

Can the G20 reform itself? Should it and can it?

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This article briefly surveys the achievements and limitations of the G20 since its inception as a Leaders' Summit in 2008 and notes that it has not lived up to the expectations of its supporters. It then assesses a recent proposal to reform and strengthen the G20 by Co-Chair of the China-West Dialogue (CWD) Colin Bradford and considers the rationale and impact of the implementation of specific recommendations designed to turn the G20 into a more effective global governance institution. While the recommendations generally point in the right direction, Linn concludes that the chances for significant progress are currently slim.

The track record of the G20 to date—in a nutshell

In October 2007 Colin Bradford² and I took stock of the urgent needs for global governance reform, including the need to move beyond the G8 and create the G20. We noted that it might take a global crisis to bring about serious change (Bradford and Linn 2007b). Shortly after the outbreak of the 2008 global financial crisis, then US President Bush invited global leaders to join him for what was to become the first of many G20 summits (Bradford and Linn 2008). In the immediate aftermath of the crisis, the G20 showed welcome coherence in its global response, raising our confidence that our long-standing arguments in favor of the creation of the G20 Leaders' Summit had been well-founded (Bradford and Linn 2009).

During the subsequent years, the G20 met some of the expectations of its promoters. It provided a forum for leaders of the systemically most important economies to meet at regular intervals face-to-face. The troika system of rotating and overlapping leadership became well-established and provided some degree of continuity for the G20 agenda. Also, the yearly agendas included items of global significance including such important matters as: the commitment not to increase trade protection, reform of financial regulation, support for concerted climate action, and some progress in steering increased resources towards the multilateral financial institutions with an improved balance in voice and vote for the rising economic powers of the Global South, especially China. Most recently, the G20 supported the agreement for a minimum corporate tax rate and for the largest ever allocation of IMF Special Drawing Rights (Louis 2021).

However, the G20 also disappointed those who had hoped it would address global

¹ The author gratefully acknowledges Alan Alexandroff's helpful comments on an earlier draft.

² Colin Bradford, non-resident Senior Fellow, The Brookings Institution is the Co-Chair of the China-West Dialogue (CWD) Project. He had long been an observer and advocate for a G20 Leaders' Summit well before the initiation of the G20 Leaders' Summit along with Canada's former Prime Minister, the Right Honorable Paul Martin.

challenges in an effective and sustained manner by acting in effect as a “Global Steering Committee” (Linn and Bradford 2006):

- The G20 summits provided opportunities for G20 leaders to meet in person and listen to each other’s views both in plenary sessions and in side meetings; but this did not prevent some leaders from abusing these opportunities to go and sulk, as Mr. Putin did at the G20 Summit hosted by Australia in 2014 in the wake of the Russian takeover of Crimea (Wintour and Doherty 2014), or literally to push fellow leaders around as Mr. Trump did during his years in office (ABC News 2017). 40
- With some exceptions, communiqués were long in words and covered many topics, but implementation of effective action in most areas has been slow. With each G20 presidency imposing its own pet priority on the group’s agenda, many items were added over the years—often the result of pressure from interested stakeholders to see their priority reflected—with attention shifting from year to year, resulting in a diffuse compilation of manifold themes and action items that too often didn’t reflect the true ownership of most of the leaders. 45 50
- Despite its stated support for the UN’s Sustainable Development Goals at the 2016 Beijing summit, the G20 leaders did not focus effectively on the world’s continuing poverty and growing income inequality problems (Bradford and Alexandroff 2020), two key goals among the 17 Sustainable Development Goals, even as many engagement groups around the G20 pushed hard to have these issues take center stage at summits. 55
- Reform of the multilateral system took center stage at the 2010 G20 summit in Korea (G20 Seoul Summit 2010) yet stalled with little progress in strengthening the United Nations, the Bretton Woods Institutions, the World Trade Organization, and the World Health Organization. What occurred instead threatened to reverse the trend towards multilateralism of previous decades (Linn 2017). 60
- Increasingly deep divisions in the domestic politics of some of the G20 countries (especially in the US and Europe), the UK’s break-away from the European Union, rising authoritarianism in and aggression towards their neighbors by others (Russia, China, Turkey), and the resurgence of geopolitical tension between the US and China made effective dialogue and negotiation at the G20 summits increasingly more difficult. At the same time, the G20 summits were apparently unable to slow or limit these negative trends, let alone reverse them. 65 70
- And most significantly, as FT’s Martin Wolf’s (2021) sharp critique of the 2021 G20 summit in Venice points out, the G20 failed to effectively address the two greatest global threats to humanity—pandemics and climate change.

