

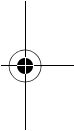
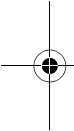


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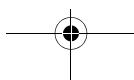
**THE FUTURE OF THE GX SYSTEM
AND GLOBAL GOVERNANCE**

Edited by

Peter DEBAERE, Dries LESAGE & Jan WOUTERS




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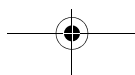
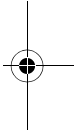
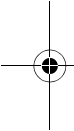
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The Future of the Gx System and Global Governance: An Introduction

PETER DEBAERE, DRIES LESAGE & JAN WOUTERS¹

The present special issue builds upon a conference organized² in Brussels on the future of the Gx system and global governance and subsequent work of the Research Fund Flanders (FWO) research community ‘Global Government versus Global Governance: Worldwide Democracy and the G20’. The conference took place at the eve of the G7 Brussels Summit in June 2014, a summit that represented a turning point in Gx history and global summitry in general.

The Brussels Summit marked the *de facto* end, or at least suspension, of the G8. Following the annexation by Russia of the Ukrainian peninsula of Crimea, the G7 leaders suspended their participation in the G8. They decided to boycott the G8 Summit, originally planned in Sochi under the Russian presidency, and to hold a G7 Summit in Brussels instead. As a consequence, the Brussels Summit was the first annual G7/8 summit without a Russian leader being present, since Russia started attending the meetings in 1992. Up till now,

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² The event was co-organized by the Egmont Institute, the G8/G20 Research Group of the University of Toronto, the Leuven Centre for Global Governance Studies and the Ghent Institute for International Studies.

a return of Russia to the G7 format is not officially on the table. But even if Russia would be welcome to re-join the G7, it is highly doubtful whether Russia would be keen to do so.

The demise of the G8 has on the one hand clarified the power constellations in international politics, settled into two clearly delineated blocs: the G7 and the BRICS. This puts, for example, an end to the ambiguous situation where G7 countries meet on a separate track without Russia to discuss financial and economic affairs. Meanwhile, the BRICS format has also been further institutionalizing, most notably with the establishment of the New Development Bank and the Contingent Reserve Arrangement in July 2014. On the other hand, the cessation of G8 meetings also implies the discontinuation of a platform for personal and frank discussion between Russia and the West. This platform has been particularly relevant at the level of heads of state and government, but also at working group level where the G8 has been a useful setting for East-West cooperation, for example on nuclear safety and security or counterterrorism. Against the background of mounting geopolitical tensions, this is a regrettable evolution.

The present special issue addresses three questions related to the new Gx family situation: where is the Gx system heading, what can the Gx system contribute and how do Gx members contribute to the Gx performance?

First, in their respective contributions, John Kirton and Victoria Panova assess the current state of club diplomacy and discuss future scenarios of global summit governance. Kirton analyzes the relationship between the three Gx pillars: G7/8, G20 and BRICS. He argues that the three groups will cooperate more closely, comprehensively and effectively, given the demand for continuous global summit governance in a world of growing connectivity and power shifts. Panova looks at the functions of club governance, and the G7/8 and BRICS in particular, with regard to promoting a stable and effective international system. She assesses Russia's interests in club diplomacy and argues that the BRICS is the most interesting format of cooperation for Russia, not to counter the West, but to work together with the G7 countries.

Jan Wouters and Sven Van Kerckhoven discuss the potential interplay between various Gx bodies. They draw an interesting distinction between steering (G7, G8, BRICS, G20) and coordinating (G15, G24, G33, G77, ...) groupings. Countries that are members of different Gx groupings can help to build bridges, rendering this part of global governance more effective and inclusive. The G20 plays an interesting role as a steering group consisting of both

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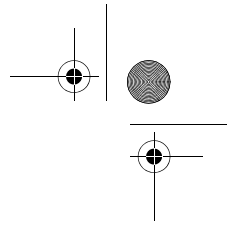
advanced and emerging developing countries with various connections to other groupings.

Dries Lesage observes that the G20 has never aspired to be a surrogate world government or world concert for social-economic or security affairs. Yet, the G20 has successfully assumed political leadership over the regime complexes of financial stability and global taxation at the zenith of the global financial crisis and after. Notwithstanding its incremental agenda expansion, in other areas its role is much more modest and rarely contentious. Lesage pretends that the G20 could take responsibility for the coordination of regime complexes in a more forceful way, along with being a benevolent supporter of the official rules-based multilateral system. The prioritizing of the 2030 Agenda and Sustainable Development Goals (SDGs) of the United Nations by the 2016 G20 summit under Chinese presidency is a step in the right direction.

The second part of the special issue concentrates on the substantive contribution of the Gx to global governance. Focusing on climate governance, Ella Kokotsis discusses the G7/8 track record and argues that the G7/8 has led climate governance in ways that other international environmental institutions have been largely unable to do. The G7/8 contribution especially lies in its role as initiator and leader as well as by providing collective support to other global climate governance initiatives. The article by Thijs Van de Graaf examines the contribution of the G7 and G20 to energy governance following Russia's annexation of Crimea. Van de Graaf contends that the agenda of global energy governance is much broader than just energy security. Furthermore, the Ukraine crisis should not divert attention away from pressing issues such as the need to transition to zero-carbon energy systems and to provide sustainable energy services for all. He argues that the G20 has a much bigger potential than the G7 to deliver results on such a comprehensive global energy governance agenda.

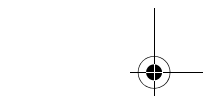
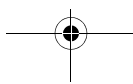
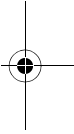
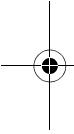
The third series of articles in this special issue zoom in on a number of key actors in the Gx system. Peter Debaere focuses on the participation of the EU in the G7 and describes the road to the Brussels Summit, the first G7 summit ever hosted by the EU. He argues that the EU's patient, constructive and conflict-averse behavior in the G7 has been instrumental to gain the other leaders' trust to fill the vacant position left by the suspension of Russia. Debaere also explores what another year at the helm of the G7 could mean for the EU.

In their contribution, Marina Larionova and Andrey Shelepov examine to what extent the Gx deliver on their commitments. They compare compliance



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scores of the G8, G20 and BRICS and analyze the institutions' performance in individual issue areas. The study of Larionova and Shelepov proves the effectiveness of a division of labor between the G8, G20 and BRICS, as they demonstrate good compliance performance in respectively political issues, macroeconomic affairs and development and energy.



Governing Together: The Gx Future

JOHN KIRTON¹

Introduction

The Global Challenge and Response

The growing challenges that confront the global community are reaching critical thresholds in key domains. Relentlessly rising climate change and ongoing nuclear proliferation could cause immense death and damage and conceivably imperil the existence of human life on the planet itself. The growing stress on accessible, appropriate and affordable water, food and energy harms prospects for human and economic development and the sound, well regulated operation of the commodity markets that can combine producers and consumers in a rational way. Human health and life continue to be afflicted by sudden outbreak events such as Ebola and Middle East Respiratory Syndrome, the ongoing diseases of the poor and the globally spreading non-communicable diseases led by heart and stroke, cancer, chronic respiratory illness and diabetes. The global financial crisis and severe economic recession arising in 2008 threaten to return, in Greece, Russia, China and emerging countries beyond. And in 2014 there arose more violent, contagious terrorism and civil war in the Middle East and Africa, and aggression and annexation by Russia in Europe itself.

Traditional global governance responses have been increasingly unable to meet these challenges of a rapidly globalizing world, in which the relative capability of leading countries changes quickly and the intensifying multi-chan-

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nel connectivity among them becomes more complex. Despite the recent revival of America's power, the US is unlikely to reach its previous pre-eminence in 1945 and 1985, as the foundation for a hegemonic "G1" global governance approach. The many vulnerabilities of a second ranked, still politically closed China render any "G2" platform of the US and China together unlikely to be a stable alternative. The selective, siloed, hard law United Nations (UN)-Bretton Woods galaxy constructed 70 years ago still leaves many mounting global problems without a dedicated multilateral organization to respond. Meanwhile its more comprehensive components, in Washington, New York, and Geneva lack the resources, co-ordination, speed or highest level authority to cope. This is despite the proliferating, subject-specific summits the UN has mounted since 1990 and those on financing for development in July, sustainable development in September and climate change in December of 2015 (Kirton, Kulik, Bracht and Guebert, 2014).

The world has thus increasingly looked to the major plurilateral summit institutions (PSIs) of global relevance and reach, above all: the Group of Seven (G7) major market democracies created in 1975 (with Russia added in 1998 and suspended in 2014); the Group of Twenty (G20) systemically significant states started in 2008; and the big emerging BRICS of Brazil, Russia, India, China and later South Africa, arising in 2009. Yet many still doubt that they, alone or together, can provide global leadership and effective governance for the twenty-first century world.

The Debate on the Future G7/8-G20-BRICS Relationship

The rich debate about the course and causes of their performance has now been joined by one about the relationship among the three (Kirton, 2013; Larionova and Kirton, 2015; Kirton and Kokotsis, 2015). It features several schools of thought.

The first sees the G20 as redundant, because it is too large, diverse and informal, or has spurred the revival of the older Bretton Woods bodies, UN and G7/8 (Strauss-Kahn, 2013; Gilman, 2015). The second school rejects the G20's primacy, given the superior performance, power and cohesiveness of the established International Monetary Fund (IMF) and G7, and the G20's lack of legitimacy and benefits for G8 states (Morgan, 2012). The third school sees the G20 usefully reinforcing the G7/8, by fostering financial stability and globalization that works for all, containing and preventing global economic

crises and becoming a broader steering committee for the world (Cooper and Thakur, 2013). The fourth school sees the G20's prospective or possible practical if not physical replacement of the G7/8, IMF and a UN immobilized by the Security Council's Permanent Five powers of old (Klein and Salvatore, 2012; Magarinos, 2013; Thakur, 2014). This will happen in its fullest form as the G7's democratic principles infuse the G20 in the long term (Kirton, 2013: 387-8).

The fifth school sees coalescing co-operation among the G7/8, G20 and BRICS. A first variant sees an evolving division of labour, with the G7/8 concentrating on technological, political and security challenges, the G20 on financial and economic ones, and the BRICS on innovative long term social ones (Larionova et al., 2015). A second variant forecasts a more fluid, complex, pragmatic, overlapping division of labour (Lesage, 2015). A third variant envisages all three groups co-operating comprehensively across all governance functions and subjects to provide continuous global governance in a world of increasing vulnerability, connectivity and capability shifts (Kirton, 2015a).

This debate still suffers from several shortcomings. Its forecasts are often infused with or contingent on the authors' prescriptions being adopted. The forecasts are usually based on linear projections of past performance and recent relationships, rather than a well specified model of the key underlying causes of performance and how these causes are expected to change in the medium and longer term. And few take account of the dramatic changes in 2014, notably the revival of US power, the return of Russia's external aggression and domestic authoritarianism, the new fragility of emerging powers, the sharp shifts in energy and financial markets and the replacement of the G8 by the G7 with Russia's suspension from the group.

The Argument of Co-operative Democratic Convergence

This study argues that the G7/8, G20 and BRICS will co-operate more closely, comprehensively and effectively across all governance functions and subjects, given the demand for continuous global summit governance in a world of growing connectivity and capability shifts and the vulnerability, uncertainty and complexity that this breeds (Kirton, 2015a). Their current course and underlying causes shows that each group is growing in institutionalization and often in performance on an expanding and overlapping agenda. Each will continue to

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do so in a world where no serious global PSI rivals, transformed UN-Bretton Woods system, restored US or successor Chinese hegemony or joint condominium are likely to arise. Yet none of these global PSIs is likely by itself to meet the compounding global needs of an intensely interconnected world. The relationship among the three will thus become closer and more co-operative in the medium term. In the longer term, the three could well become one global governance system, as the democratic principles at the core of the G7 slowly infuse the practices of the G20, BRICS and their members, as they realize that their continuing capability rise depends on increasing international connectivity and thus openness in the economic, social and political realms.

The Platform of Rising Gx Performance and Co-operative Relationships

Each of these three global summit groups is generally rising in its performance and in the closer, co-operative relationship it has with the other two (Kirton, 2015a).

G7/8 Performance

The G7/8's rising performance can be seen across all six major dimensions of its governance (see Appendix A). The first dimension is domestic political management, as leaders engage in summitry abroad to help manage their domestic politics and policy back home. Here the G7 had a sustained spike in performance from 2005 to 2013. The second dimension is leaders' deliberation, both in private at the summit and in public as their conclusions are encoded in their summit's collective communiqués. The G7's public deliberation shot up in 2004, with only brief if big dips in 2010 and 2012. The third dimension is direction-setting through affirming key principles and norms. Here G7 affirmations of its core democratic mission soared in 2005. The fourth dimension is decision-making, through publicly producing precise, future-oriented, politically binding collective commitments. Here G7 performance soared in 2002, briefly dipped in 2010 and 2012 but soared to an all-time high in 2015. The fifth dimension is the delivery of these decisions through compliance with the commitments in the following year. This has been consistently high since 2003, with a spike in 2014. The sixth dimension is the institutionalized development of global governance both inside and outside the G7. Institutionalization within

the G7/8 soared after 1999, dropped to zero in 2013, but revived in 2014. This multi-dimensional, comprehensive, regular rise has been challenged only briefly, selectively, and intermittently since 2010 and has been restored as the G7 returned to govern without Russia in 2014 and 2015.

This rising performance came along with the G7/8's expansion in membership and participation (Kirton, 2015b). Membership expansion started with the addition of Canada in 1976 and continued with today's EU in 1977 and Russia in 1998 through to 2014 when it was suspended. Outside participation began with invitations to heads of selected international organizations in 1996 and then with countries in 2001. It became regularized with ongoing invitations to the leaders of the "Group of Five" (G5) or "Outreach Five" of Brazil, China, India, South Africa and Mexico from 2005 to 2009, expanded to the 17 leaders of the Major Economies Forum on Energy Security and Climate Change in 2008, and culminated when 40 leaders gathered on the last day of the G8 L'Aquila Summit to discuss food security in 2009. From 2010 to 2013, only a changing, less numerous set of less powerful countries participated.

This performance and institutional expansion was outward-looking, G20-supportive, and BRICS-compatible. In 2013 the leaders' communiqués provided explicit support for the G20. On trade, the summit endorsed the Doha Development Agenda of the World Trade Organization (WTO), the Trans-Pacific Partnership, and other inclusive initiatives. On tax it gave a major boost to the work of the G20 and the Organisation for Economic Co-operation and Development (OECD). On terrorism, it supported all those countries whose citizens had just been killed by terrorists in Algeria and Mali, were being assaulted in Somalia and elsewhere, and would be in Kenya soon. And the step toward a negotiated settlement in Syria, which would contain the use of chemical weapons, was in the interests of many countries in the region and the world.

