

## Rapporteurs' Report from the Brookings-KDI-CIGI Conference April 21-22, 2010

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The Korea Development Institute, the Canadian Centre for International Governance Innovation and the Brookings Institution jointly held a day and a half conference at Brookings in Washington on April 21<sup>st</sup> and 22<sup>nd</sup> 2010. The purpose of this conference was to generate new ideas for institutional innovations for G20 Summits, facilitating the transition of G20 summits from crisis management to a global steering committee for the world economy, while simultaneously addressing the tensions between effectiveness and representativeness legitimacy involved in the trade-offs between strengthened strategic leadership and greater inclusion. Short papers embodying new ideas and institutional innovations were circulated in advance to facilitate an exchange of views to identify the most promising proposals for further elaboration as specific, practical and feasible recommendations for adoption in future summit practice.

This Report attempts to highlight those ideas from the conference which seem to have the best potential for generating the greatest impact on the effectiveness and representativeness legitimacy of G20 Summits and on the transition of them from crisis management mechanism to global steering committee over the longer run. This Report is written for the Korea G20 Coordinating Committee for its use, based on the April 21-22 Brookings-KDI-CIGI conference in Washington. That conference was an off-the-record conference so that ideas presented here, except those by paper writers, will avoid attribution.

Roughly equal time was allocated in the April 21-22 conference to the political, institutional and policy domains as mining grounds for possible "institutional innovations for G20 Summits". What becomes clear in retrospect is that no one of these domains alone trumps the other two. Significant innovations in all three arenas ---politics, institutions, and policy---will be required for G20 Summits to meet the challenges facing them and to have the transformative effects required for the G20 to become an enduring effective global steering committee for the world economy and not just a talk shop and photo opportunity for leaders from large countries. An attempt was made in this conference to keep an eye on "top priority innovations" with the greatest potential impact so as not end up with a laundry list of ideas and proposals which would all seem equally good and which would generate neither enthusiasm nor interest in going through the list.

Therefore, the first conclusion from the April 21-22 conference would be that Summit organizers consider prioritizing selective initiatives and actions from each of the three domains of innovation and not limit the focus to one or two of the dimensions of innovations. The reasoning is that *without significant innovations in the politics of national and global leadership and in the institutions and processes of summitry and in the G20 policy agenda to include the concerns of the developing world taken together, the qualitative change in G20 summitry may fall short of that required for its survival as an instrument of global strategic guidance and a mechanism for delivery of effective policy outcomes, but also fall short of the momentum needed for the G20 to transition from crisis committee to global steering group.*

*It is not good enough for the G20 to become simply a larger G8; it must be qualitatively different and stronger than the G8, even in its best days. The times require qualitative transformation of summitry to be able to address and manage the inter-connected challenges of the 21<sup>st</sup> century. The world needs economic transformation, not economic recovery alone back to the status quo ante; and the international community needs a transformation in summitry and international institutional reform commensurate with today's multiple, linked global challenges, not a reversion to a larger G8 based on traditional summit practice.*

## MAJOR STRATEGIC CONCLUSIONS FOR PRIORITY INNOVATIONS

The big picture take-aways from this conference are: (Detailed recommendations in the Appendix, attached.)

### The Politics of National and Global Leadership

1. Encourage G20 member governments and G20 troika members to make explicit and organized efforts to forge deliberate *communications strategies* for G20 Summit participation that have clear goals in terms of:
  - (a) the consequences of summit results for the *public interest* in economic outcomes which enhance growth, jobs, stability and social inclusion;
  - (b) conveying the awareness of summit leaders of the connection between the polarizing economic effects of globalization and the need for *social rebalancing to compensate for the disequalizing forces* at work in the new global economy;
  - (c) concerted and even coordinated outcomes which convey to citizens fresh and continuous evidence of international leadership cooperation over private sector competition and the assertion of *public responsibility* over markets to offset the political polarization generated by the conjunction of the crisis of market fundamentalism and the concern about social polarization resulting from globalization; and
  - (d) two-way communications with G20 *parliaments* on the implications of summit outcomes for national legislative action and follow-up.

