

The New Dynamics of Summitry: Institutional Innovations for G-20 Summits

Event Summary

On April 21-22, 2010, the Global Economy and Development program at Brookings co-hosted a roundtable on the future of the G-20 Summit with the Korea Development Institute (KDI) and the Centre for International Governance Innovation (CIGI) in Canada. With upcoming summits in Toronto in June and Seoul in November, the private event provided a unique forum for policymakers, experts, opinion leaders and researchers from around the world to gather and exchange views on how best to cement the G-20 Summit as the premier forum for international economic cooperation. Approximately 50 high-level participants attended, including Changyong Rhee, G-20 sherpa to the President of the Republic of Korea, and Michael Froman, sherpa to the President of the United States.

As the world begins to see signs of economic recovery, and the need for urgent crisis management fades, the future of the G-20 as the global steering committee for the world economy is uncertain. Will the policy coordination surrounding the London and Pittsburgh Summits carry on beyond the recovery phase of the global financial crisis? Participants underscored the significance of the upcoming summits, which are, in a sense, a litmus test for how the G-20 will succeed as a coordinating forum and whether it can demonstrate its functionality and legitimacy despite over 170 countries not having a seat at the table.

The two-day event, under Chatham House rule, divided into eight sessions, each aimed at the opportunities and obstacles facing G-20 institutionalization. The conference generated new ideas for innovations on how to make the summit a more inclusive and more effective forum for strengthened global strategic leadership.

The participants emphasized the importance of avoiding the polarizing dynamics that ailed other forums, such as the G-8. The trade-off between greater representative legitimacy and effectiveness through more manageable levels of participation is the quintessential issue facing the evolution of the G-20.

Lively discussion and debate of these key challenges of legitimacy and effectiveness led to a diverse, innovative and thought-provoking set of ideas to be considered by summit organizers, including:

- Modalities to broaden participation. Participants discussed the advantages of including the perspectives of all countries, not just members of the G-20. Broadening participation could not only heighten the legitimacy surrounding the summits, but it could also allow for a broader understanding of the potential spillover effects that may result from its policy decisions. One such idea was to think of modalities for having representatives from countries in regions, such as Sub-Saharan Africa, currently not represented at the G-20, and that such representatives could rotate within each region. To further ensure that the interests of the global society are represented, participants also proposed that procedures for hearing the viewpoints of civil society organizations, academics and the private sector be considered in the summit design. Some participants suggested that another potential communication channel for non-member countries could come from regional summits. And the issue of how to strengthen the relationship between G-20 Summits and G-20 Parliaments to include lawmakers and the voice of the public in G-20 processes was also discussed.

- G20 Summit “non-Secretariat”. To provide continuity and implementation monitoring that other forums have been criticized as lacking, participants discussed the pros and cons of creating a G-20 Secretariat. Functions of this organization could include the extensive preparation of the summits (a major undertaking for the host country), monitoring and implementation of summit outcomes, depository of information and preservation of institutional memory, management of relations with non-member countries and organizations, and general communication to promote transparency. Some participants also warned that a bureaucratic structure might not sit well with members and non-members alike and that it would challenge the very reason d’etre of formal-treaty based organizations. Also, it would be prudent to think carefully about what to name this organization so as not to conjure up antipathy toward the legitimacy of the design and management of the G-20 meetings.

- Adaptability for an expanding agenda. Most participants agreed that the G-20 agenda will expand as the global economy recovers from the financial crisis and new global challenges arise. As the agenda evolves, the current summit format, which includes both finance ministers and political leaders, may need to be adapted to include inter-sectoral, multi-ministerial participation in order to deal with cross-cutting issues such as aid coordination and accountability, health and food security, energy and climate change. However, some participants pointed out that continuously changing the design of the summit to cater to an expanded agenda may lead to confusion and disrupt the decision making process; summit design should take both of these factors into account.

- The size of the table. With leaders and ministers from 20 countries in attendance, together with representatives from international organizations, concerns have been raised that the room may be too big for effective dialogue. Participants at the Brookings, KDI and CIGI roundtable expressed various views as to who should have a seat at the table. Some participants suggested that strictly leaders sit at the table, and that ministers and international organizations would be more appropriately placed on the periphery to provide technical consultation and reporting as needed by the leaders. Others felt that this configuration would be too narrow and that the international organizations should sit at the table, serving not just as technical experts and consultants but as participants to represent the views of the broader global community.

- Defining roles: the G-20 and the IMF. There is overlap between the G-20 mission of becoming the premier forum for international economic cooperation and the IMF’s mandate of ensuring the stability of the global monetary system. Participants discussed the challenges of defining the roles and responsibilities of the two organizations; underscoring the importance of thinking carefully about the relationship between these two channels of global governance, one being an informal political forum and the other a treaty-based, formal governance structure.

Another point discussed was the considerable overlap of G-20 members and the membership of the IMFC (the advisory body within the IMF responsible for reporting to the board of governors on matters affecting the global economy). The G-20 could support the transformation of the IMFC into a true Ministerial Governing Council as proposed in the Trevor Manuel Report and Fourth Pillar Report on IMF governance reform. There would be strong overlap between such a Council and the G-20 Finance Ministers group, but such a decision-making Council would function on a constituency basis which has key advantages in terms of legitimacy and representation.

- Propose development be added to the G-20 agenda. Some participants believe that the G-20 is a logical forum for discussing global development issues. These participants argued that the framework for strong, sustainable and balanced growth that came out of the Pittsburgh Summit in

September 2009 serves as a strong entry point to bring development under the scope of the G-20. The framework calls for a multilateralization of imbalances, addressing global development gaps beyond current-account imbalances, and these participants maintained that developing countries can play a major role in the adjustment of these imbalances, with the potential to provide major new sources of global demand. These participants agreed that linking sustainable growth with poverty reduction would bring development within the G-20 in a logical and effective way and would allow leaders to coordinate collective action toward concrete and tangible results.

- Solidify legitimacy through implementation of commitments. In terms of legitimacy, nearly all participants agreed that for the G-20 to gain traction, earn legitimacy and solidify its place in the global governance system, members should follow through on the commitments from previous summits. In particular, leaders should implement the pledges outlined in the framework for strong, sustainable and balanced growth. Most participants supported the idea of having the IMF and/or renowned economists evaluate progress on this front through a press conference during the G-20 summit. Pushing this process forward, participants argued, will be a huge test for legitimacy. The question is, as the crisis wanes, will the same bad habits emerge or will we move into a more sustainable direction?

Despite the wide array of institutional design and procedural ideas and recommendations proposed and debated by the participants, there seemed to be a clear consensus that the increased inclusivity of the G-20 compared to that of the G-8, and the diversity of countries and economic experiences embodied in G-20 member countries, provide a welcome opportunity for more effective multilateralism. The summits in Toronto and Seoul will play a major part in determining how well the G-20 will transition from crisis management to long-term international coordination.