G20 Performance

The G20 summit's growing performance came through two clear stages – crisis response from 2008-2009 and crisis prevention with global steering from 2010 onward (see Appendix B) (Kirton, 2014; Hajnal, 2014; Heinbecker, 2011). In its domestic political management the G20 regained its leaders' almost perfect attendance record and saw an increase in the compliments to its members in its communiqués after 2011. In deliberation its public conclusions rose rather

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steadily, with a sharp spike in 2013. Its direction-setting, through general references to democracy and liberty – the core principles of the G7/8 – also rose and became robust, based on its increasing affirmations of transparency, openness, good governance, accountability, information and knowledge exchange and the rule of law affirmed at its first summit in Washington in 2008. In decision-making, its commitments increased regularly, to reach 281 in 2013. In their delivery, members' overall compliance started strong, dropped, but then rose to the initially strong level, which was close to that of the G7/8 one. In its development of global governance, the G20's declared support for, or leadership of, its own and outside international institutions also rose.

This performance accompanied the expansion of the leaders participating in G20 summits. The G20's full membership at the ministerial and summit level has remained fixed since 1999 at 19 countries and the EU, along with the IMF and World Bank. Since the start, its summit host has also invited about five outside countries as participants. These were increasingly institutionalized to reflect major geographic regions, the Secretary-General of the UN, an expanding array of multilateral organizations from the UN galaxy and the OECD.

This G20 governance has largely supported the interests of its G7/8 and the BRICS members. BRICS members had the G20 agree to their central objective of IMF voice and vote reform, and their desire to shift toward special drawing rights as a composite global currency. They have used the G20 summits as a nest to hold their now routine annual BRICS autumn summit. The G7/8 has seen the G20 broadly affirm in general terms its core principles of democracy and liberty, emphasize democratic polities in the composition of the group, and forward its priorities of financial stability and economic growth, the Millennium Development goals (MDGs), climate change control, tax fairness, and counter crime, corruption, terrorism and weapons of mass destruction as used in Syria.

BRICS Performance

Since their 2008 start on the margins of the G8 summit in Japan and since their 2009 start in Russia in separate form, BRICS summits have produced a solid, strengthening performance in many ways (see Appendix C) (Kirton, 2015c). In their domestic political management, the leaders' perfect attendance at BRICS summits surpassed that of the G8 and G20 summits, and communiqué compliments soon regularly appeared. BRICS' public deliberation

increased. Its decision-making has been stable and substantial, if lower than that of the G7/8 or G20 at a similar stage. In delivery, its compliance record was the same as that of the G7 summit during its first 14 years, but well below that of the G7/8 and G20 in recent years. BRICS' development of global governance, both inside and outside, grew, but remained much below that of the G20.

BRICS membership expansion began with the admission of South Africa at its third summit in 2011. It later added extensive outreach when African leaders were invited to the South African-hosted Durban Summit in 2013. The BRICS summit has also steadily developed a wide array of civil society communities to enrich its work, as has the G7/8 and G20.

On balance the BRICS broadly supports the work of the G20 and even the G7/8. On issues such as terrorism, all three bodies share a singular resolve and broad approach. The BRICS supports the G20 as part of the former's distinctive foundational mission and frequently expresses explicit support for the G20 in BRICS communiqués. The G20 summit is the nest where informal BRICS summits now take place each year.

The Relationship among the Three Pillars

More broadly, each of the operationally and institutionally growing Gx pillars is increasingly developing a close, co-operative relationship with the others in several basic ways.

The three arose as members of a common, self-reinforcing family. The G7/G8 ministerial and summit bred the G20 in 1999. The G8 and G20 met in tandem in Canada in June 2010. BRICS summitry started in 2008 within the "G8 plus" Toyako Summit. BRICS leaders regularly meet at G20 summits.

In membership and participation they have converged. Since 1998 the G7's new members and country guests have included all the major powers of the BRICS and almost all G20 members. The BRICS added as a member South Africa from the G20 and invited as guests several smaller countries from Africa, the region that the G8 has concentrated on in its guest list (Kirton, 2015b; Kirton et al., 2014). In country membership, none has gone beyond the 19 in the G20 since the start.

Their agendas have increasingly become common. The majority of issues discussed at each is now also dealt with at one or both of the other two.

In addition to their explicit, supportive recognition of one another, they

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have worked closely and productively together on central issues. These include tax, transparency for the G8 and G20, infrastructure for the G20 and BRICS, some regional security issues for the G8 and BRICS, and international financial institutional (IFI) reform, the health-related MDGs and terrorism for all three.

Their distinctive central missions are also compatible and causally interdependent in the longer term. All are committed to social advance, financial stability, economic growth, development that benefits all and giving big emerging powers a greater place in UN-Bretton Woods governance. The G20 is slowly affirming the G8's core principles of democracy and human rights, if in a more general form.

The Prospective Cadence of the Central Systemic Causes

This dynamic has been and will be driven by fundamental structural changes underway in the twenty-first century international system, as intensified by the dramatic developments of 2014. Here shifts in the relative capabilities of once closed countries are becoming joined in their salience by intensifying dynamic connectivity among countries, creating a new vulnerability from non-state sources, and a consequent complexity and uncertainty to replace policymakers' interstate, capability-based, more linear rational calculations of old (Kirtton, 2015a). In shaping the structure of this new system, capability and connectivity are co-equal, combined and causally related in reciprocal, self-reinforcing ways.

At both the state and societal levels, the static or slow moving, selectively connected, exclusive, territorially defined sovereign countries from the Westphalian-imperial world of the seventeenth to twentieth century is being replaced by a multidimensional connectivity that allows fast moving non-state forces to flow from anywhere to anywhere to penetrate still legally sovereign states. This creates for even the most capable countries a new vulnerability to deadly and destructive non-state threats and a complexity and uncertainty that their governors cannot confidently calculate on their own. Unilateral efforts to control financial, economic, ecological, health, criminal, terrorist and weapons inflows at their territorial borders increasingly drain and lie beyond their capabilities, forcing them go abroad to work with partners to solve the problem at its source.

The dramatic developments of 2014 shows these transformations taking

hold with growing force. The 9/11 terrorist attacks that had launched the US into its intense global war on terrorism with military force in Afghanistan were now joined by another long one in the Middle East against the self-proclaimed Islamic State. Deadly terrorist attacks infected Canada, returned to France and Russia, proliferated in China and continued in India. Droughts, heat waves, and extreme weather events afflicted most major established and emerging powers as the world experienced its warmest year in modern times. The deadly contagious Ebola disease from West Africa infected the US and Europe in a pervasive way that the 2003 severe acute respiratory syndrome outbreak arriving in Canada from China had not. Economic stagnation deepened in Japan and Europe, economic slowdown hit the BRICS, and a new financial crisis threatened from Greece. Most notably, the old style Russian invasion and annexation of Ukraine's territory catalyzed or compounded a rapid, far reaching reduction in Russia's energy, financial and economic capabilities. This dramatically cut Russia's market-measured GDP within six months, and could catalyze a new financial crisis on a European or even global scale.

These, unlike like those of the decade and a half before, have not led to the emergence of new PSIs of global relevance and reach, nor spurred the long awaited reform of the UN Security Council, the IMF, the World Bank, the World Health Organization, or the many multilateral organizations that had added to their core functions the new environmental, energy, crime, corruption and terrorism tasks. They have led to the return of the G7 summit without Russia, with all its leaders meeting alone for the first time twice in 2014. The BRICS summit has continued to meet twice a year, but refrained from offering its Russian co-founder any support to compensate for its suspension from the G7. And the G20 at its Brisbane Summit in November served as the only PSI that brought the two smaller, non-overlapping groups together, for a solidly successful summit that flexibly added to its agenda health, climate change, energy and corruption, due to the shared desire of both the G7 and BRICS, with the US and China in the lead.

The Gx Medium Term Future

As 2017 unfolds, changing capability, increasing connectivity and growing vulnerability to priority non-state threats intensify. But key trends are clearly reversing in ways that compound the complexity and uncertainty of all systemically significant states, lead all to see that they could soon shift to the other

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side, and that they thus need to work together to avoid this fate. Relative capability trends have reversed, with the US back on the rise and all the BRICS save for India in decline for the first time since 1999, even if restored US hegemony and a steep plunge in China's economic growth remain unlikely. Connectivity has returned to the levels seen before the severe contraction brought by the great financial crisis and recession in 2008. It will strengthen due to stronger regulation in the US, the internationalization and marketization of China's financial system and economy and the deadly contagion brought by the ideology and institutions of terrorist networks led by the Islamic State. Vulnerability has shifted, as the US is becoming a net producer rather consumer of energy and financial stability. China and India are becoming the leading source of the annual carbon emissions into the atmosphere, soon will be for the accumulated concentrations of greenhouse gases there and already suffer the most from the environmental, health and economic costs of the accompanying pollution at home. And Russia's military aggression in Europe and China's expansive moves in Asia have made all their neighbours wary of these old state-to-state security threats, whether the neighbours are members of the G7, BRICS or G20.

These structural trends and the ongoing recent reversals will lead all three Gx pillars to work more closely and co-operatively in the medium term. The central task is to return Russia to the responsible, democratizing, rising country that it was before an aging, resentful, but still rational Vladimir Putin returned as President in 2012. The task is likely to be done, given the fate suffered by Russia's much mightier Soviet Union predecessor after its invasion of neighbouring Afghanistan at the end of 1979. Then Western sanctions shrinking the Soviet Union's high tech competitiveness, collapsing world oil prices and mounting Russian military casualties led in just over a decade to new thinking and leadership in the Soviet Union, the collapse of the Soviet Union, bloc, empire and ideology, and the emergence of a democratizing Russia, a stronger Germany that was free and whole and an enlarged democratic NATO and EU. The first three processes are already robustly underway in Russia, in today's much more interconnected, fast moving world.

To return to the G8, Russia need only return Crimea and the occupied Donbas to the government of a sovereign, united Ukraine that is democratically free to choose its own domestic and foreign policy. Russia must also return Russia itself to the democratic principles and practices that had prevailed from 1992 to 2011. This could require Russia and perhaps its partners to acquire new

leaders who can restore the interpersonal trust that Putin has destroyed and perhaps start a step-by-step process similar to that launched in 1991, which saw Russia become within a decade and a half a virtually full member of the G7 summit and system below.

Less certain is how long, disruptive and dangerous the journey to get to this destination will be and how reduced in relative capability and international connectivity the remnant Russia will be at the end. To return to the G8 as a major power and to remain in the G20 as a systemically significant state and in the BRICS as a big emerging power, Russia must reverse its sudden sharp drop in both capability and connectivity before it shrinks below the level of Russia in August 1998 or South Africa now. The G7, G20 and BRICS are likely to govern in ways that enable Russia to do this.

The Future G7

From the start the G7 has led in confronting Russia's 2014 shock. It has followed a smart, medium term strategy, which has recognized Russia's much reduced global capabilities, rapidly rising vulnerabilities, and, through unified, progressively stringent sanctions has allowed Russia's new connectivity with a globalized market to do much of the disciplinary work. The G7 will continue to offer Russia "off ramps" and alternative discussion forums such as the Normandy format which Russia's current or successor president will be forced to use due to Russia's plummeting economic capabilities, rising military casualties in Russian-occupied Ukraine, and increasing political dissatisfaction at home. To avoid a Soviet style decline and disintegration, Russian leaders will eventually be willing to allow a free and fair internationally supervised referendum in Russian-occupied Ukraine, where the impoverished citizens will probably vote to return to an ever more prosperous, united Ukraine ultimately firmly embedded in the EU. Despite their current rhetoric, Russia's leaders will give an impoverished Crimea back, just as their Soviet predecessors did the Baltic States and East Germany. The other G20 and BRICS members will facilitate this process by continuing to give an unreformed Russia none of the financial assistance and few of the sanctions-busting supplies and markets to reverse the Russian decline currently well underway. The G20 will also assist the G7 in preventing a Russian financial crisis from becoming a global one.

Beyond Russia, the G7 showed in 2014 that it was capable of governing without and against Russia, across a full agenda. It did so even more in

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Schloss Elmau, Germany on June 7-8, 2015. It did so in Japan in 2016 and in Taormina, Italy in 2017. Canada will certainly wish to host a G7 summit in 2018. These G7 agendas, processes and results have and will increasingly converge with the G20 and BRICS ones.

The G7 will continue to focus on the inter-linked political-security issues of regional security, non-proliferation, terrorism, crime, corruption and democratization and human rights. Even with its globally predominant military capabilities and its post-Afghanistan return to combat operations in Iraq and Syria, the US will need to rely on its G7 allies in Britain, France, Canada, Italy and other EU countries to deal with the multiple conflicts in the Middle East and North and Sub Saharan Africa, and the process of peace-building there and in Afghanistan. It will also need the acquiescence of Russia. The same is true for non-proliferation in regard to weapons of mass destruction, led by nuclear weapons in Iran and North Korea and the remaining chemical weapons in Syria, terrorism and transnational crime and to make the Non-Proliferation Treaty work after its failed multilateral review in March 2015. Also important is the active co-operation of the BRICS and G20 members led by India in regard to Afghanistan and Pakistan, China for North Korea and Saudi Arabia for the Middle East and terrorism on a global scale.

The G7's development agenda will be shaped by the design and delivery of the post-MDG Sustainable Development Goals, launched at the UN summit in New York in September 2015 and pursued for the following fifteen years. They will require additional concessional finance, which can only largely come from the official development assistance of the G7, especially as other G20 donors such as Australia and Saudi Arabia now suffer from big budget deficits at home. And only the G7, with its members' control of the IMF, World Bank and the OECD, have the analytic and operational capacity that the G20 and BRICS lack, even with the BRICS New Development Bank and the subsequent Asian Infrastructure Investment Bank, with the former focused on financing its members alone.

The G7 will continue to lead on climate change and closely related energy issues, as it has since 1975 (Kirton and Kokotsis, 2015). These subjects featured at the Brussels summit in 2014 and led the significant success achieved by the German-hosted one in Elmau on June 7-8, 2015. The latter was held in the immediate lead-up to the French hosted UN conference in Paris in December where the climate change control regime beyond the failed Kyoto Protocol had been designed and launched. With Canada already and the US becoming

full strength energy superpowers, in the resource and technological domains, the G7 retains the capacity to lead, especially as the ongoing shift to renewable sources privileges Europe and Japan. However G20 members China, India, Brazil and Saudi will be required to control their own carbon as part of a new effective energy and climate security regime.

The Future G20

The G20 is likely to support and lead as necessary on these tasks, as well as pursue its foundational financial and economic ones. Despite the 2014 Brisbane summit producing the poorest performance of any G20 summit to date, and being confined by its inexperienced host to a narrow economic agenda, it did lead the G20 into global health governance, especially in Africa, where the G7 has led since 1979 (Kirton et al., 2014). Led by the US and China, it also made notable advances on climate change.

For the following two summits, hosting moved to two emerging country members in a row: Turkey at Antalya in 2015 and China at Hangzhou in 2016. Turkey from the start returned the G20 to a comprehensive agenda while adding innovative issues of its own. Under the themes of inclusiveness, implementation and investment, its priorities included the inherited issues of a global recovery, macroeconomic policy cooperation, investment, employment, financial resilience, financial regulation, the international financial architecture, tax, corruption, development, energy sustainability, and climate change finance. Turkey added a focus on the least developed countries, small and medium enterprises, and migration. It dealt with terrorism, the refugee crisis and Middle East security as the St. Petersburg Summit had. Migration is closely connected to the extremism and radicalization that Germany's G7 dealt with in 2014.