### Institutional and Process Innovations for G20 Summitry

2. *Strengthen the effort of G20 consultative processes to go beyond national officials* to include public dialogue with leaders of civil society, the private sector, trade unions and the knowledge communities, including opinion leaders, the press, media, academics and experts, on relevant policy issues so that no one feels that the G20 is doing "the peoples' business in secret".
3. *Establish channels for ideas and influence between regional summits and G20 Summits* on specific issues to assure that regional perspectives, especially those of countries which are not members of the G20, be considered in G20 preparatory processes by sherpas, deputies, and finance ministers, so that other countries do not feel that G20 are meetings of the big and powerful without the viewpoints of the small and poor.
4. Consider the creation of a flexible, informal G20 Secretariat consisting of seconded officials from G20 troika governments to the capital of the host country each year to *enlarge the capacity of G20 Summit processes to consult more widely and more deeply with other countries and other segments of society* to generate focused input on specific issues on the G20 agenda so that the divide between G20 members and other countries and between officials and citizens is bridged.

### Policy Innovations for G20 Summits

5. Major elements of the current economic crisis are the degree to which global imbalances both between surplus and deficit countries and the disequalizing effects of the global dispersion of wealth and power have together contributed to unstable markets and disequilibrium effects which disproportionately disadvantage the vulnerable and the poor. The major new focus of the G20 on the framework for strong, sustained and balanced growth creates *a new opportunity for G20 countries, leaders and summits to address the challenge of rebalancing the world economy* by greater socially inclusive growth in all countries and by focused attention on the economic growth of developing countries as part of the G20 rebalancing agenda.
6. The addition of the development agenda of developing countries to the G20 agenda and its linkage to the G20 framework for balanced growth would be a major strategic step which would pluralize the rebalancing agenda to include the developing world, appropriately easing the exclusive focus on concentrated imbalances between the U.S. and China, and linking the development agenda to the agenda for global growth, providing a broader basis for rebalancing and inclusion. This addition and these linkages *provide new elements and channels for intensifying the inclusion of developing countries in G20 priority issues* which build solid bridges to other countries more significant than "outreach" and more substantive than "consultation". Therefore, this expansion in the G20 agenda in Pittsburgh to include rebalancing and potentially in Seoul to add development generates an agenda with inter-connected substantive elements which also increases the inclusiveness of the G20 agenda in both substance and process.
7. The framework for strong, sustainable and balanced growth provides an *unprecedented opportunity to test the potential strength and effectiveness of the peer review among G20 countries in the mutual assessment process* and the degree to which peer pressure and the multilateral surveillance involved in medium term macropolicy management by G20 countries can actually work to bring about "collective consistency" in them. Greater attention to the underlying dynamics of the mutual assessment process is required by all participants to succeed in this challenging endeavor, both in terms of process and of results, since it is one highly ambitious and consequential aspect of the G20 being "the premier forum for international economic cooperation".

The basic premise here is that without simultaneous movement forward on the multiple dimensions of institutional innovations, there will not be the qualitative leap forward required for transformative effects to be realized. Business-as-usual forward motion will not suffice; only by generating the synergies and multiplier effects generated by simultaneous innovations across a range of domains will enough dynamism be created to achieve significant legacy results in the practice of summitry.

#### NEW DYNAMICS OF SUMMITRY

*The G20 embraces several dynamics not found in the G8 which can enhance its capacity to generate more meaningful outcomes. These sources of dynamism are implicit but require attention by leaders and their advisors to assure that they remain assets and do not become constraints affecting G20 summitry adversely rather than positively. These elements spring from the diversity of countries within the G20 when contrasted with the largely Western nature of the countries in the G8, except Japan.*

*Shifting Coalitions Rather Than Blocs:* Given the fact that there are six Asian countries in the G20, instead of one in the G8, and three Muslim countries in the G20 instead of none in the G8 Plus 5, and that there are a set of mid-powers with largely multilateralist foreign policies---Australia, Canada, South Korea and South Africa --- there is a greater possibility for shifting coalitions of

consensus according to the issue under discussion rather than a-priori blocs and alliances that can stultify the process of generating innovative policy approaches to global challenges.

