5) Are leaders using summits to deliberately articulate the domestic political dimensions of their summit engagement and/or to project international leadership as part of their strategic and international policy? Or are they passively part of the proceedings, the photo ops and the conclusions, but not taking initiatives or asserting themselves within the leadership group or *vis a vis* their national publics at home? Is passive participation shrewd or is it missing opportunities for political benefits?

- G20 Summits are highly visible events and all Leaders use them, to a greater or lesser extent, to further domestic agendas. They also take advantage of their participation in the forum to promote international interests, although the ambition and scope of the latter may vary greatly from one country to another.
- All leaders in the G20 have a significant contribution to make. ***Democratic or participative leaders*** participate equally in the process of decision making with their followers and let the group make decisions. Extremely ***laid-back leaders*** let the group take whatever action its members feel is necessary. Nonetheless, the G20 is a mechanism where even the most laid-back leaders have an agenda to pursue.
- For instance, Mexico has used the Summit and the G20 system in general to promote its proposals for climate change financing, in spite of the vocal opposition of various G20 members to discussing the topic in that forum (thereby using the G20 to push its foreign policy priorities). Also, Mexico has emphasized the importance of avoiding protectionism and has even taken unilateral measures in this sense (thereby advancing its domestic agenda, since the recovery of world trade is crucial to the Mexican economy).
- However, there is still great potential for Mexico and all its G20 partners in general to take advantage of this forum. As a first step, Leaders themselves must be convinced of the benefits of taking part in this group. Providing the institutional conditions for every leader to make contributions and express their concerns is important for this purpose. In blunter terms, if a Leader sitting on a table with other 150 people can speak for a total of 2 minutes every session and is merely asked to approve a pre-negotiated document, the usefulness of the G20 becomes blurry.
- As mentioned above, the G20 is an international cooperation mechanism that proved efficiency in dealing with a collective action problem related to the liquidity of the world financial system and sustainable development of the world economy. As such, this mechanism provides an opportunity for leaders to find a balance between the expectations of their national constituencies and proposals

for making the world economy more sustainable. By drafting policies that ensure growth and sustainability to the global economy, leaders are better off of vis à vis both their national constituencies and their international counterparts.

- Getting the population to actually know what the G20 does is, of course, an essential precondition. Broader domestic outreach sessions with interested sectors of society could strengthen democratic leaders' position both in the domestic and in the international realm.
- National Intergovernmental G20 groups could be articulated and chaired by the President to assure that all technical aspects of the G20 process have been covered by the delegation, given the wide array of technical issues involved in each summit.