In 2016 China continued this comprehensive approach (Chen, 2013; Kirton, 2016). It led with the US on global energy governance and climate change control. It addressed global economic growth, reform of the IMF and the international monetary system, trade, development, infrastructure, financial regulation in state-owned enterprises and health.

In the longer term the G20 leaders will meet more often, for longer, and will work more flexibly, frankly and privately, inspired by the success of their spontaneous, unscripted long dinner discussion on Syria at St. Petersburg in 2013. G20 leaders could meet on the margins of the larger UN summits in

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September in New York or the UN climate change summits. They will find better ways to improve their accountability, compliance and results, by relying on themselves and independent outsiders rather than by building a bureaucracy of their own. Above all, they will slowly learn and act on the lesson that stability depends on openness in the economic, social and political realms, and does so both globally and domestically in an increasingly interconnected world.

The Future BRICS

The BRICS summits will continue to perform well in closer co-operation with the G20 and G7. Its notable surge in performance under Brazil's hosting in 2014 came when an embattled Russia that had been suspended from the G8 was forced to accommodate the preference of other members of a group that Russia had pioneered (Kirton, 2015c). As their treatment of Russia in 2014 showed, the other BRICS members are neither able nor willing to bail out their irresponsible Russian partner. As BRICS summit host at Ufa on July 9-10, 2015, a much weaker and more expansionist Russia did not succeed in securing BRICS support for its actions in Ukraine or much help with the harm they have brought to Russia at home.

For the next few years most BRICS members led by China will experience reducing capabilities but rising connectivity, the latter less among themselves than with the G7 and G20 countries beyond. Slower growth in all BRICS countries could be joined by a financial crisis, above all in Russia, but possibly in China as well. At China's BRICS summit in 2017 members will be focused more on their own economic growth and financial stability. A reforming, democratic India returning to rapid growth became a BRICS leader by the time it hosted the summit in 2016. It joined with Brazil and South Africa to reinforce the BRICS democratic core. Yet with its members' ongoing disputes, notably between a growing China and India over territory, and their new preoccupation with slowing growth and serious problems of social instability at home, the BRICS will not emerge as a pillar equal to the other two.

Conclusion

The G20 will thus slowly become the centre of global governance in the economic, social and economic domains (Kirton, 2015d). Its centrality will be reinforced by the difficulty that both President Putin and the current G7 lead-

ers will have in allowing Russia to return to a resumed G8 summit, at least until a new process of Russian democratization reaches an irreversible stage. Until it does, to cope with the new interconnected, non-state vulnerabilities that all face, Russia and G7 will invest in strengthening G20 governance. Eventually, a more genuinely democratic G20 backed by an opening China could lead the three Gx siblings to become a single G20-led global summit governance system for a twenty first century world becoming one.

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GOVERNING TOGETHER: THE GX FUTURE

Appendix A: G7/8 Overall Performance, 1975-2015

Summit	Grade	Domestic Political Management		Deliberation			Direct'n Setting Corevalue Refer's	Decision Making Commit't's	Delivery Comply	Development of Global Governance		Participation	
		Compl'ts	Spread	Days	Doc'ts	Words				Bodies created Min/ Official	Members	Guests (C/IO)	
1975	A-	2	29%	3	1	1,129	5	14	0.57	0	1	6	0/0
1976	D	0	0%	2	1	1,624	0	7	0.09	0	0	7	0/0
1977	B-	1	13%	2	6	2,669	0	29	0.08	0	1	8	0/0
1978	A	1	13%	2	2	2,999	0	35	0.36	0	0	8	0/0
1979	B+	0	0%	2	2	2,102	0	34	0.82	1	2	8	0/0
1980	C+	0	0%	2	5	3,996	3	55	0.08	0	1	8	0/0
1981	C	1	13%	2	3	3,165	0	40	0.27	1	0	8	0/0
1982	C	0	0%	3	2	1,796	0	23	0.84	0	3	9	0/0
1983	B	0	0%	3	2	2,156	7	38	-0.11	0	0	8	0/0
1984	C-	1	13%	3	5	3,261	0	31	0.49	1	0	8	0/0
1985	E	4	50%	3	2	3,127	1	24	0.01	0	2	8	0/0
1986	B+	3	25%	3	4	3,582	1	39	0.58	1	1	9	0/0
1987	D	2	13%	3	7	5,064	0	53	0.93	0	2	9	0/0
1988	C-	3	25%	3	3	4,872	0	27	-0.48	0	0	8	0/0
1989	B+	3	38%	3	11	7,125	1	61	0.08	0	1	8	0/0
1990	D	3	38%	3	3	7,601	10	78	-0.14	0	3	8	0/0
1991	B-	1	13%	3	3	8,099	8	53	0.00	0	0	9	1/0
1992	D	1	13%	3	4	7,528	5	41	0.64	1	1	8	0/0
1993	C+	0	0%	3	2	3,398	2	29	0.75	0	2	8	1/0
1994	C	1	13%	3	2	4,123	5	53	1.00	1	0	8	1/0
1995	B+	3	25%	3	3	7,250	0	78	1.00	2	2	8	1/0
1996	B	1	13%	3	5	15,289	6	128	0.41	0	3	8	1/4
1997	C-	16	88%	3	4	12,994	6	145	0.13	1	3	9	1/0

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Appendix A: G7/8 Overall Performance, 1975-2015 (Continued)

Summit	Grade	Domestic Political Management		Deliberation			Direct'n Setting Core value Refer's	Decision Making Commit't's	Delivery Comply	Development of Global Governance		Participation	
		Compl't's	Spread	Days	Doc't's	Words				Bodies created	Min/Official	Members	Guests (C/IO)
1998	B+	0	0%	3	4	6,092	5	73	0.32	0	0	9	0/0
1999	B+	4	22%	3	4	10,019	4	46	0.38	1	5	9	0/0
2000	B	1	11%	3	5	13,596	6	105	0.81	0	4	9	4/3
2001	B	1	11%	3	7	6,214	3	58	0.55	1	2	9	0
2002	B+	0	0%	2	18	11,959	10	187	0.35	1	8	10	0
2003	C	0	0%	3	14	16,889	17	206	0.66	0	5	10	12/5
2004	C+	0	0%	3	16	38,517	11	245	0.54	0	15	10	12/0
2005	A-	8	67%	3	16	22,286	29	212	0.65	0	5	9	11/6
2006	N/A	6	44%	3	15	30,695	256	317	0.47	0	4	10	5/9
2007	N/A	12	100%	3	8	25,857	86	329	0.51	0	4	9	9/9
2008	B+	8	78%	3	6	16,842	33	296	0.48	1	4	9	15/6
2009	B	13	67%	3	10	31,167	62	254	0.53	2	9	10	28/10
2010	C	10	89%	2	2	7,161	32	44	0.46	0	1	10	9/0
2011	B+	14	67%	2	5	19,071	172	196	0.54	1	0	10	7/4
2012	B+	7	67%	2	2	3,640	42	81	0.60	0	1	10	4/1
2013	N/A	7	44%	2	4	13,494	71	214	0.52	0	0	10	6/1
2014	N/A	6	44%	2	1	5,106	42	148	0.61	1	0	9	0
2015		7	50%	2	2	12,674	20	355	N/A	1	4	9	6/6
Total	N/A	157	N/A	110	221	406,228	961	4,481		18	99	573	134/64
Ave All	N/A	3.83	30%	2.68	5.39	9,908	23.44	109.29	0.43	0.44	2.41	8.71	3.27
Ave C.1	B-	0.71	10%	2.14	2.86	2,526	1.14	30.57	0.32	0.29	0.71	7.57	0.00
Ave C.2	C-	1.86	18%	3.00	3.57	3,408	1.29	33.57	0.32	0.29	1.14	8.43	0.00
Ave C.3	C+	1.71	20%	3.00	4.00	6,446	4.43	56.14	0.48	0.57	1.29	8.14	0.57

Appendix A: G7/8 Overall Performance, 1975-2015 (Continued)

Summit	Grade	Domestic Political Management		Deliberation			Direct'n Setting Refer's	Decision Making Commit's	Delivery Comply	Development of Global Governance		Participation	
		Compl'ts	Spread	Days	Doc'ts	Words				Bodies created	Min/Official	Members	Guests (C/IO)
Ave C 4	B	3.29	21%	2.86	6.71	10,880	5.71	106.00	0.42	0.57	3.57	9.00	0.86
Ave C 5	B-	7.13	56%	2.88	10.88	23,677	65.75	237.88	0.54	0.38	5.88	9.63	12.63
Ave C 6		9.40	58%	2.0	2.8	10,797	69.4	198.8	0.57	0.60	1.00	9.60	4.6/2.40

Notes: N/A = not available. Only documents issued at a summit in the leaders' name are included. Grades up to and including 2005 are given by Nicholas Bayne. Grades after 2006 are given by John Kirton and the G8 Research Group. Domestic Political Management: Compliments are references to G7/8 members in summit documents; spread is the percentage of members complimented. Deliberation refers to the duration of the summit and the documents collectively released in the leaders' name at the summit. Direction Setting: number of references to the G7/8's core values of democracy, social advance and individual liberty. Delivery: scores are measured on a scale from -1 (no compliance) to +1 (full compliance, or fulfillment of goal set out in commitment). Figures are cumulative scores based on compliance reports. Development of Global Governance: number of G7/8 institutions created at the ministerial and official levels at or by the summit or during the hosting year, at least in the form of having one meeting take place. Attendees: number of member leaders in attendance, including the European Union and European Commission. Guests: C = non-G7/8 members; IO= international organizations.

Appendix B: G20 Overall Performance, 2008-14

Summit	Grade	Domestic Political Management			Deliberation			Direction Setting			Decision Making	Delivery	Development of Global Governance			
		Attendance	# compliments	% complimented	# days	# documents	# words	Democracy	Liberty	Total			# commitments	Compliance	Internal	External
2008 Washington	A-	100%	0	0%	2	2	3,567	10	2	12	95	0.66	0	4	40	11
2009 London	A	100%	1	5%	2	3	6,155	9	0	9	129	0.17	12	4	116	27
2009 Pittsburgh	A-	100%	0	0%	2	2	9,257	28	1	29	128	0.34	47	4	117	26
2010 Toronto	A-	90%	8	15%	2	5	11,078	11	1	12	61	0.39	71	4	171	27
2010 Seoul	B	95%	5	15%	2	5	15,776	18	4	22	153	0.37	99	4	237	31
2011 Cannes	B	95%	11	35%	2	3	14,107	22	0	22	282	0.52	59	4	251	29
2012 Los Cabos	A-	95%	6	15%	2	2	12,682	31	3	34	180	0.52	65	4	143	22
2013 St. Petersburg	A	90%	15	55%	2	11	28,766	15	3	18	281	0.42	190	4	237	32
2014 Brisbane		90%	10	40%	2	5	9,111	1	0	1	205	N/A	39	4	45	12
Total			56		18	38	110,499	145	14	159	1,514	N/A	582	36	1,357	217

Notes: N/A = not applicable. Only documents issued at a summit in the leaders' name are included.
 Domestic Political Management: participation by G20 members and at least one representative from the European Union and excludes invited countries; compliments are references to full members in summit documents.
 Deliberation: duration of the summit and the documents collectively released in the leaders' name at the summit.
 Direction Setting: number of statements of fact, causation and rectitude relating directly to open democracy and individual liberty.
 Decision Making: number of commitments as identified by the G20 Research Group.
 Delivery: scores are measured on a scale from -1 (no compliance) to +1 (full compliance, or fulfilment of goal set out in commitment). Figures are cumulative scores based on compliance reports.
 Development of Global Governance: internal are references to G20 institutions in summit documents; external are references to institutions outside the G20. Spread indicates the number of different institutions mentioned.
 a Coding is ongoing. Numbers refer to the communiqué, statement on Ebola, Brisbane Action Plan and Note on Infrastructure.

Appendix C: BRICS Performance, 2009-14

	Domestic Political Management		Deliberation		Decision Making	Delivery		Development of Global Governance	
	Attendance	Compliments	# words	# documents		Compliance	# commitments assessed	Internal	External
2009 Yekaterinb'g	100%	2	1,844	2	16	1.00	1	2	13
2010 Brasilia	100%	8	2,436	1	46	0.13	5	16	34
2011 Sanya	100%	11	2,253	1	38	0.48	5	12	28
2012 Delhi	100%	7	4,415	2	32	0.28	5	32	43
2013 Durban	100%	5	4,789	2	47	0.48	5	26	51
2014 Fortaleza	100%	10	21,907	3	91	NA	NA	58	253
Average	100%	7.17	6,277	1.8	45	0.47	4.2	24	70
Total		43	37,644	1	270	N/A	21	146	422

Notes: Only documents issued at a summit in the leaders' name are included.

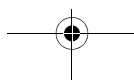
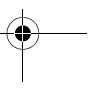
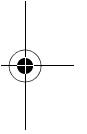
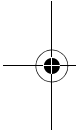
Domestic Political Management: participation by BRICS members. Compliments are references to members in summit documents.

Deliberation: documents issued in the leaders' name at the summit.

Decision Making: number of commitments as identified by the BRICS Research Group.

Delivery: scores are measured on a scale from -1 (no compliance), or fulfillment of goal set out in commitment). Figures are cumulative scores based on compliance reports.

Development of Global Governance: internal are references to G20 institutions in summit documents; external are references to institutions outside the G20.



Russia and the Future of the Gx system

VICTORIA V. PANOVA¹

A quarter of a century passed since the end of the Cold War and collapse of the socialist system and Soviet Union. Nevertheless we still do not see the finalization of the new system of international governance. What happened was simply the expansion of the existing ‘liberal capitalist West’ rules and norms into the vacuums of power and ideology that appeared with the end of the ‘Second World’². While a unipolar world failed as a welcome and effective way for the renewed architecture, incoherent and multidirectional efforts of a variety of international actors did not lead to the reform that would be acceptable to a majority of players in the international system. Moreover, the current crisis between Russia and the ‘West’ – in which Ukraine is not the goal of either side, but rather a pretext for each to achieve a breakthrough on this protracted architecture reform process – contributed to further destabilization of the international environment. That said, the current global governance system remains extremely volatile. Existing formal and informal international institutions either do not have the abilities to fulfill their tasks, or are in the process of definition of their proper place and role, or revision of directions of

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² During the Soviet times the world was seen as the confrontation between the ‘first’ (capitalist) and ‘second’ (socialist/communist) worlds, with the ‘third’ world to a large extent seen, with the active independence proliferation (especially after 1960, proclaimed as year of Africa), as an arena for ideological struggle between the first two chunks of the globe. This is of course a very simplistic and schematic approach, since the socialist world, especially after the start of the Sino-Soviet conflict, didn’t represent the united entity and China tried to portray itself more as a part of developing countries’ group.