If G20 governments are aware of the advantage of shifting coalitions of consensus over blocs in their participation in G20 Summits, they can make a deliberate effort to create flexibility and fluidity in G20 summitry and avoid bloc formation. For example, even though the G8 may continue in some form, focused more on non-economic issues, the practice of having G8 Summits *before* G20 Summits will hopefully cease with the Huntsville-Toronto sequence in Canada this year. Also, an earlier proposal for an Asian bloc in G20 Summits will hopefully not gain traction. And the G5, which was meeting separately, also will hopefully now be disbanded since the G8 Plus 5 is no longer in play.

As a consequence, whether the dynamics of G20 summitry relies on flexibility and shifting coalitions or blocs and a-priori alliances is a *choice* governments can make now that there is greater complexity and diversity in the G20 grouping. Certainly, G20 hosts and chairs can play a role in managing these dynamics toward greater fluidity than fixity. But G20 governments will need to be self-consciously aware of moving away from blocs and toward shifting coalitions of consensus or the traditional reliance on blocs and alliances could prevail.

*Pragmatism in Leadership:* If country alignment varies by issue, negotiations and consensus formation will be driven more by facts, substance and potential benefits than values, ideology and prior geopolitical alliances. The fact is that the G20 summit grouping also embodies a wider diversity of economic models than the G8. In this moment of reassessment of the relative role of the invisible hand of the market vis a vis the visible hand of public sector responsibility for the private market outcomes, this greater diversity in economic models between G20 countries is another source of innovation in summitry.

More than is acknowledged, countries have been learning from each other's economic experiences, drawing lessons, pragmatically choosing appropriate measures for adaptation in their domestic context. Rather than emulation, countries have been engaged in selective borrowing of best practices from other countries' experiences. In this moment of flux in the relationship between government oversight, supervision and regulation of financial markets and institutions, this diversity in models of public-private sector interactions and relationships embodied in the G20 is another major element for possibly generating positive outcomes.

Peer review, comparative assessment, and surveillance exercises have a greater force field operating in G20 groupings because of this wider range of economic experience. Again, it is up to governments, ministers and leaders to chose to exploit this diversity or ignore it, to seek to highlight it or hide it, and to engage in substantive exchanges in search of innovative institutional and policy approaches or erroneously conclude that the experiences of others are irrelevant to one's own circumstances. The fact of a greater range of possibilities represented in G20 Summits makes this now a matter of *choice* rather than a matter of limited options bounded by aggregations of like-minded countries.

*Cultural Diversity as an Asset:* Artistic culture around the world is in flux in this latest wave of globalization, just as economic models are in flux. In fact, the interaction between indigenous cultures and international influences is ancient and reflects often misunderstood truths of human experience which are relevant to the new dynamics of summitry. The stylized version of cultural diffusion is that cultural "encounters" either generate "clashes of civilizations" in Professor Samuel Huntington's formulation or emulation and homogenization requiring resistance. In fact, the flux and flow of artistic influences across borders and boundaries manifest a pattern in which "encounters" generate creativity and increasing distinctiveness in the impacted culture rather than conformity or conflict. The prevailing pattern is selective borrowing rather than imitation, in which the external influence becomes a stimulus for greater energy, creativity and innovation in indigenous cultural development.

In light of this perspective on cultural interactions, the cultural diversity manifested by G20 countries itself becomes an asset rather than a problem for summitry in that summits themselves are

a form of “encounter” in which innovative outcomes are at a premium and it would seem more likely to arise from a group of culturally diverse societies rather than from a group of like-minded countries. The degree to which there is deliberate awareness and sensitivity to the cultural diversity of G20 countries as an asset rather than a problem would seem to be a *choice* countries can make in how they approach G20 summitry and how responsive they are to the wider diversity of cultures represented.

