

d·i·e

Deutsches Institut für
Entwicklungspolitik



German Development
Institute

The G8 and G20 Summits at the end of June 2010 in Canada: learning from the disadvantages of the G8

By Jennifer Gronau,
University of Bremen

The Current Column

of 7 June 2010

The G8 and G20 Summits at the end of June 2010 in Canada: learning from the disadvantages of the G8

Bonn, Bremen 7 June 2010. From 25 to 27 June, the G8 and G20 summits will take place in Canada. Their motto "Recovery and New Beginnings" concentrates on the reconstruction of the international financial architecture. What began for the G8 with an oil crisis in 1975 is now ending with the financial crisis: it has been replaced in the eyes of the public by the G20, which has evolved into the most important forum for dealing with the crisis. This is reason enough to ask how well the G20 is performing if measured by the usual criteria of legitimation.

The question of legitimacy was not raised for a long time in the international context because international politics was interpreted as an anarchic system, in which states meet one another as equals. Today's increased plurality of actors such as states, international organisations and NGOs is accompanied by a loading of the international sphere with questions of legitimacy. In the process, democratic criteria that are usual for the evaluation of the national state are increasingly diffusing in international politics. Questions of representativeness consort at the side of performance-oriented criteria, which used to prevail for the justification of interstate regimes. In the discussion about club governance, there are at least two groups of competing criteria: firstly criteria including representativeness and participation, transparency and responsibility and secondly arguments that are geared to the output dimension, such as effectiveness.

In the case of the G8, democratic criteria are laid out critically by civil society speakers in slogans such as "You are eight, we are eight million". The international leadership function of the unelected club is not only limited to its members, but also has consequences for the states and people that do not participate in it. The G8 has been too late to seek dialogue with other states and political actors. The largely unformalized exchange with the newly industrializing countries ("Heiligen-

damm process") and the civil society (e.g. "Forum for the Future") has failed.

The club argument is turned around positively when questions of effectiveness and efficiency of G8 are concerned. The restriction to the formerly most powerful industrial nations was considered as a guarantee of success for the consensus-oriented coordination of national politics. The smaller the club, the less friction losses there will be. The idea was that the prosperity of the member states extends to the entire world. During the financial crisis and against the background of the strengthened newly industrializing countries, the G8's limited capacity to act has come to light. The argument for its effectiveness – the exclusivity of the club – turns against it. What remains is the impression of a political spectacle with few visible results, including the debt relief initiatives for some development countries.

The G20 confronts the task to find the right balance between representativeness and participation on the one hand and performance-orientation on the other. With regard to the question of the representativeness, an improvement compared with the G8 may be observed. The newly industrializing countries Argentina, Brazil, China, India, Indonesia, Mexico, Turkey and South Africa are equal members. A good two thirds of the world's population are represented directly or indirectly in this larger club, for example through the EU. The prevailing restriction in the G8 to the North and countries with western values has been surmounted in favour of the inclusion of states from all regions of the world.

In the discussion about the G20, a new paradigm seems to emerge, which creates a new form of legitimation through the representation of the world regions. But a legitimization via regional presence in the present-day form remains problematic: firstly, the presence based on actual strength only relates to the perceived visibility in the negotiations of the G20. In actual fact, how-

ever, the regional champions do not act as spokesmen of their region. They cannot represent the remaining 177 states. Secondly, the G20 is not an elected institution, but a self-proclaimed group of states with unclear admission criteria. Representativeness is only getting better in the framework of the G20, but is not satisfactorily fulfilled.

How is the situation regarding its effectiveness and efficiency? The G20 has reacted progressively to the financial crisis at short-notice. Now, there is imminent danger that it will overstretch itself with its extensive agenda. Before the Toronto summit however there is still no consensus in the essential questions of regulation of the financial markets and the global coordination of economic policies. The longer-term success of the G20 remains to be seen. The answer whether a deficit of representativeness and other democratic criteria can be justified by the effectiveness of their policies is nowhere in sight.

Even if – or especially because – the financial crisis is less acute, the G20 and its partner organisations should take time to learn from the mistakes of the G8. This is the only way for the G20 to find its place in the multi-level system of world politics composed of regional and international institutions. What it certainly does not need are parties

of the great and mighty in beach chairs or tree planting ceremonies as symbol action against climate change. It needs a dialogue between members and non-members, which for example could be pre-constructed in groups of countries. As the experiences of the G8 in the Heiligendamm-L' Aquila process show, this exchange must take place at a formalized level. The way forward by the G20 on this path should be formed out of two elements: conversion and reflection of the previous agreements on the one hand and the consideration of its club character and the expansion of the agenda on the other.

The question how "New Beginnings" should be designed can and may not solely be answered within the framework of the G20. It can be a helpful vehicle for pre-structuring decisions and gauging different interests. It should share the sceptre with future regional coalitions, which could cooperate at the international level under the umbrella of the UN.

Jennifer Gronau, Collaborative Research Center 597 "Transformations of the State", University of Bremen