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their efforts. For example NATO had to go through enlargement and change of scope and geography of responsibility in order to discover that it needs to go back to its roots and re-invent the initial threat and mandate for action to ensure its well-being and sensible existence.

We witness other types of changes as well, among those parameters of possible systemic evolution. According to some political scientists (Hardt and Negri, 2001) globalization leads to a transnational system, with globalization itself being the outcome of evolution of all empires, including the existing one and reaching beyond its material limits able to alter separate elements of this system.³

This article is discussing the current state of the global governance system, touching upon its continuous transformational and unstable character. It attempts to see the reasons why the 'entente' between the former foes in the Cold War did not last long, which led to a renewed round of tensions with a new set of actors and attributes. Further on, specific attention is given to the role of informal gatherings of leaders – so called 'club governance' – within the framework of international relations. The role and potential of the two (the G8/G7 and BRICS), often seen as competing entities, are analyzed, with a view to the possible areas of cooperation between the groups, as well as their future in the global governance architecture.

Global governance system in the making

Nowadays, the role and implicit existence of sovereign states is not questioned any longer to the same extent as a decade ago. Yet, we still have to consider the presence of a parallel global governance construction, intersecting with the officially accepted structure of global political governance. The former is based on networking principles, with the protagonists performing different roles in both parallel structures:

- ◆ The global governance system of sovereign states as independent subjects, in the state of anarchy, with their bilateral and multilateral cooperation and international institutions, as well as their rivalry schemes;
- ◆ A network model of transnationally organized individuals, having sufficient shares of political, financial, economic, military, ideological and

³ For more details on such shifts see Hardt and Negri (2001).

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other power in order to be included into the pool of the global ruling elite in the framework of the establishment of the new type of world order.

The first level of global political arrangement renders us the problem of a community of sovereign states not able to achieve consensus on the optimal form and substance of the world architecture and each actor's place in it. Earlier we saw in most of the cases the change in the balance of power being solved by war. Today, on the one hand, the possession of nuclear weapons and threat of global nuclear conflict, which is suicidal to all, makes such scenario unthinkable and requires new approaches to systemic changes. On the other hand, a number of ongoing or ready to burst out conflicts such as the Ukrainian and Syrian crisis and tensions around South China Sea show that the temptation to resort to 'good old' methods seems strong and makes the global community balance on the brink of global catastrophe, hostage to a spiral of accidental escalation.

With the end of the Cold War, at least the one between Capitalism and Communism, no one witnessed classical victory as a result of military conflict with the significant dismantlement of the military and economic potential of the adversary to follow. As a result, the winning side, using the post-bipolar situation to its maximum benefit, could not transform the new system in accordance with its rules. Thus, Russia as USSR successor was neither excluded from the global governance structures, primarily from the UN Security Council, nor deprived of its nuclear potential, retaining nuclear deterrence capacity.

What is more, the victor came up with half-baked measures towards its former foe. On the one hand, Russia could integrate into the Western liberal democratic system with the rights of the weaker participant in order not to allow revisionist moods in the former super-power. On the other hand, unlike after the end of the Second World War, with classical victory achieved over Germany and Japan, measures for Russian economic restoration and integration into the Western orbit were half-hearted. To a large extent this determined Russia's position and led to the current crisis. It also brought about the ineffectiveness of existing cooperation mechanisms. Absence of real mechanisms to prevent crisis situations in the realm of great power relations was vividly demonstrated by the short-sighted decision of the seven countries to 'suspend' Russia's participation in the G8, boycotting the 2014 Sochi Summit and its preparations, and holding a separate meeting in Brussels.

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Moreover, the further degradation of the political and military situation in Ukraine, and the expansion of the civil war, further degraded the relations between Russia and the 'West'. While today there is ever growing discontent in Europe and even to an extent in the USA with Kyev sabotaging Minsk agreements, anti-Russian sanctions remain intact for the time being.⁴ In fact, unilateral sanctions and military actions lead to the assumption that provoking Russia entering the military conflict is a way to go around the need for new approaches as mentioned earlier in the text. Retreat to the 'good old' method of military exhaustion could well be beneficial or seen as such by those, hopefully very few, who believe that the unattained goals of bipolar victory should be achieved by different means. The problem is that the system cannot be stabilized and defined only in accordance with the 'proper' countries' interests on the basis of 'acceptable' characteristics and rules of the international order.

Things would have been easier for the domination by one side, if Russia's non-cooptation was the only barrier on the way to 'the end of history' as once famously proclaimed (even if re-thought and re-analyzed later) by Francis Fukuyama. Nevertheless, other actors from the former "third world" – nowadays emerging with different and fluctuating dynamic economies – also see the world with its rules based on 'Western' domination and rule-making as unfair. None of those are ready or would like to have a conflict with the 'West', but this does not shy them away from consistent and regular attempts to achieve a fairer world order through reform of that architecture with the preservation of intensive regular cooperation with the 'Golden Billion' club. In fact, quite a few people – citizens of non-Western countries – see this confrontation between Russia and the 'West' as an attempt to bring down one of the pillars of that call for reform, and with different degrees of silence⁵ sympathize with Russia.

⁴ In May 2016 Russian Foreign Ministry spokeswoman M. Zakharova noted lack of any progress on Minsk agreements – neither on the issue of Constitutional amendments, or elections agreed in Donetsk and Lugansk regions, nor other necessary legal steps. In turn we saw an ongoing change of thinking on the part of European partners. It is not unusual that Victoria Nuland's visit in April 2016 to Ukraine signaled end of 'carrots' for the Ukrainian regime, but also growing 'danger' of sanctions lifted by the European off Russia.

⁵ Money still talks and their economic and political cooperation with leading partners in combination with the internal problems does not allow for a more definitive stance.

‘Club’ governance of the international relations

As stated earlier, we build our analysis around the nation-states remaining the main actors in the international arena, defining the contours and parameters of the world order. These days we are also witnessing changes in the potential and possibilities of the established and rising centers of power in world politics. As the mid-1970s saw a relative decline of the USA with the simultaneous rise of Western Europe and Japan in Asia, the turn of this century presented a similar phenomenon with the shrinking share of the advanced economies parallel with the expanding role and share of emerging (and re-emerging) economies. New contenders for the leading position in global governance include BRICS countries, as well as a plethora of meaningful abbreviations such as MINT, MIST, MIKTA, Next 11⁶ to mention a few out of the groupings of dynamically developing large and middle economies. With those countries coming to the fore more prominently, there is a need for a full evaluation of the importance of redistribution of powers and institutional reform in accordance with the new needs.

Traditional intergovernmental organizations, including the United Nations, continue to show a degree of impotence to fully satisfy the primary needs of modern realities. To be fair one should acknowledge that the real potential of the UN did not really diminish. Probably it is the opposite – notwithstanding systematic attempts to solve international problems in circumvention of this organization and lack of consensus on its substantial reforms – only the UN remains the sole recognized legitimate universal global governance instrument. It is the UN that has all the attributes that allow it to perform governance functions in the framework of the so-called institutional-normative model. According to the Russian researcher D. Temnikov (2011) this implies a “collective, ‘rational’ principle, dominating in this model, that allows to prevent unwanted consequences of development of spontaneous processes”. The paradox lays in the fact that there is a need to use force or preparedness to use it in cases of breaches of rules by certain system participants. This leads to the additional issue of the UN efficiency in terms of military resources.

On the one hand, it is the perceived lack of UN efficiency, that leads to the exponential growth of other international institutions, primarily ‘clubs’,

⁶ MINT stands for Mexico, Indonesia, Nigeria and Turkey; MIST – Mexico, Indonesia, South Korea and Turkey; MIKTA – Mexico, Indonesia, South Korea, Turkey, Australia; Next 11 as another invention of Goldman Sachs from 2007 containing eleven emerging markets of South Korea, Mexico, Iran, Indonesia, Turkey, Egypt, Pakistan, Philippines, Nigeria, Vietnam, Bangladesh etc.

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partially overcoming UN deficiencies. On the other hand, all those ‘club members’ vigorously insist on their exclusive but supportive role the global governance, and refer to the UN as the lead institution possessing a global governance mandate. Moreover, it is true that those structures are not competing: they have fundamentally different tasks at hand. At the same time, mushrooming informal mechanisms, involving state and non-state actors, are making the world picture ever more complicated and even chaotic.

G8/7

The G7, or up till Spring 2014, the G8, is a ‘pioneer’ of all clubs. Its origins lay in the comprehension among business, political and epistemic circles of the capitalist world of the primary importance of informal cooperation and coordination of policies in order to withstand unfavorable tendencies in the international relations. Back in history those negative tendencies included the weakening of the American pole, concerns over natural resources, and later on all new independent countries⁷, and the military and political successes of the opposing socialist block.

According to David Rockefeller (2002: 208), it was already at the end of the 1960s that, in order to promote the Chase Bank he was heading, he and his friends thought it vital to establish contacts with the most important and influential world industrial entrepreneurs with the help of the International Advisory Committee (IAC).⁸ The role of the first chair was granted to the Royal Dutch Petroleum head John Hugo Loudon, whom Rockefeller met during one of Bilderberg meetings. IAC gatherings discussed most the acute economic issues, along with the economic and political course of countries in question. It should be noted that when the Committee’s session was held outside the USA, its participants were hosted on the highest political level. The IAC still exists. The IAC became probably a good trial ground for the future trilateral concept – this time to promote coordination at political level, and not just to offer closer business contacts (Rockefeller, 2002: 209). This idea of coordination between capitalist centers of power at political level was later realized by David Rockefeller and Zbigniew Brzezinski with the creation

⁷ It is enough to remember the UNGA Resolution on “Permanent sovereignty over natural resources” adopted in 1962.

⁸ Although Rockefeller insists that he didn’t invent a novel format and similar meetings were already a tradition with the other New York banks.

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of the Trilateral Commission, possessing somewhat different characteristics, but similar goals.

Those were the very formats to evolve from informal opinion exchange of business and political circles to the acting politicians' level – first with the participation of the finance ministers of the five key capitalist countries (Panova, 2012), to have the idea of the G7 (first year G6) Summit in 1975. After the end of the bipolar system, the G7 turned into the G8 with the painful and well-restrained inclusion of Russia. Nevertheless recent events demonstrated clearly that even if the format with different degrees of inclusion existed for 25 years, it remained unstable and got back to its origins.

Talking of the possible role for the G7 on the international arena in its current form, one should keep in mind both positive and negative moments. On the one hand, the G7 consists of the leading advanced world economies and can boast of the following privileges:

- ◆ Having the biggest cumulative military and political potential by significant margin;
- ◆ All but Japan are members of the largest military-political alliance in the world – NATO;
- ◆ The most prominent transnational corporations reside in those countries;
- ◆ Three of the G7 states are permanent member of the UN Security Council;
- ◆ G7 joint capital in the international financial institutions up till now allows for firm control over them;
- ◆ It is still relevant to say that seven countries are de facto “generators of ideas” for the other international institutions in the areas of economy, finances, international development etc.

That said, the G7 with Russia absent allows those left to be much more relaxed and sincere during closed gatherings. The reason for that does not lie in the domain of Russia not fitting in the G7 by its axiological features or geopolitical approaches. In fact, Russia, as the BRICS member, became a more extraneous element, able on top of that to prevent frank discussions on the vision of problems and challenges that the G8 faces from the developing countries, primarily from China. What turned out to be a no less important factor were the competing projects of some of the G7 members and Russia on a post-Soviet space. That is exactly why one could look upon the Ukrainian crisis not

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as a reason for the development of a given situation, but rather as a pretext for such decisions on the part of the G7⁹. This is also proven by what's been said by Angela Merkel in her 2015 pre-Bavarian Summit interview, claiming that Putin should not wait for an invitation to the G7 that year.¹⁰ Japanese cautious attempts to mend the situation did not lead to real change. Even though Abe's visit to Russia in the run-up to the G7 Summit signaled Japanese position on Russia's role, the Japanese Prime Minister did not manage to persuade his primarily American counterpart that there is a realistic option with faces saved for the G7 to have Putin back at Ise-Shima.

Having accomplished this task – bringing the G8 back on stage – Japan could have been closer to realizing its ambitions of truly global power which has independent stance in international relations and is a skillful and powerful mediator, that could be called upon in extreme situations. But this is a rather marginal reason within the scope of global governance – power stance of one of its elements. At the same time, there are more systemically weighty reasons to deplore the lost chance of Japanese attempts for intra-group-members pacification and reunification of the G8.

Without overestimating Russia's potential, one needs to acknowledge that with the loss of Russia as a 'club' member, even if the rest of the G7 and EU have more possibilities for unlimited frank discussions in all areas, this reaction could harm the Group in the long run. The fact is that both Russia and the G7 countries share a whole range of military, political, environmental and socio-economic problems and threats, on which they not only have rather close positions, but are impossible to solve without participation of Moscow. Here we should mention the key problem of international terrorism, non-proliferation of weapons of mass destruction, conflict prevention and management in unstable regions and countries, and many other things.

⁹ One can notice stark difference between the situations concerning different G7 members. Back in 2003 at least four countries out of the G8 were unhappy with the American intervention in Iraq. Evian Summit was hosted by one of the most pronounced critics of such actions – Jacques Chirac. At the same time there was not even a speculation that the G8 should gather without the aggressor and discuss its behavior. The only speculation heard was that of George W. Bush considering spending the night of the summit on the other coast of the lake – in Switzerland. At the same time immediate reaction after Georgian attack on South Ossetia was decision to gather in the format of the seven without Russia on the level of foreign ministers.

¹⁰ It would be difficult for Russia to accept invitation to come back in any case – not to undermine its BRICS colleagues trust, but also to remain 'freedom fighter' against the 'West' in the minds of many – both inside Russia, but also outside – in developing countries, among left-leaning citizens of the EU and the USA. This was confirmed by recent response by D.Peskov, Putin's spokesperson, who claimed 'format irrelevant without such countries like Russia, China and India' in any case (Peskov, 2015).

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On the one hand, other formats to consider those issues exist. Thus, the ultimate achievement of an agreement on the Iranian nuclear with the joint stance of the six-party members was reached even without the G8. On the other hand, having no venues for regular discussions of the threats coming from Islamic State, or rapprochement on the Syrian war – in fact the situation in the full area of the Middle East and West Asia – is considerably weakening joint efforts against common threats. As it was mentioned by Russian Foreign Ministry spokeswoman M. Zakharova, it was “simply the law of physics” that if the target was hit separately by different forces, it was nothing to compare to “concentrated fire.”

More problems lay in the realm of the credibility of the G7 members. Those countries have clearly demonstrated an inclination to severe solutions and a lack of desire to listen to their partner if this partner does not have the same vision on the problem, and if this partner is not the strongest member of the Group. At the same time, the G7 displayed to the world absence of control over situation, which in turn suggests weaker positions of the US and the G7 as a whole. This is a very alarming signal for many developing countries and one cannot totally exclude that such an approach towards Russia might foster a drift away of those who have a complicated history with the liberal democratic countries. They might reconsider their overreliance on cooperation with the so called ‘West’ in favor of cooperation with the dynamically developing countries.