The fact that different artistic cultures are determinants of distinctive institutional cultures which in turn form the basis for diverse economic models is often overlooked. This oversight allows economists to frequently assume that economic propositions can be adopted uniformly across countries when in fact the process of selective borrowing applies in economic policy as well as artistic practice. Selective borrowing in the realms of economic policy and institutions is a pragmatic approach which runs contrary to the often ideological dichotomous choices presented to policy makers between free trade and protectionism, free markets and state-run economies, and market fundamentalism and financial regulation, when in fact more pragmatic choices are more effective. How G20 governments chose to approach the cultural diversity of G20 meetings will determine the degree to which creativity and innovation arising from difference can be a source of progress rather than a constraint on it.

#### FROM G20 TO L20: LEADERS TAKE THE LEAD

For the moment, many observers feel that it is important to have a moratorium on the issue of the country composition of the summit grouping, taking the G20 as it is, until the economic crisis has eased. There is a strong argument that to open the discussion now about “who is in” and “who is out” would deflect attention away from the crisis and its aftermath which could weaken the summit process itself. The G20 represents a great leap forward in representativeness legitimacy, and its performance thus far on the global economic crisis is given high marks for effectiveness legitimacy.

Nonetheless, it is also true that as the G20 has become more important, the exclusion of most of the world’s countries and the under-representation of some regions, such as Sub-Saharan Africa, becomes more pressing. The Norwegian foreign minister has suggested that the G20 represents a form of Bismarckian 19<sup>th</sup> century great power diplomacy. The issue of improving representativeness legitimacy of the G20 does not disappear just because more of the world’s population is included in the G20 as compared to the G8.

If and as the G20 takes on the global development agenda, the issue of greater voice in G20 Summits for smaller, poorer developing countries comes immediately to the fore. There is no way that G20 Summits can take up the development agenda on behalf of the developing world without developing countries being directly involved in G20 deliberations on development. And developing countries already make the argument that they have as much stake in the framework for strong, sustainable and balanced growth, the mutual assessment process, the financial regulatory reform debate, IFI reform and other G20 issues as the emerging market members of the G20. The developing countries do not want to have their participation in G20 Summits limited to the development agenda; they want to have seats at the table of the apex global summit on all issues.

There are two ways to engage this challenge for greater inclusion. One, which seems to be underway at the moment, is to invite participation in G20 Summits by the president of the African Union and the head of NEPAD, the president of ASEAN and perhaps an additional representative from the developing world. This would add four additional seats to the G20 table during 2010. This is one, short-term approach.

Another, idea is in the next few years to make a transformation simultaneously in the G20 Summit grouping and in the role of and representation in the IMFC. Mervyn King and others have pointed out that the IMFC become a decision-making ministerial body of the IMF, instead of simply an advisory one as currently, with the G20 countries morphing into constituencies as members of the IMFC and then commensurately representing their IMF constituencies in the G20 itself. This would

entail other reforms in the IMF and in the G20. One step toward moving in this direction would be for current G20 leaders to agree to rename the G20 Summits as *L20 Summits* –Leaders20 Summits— which would create a differentiation between the finance ministers G20 grouping and the L20 leaders grouping.

This would be a first step in identifying summits clearly as for leaders, consistent with an emphasis many would like to give more primacy of leaders over finance ministers and international organization heads and on providing more time in summits for leaders-only meetings. It would also be a first step in delinking the L20 from the G20 finance ministers grouping which could open up the possibility of shifts in country representation to the L20 which might differ from the original G20 grouping of finance ministers formed at the time of the Asian crisis. This step might allow for greater consolidation of European representation and wider developing country presence, among other things. It might also lead eventually to constituency-based representation at L20 Summits, consistent or not with the country configuration of the restructured IMFC.