When COVID-19 triggered the most recent global economic crisis during 2020, one might have hoped for swift and forceful collective action by the G20 and an intensive effort to reinforce its ability to act in a concerted manner. In effect, however, the G20 reacted only weakly under the presidency of Saudi Arabia and was unable to take a lead in mounting a 75

concerted global health response together with the WHO. Rather than strengthening the WHO, actions by China and the US—respectively, by undercutting efforts to investigate the origin of the pandemic (China), and by withdrawing from this crucial multilateral organization (the US)—weakened the global COVID response, with other countries unable to do much about it. Nor was the G20 able to coordinate a global economic stimulus. Historic stimulus programs were introduced in some of the bigger economies, but were based on individual rather than concerted action, and the less developed economies were largely left to fend for themselves with limited capacity to create stimulus programs. And despite—or perhaps because of—its weak response, no major initiative has been under discussion, let alone executed, to bring reform to the G20 in a way that would strengthen the G20’s ability to deal with major global crises or to make it more effective in addressing chronic global challenges. In short, the last crisis left the G20 appearing divided, weak, and irrelevant, even as the G7 reappeared as a forum for concerted action among the Western democracies, rejuvenated by the active engagement by President Biden and key officials of his administration.

The proposal for G20 reform

In reaction to these cumulative developments, a proposal by Colin Bradford (2021a) to strengthen the G20 was put forward to a gathering of the China-West Dialogue (CWD) (Global Development Policy Center 2020), a group of international experts, thought leaders and former officials aiming to find constructive ways to bridge the growing US-China tensions and the undermining of multilateral action. In the statement on how to reform the G20, Bradford postulated that “[i]n the contemporary global order, the G20 is the only global forum currently available that is inclusive of global systemic diversity. It is the only forum capable of being a political platform for China-US relations to be addressed and adjudicated in the context of the interests and perspectives of other significant powers which have stakes in the outcomes and can facilitate the work by having influence on the process.” Recognizing the need to strengthen the G20, the proposal examined the following eight steps, which were further developed by Colin Bradford (2021b) in a Brookings post:

- deliberately stimulating ‘plurilateral leadership’ on specific issues to increase ambition;
- including China in G20 plurilateral leadership as a strategic move to ease geopolitical tensions;
- encouraging flexibility and fluidity through ‘shifting coalitions of consensus’ driving different issues and replacing the ‘dynamic’ of pre-arranged alliances and fixed blocs;
- selectively including international security issues and officials in G20 processes to directly address sensitive issues;
- empowering G20 ministers to lead on advancing G20 actions in their portfolios throughout the year, informing leaders but not waiting for them;

- strengthening and creating international institutions to have capacities commensurate with global systemic challenges; 120
- charging senior political advisers and Sherpas of G20 countries to connect G20 agendas and leaders to public concerns and prioritize G20 communications for ordinary citizens; and
- assuring consistency and follow-through from year-to-year by creating a G20 secretariat to ensure that G20 commitments are fulfilled, and plans implemented. 125