BRICS

BRICS is often seen as a competing format by the G7 – in fact, the five countries represent a gathering of new potential ‘managers’, notwithstanding the current economic downturn to various degrees. They are vividly interested in the reform of the international system, which previews a significant narrowing of power and possibilities of the Western countries. The other feature of the BRICS to mention are the resolve and ambition of those countries to transform their standing status of regional powers into the global actors. As a result we see a strong desire to bring real and desired statuses into sync.¹¹

It is by all means true, that aims and goals of each of the BRICS remain divergent, but there is an important factor supportive of cooperation – an inval-

¹¹ This term for the BRICS was often used informally during the South African chairmanship in the Group in 2013.

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uable ability to elevate their chances during negotiations with the Western countries in order to redistribute global powers more for their own benefits, something that none of the five, including China, can achieve on its own. Notwithstanding the fact that China by far surpasses the rest of the Big Five by its overall economic and demographic potential, one could presume that BRICS for China is a wonderful opportunity to 'hide' behind this format in promoting its own national interests without provoking fears and unfavorable reactions from the neighboring countries of its potential hegemonic aspirations.

Putting an emphasis on objective advantages, the five countries give prominence to consensual ideas on reformatting the global financial and economic system via formal multilateral institutions. That is the key difference with its Western partners: there is no peer pressure and no crossing of the red lines – instead, there is a firm intent to understand objective interests of partners taking into consideration all aspects of the problem, including historical objectivity.

According to prominent Brazilian diplomat Valdemar Carneiro Leao (2013: 459), the sum of 'external' actions of the BRICS constructed along the G20 agenda with the interpretation of their own led to 'partial success'. Finding ourselves in 2016 we can claim to be even more optimistic with regards to chances of the BRICS as a group on moving forward international finance reform with the decision adopted by the USA in December 2015 which opened the way for the finalization of IMF quota reform.

That said, today BRICS is indeed an important instrument for each member, regardless of each country's potential or possibilities to project power in its region and in the world. A significant number of observers and experts were betting the BRICS initiative on the New Development Bank and Contingency Reserve Agreement to be a futile attempt. Nevertheless we saw negotiations on the establishment of the Bank, technicalities of those arrangements to be finalized, and both ideas put into practice at the BRICS Ufa Summit in Russia July 2015. It could be argued that the BRICS New Development Bank and Contingency Reserve Arrangement, together with some other China-led initiatives like the Asian Investment Infrastructure Bank made the USA move on their commitments and are here to remain vital elements of the to-be-revised-further international financial system.

Russia's interests in 'club' diplomacy

With the end of the bipolar confrontation and the Cold War the G7 was called upon for a number of bold steps to involve its former foe – the USSR and later Russia – into its ranks. It looked like this was the most efficient way for the US and allies to shape the new Russia in line with their own strategies in Eurasia and the world, and according to their basic parameters of the new international system. This was exactly the aim of the very painful process of Russia's protracted invitation into the G7 during the last decade of the 20th century.¹²

To be fair, the first years of the 21st century saw fully fledged and active participation of Russia in the Group. It found itself at the very heart of the decision-making. Moscow's stronger position in the international arena were still not that negatively perceived by its G7 partners. The situation started to change noticeably around 2007-2008¹³. Understanding that each 'club' primarily depends on the personal relations and mutual trust of the leaders, gradual displacement of some leaders played a fatal role. At the same time, the results of the Russia's G8 presidency in 2006 and further institutionalization of Heiligendamm-l'Aquila Dialogue Process (Panova, 2008) led the country to a growing understanding of the practical importance of real diversification of its foreign policy, as already suggested back in 1996 by Yevgeni Primakov¹⁴, as well as the very close concurrence of interests of Russia and a number of big emerging economies.

Economic and political potential growth (until the 2008 crisis GDP growth reached annually up to 7%) helped Russia to be more vocal and affirmative in defending its own foreign policies and approaches.¹⁵

The birth of the G20 summit and then BRICS, where unlike within the G7 Russia possessed full-fledged and unquestioned membership, led to debates with regard to the possibilities of using all three formats to maximize national interests. With the start of the consecutive presidency of Russia in the G8, which

¹² It is interesting that it was yet in 2000 that Japan as a hosting country tried to include one more member into the G8 – China. Nevertheless Chinese policy, based on the skill to wait patiently until the right moment, predetermined Beijing's rejection of the format. As we know, later on the G20 was created at leaders' level, where China possesses equal rights as the founding-member.

¹³ On the Russian side experts often cite the so called Putin's Munich Speech to signal the start of drifting Russia and the West apart.

¹⁴ More on that is elaborated e.g. in Panova (2015a)

¹⁵ It is enough to compare Russia's position in the Group in the Yugoslavian case (both Bosnia and Herzegovina, and Kosovo) and in the context of Israeli operation in Lebanon in 2006.

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entered into another stage of ‘dying’¹⁶, the national epistemic community was overwhelmed with intensive discussions of how to offer it a new lease of life. The Russian political establishment saw the G8’s value as primarily a possible forum to coordinate positions on the most acute political problems and crisis.

The G20 is seen as one of the formats, although it seems that limited priority is attached to it. While the 2013 Russian presidency was being prepared with diligence, Russia realized it could not use this ‘club’ for break-through achievements, but also that it cannot play a leading violin in the G20. That is why the Russian G20 presidency could probably be termed as one of the least controversial, with the priority topics containing the least contentious substance. On a number of issues the Russian chair often tried to occupy the most comfortable position of the judge and remain within the ‘golden middle’ range. The following year under Australian presidency did not provoke too much excitement either. The biggest topic that worried all the journalists, including the Russian ones, was Putin’s position vis-à-vis the host and Obama, especially after the drastically different reception during the APEC Summit in China. Even lower public attention was given to Turkish G20 Summit in 2015 with Syria¹⁷ hijacking the minds of most experts driving them away from the real essence of the G20 meetings.¹⁸

With all that in mind, it should be noted that BRICS these days represent the most interesting and prospective format of cooperation. The reserved neutrality towards the Crimean problem, and the unquestionable support of the BRICS countries for Russia after the adversarial statement of the Australian representative of the possibility not to invite Russia to the 2014 G20 summit, are among the elements that show the ever increasing importance of the grouping for the country.

It should be reiterated here once again that none of the BRICS is willing to counter-position itself to the USA or the West in general. Out of BRICS it was only India that expressed support at official (not the highest) level to

¹⁶ There was another surge of expert debates on the G8/7 irrelevant to modern realities and had to give way to a more representative G20. Thus, 2010 Summits in Toronto – for the G8 and then the G20 – were case in point. The G8 went almost unnoticed, while the G20 deserved a big chunk of attention from media, civil society and antiglobalists.

¹⁷ Turkey introduced topics of fighting against terrorism and issues of refugees into the G20 discussion agenda for the G20.

¹⁸ It is the public perception that is discussed here, not implying though that this lack of information or ‘popularity’ means lack of real work on the economic agenda items from the Russian side. Russian diplomats and experts remain thoroughly engaged in the G20 process. It is believed that non-politicized character of the G20 agenda items give this group an advantage of constructive relations and ongoing work progress even during toughest times of political unrest.

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Russia following the Crimean crisis. The key assumption for intra-BRICS cooperation lays in pragmatic cooperation – both multilateral and bilateral. Even though quite a few experts express doubt with regards to recent agreements on connecting China’s One Belt-One Road Initiative to Russian Eurasian projects, it is also widely acknowledged that the bilateral relations of the two countries entered a new stage of relations, which should be considered as a model by other global powers (International Forum, 2015)¹⁹. Another demonstration of growing interconnectivity could be seen in the decision taken at the Ufa Shanghai Cooperation Organization Summit to invite India and Pakistan to the SCO as full-fledged members. Nevertheless, particular problems and achievements of bilateral relations within BRICS cannot be considered in this article due to the multi-faceted nature of those relations and danger of oversimplification distorting the real picture of multilateral cooperation.

While there is general preference given by the BRICS to issues of economic and financial cooperation and mutual enhancement in those areas globally, the BRICS’ geopolitical role much stressed by Russia during its 20152016²⁰ presidency is gaining further support from the other four countries in the group. BRICS, especially countries that were touched less by the current round of geopolitical rivalry (Brazil, India, South Africa), demonstrated ultimate courage signing the Ufa declaration with its particular attention given to the issues of non-alteration of history hallmarked by the 70 years anniversary of the end of the II World War and creation of the Organization of the United Nations. It was an expression of joint “commitment to resolutely reject the continued attempts to misrepresent the results of World War II. While remembering the scourge of war, we highlight that it is our common duty to build a future of peace and development”.(BRICS, 2015) Agreement to launch a ‘virtual secretariat’, joint BRICS web-portal, new BRICS structures (such as New Development Bank, Currency Reserve Arrangement), multiple Track Two formats – all of those also speak in favor of this conclusion.²¹

¹⁹ More on development of China – Russia relations could be found in Panova (2015b)

²⁰ In an effort to transform the BRICS presidency cycle, Brazilian, Russian and Indian presidencies were cut shorter to make sure that the BRICS arrives at the model of calendar year hosting basis. Thus, Brazil held presidency till March 31st 2015, Russia secured its position as a host till February 15th 2016, while India is to finish 2016 and China being the first country to fully transfer to calendar year presidency in BRICS.

²¹ Ever growing number of specialized ministries and governmental agencies, special coordinating group (within WTO), Business Council and Think Tank Council establishment in Durban, regular Academic Forums, upcoming Civil society and Youth Forums etc..

Where do we go

Above we tried to take a brief look on the ‘clubs’ functions with regard to promoting a stable and effective international system, as well as furthering Russia’s interests on the world stage.

In the realm of the two parallel competing global governance models – traditional Westphalian with the leading role of sovereign states, and the individual-networking model, we face the ever more complicated task of constructing a viable international relations system. That is why we see not only peaceful coexistence, but also complementarity of traditional intergovernmental organizations, informal mechanisms of consultations of state leaders, but also intellectual, political and economic elites. Each of the ‘boards’ and management models perform its own specific functions. There also appears a certain distribution of roles – not only between different models and between informal and traditional institutions (mostly the UN), but also within ‘club’ mechanisms themselves: the G7, G20, BRICS. Neither one can be judged on a simple count of cumulative potential often used in traditional state-centric models. Specific actions and innovative commitments taken could be a litmus test for Group’s efficiency. At the same time, up till now, continuous inability of the clubs, especially those with the ‘geriatric’ power (G7) inside, to present a truly different and viable approaches to problem solving demonstrate the need for still another search for new formats to overcome growing turbulence and chaos. Once having advantages over the intergovernmental organizations – with the flexibility, informality, constricted participation and mutual trust of the participants²² – ‘clubs’ to an extent fall into the trap of political prejudice and lose their innovative and bold outlook. There seems to be a need for a next generation (with even lower formal affiliation) of gatherings to go beyond current limitations.

As regards Russia’s interests as a sovereign state in the framework of the international system, filled with a plethora of regimes and international organizations, supporting those, the Russian foreign policy since the end of the Cold War was based on the assumption of ‘the bigger – the better’. That is, the more new, preferably Western-based institutions are joined, the more successful Russia is. Yet, in the view of the author this attitude lacks real substance but presents a ‘compensating syndrome’: longing for membership in all these

²² For more detailed analysis of advantages of the ‘clubs’ see John Kirton’s theoretical deliberations on the means to success for G7/G8.

structures was pursued with a psychological intention to compensate super power status loss after the collapse of the USSR.

With the changes occurring around Russia's powers and abilities, the 'compensating syndrome' faded away, which brought national interests back on the table. Now it is not the number of institutions that matter, it is the possibility to talk and achieve mutually acceptable results without giving in to pressure. And that is why it is in all parties' interests to change the tone, overcome prejudices and realize that the world will no longer be the same. The G7 is no longer the 'elite club' to take pride to be part of. Rising actors learn fast and use similar methods, which leads to tectonic architectural shifts.

Russia is no longer seeking the G7 as a savior, it joined the reformist forces and considers now the BRICS as the most relevant 'club', even if some member-countries are shy to acknowledge their preparedness to come out as global co-leaders. Not the BRICS to counter the West, but the BRICS to work together – even if with rules not familiar to the G7 countries. The rules are now about equality and pride in diversity. Learning from BRICS will allow the G7 to stay on top – but not on their own – to stay up on top with the BRICS. And this is why the current choice for Russia is right there.

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The Gx Contribution to Multilateral Governance: Balancing Efficiency and Inclusiveness

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Introduction

Recent history has witnessed an ever-growing interdependence between countries motivated by, among others, economic globalization. This increased interdependence has gone hand in hand with a rising awareness of transnational issues. Observing that nation states fall short in providing adequate answers to these issues, there has been a growing need for governance mechanisms operating at the global level.

In the aftermath of the Second World War, newly founded international organizations were established in order to support the development of a global economy. The traditional triumvirate: the International Monetary Fund (IMF), the World Bank, and the General Agreement on Tariffs and Trade (GATT), now the World Trade Organization (WTO), continues to play a very important role in the global economy.

In the decades following their establishment, they were joined by a wide variety of mechanisms and organizations. Among them, global international institutions, regional and cross-regional organizations and public and private

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standard-setting bodies have gained a significant foothold within the economic governance architecture.

In general, each of these bodies has a specific mandate to fulfil within a certain issue field. However, since these organizations operate in overlapping issue fields, their efforts could nullify each other. An overarching, more aggregate body could ensure that the bodies within and across different issue fields would work in concert. For that reason, recent history has witnessed the rise of international bodies looking to coordinate efforts within and between different areas. An important observation is that these coordination bodies typically gather only a limited number of countries (or economies). Moreover, these coordination bodies are in general rather loose and bring together countries in a club-like atmosphere. Many of them have taken up the Gx format, whereby the G refers to the group-like dynamics within these bodies.

Even though they come in different varieties, all of these Gx groupings share a similar ambition to coordinate international (economic) policies by bringing some countries together in a more or less informal way. Over the last few years, they have gained a focal position in global economic governance by performing two distinct but related roles. First, they have been called upon to provide swift guidance when crises erupt. This has clearly been shown by the involvement of Gx bodies in combatting the Asian and global financial crises over the last two decades. Second, Gx bodies allow for medium- to long-term policy coordination. Their unique position as overarching, rather informal bodies allows them to provide policy coordination in a cross-cutting manner over the various issue fields. Recent summits of, for example, the G20 have been fora for the discussion of issues as varied as climate change, counterterrorism, development, financial supervision, nuclear safety and trade.

When observing the workings of the different Gx bodies, one might quickly notice that there is some kind of distribution with regard to the roles and functions of these bodies. It appears that some bodies have evolved into transversal *steering* groups, whereas others mainly aim to increase *coordination* in a single issue field. Another observation that can be made is that whereas some of these bodies bring together ministers, others have in recent years been transformed in meeting places on the level of the heads of state and government.

Of all coordination bodies, the G7/G8, the BRICS and the G20 are probably the most well-known current examples. These bodies do not share a common membership. Developed countries and emerging ones are represented to differing degrees. Consequently, and in the light of the recent shifts in the



global economy, whereby emerging and developing countries increasingly claim a stake in decision-making, it is imperative to study how the Gx system accommodates these shifts.