This institutional innovation in leaders-level summits, re-labeling them and differentiating them from the G20 finance ministers group is a high profile and risky step but one which could have strong positive implications for summits and the IMF and the relationship between them. It reopens the issue of “who is in” and “who is out” which eventually is going to get raised in any event by the pressing need to incorporate the developing countries into G20 Summits as the development issue takes its place in the G20 Summit agenda.

Korean G20 officials may want to think further about this set of complex issues and decide whether and how they might wish to address them.

**Conclusion:** Looking ahead to the KDI-Brookings-Dong-A-Ilbo public conference in Seoul on September 27-29 and to the Korean G20 Summit in Seoul on November 11 and 12, there is a need to map out how these ideas and others for institutional innovations for G20 Summits can enhance the new dynamics of summitry and generate qualitatively better outcomes, bigger impacts and better results from G20 Summits than from G8 Summits. Greater elaboration of the ideas, innovations and proposals themselves will be required for the September Seoul Conference and will be a natural part of its preparations. Greater visibility for these issues and ideas in the Korean and international press will create wider interest and engagement of opinion leaders and interested publics in the policy dialogue and debate leading up to the November G20 Summit in Seoul. And more off-the-record discussion with senior Korean officials of institutional innovations for G20 Summits as well as the economic and institutional agenda of the G20 itself will provide more opportunity for refining these ideas into specific, practical, feasible actions for G20 governments to adopt as part of their efforts to make G20 Summits both more representative and more effective as an enduring global steering committee for the world.

## APPENDIX OF SPECIFIC PROPOSALS FOR POSSIBLE ACTION

### A. Specific Proposals for Enhancing the Politics of National and Global Leadership

1. In an up-coming G20 sherpa meeting, the Korean Sherpa might want to raise the issue of country delegations to the Korea G20 Summit in November giving greater deliberate attention to their own *communications strategies* in anticipation of the November summit, especially to ways in which their leader could use his presence and participation in the summit as an opportunity to communicate the national significance of the G20 Korea Summit for the public interest in his own country. This would entail, as a minimum condition, assuring that a nation press corps attends the Seoul Summit but beyond that having a considered

communications strategy for their leader during the summit to communicate with the national press about issues of particular interest in advance, the evolution of G20 concerted thinking about those issues, and results of the Korea G20 Summit and their significance to the national public interest.

2. G20 delegations to Seoul in November might be asked whether it would not create good communications linkages between leaders and their publics to explain the new *"framework for strong, sustainable, and balanced growth"* and the degree to which its *"mutual assessment process"* of peer review and peer pressure among and between G20 countries themselves is a potential decisive departure from traditional IMF bilateral surveillance of country's macroeconomic policies and their spill-over effects for other countries. This is an important shift in the locus and dynamic of interactions among leaders and governments at summits, a clear departure from the G7/8, which could be enhanced by greater understanding in public opinion.
3. The *financial regulatory reform* discussion in G20 Summits, in the IMF, and in the Financial Stability Board will be an on-going set of interactions aimed at strengthening national institutions for the supervision, oversight and regulation of financial markets, especially in countries with weaker financial regulatory systems. It is a complex set of issues under consideration but G20 leaders can help clarify for their publics that the underlying issue here is a shift in approach from *laissez faire* capitalism to responsible market economies. The work of the G20 in these three for a are meant to guide the world from a tendency in the last thirty years to believe that *"hands-off the market"* was best to capture efficiency gains from *"the invisible hand"* of free markets to the current approach in the G20 to re-assert public responsibility over financial markets at both the national and the global level. This is being achieved by G20 countries through greater peer review of each others' financial regulatory systems and by greater coordination between G20 national regulatory systems and norms to assure consistency across-borders to protect the public interest in financial stability. This is a big-picture story that is not fully understood among the public, who witness detailed stories about disputes over capital requirements one week, bank taxes the next, and derivatives and salary caps the next. There is a storyline but it is buried in the specific proposals under debate which gives leaders an opportunity to clarify the fundamental significance to their people at home from the platform provided by G20 Summits.
4. Perhaps the most neglected and potentially highest yield arena for improvements in summitry is to give greater attention to *the relationship between G20 Summits and G20 parliaments*. There are three specific possible actions that might be taken: (i) suggest to G20 member delegations that consideration be given to consulting with relevant national parliamentary leaders prior to each G20 Summit on issues relevant for possible parliamentary action; (ii) that consideration be given to some form of report to parliament after each G20 Summit on the G20 actions taken and their implications for national parliamentary action; (iii) that some form of inter-parliamentary group of G20 parliamentarians be formed, similar to the G8 Plus 5 parliamentarians grouping led by Global Parliamentarians for a Balanced Environment (GLOBE) over the last few years.
5. An experience journalist has suggested that G20 Summit organizers consider having summits consider the international economic agenda first, completing it, agreeing to the communiqué, and issue the communiqué and hold press conferences on the economic communiqué *well before the end of the summit*, leaving other issues for the last segment of the summit. This would help create more time for national journalists to complete more thoughtful stories and opinion pieces before the rush that occurs at the end of summits where the communiqué, press conference and departures of leaders and the press corps occurs all at once.