A skeptic's assessment of the CWD proposals

I can readily agree with Bradford that there is currently no other global leadership platform aside from the G20 that would inspire a realistic hope of effectively leading concerted multilateral action on growing global challenges. But after 13 years of experience with the G20, it is important that we assess the chances for reform with a sense of realism. So, what are the chances that the G20 will take action in the areas identified by Bradford and that, if commitments were to be made to their effect, they would actually be implemented with meaningful results? Unfortunately, I believe skepticism is justified. Let us take a look at the eight action areas in terms of whether they are clear in content, likely to be enacted, and/or likely to bring forth significant changes for the better. 130 135

Starting with the first three interrelated proposed actions, the idea of “plurilateralism”, apparently, is to steer the G20 away from falling into the trap of fragmenting into fixed geopolitical rival blocks. Instead, the proposal is to foster the development of issue-specific interest coalitions in the G20, with varying membership across different issues, and explicitly including China in this process of ad hoc coalition formation. This is a clear proposition and, if pursued, holds the promise of less confrontational, more flexible, and constructive engagement by the major players. To some extent the G20 has already functioned along these lines, but it is not clear how and by whom this process would be further reinforced. The biggest obstacle is likely that the two principal powers around the G20 table—China and the US—appear to have taken up increasingly confrontational positions, driven by their domestic politics, by the inevitable competition between an established and a newly rising power, and by their fundamentally different social and political cultures and systems. One might hope that the G20 members—in particular, the European Union members, the UK, Canada, Korea, India and Japan—could act in ways that loosen up the hardening fronts. However, at this point it appears that the other G20 members either side with one or the other great power (Russia with China; Canada, the Europeans and Japan generally with the US), while the remaining emerging economy member nations do not see it in their interest to jump into the fray, lest they offend one or the other of the two top powers. So, the idea of “plurilateralism” for the G20 is a worthwhile aim, but it is doubtful there will be much progress towards it in the foreseeable future. 140 145 150 155

The next proposal is to add selected security issues to the agenda of the G20. The idea behind this proposal presumably is to find ways to reduce tensions and find common ground over issues that, if unattended, could reinforce geopolitical tensions. Much will depend on what issues are to be considered. Some might be readily tabled for exploration, 160

if they do not involve critical national interests of particular G20 members (e.g., the current civil war in Ethiopia or even perhaps the Israel-Palestine conflict). Other security issues, however, for example China’s expansionary moves in the South China Sea or the current expansion of its nuclear force, Russia’s engagement in Ukraine and Syria, or any potential US strikes against possible terrorist cells abroad, would likely not be accepted as agenda items for discussion by some of the G20 members. Nonetheless, even if some progress could be made with the more limited security issues by elevating them to the G20 agenda, that would already be worthwhile. And if progress is made in a few of these areas, this might raise confidence and trust among the members, enabling them also to take up some of the more difficult security topics.

The next proposal—to empower ministers to lead G20 dialogues in their areas of responsibility—builds on the positive experience with the G20 of finance ministers, which preceded the creation of the G20 summit. Currently selected G20 ministers already meet with their counterparts to exchange views in preparation for the G20 summits.

Broadening their remit to delve into details and make decisions on issues that can be resolved without elevating them to the leader level until the policy has been hammered out makes sense and appears doable. It is in accordance with what is already in practice in many other international forums, where ministers meet to agree on actions to be taken (such as the IMF’s Interim Committee). However, it will be important that these G20 ministerial agreements reinforce, rather than undermine, other more inclusive processes already in existence, such as the UNFCCC negotiations on climate action, or bypass and disempower the governance structures of multilateral organizations, such as the WHO, other UN agencies and the multilateral development banks.

The next proposal by Bradford, regarding strengthening multilateral agencies, is welcome as a statement of general support for multilateral approaches to global problems but remains very high-level. It does not specify which agencies are to be strengthened and in what way the strengthening is to occur. Of course, a detailed list of reforms could be drawn up, as former Canadian Prime Minister Paul Martin (2015) did in 2015. If the G20 were to express unequivocal support, say, for a well-defined reform of the World Trade Organization, for major capital increases for the MDBs, or for the competitive selection of heads of international agencies, that would be welcome. But it is not clear why the G20 would reach agreement on any of these specific ideas or, if it did, push for action, if the governance structures of organizations—in which G20 members also play a major role—currently do not allow these decisions to be taken. The hope that, if these issues are raised to the leaders’ level, they are more readily resolved than in the boards of directors of the organizations, is not borne out by the experience with the G20 so far.