A larger and more diversified membership might lead to more inclusive decisions, but it might also hurt the effectiveness of the body. This article focuses on these two opposing aims, namely the balancing of inclusiveness and efficiency.

The next section provides a short overview of the different Gx bodies. It pays particular attention to the bodies that carry out a steering or coordination function with regard to the policies of their members. The third section focuses more on the inclusiveness. It studies which countries are members to which grouping, and identifies the ‘coordination leaders’, those countries that are represented in several of the steering bodies. The fourth section addresses the balancing that Gx groupings display with regard to efficiency and inclusiveness. The article ends with some reflections on recent developments and the future of Gx Summitry.

The Gx bodies

Recent history has seen the rise of G-club diplomacy. The general ambition of these groupings is to coordinate economic policies at the international level.² In doing so, they can provide countries with a means to escape the traditional prisoners’ dilemma. By coordinating policies, they can overcome the incentive to install so-called beggar-thy-neighbour policies, whereby one country’s policies hamper its neighbouring countries (Van Kerckhoven and Crombez, 2015). Moreover, the rise of transnational issues, whereby each individual nation state’s capability to address an issue is greatly obstructed, calls for more coordination as well. In short, the Gx bodies allow for more coordinated policy responses, thereby resulting in welfare gains for all countries (or at least those that are part of the specific Gx body).

In light of the wide variety of issues and the wide variety of countries in the current global economy, several Gx bodies have emerged. This in turn created a complex patchwork of Gx groupings, all aiming to coordinate policies at the

² We limit the focus of this article to groupings that regularly meet to coordinate the global economy. For that reason, groupings like the G10, which is a grouping of countries that participate in the General Arrangements to Borrow of the International Monetary Fund (IMF) are not included since their purpose is more narrow than the coordination of economic policies.



international level. The most well-known Gx bodies are the G7/G8, the G20 and the BRICS. They are often perceived as the steering bodies for the global economy (see for example Kirton's contribution to this special issue).

However, these are not the only Gx bodies. With only a total of 20 countries (or economies) invited to these three bodies, many countries have been left out. For that reason, some additional Gx bodies have been created. In particular, developing countries have been rather active in establishing other fora in which they can coordinate their policies or increase their negotiation power and visibility vis-à-vis the developed countries. However, most of the latter bodies lack the transcendental nature of the 'steering group' idea, and are consequently operating as coordination bodies in a single issue area. Rather than solely focusing on the three aforementioned steering groups, i.e., the G7/G8, G20 and the BRICS, this article also pays attention to the other coordination groupings.

Steering Groups

The Group of Five (G5) major industrial countries was established in the mid-1970s to coordinate the economic policies of France, Germany, Japan, the United Kingdom, and the United States.³ The G5 was the main policy coordination group among the major industrial countries until the Plaza Agreement of September 1985.⁴ Even before 1985, another Gx body came to existence. In 1975, the finance ministers and central bank governors of six major industrialized economies (France, West Germany, Italy, Japan, United Kingdom, and the United States) informally met at the chateau of Rambouillet, close to Paris. The intent was "to discuss current world issues (dominated at the time by the oil crisis) in a frank and informal manner". A year later, Canada joined the second meeting of the G6 in Puerto Rico, de facto transforming the G6 into the G7. Two decades later, Russia joined the G7.⁵ In 2005, the G8's host, former UK prime minister Tony Blair, invited developing countries to the table as well. China, India, Brazil, Mexico and South Africa unofficially became de facto members to the G8 summits. After the Russian annexation of Crimea, the

³ These countries' currencies constituted the Special Drawing Rights (SDR), an international reserve asset, created by the IMF in 1969 to supplement the existing official reserves of member countries.

⁴ The Plaza Accord or Plaza Agreement was the agreement between the governments of the G5 to depreciate the value of the US Dollar vis-à-vis the Japanese Yen and the German Deutsche Mark by intervening in the currency markets.

⁵ Additional minor changes to the G7 were the invitation of the President of the European Commission in 1977, and the invitation of certain international organizations in 1996.

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G8 downsized again to a G7 meeting, and the location of the summit was Brussels rather than the originally planned location in Sochi, Russia. The G7 2015 meeting in Schloss Elmau, Germany, again took place without Russia. The suspension of Russia from the G8 leaves the G7 as a grouping of seven members who are generally ideologically aligned. Over its forty years, the G7/8 members have managed to find agreements on a wide variety of issues. As such, they have been able to coordinate rather successfully. When the G20 met for the first time (see below), it was hinted that the G7/8 would lose its relevance. However, the G7 is likely to regain importance due to the rising number of security threats: Russia's illegal annexation of territory from a sovereign neighbour, the rise of the Islamic State (IS), and the recent terrorist attacks. The G7 is the most fit body to cooperate on these issues, as its limited membership of ideologically aligned and military powerful members allows for quick responses to (security) threats and can act as a first line of defence in times of crisis.

In 1997, an extended version of the G7 emerged: the G22⁶, which consisted of the finance ministers and central bank governors of the G7 members and 15 other countries. The G22 convened with the aim to draft proposals in order to reform the global financial system. The G22 was quickly superseded by the equally short-lived G33, which only met a few times in 1999.⁷ After these short-lived initiatives, the G20 met for the first time in 1999 and provided a more long-lasting initiative, which quickly replaced the G33. The G20 summitry is in many ways similar to the G7/8 (Lesage, 2013). However, compared to the G7/8, the G20 was tailored for governing an increasingly globalized and interconnected world. It consists of the world's largest advanced and emerging economies (for an extensive overview, see Kirton, 2013). In the first years after its first meeting, the G20 brought together the finance ministers and central bank governors of its member countries. However, in response to the financial crisis, the G20 met at the leaders' level for the first time in 2008. This 'upgrade' has resulted in the G20 declaring itself to be the "premier forum for economic cooperation."⁸ Started as a "crisis committee" to respond to the

⁶ Members were the G7 members and Argentina, Australia, Brazil, China, Hong Kong SAR, India, Indonesia, the Republic of Korea, Malaysia, Mexico, Poland, Russia, Singapore, South Africa, and Thailand.

⁷ Members were Argentina, Australia, Belgium, Brazil, Canada, Chile, China, Côte d'Ivoire, Egypt, France, Germany, Hong Kong SAR, India, Indonesia, Italy, Japan, the Republic of Korea, Malaysia, Mexico, Morocco, the Netherlands, Poland, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, the United Kingdom, and the United States.

⁸ G20 Leaders' Statement Pittsburgh Summit, 24-25 September 2009.

2008 global financial crisis, the G20 has evolved into the world's "permanent steering committee" with an ever expanding agenda of global issues.

Whereas the finance ministers of the G20 members started to meet several times a year since 2009,⁹ the G20 leaders have been meeting only once a year (except for 2009 and 2010 when two meetings a year took place). Since 2010, labour and employment ministers of the G20 members have had their own yearly meeting, too. In general, the G20 has proven to be a forum where international coordination works rather well. Several observers have applauded the commitments made by the G20 members, as well as their implementation thereof afterwards. However, it has also been put forward that the G20's commitments are not ambitious enough.¹⁰

The third steering group, and the only one established by developing countries, is the BRICS. In 2009, the leaders of four major emerging economies came together in Yekaterinburg and held the first BRIC Summit. The goal was to discuss proposals to improve the global economic situation, reform the financial institutions and further cooperation and coordination in the future. In 2010, after the entry of South Africa, the grouping was renamed for the third BRIC Summit to BRICS. The BRICS have discussed a variety of topics, but most importantly have founded the New Development Bank (NDB) as an alternative to the World Bank and the IMF.¹¹ So far, there have been eight annual BRIC(S) Summits. As the BRICS gathers together the most important emerging economies, its summits carry a certain weight. This is further amplified by the fact that all BRICS members are members of the G20.

Coordination Groupings

The meetings of the steering bodies, the G7, the G20 and the BRICS, bring together systemically important industrialized and emerging economies. Complementary to these bodies, several initiatives have been launched to bring together the countries left out of the summits of these steering groupings. More

⁹ Before 2009, one a single yearly meeting was organized. The upgrade of the G20 to the Leader level did not herald the end of its Finance ministers' meetings.

¹⁰ A grouping that directly relates to the work of the G20 is the Global Governance Group or 3G, established in 2009. The aim of this grouping is to ensure that the legitimacy of the UN is not hijacked by the G20. The 3G sees the UN as the only global institution with universal participation and unquestioned legitimacy. This grouping does not carry out any coordination between its members and is often perceived as a pressure group (Chowdbury, 2010; Cooper, 2014). We will not discuss it further in this contribution.

¹¹ <http://ndbbrics.org/>. In stark contrast to the Bretton Woods institutions, the NDB BRICS confers equal voting rights for each of its five members, notwithstanding the differences in terms of contributed capital.

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often than not, these bodies focus on coordination in a single issue field and have been set up in the context of the United Nations (UN) and other major international organizations, such as the IMF and the WTO. These coordination groupings are different from the steering groupings.

The Organization for Economic Cooperation and Development (OECD) provides member countries with a forum where they can work together and seek solutions to common problems. Its members are in general advanced economies. The OECD is also involved in the work of the G20 (Wouters and Van Kerckhoven, 2011).

In contrast, developing countries have also formed some Gx bodies. The G77 is the largest coordination grouping.¹² It was founded in 1964 as a loose coalition of developing countries aimed at promoting its members' interests and increasing the negotiation capabilities of developing countries in the UN. Over the years, the G77 members have increasingly been exchanging best practices among themselves and have been found to coordinate their policies.¹³ The G77 expanded and currently groups 134 developing UN Member States. The supreme decision-making body of the G77 is the South Summit. So far, only two South Summits have taken place.¹⁴ Furthermore, an Annual Meeting of the Ministers of Foreign Affairs has been convened at the start of the regular sessions of the UN General Assembly.¹⁵ Special and Sectoral Ministerial Meetings have taken place to foster South-South Cooperation in various fields of interest.¹⁶ The group has mainly focused on proposals for the reform of the workings of the UN. However, the group also aims to encourage south-south cooperation and coordination.

In 1971, the G77 established a chapter, the Intergovernmental Group of Twenty-Four on International Monetary Affairs and Development (G24), that is focused on coordinating the positions of developing countries on international monetary and development finance issues. Moreover, the G24 aims to ensure the representation of the interests of developing countries in international monetary negotiations. Its members mostly coordinate with regards to mone-

¹² Joint Declaration of the seventy-seven developing countries made at the conclusion of the United Nations Conference on Trade and development, 15 June 1964. Provisions 7 and 8. Geneva. This document can be accessed at: <http://www.g77.org/doc/Joint%20Declaration.html>

¹³ See for example initiatives such as COSTIS: <http://www.g77.org/costis/objectives>

¹⁴ The First and the Second South Summit were held in Havana, Cuba, on 10 – 14 April 2000 and in Doha, Qatar, on 12 – 16 June 2005, respectively.

¹⁵ For these documents, see: <http://www.g77.org/doc/docs.html#declare>

¹⁶ <http://www.g77.org/doc/>

tary and development issues on the agendas of the IMF and the Development Committee (DC).¹⁷

Another Gx coordination body created by developing countries is the G33, which works within the realm of the WTO. The G33 brings together the “Friends of Special Products” in agriculture. They have been rather active in suggesting proposals to alter the workings and the commitments made at the WTO. More specifically, they have been pressing for flexibility for developing countries to undertake limited market openings in agriculture. A similar grouping is the G20 developing nations.¹⁸ This grouping was established in 2003 when twenty countries proposed at the Cancún Ministerial Conference an alternative framework to that of the European Communities and the United States on agriculture. The G20 developing nations noted that the major industrialized economies still make ample use of protectionist measures when it comes to their less competitive sectors, mainly with regards to the agricultural sector. For that reason, they called upon the members of the WTO to include these protectionist measures in the negotiations at the Cancún Ministerial (for more see Narlikar and Tussie, 2004).

The G15 was established at the Ninth Non-Alignment Movement Summit Meeting in Belgrade in 1989. It is an informal forum that aims to foster cooperation among developing countries in the areas of investment, trade, and technology. As such, it has a broader focus than the foregoing coordination Gx bodies. Moreover, its aim is to provide input to the steering groupings such as the G7/8 and the G20. Membership has since expanded to 18 countries, but the name has remained unchanged. The G15 wants to help to bridge the gap between developing countries and the more developed G7/8 and G20. The fact that several G15 members are invited to the G20 meetings was presumed to help realize such an ambition.¹⁹ Currently, the 15th Summit in 2012 has been the latest G15 Summit that has been organized. It seems that the membership of several G15 members in the G20 has hollowed out the former’s functioning.

¹⁷ <http://g24.org/about/>

¹⁸ We will refer to his body as the G20 developing nations so as to distinguish this body from the other G20. Membership has been fluctuating, but the last membership included: Argentina, Bolivia, Brazil, Chile, China, Cuba, Ecuador, Egypt, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, Peru, Philippines, South Africa, Tanzania, Thailand, Uruguay, Venezuela, Zimbabwe.

¹⁹ <http://www.nation.lk/2010/05/23/newsfe5.htm>

The constellation of the different Gx bodies and their members

The wide variety of Gx bodies has resulted in a patchwork of club-like coordination groupings. Figures 1 and 2 show the location of the different Gx members in the current Gx bodies.

This first circle diagram presents the constellation of all G20 members within the steering groupings of both the industrialized and the emerging economies, the G7 and the BRICS, respectively.

Figure 1: Constellations of the Steering Gx Bodies

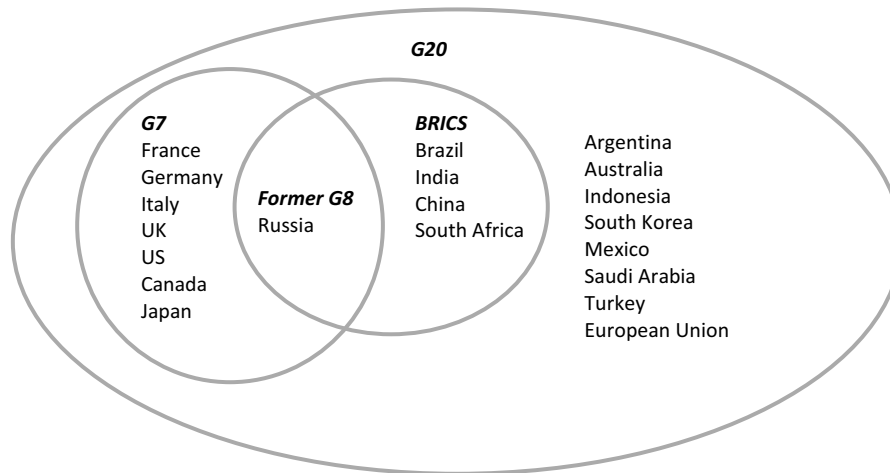


Figure 1 clearly shows that without Russia around the G7 table, there is no immediate link between the BRICS grouping and the G7. During the G8 years, Russia was the link between the G7 and the BRICS, which could have led to deeper cooperation and a more inclusive decision-making whereby Russia could bring the BRICS position to the G8 table. However, the rise of the G20 as premier economic forum ensures that the BRICS members and the G7 members still meet regularly. So far, research has fallen short in exploring the links between these bodies. Kirton's contribution in this special issue argues that the G7/8, G20 and BRICS will co-operate more closely, comprehensively and effectively across all governance functions and subjects. However, in order to carry out such task, a return of Russia might be beneficial.