This proposal was accompanied by the idea of having two tiers of vetting the credibility of G20 Summit actions by having, for example, the IMF managing director comment on the G20 Summit results, and then, in addition, have a group of eminent persons comment on both the G20 Summit results and on the commentary by the head of the IMF on them. These are ideas which seem worth further consideration.

## **B. Specific Institutional and Process Innovations for G20 Summits**

1. Each nation should seriously consider ways appropriate to its own context *to involve civil society in its various dimensions in summit preparations, participation and follow-up*. Often, this idea is framed as “outreach”, which implies that national officials will convey to relevant publics information regarding government positions and proposals for, say, G20 Summits. This gives the public the impression of being talked at and told where the government already stands on certain issues. An alternative approach would be to meet with different segments of society to get impressions and interests of different groups in summitry as a process and as a mechanism for the generation of policy results of consequence to the public interest. Therefore, the public would become involved in the national and perhaps global conversation about summitry and G20 Summits. Civil society groups ---whether business leaders, labor union officials, NGOs, experts, academics, religious or spiritual leaders, or public intellectuals – would be given an opportunity for input into the national summit preparations and follow-up rather than being in a way subjected to outreach.
2. Summit organizers could consider ways of deepening *G20 consultations with different regions* by focusing on a specific issue and item on the G20 agenda for a given summit and seeking organized input from regions on that issue and reserving some time during the G20 Summit for the explicit consideration of selected regional points of view, not for show-and-tell purposes but when certain regional perspectives provide an alternative viewpoint that might enhance G20 deliberations on the matter. The link between regional summits and the G20 seems to be one that could be further elaborated and deepened as a primary means of expanding the inclusiveness of G20 Summits to bring to bare the views, interests and ideas of other countries.
3. Consideration of whether to have a *G20 Secretariat* is still on-going, but some forward movement might be possible specifically to enlarge the capacity of G20 Summits to be more inclusive in bringing substantive ideas, proposals and perspectives from other countries into the purview and process of G20 Summits. A focused use of additional staff members from the troika governments seconded to the G20 host country for the year prior to each G20 Summit could enhance the inclusiveness of G20 summitry without forming a permanent secretariat or other more formal body.

## **C. Specific Policy Innovations for G20 Summits**

1. The “framework for strong, sustainable and balanced growth” puts the G20 countries at the center of the international coordination and policy dialogue process by proposing to engage them in examining each others’ macroeconomic policies and their spillover effects on the rest of the world for “collective consistency” with more balanced global outcomes than in recent years. But it also involves extending the horizon of the FSSBG process beyond G20 countries to a consideration of how developing countries and other emerging market economies outside the G20 can play a role in global rebalancing. This stretches the G20 to be more inclusive in its analytical and policy scope but also in its inclusiveness

in policy discussions, which makes G20 relations with regional summits and institutions, as well as with the other international economic institutions with more inclusive memberships, absolutely critical. Whereas, the G20 can not preemptively instruct other institutions, it can engage in an interactive relationship with them, in which alternative policy perspectives are both sought and utilized and in which influence becomes a two way street. More thought needs to be given to G20 relationships with UN agencies, with the Bretton Woods institutions, and other bodies relevant to the effectiveness of the global rebalancing effort.