The proposal to align G20 summit agendas more closely with “public concerns” and reaching out more effectively to the general public is laudable in principle. However, defining what are the public concerns is already difficult in a national political context—which these days is characterized by democracies riven by internal divisions on the one hand, and increasingly repressive authoritarian regimes on the other. In the multinational context of the G20, how is one to define “public concerns” in a meaningful way? Is it possible to identify common public concerns for all Chinese people, Indians, Indonesians, Japanese, Russians, Europeans, North Americans, Mexicans, Brazilians, and Argentinians? This could be an interesting research question for experts studying public opinion, but is it something that the G20 could embrace? The idea of “communication with ordinary

citizens” is therefore also fraught with difficulties. G20 communications will, by necessity, be filtered through the communications strategies of individual governments and serve their national political purposes. Past efforts to reach out to G20 stakeholder groups and organize inputs, such as think tanks (T20), youth (Y20), and others, have been well intended and perhaps useful in limited ways, but it is not clear whether a new G20 outreach and communications strategy can achieve more than that and more importantly significantly reshape the impact, or the image, of the G20.

The last of the proposals is to set up a permanent secretariat for the G20. This is an idea that has long been debated (Bradford and Linn 2007a), but that so far has not been taken up by the G20. The pros and cons are well understood, with the advantages of relatively informal exchanges, members’ ownership of the process, and avoidance of a new international bureaucracy with its own agenda so far seem to be outweighing the potential benefits that might accrue from “assuring consistency and follow through” as far as the G20 members are concerned. Assuming one agrees with the judgment that the benefits of a secretariat outweigh those of the current informal structure, one must ask oneself what will convince G20 members to follow that advice. So far, no clear answer has emerged to that question.

Is there a way forward for G20 reform?

Where does this leave me as a skeptic? One may well sympathize with the Bradford objectives that underly his recommendations for reshaping the G20 to become more impactful in addressing critical global challenges, and one may agree that the eight areas of action are broadly the right streetlamps under which to look for the lost keys to G20 effectiveness. However, this can only be the very beginning of a dialogue with those who make decisions about the future of the G20—in the first instance with the Sherpas of the 20 member governments, and ultimately with the 20 country leaders. These leaders will need to focus on the question of whether reform of the G20 is needed, and whether and which of the eight areas proposed by CWD are to be pursued.

Judging by past performance, including and especially during the most recent global crisis, there appears to exist little interest in G20 capitals to tinker seriously with the way the G20 operates. One will therefore have to recognize that incremental change is probably the best to hope for and combine the generic recommendations with a few specific action items, perhaps one each in each of the eight areas, that offer concrete ideas for the Sherpas and ultimately Leaders to consider. The less theoretical or esoteric sounding and the more concrete the actions identified, the easier it will likely be to engage with the G20 members in exploring options for reform.

Critically, one will have to explore how each of the generic and specific recommendations will be interpreted in the capitals of the G20 member countries and how to best argue the case for why it is in the national interest of a particular member to pursue the proposed actions. Bradford’s proposals are acknowledged and broadly supported by influential experts of the China-West Dialogue who hail from some of the principal G20 countries. They are well-placed to explore the different national perspectives on G20 reform and—to the extent possible—engage in a dialogue with the Sherpas and their staffs to determine what is the subset of potential actions that might offer the chance for agreement on incremental change. Even as one might feel that more fundamental G20

reform is needed, it will be appropriate to scale expectations to more modest targets, lest one be disappointed by the lack of quick and far-reaching change once again.

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