Figure 2 focuses on the location of countries within the Gx coordination bodies.²⁰ The G20 members are shown in bold, the BRICS members in italics. Moreover, all countries included in this figure are members to the G77, except for Turkey (denoted by *). Chile, Mexico and Turkey are also member to the OECD.

Figure 2: Constellation of coordination Gx bodies

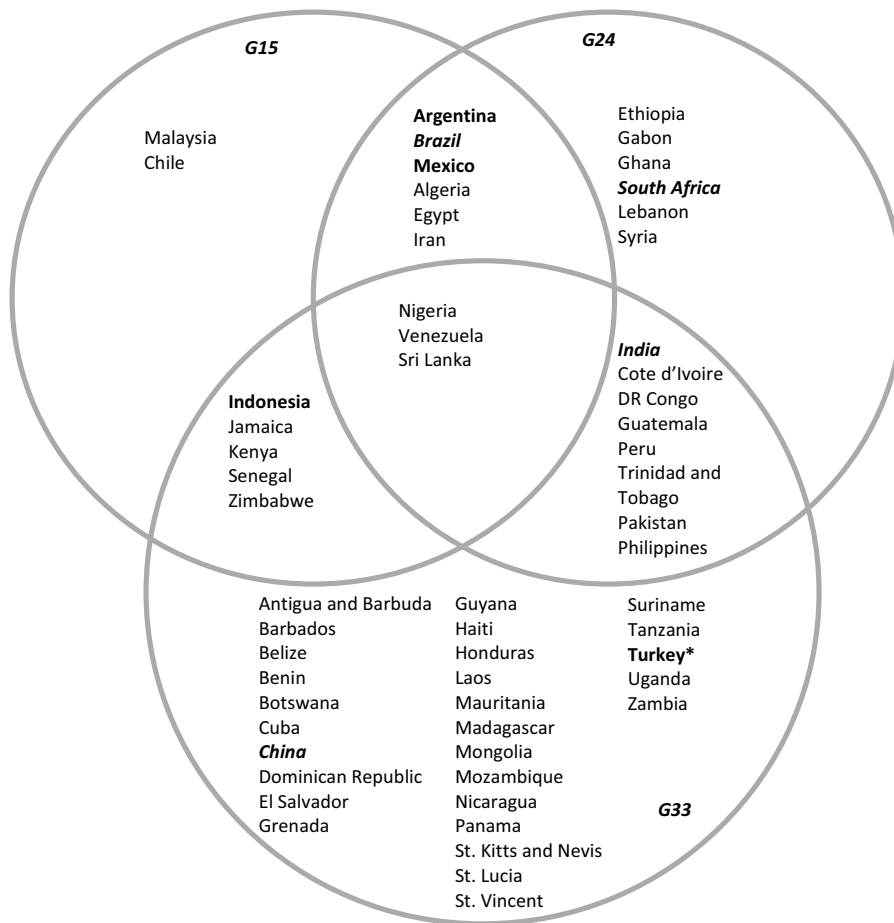


Figure 2 illustrates that no G20 member is a member to *all* coordination bodies. The developing countries Nigeria, Sri Lanka and Venezuela are located at the nexus of the three bodies. Moreover, they are also members to the G77. G20 and BRICS members are distributed rather evenly among the

²⁰ We did not include the G20 developing nations in this figure, as it does not really coordinate across issues. Its main aim is to put agriculture more firmly on the agenda of WTO negotiations.

three main other developing country coordination bodies. Moreover, all of them are also part of the G77. The G20 members Indonesia, Argentina, Brazil, Mexico, South Africa, China, India and Turkey should hence represent the coordination Gx bodies during the G20 meetings.

One notable remark is that neither Russia, nor one of its allies from the Commonwealth of Independent States (CIS) are members to the Gx bodies (with the exception of Russia's involvement in the BRICS/G20 summits and Tajikistan's membership in the G77). As such, it is up to the G20 and BRICS members to coordinate with Russia and its former allies.

Balancing efficiency and inclusiveness

Ultimately, the extent to which these Gx bodies can provide solutions to global problems depends on two different but related dimensions, i.e., the input and the output legitimacy (Subacchi and Pickford, 2011). In this article, the input legitimacy refers to the inclusiveness of the different bodies. The inclusiveness dimension is the extent to which the members of the different G-clubs are able to reach agreement and articulate a common vision to the world. The output legitimacy relates to the efficiency dimension. The efficiency dimension refers to the extent to which the Gx bodies and their members are able to realize the ambitions they set out to achieve. As discussed below, most bodies face a trade-off between efficiency and inclusiveness.

On the one hand, the efficiency of a Gx body is generally higher when there are fewer members, and when these members share a common ideology, namely some basic characteristics and interests. Efficiency is demonstrated by how much a specific Gx body can achieve, and is as such part of the output legitimacy. As one would expect, the number of member countries as well as their shared ideology might strongly influence the possibility of reaching agreement. Having more members around the table might render reaching agreements more cumbersome as inclusiveness goes up. A more diversified membership has a similar effect. However, if a larger or more diverse Gx body in the end manages to reach consensus, the impact of the decision might be much more articulated and efficient. So far, the track record for the steering groups has been fairly good (see Kirton in this issue).²¹ Larionova and Shelepov's

²¹ The University of Toronto's G20 information center keeps track of the compliance of G20 members with the commitments made at the G20 Summits and Ministerials, see <http://www.g20.utoronto.ca/analysis/#compliance>.

contribution in this issue studies compliance of the members to the G7/G20/BRICS bodies with these bodies' decisions. The analysis of the compliance of the members reveals that G8 compliance performance is generally higher than the compliance of G20 and BRICS members. Although an upward trend in G20 and BRICS compliance scores is observed, their delivery on the commitments made is still considerably weaker than that of the G8. They further find that the G8 delivers better on commitments related to political issues, that G20 compliance is relatively higher in macroeconomic area, and that the BRICS demonstrate good compliance performance on development and energy. However, when Larionova and Shelepov create a delivery legitimacy indicator by adjusting for PPP-based GDP and population, different results pop up. With these controls, the G20's delivery legitimacy is the highest among the three bodies due to its substantial economic potential and representativeness. The effectiveness of the implementation of G7/G8 decisions for addressing key global governance issues declines as the result of its decreasing share in the global economy and world population. However, the caveat does need to be made that a high compliance with these bodies' commitments does not necessarily ease concerns of whether these bodies indeed achieve results in terms of better global decision-making. To that end, one would need to study the commitments themselves and assess whether these are tailored to achieve such end, and whether they are ambitious enough.

Let us now study inclusiveness in more detail. Small steering clubs like the G7 and the BRICS have the advantage of bringing together a rather small number of members with similar interests. In the case of the G7, its members have similar ideological backgrounds, and have been cooperating for the larger part of recent history. In the case of the BRICS, its members are all aspiring emerging economies, looking to play an increasingly significant role in international governance. The small size of these bodies allows for swift negotiations and fast, strategic decision-making, helping their output legitimacy. However, their small size can be deemed problematic in terms of input legitimacy. The G7 groups seven powerful economies but by showing Russia the door, the contestation voiced by critics regarding the G7's input legitimacy as global decision-making body can now be amplified. Since the G7 members cast out the only member that is noticeably different, both ideologically and geographically, this hurts their input legitimacy. Russia, as a central government-oriented and emerging economy located both within Europe and Asia, and with a large circle of influence, provided the G7 members with a slightly better track

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record in terms of inclusiveness. The BRICS groups five major emerging powers. There are larger differences between these economies than between the G7 members. The large differences between the member states, and their location in different continents, might provide for a slightly better record. More importantly, Indonesia (Brooks, 2011) and Turkey (Bacik, 2013) have expressed strong interest in full membership in the BRICS, while Egypt,²² Argentina,²³ Iran,²⁴ Bangladesh (Keck, 2014), and even Greece (after invitation by Russia)²⁵ have also expressed interest in joining BRICS. Inclusion of one of these aspiring members might increase its input legitimacy, but might hamper the efficiency of the body.

A more inclusive body like the G20 (and its predecessors the G22 and G33) offers the advantage of a more diverse membership. The G20 includes, next to the industrialized economies, a few emerging economies as well. However, more than 140 countries have never played a role in the G20 Summits (Cooper, 2010). It needs to be noted that, with some frustration, non-members have been frequently voicing their disappointment with regards to who was included in this self-appointed group that takes decisions with a direct impact on non-member states (among others Cooper and Helleiner, 2010; Rood, 2014; Vestergaard, 2011). The size, i.e. 19 national economies and the EU, might hamper the body's ability to quickly intervene as more negotiations might be needed to come to a joint position. At the same time, more divergent membership allows for decision-making to be more output legitimate. Taking the previous paragraphs into account, one can clearly argue for a crisis function for the G7 and the BRICS whereas the coordination bodies are best fit to perform more mid- to long-term strategic decision-making. The G20 as intermediate forum is unique in that it incorporates characteristics of both smaller size steering groupings and larger size coordination bodies.

As described in the second section, several steering body members are represented in the different coordination bodies. These countries are generally emerging economies. Their presence in the mostly developing countries-dominated coordination bodies (with exception of the OECD where several of the advanced G20 members are also represented) can greatly help. In a way they can form a bridge between the steering groups and the coordination bodies.

²² <http://foreignpolicy.com/2013/03/21/so-egypt-you-want-to-be-a-brics-country/>

²³ http://www.clarin.com/politica/India-quiere-Argentina-BRICS-emergentes_0_1131486910.html. Argentina has been invited to BRICS meetings before.

²⁴ <http://www.ibtimes.co.uk/iran-sanctions-brics-oil-tehran-nuclear-programme-513640>

²⁵ <http://www.ibtimes.co.uk/russia-invites-greece-join-brics-new-development-bank-150901>



This would help to increase inclusiveness without hampering the efficiency of these bodies.

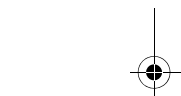
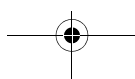
As such, the interplay between the coordination bodies and steering groupings can prove very valuable.

However, an important caveat is that none of the bodies described above is, or intends to transform into, a formal organization with legitimate voting procedures and the like. Although the outcomes of these Summits qualify as political decisions at an international level, they do not have the form of a binding legal instrument under international law (Wouters and Geraerts, 2012). However, their informal loose set-up is unique in the realm of international decision-making, which since Bretton Woods has mainly consisted of formal international organizations. Kirton in this issue studied the six dimensions of governance provided by the G7, the G20 and the BRICS, and his results demonstrate that these bodies have functioned well in such regard. He further adds that these Gx bodies have become more democratic in their performance, through affirming democratic principles and attempting to make globalization benefit more. Moreover, they have also expanded participation in the Gx process to outside countries, international organizations and civil society groups.

Another important note relates to the democratic credentials of the members. The G7 groups only democratic countries. For the G20, the same kind of members were invited, but due to systemic significance, some non-democratic countries were invited to join (Kirton, 2013). For the developing countries' bodies, there does not seem to be much consideration of the democratic nature of the members. The implication of this is that when the representatives of government are not elected democratically, a higher inclusiveness is not directly linked to more democratic representation.

Recent developments and the future

Several questions arise when considering future developments in multilateral governance. A first important question regarding the future of Gx summitry is the question of what will happen with Russia. The question is whether Russia can be kept on the side-lines with regard to the G7. Several major international problems require the involvement of Russia, and other partners. In order to make progress on issues such as security, Russia may be *incontournable*. This might be less the case for economic decision-making. Russia might feel more at



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home in the G20 or the BRICS where it has more natural partners, rather than being an outcast within the G7 (Wouters and Van Kerckhoven, 2014).

Panova's contribution has looked deeper into Russia's involvement with global governance mechanisms. She argues that the decision to suspend Russia from G8 meetings is short-sighted, and as such is only a sign of the lack of real mechanisms to prevent crisis situations. The recent changes that have relaxed the 'compensation syndrome' might lead Russia to more strategically pick the institutions where it wants to play a role. Kirton's contribution in this issue feels that the central task for the G7/20 is to return Russia to the responsible, democratizing, rising country that it was before 2012. His article lines up the future directions for the G7 and the G20 with a focus on Russia. He argues that Russia will need to turn away from its aggressive stance in order to benefit from cooperation. The G7 in that sense pushes Russia to return to the global table.

A second question relates to the cooperation between the different bodies. Kirton's study in this issue argues that the G7/8, G20 and BRICS will cooperate more closely and more comprehensively. Since none of these bodies is likely by itself to meet the variety of governance needs for an ever increasing globalized world, their relationship should be strengthened. In the longer term, Kirton argues that these three steering groups could become one global governance system. He further observes that G20 governance has largely supported the interests of its G7/8 and BRICS members (see for example the G20 decision towards increased voice and quota reform (Wouters and Van Kerckhoven, 2013; Lesage, Debaere, Dierckx, Vermeiren, 2013)). However, sometimes the water is still deep between the BRICS and the industrialized countries. In March 2014, at a meeting on the margins of the Nuclear Security Summit in The Hague, the BRICS Foreign Ministers issued a communiqué that "noted with concern, the recent media statement on the forthcoming G20 Summit to be held in November 2014. The custodianship of the G20 belongs to all Member States equally and no one Member State can unilaterally determine its nature and character." This statement referred to the Australian proposal to bar Putin from attending the Brisbane Summit. The BRICS further noted that: "The escalation of hostile language, sanctions and counter-sanctions, and force does not contribute to a sustainable and peaceful solution, according to international law, including the principles and purposes of the UN Charter."²⁶

²⁶ <http://www.dfa.gov.za/docs/2014/brics0324.html>

A third question revolves around the next G7 and G20 summits. The recent G7 summit in Schloss Elmau focused on the situation in Ukraine and the Transatlantic Trade and Investment Partnership (TTIP), as well as a focus on discussions on the post-2015 development and climate agendas. It has been argued that the downsizing of the G7 has served to ensure its members' unity on key policy files, shape joint policy responses and influence EU policies and global governance, particularly through its nexus with the G20, UN and OECD (Troszczyńska-Van Gelderen, 2015).

One of the key questions with regard to future summits involves the question of what should be on the agenda. Kokotsis' contribution looks deeper into the Gx bodies' work on climate change over the years. She argues that the G7/8 has led climate governance in ways that other international environmental institutions have been largely unsuccessful at. However, it needs to be noted that the G7/8's global climate leadership has been neither continuous nor comprehensive in covering all component issues contained within, or related to, climate change control. In recent years, the G20 has joined the G7 as the main global coordinating body for climate change governance. Increasingly, and in particular since the Russian annexation of Crimea, climate change and energy security go hand in hand. Van der Graaf's contribution in this issue, focuses on the role of the G7/20 in a broader energy governance definition. The G7, without the presence of Russia, might fall short in generating real solutions. Moreover, the dependence of European G7 members on Russian energy means that taking a strong G7 position against Russia could be perceived as cheap talk. This undermines the groupings' capabilities to act as a swift crisis centrum. The G20 has been working more intensively on energy issues. The involvement of such groupings could lead to an increase of coordination between developing, emerging and industrialized countries. In turn, the result could be a stronger global energy governance. The G77, for example, has convened sectoral review meetings with a focus on energy from the 1995 Sectoral Review Meeting in Jakarta onwards.