2. The likely *initiative by Korea to add development of developing countries to the G20 as a new agenda* item and reformulate it to reflect a uniquely G20 approach, embodying domestic as well as external elements, prioritizing economic growth with the global rebalancing framework, and a broader concept of international forces shaping development, such as trade, investment, capital flows, technology and human capital transfers including South-South dimensions, would differentiate a G20 approach from the current G8 approach. This is a highly promising, new approach. (See paper by Homi Kharas.) But it also poses new challenges for coordination and “policy coherence” among major economies in both the policy domains involved but also in terms of the appropriate institutional setting for international development cooperation in addition to G20 Summits themselves. Further consideration needs to be given for institutional innovations for G20 Summits which can translate the strategic leadership on development generated by G20 leaders at Summits into an action oriented agenda for greater coordination and coherence involving a still wider range of agencies, actors and programs.
3. The new effort by the G20 to address global rebalancing and to engage in a mutual assessment process of each others’ macropolicies is consistent with a tendency with G20 summitry itself to give more time and primacy to *leaders-only* meetings within G20 Summits. This carries the potential for adding vibrancy and insightful exchanges among leaders unscripted by the preparatory process. It also puts more burden on leaders to not only master the portfolio of macropolicy management but to be willing to press each other for policy adjustments which seem to have negative spillovers for the rest of the world and be inconsistent with other major countries’ economic trajectories toward great global balance. This new form of peer review surveillance, in place of IMF bilateral, single country surveillance, requires new behaviors and approaches which will require creative responses on leaders, ministers, sherpas and advisers, as it manifests itself in G20 interactions in the FSB, the IMF and in G20 Summits.

#### **D. Highlighting the New Dynamics of Summitry as Force Fields for Innovation**

1. The greater diversity of culture, institutions and economic experience in G20 Summits in comparison to the G8, makes it possible for summit participants ---advisers, sherpas, ministers and leaders--- to chose fresh approaches based on pragmatism rather than ideology, shifting coalitions of consensus instead of blocs, and a richer range of options. The question is how to raise *the degree of self-consciousness and awareness* among busy senior policy-makers of these new dynamics of summitry and their potential for providing sources of innovation for G20 Summits.
2. Many have argued that the reason for having “rounds” of trade negotiations is to engage a wide-ranging and complex agenda so that there could be trade-offs and bargains struck across issue areas, which would be more limited under a narrow trade negotiation agenda. The same could be said for G20 Summits; *the broader the agenda the greater the complexity* not only within but between issues which would tend to differentiate

policy positions and drive greater pragmatism in policy choice but also in coalition formation in seeking consensus. Those who fear a broader G20 agenda might hamper delivery of results might want to consider the possibility derived from trade rounds where the broader agenda actually seems to have facilitated the bargaining, negotiating and agreement process rather than restrained it. Adding climate change issues to the G20 agenda, for example, is a risk but also an opportunity. The sixteen major emitters forum members are all members of the G20. The financing of climate change mitigation in developing countries is part of the development agenda, soon to be considered by the G20. Copenhagen showed the advantages that a forum smaller than universal membership might have in the climate change negotiations.

3. The forces of greater diversity and complexity raises the stakes for high policy strategic leadership in summitry to capitalize on these new dynamics and channel them into new modes of interaction and decision-making that reflect that complexity and diversity and incorporate it rather than seek lowest-common denominator formulations. There is a great difference between processes of compromise which tend to water down and bleach out articulations and *processes of incorporation* which tend to include distinctive positions and insights in a mosaic pattern. There are creative ways to move forward based on diversity and complexity that are not present in less differentiated groupings based on like-mindedness. What is needed is a mind-set that sees diversity and complexity as assets rather than problems.