A last question deals with the relationship between the Gx bodies, in particular the G7 and the G20, and international organizations. The G7 and G20 communiqués regularly build upon the workings of the existing system of international organizations. These bodies further assign monitoring and other work packages to these organizations. For example, Wouters and Van Kerckhoven (2011) have studied the influence of the G20 on the OECD, and argued that this relationship might be rather problematic. This is even more so for



organizations like the IMF, which, under impetus of the G20, are pushed to reform their internal functioning. The issue at hand is whether the G20 should be allowed to exercise such powers, and bypass the formal procedures and structures of these organizations. Although the G20 may serve as a forum where political impetus can be created, its success ultimately depends on the cooperation with other institutions of global governance such as the IMF, the WTO and the OECD and, more broadly the fabric of the United Nations system (Wouters and Van Kerckhoven, 2014).

Conclusion

The Gx bodies have gained a strong foothold as loci of power in the midst of the global economic governance architecture. These bodies' unique position means they are well placed to perform coordination and steering. In doing so, they can complement and enrich the workings of the other players within the global economic governance architecture. In this article, we distinguished between the smaller size steering bodies and the more universal coordination bodies. The G20 as intermediate forum is unique in that it incorporates characteristics of both smaller size steering groupings and larger size coordination bodies.

We argued that the presence of several steering group member countries in the coordination groupings can only help to work in a more inclusive manner. These countries are generally emerging economies. Their presence in the mostly developing countries-dominated coordination bodies (with exception of the OECD where several of the advanced G20 members are also represented) can help greatly. In a way, they can form a bridge between the steering groups and the coordination bodies. As such, the interplay between the coordination bodies and steering groupings can prove very valuable. The steering groups should hence try to strengthen these coordination bodies. This would help to increase inclusiveness of the steering groups' decisions without hampering the efficiency of these bodies.

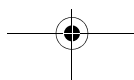
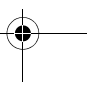
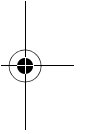
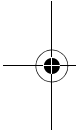
The future will show how the coordination and steering bodies interact with regard to the ever-increasing global agenda. There will not be a lack of challenges, and only decision-making that balances efficiency and inclusiveness will be able to provide the global economy with adequate answers.

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From Washington to Hangzhou: Does the G20 Live up to its Potential?

DRIES LESAGE¹

Introduction

The advent of the G20 leaders' summit in 2008, followed by its 2009 decision to turn it into an annual summit and the premier forum for the members' international economic cooperation, sparked quite a lot of enthusiasm and fascination at the time (G20, 2009). At the height of the global financial crisis, leaders of the major economies came together to take action and to restore the confidence of the markets. The G20 already existed since 1999, but had led a technocratic and less visible life at the level of finance ministers and central bankers. Now it was transformed into a unique and major global governance innovation: an informal but institutionalized consultation and decision-making forum of the leaders of the world's major advanced industrialized and emerging economies. It is important to note that the annual summit is just one part of G20 activity, as it is assisted by an impressive machinery of meetings of the leaders' representatives (sherpas), ministers and working groups throughout the year.

A mechanism of periodic summits at the level of the heads of state and government of the world's most powerful states with such an underlying institutional activity is historically unique. A similar mechanism at leaders' level was the post-1815 Concert of Europe, run by Great Britain, Russia, Austria, Prussia and France. However, this body was by definition Europe-centered,

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and the leaders gathered at an ad hoc instead of regular basis. It only dealt with security issues. Both the G20 and G7 summits occur on an annual basis, but the latter group is much more exclusive and leaves out developing countries. The United Nations Security Council (UNSC), with its Permanent Five, is formally institutionalized, but does not meet at leaders' level. In each configuration, it excludes major powers, which are present in the G20. In other words, the G20 scores well in terms of representativeness and periodicity, at this time of globalization and multiple global challenges. The G20 agenda is incrementally expanding beyond the core financial and macro-economic issues and towards potentially every social and environmental topic. This has been demonstrated by the G20's development, labor, anticorruption, energy, environment, and prospective health and migration agendas. Formally, the G20 is not touching upon issues of international security. However, G20 summits are sites of frantic informal diplomacy on major security crises such as Syria, even in the plenary format.

From the observation of the unique character of the G20 flow high expectations. A world of globalization and multiple crises demands international decision-making bodies that have sufficient political clout and economic wherewithal, are flexible enough to make quick and effective decisions on pressing, multidimensional issues, and possess sufficient legitimacy in the context of multipolarity and cultural diversity. With all its (potential) flaws – notably its constricted membership and informal position outside the architecture of rules-based multilateralism – the G20 appears to be a good candidate to take a seat in the cockpit of global governance and provide the required leadership.

This article dwells on these expectations, and evaluates whether the G20 lives up to its potential. It will do so according to a straight-forward structure. First, it will be discussed what the G20 *is not*, based on a few imaginable and compelling conceptions. Second, an assessment will be offered of what the G20 actually *is*. Thirdly, based on an understanding what is politically possible and normatively desirable, I will make a proposal for what the G20 *could and should be*.

What it is not

Considering the place of the G20 in world politics, some bold images might come to mind: a surrogate for world government, and a variant, a world concert.

A surrogate for world government

A surrogate for world government would mean that the G20 is a standing body with the mission to actively oversee all relevant global issue areas. More precisely, it would act whenever the policies of national governments, regional and multilateral institutions need to be complemented. Unlike a government at national level, as an informal body the G20 would not govern directly, but rather informally decide what needs to be done, implement this consensus domestically and in the rest world through pressure on other countries and through political control over multilateral organizations. In other words, the G20 would have the mission to ensure global public goods on a permanent basis. It is imaginable that the G20 as an apex body would concentrate on economic, social and governmental affairs. This idea echoes old ideas about an official UN Economic Security Council (Commission on Global Governance, 1995).

The idea of a ‘world government’ as such is widely considered as pure science-fiction, and by many as undesirable. Yet, a world of unprecedented complex interdependence is an integrated social system that – similar to a town or a nation-state – requires some kind of integrated governance arrangement in order to secure the global public goods that a decent life for all requires. In that governance arrangement a distinction can be made between the overall architecture of international organizations, regimes and other forms of international cooperation on the one hand (as a surrogate for ‘the world state’), and on the other, one or more specific political bodies where oversight, coordination and strategic thinking occur (as the surrogate for ‘the world government’ in the strict sense). So, a surrogate is a body or arrangement that at least fulfils similar functions as a government. These functions can be summarized in two categories, which are interrelated.

First, a ‘government’ assumes final responsibility for the provision of public goods across the territory under its supervision. At a global level, this implies a governance arrangement that monitors gaps in public goods and takes action when ‘lower’ policy levels – notably national governments – are unable or unwilling to assume their duties with regard to security, environment, health, financial stability, etc. Second, a ‘government’ watches over policy coherence between the various policy domains. Action in one area should support action in others, rather than undermining it. A coherent policy avoids gaps and duplications, and provides for an institutional architecture fit for purpose.

The G20 is well-placed to make a bid for this role of surrogate world government. Due to its composition it concentrates political clout and economic resources. Its informal character makes it maneuverable and adaptive. Its leaders' level deliberation contributes to a capacity for flexible and effective decision-making.

In reality, however, the G20 can hardly be seen as the general coordinating body at the apex of global governance. It played such a role – quite successfully – in the areas of financial stability and international taxation. But it keeps its agenda limited (with a heavy focus on financial and economic affairs) and its level of ambition modest. As importantly, apart from the phrase “the premier forum of our international economic cooperation” (G20, 2009), it never adopted a more sophisticated and more ambitious self-definition.

The G20 members never indicated an aspiration to turn the forum into a coordinating body for comprehensive global governance. As far as ambition is concerned, here we see a difference with the G8. In the years 2000, we saw a marked, even vigorous expansion of the G8 agenda combined with an outreach effort towards China, India, Brazil, Mexico, South Africa (the so-called G5), and other African nations (Cooper and Antkiewicz, 2008). In fact, no important topic for world politics was a priori excluded from the agenda. Illustrative for this momentum was the G8's 2005 Gleneagles summit presided by the British Prime Minister Tony Blair, which focused on African development and climate change in the presence of G5 and African leaders. It was clear, though, that G8 leaders such as Tony Blair and Gordon Brown of the UK and Nicolas Sarkozy of France were more eager to put the G8+5 body in the cockpit of global governance than most G5 leaders. The G8+5 endeavor was aborted by the creation of the G20 summit in 2008.

A graduation of the current G20 to a more generalist and central apex forum for global governance is being blocked by a few factors. The G20 format continues to be dominated by finance ministers. This reflects the institutional consensus within the group and creates a kind of path-dependency. Few government heads or foreign ministers have openly attempted to upgrade the G20 towards more general responsibilities. Larger powers such as the US, China, India and Russia do not grant the G20 a central role in the multilateral system. The Obama administration has always considered the G20 as just one forum along many others in the framework of the ‘multilateralism à la carte’ or ‘messy multilateralism’ it fostered (Patrick, 2009; Haass, 2010). Rather than putting all its eggs in the United Nations (UN) or G20 basket, the pro-multi-

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lateral Obama administration preferred to pick or even create formats in function of its interests, approaches and power position. Countries such as China, India and Russia have been lukewarm to allow the G20 a more central role, in order not to undermine the architecture of rules-based multilateralism centered around the UN. Moreover, informal discussion and flexible decision-making fits uncomfortably with the more formal foreign policy culture of BRICS countries. This also explains their opposition to the creation of a fixed G20 secretariat. An additional motivation to block agenda expansion is to protect a specific understanding of national sovereignty. After the 2011 Fukushima nuclear disaster, for example, the G20 – contrary to the G8 – did not move to strengthen the loose, highly voluntary international regime for nuclear safety, notwithstanding the obvious transnational dimension of the issue.

Fundamentally, the G20 is too heterogeneous in terms of interests and culture to develop into an expanded copy of the former G8 with the same level of like-mindedness, flexibility and ambition. A willingness to give the G20 a more prominent role in global governance with a comprehensive agenda is only visible among G20 members that are neither members of the G8, nor permanent members of the UN Security Council. Therefore, they want to get the most out of their membership of a distinguished body such as the G20. Examples have been Australia, France, South Korea and Turkey.

A world concert

A variant of a surrogate world government could be a world concert. Here we could conceive the G20 as a deliberation forum where members try to hammer out deals on the most pressing and intractable issues. Examples are the global macro-economic imbalances, including between the United States and China, the Doha Development Round of the World Trade Organization (WTO) (collapsed in 2015), the negotiations under the United Nations Framework Convention on Climate Change (UNFCCC), or the reform of the UNSC.

In reality, however, the G20 could never play this role. First, member states must be willing to have certain discussions in the G20 to start with. The G20 has never served as a site for climate negotiations. It even never played a decisive role on climate finance. These discussions have been reserved to the UNFCCC framework. Countries such as China and India did not want to undermine the UN forum in this regard, where they join forces with other developing countries on many aspects. For some issues, such as UNSC reform,

the time has not been ripe and/or governments have not seen the good in having these discussion within this configuration.

Second, some issues are hard to solve through international coordination anyhow, since the issues are too profound. Macro-economic imbalances are rooted in the distinct political economies of countries such as the US, China and Germany. Discussions in the G20 or whatever diplomatic format will not substantially determine the pace of domestic social-economic reform. The G20 communiqués and other output mostly reflect the lowest common denominators and inventories of what members intend to do on a domestic basis. We hardly see tough compromises. In other words, the G20 has never been a place of grand bargains, breaking gridlocks by bridging profound differences.

Could the G20 serve as a world concert in the 19th century sense: a high-level forum of major powers taking care of global peace and security, bound together by a sense of shared responsibility? Theoretically, it could form an interesting addition to the UNSC. Unlike the UNSC, the G20 informally gathers at leaders' level and could easily introduce regular foreign ministers' meetings in order to build trust among top decision-makers, and strike agreements more efficiently. These deals could be legally enacted in the UNSC. The G20 comprises global and regional key players for several of the world's present hotspots. But the major powers have never considered the role of a standing world concert for the G20.

One problem is that, presently, the great and regional powers lack the self-conception of 'great responsables'. A specific problem is that the membership of the G20 is too large. An efficient concert would comprise larger powers such as the US, China, Russia, the UK, France and the EU (as nuclear powers, P5 members and major economies), only inviting relevant regional players according to the issue at hand.

What it actually is

After its first years, however, the G20 began to lose much of its splendor in the eyes of the public. Media attention gradually dropped. Hence, people started to regard the G20 as a talking shop or even a very expensive photo opportunity for the leaders (Bremmer and Roubini, 2011). Still, the decision at the G20's September 2009 Pittsburgh summit to introduce an annual summit as well as the members' loyalty to it after seven years form at least strong indications that the G20 consultations are deemed useful and necessary. The G20 has proven to

be important in the coordination of the domestic and multilateral efforts to strengthen financial stability and foster international tax fairness. This does not preclude, however, that the G20 might perform (far) below its potential. Anyway, what the G20 actually is, remains quite hard to define.

Successful crisis committee (2008-2009)

At the zenith of the global financial crisis (2008-2009) the G20 served as a relatively successful crisis manager (Drezner, 2014; Kirton, 2013). Its performance could be summarized as follows. In those days of outright panic, the leaders and governments of the world's major economies signaled that they were in charge and willing to use all the means at their disposal to quell the crisis in a concerted way. These means included their budgets, regulatory power, and control over international institutions such as the International Monetary Fund (IMF), Basle Committee for Banking Supervision, and the Financial Stability Forum. The G20 decided to turn the latter into the Financial Stability Board (FSB) to include all G20 members. The governments' resources and instruments were mobilized through fiscal stimulus, regulatory reform in the financial sector, and the quadrupling of the 'war chest' of the IMF at the April 2009 London and subsequent G20 summits. The power of governments was complemented by the money-creating power of the central banks, notwithstanding the latter's independence. The G20 acted as the central, highly visible forum where these joint efforts were decided and followed-up, which was of huge substantial and symbolic importance. The G20 performance helped to bring back some confidence to the financial markets and public opinion.

This way, the G20 took the lead in the international regime complex for financial stability, coordinating the policies of governments and sending actual instructions to several official multilateral institutions, in which the G20 nations together possess a dominant position. Neither the IMF Executive Board nor any other multilateral financial institution was able to assume this lead role, giving their limited scope and multidimensional nature of the crisis.

There were two theoretical alternatives, however: the 24-member International Monetary and Financial Committee (IMFC) of the IMF and the UN. The IMFC is a rather political discussion forum with a broad, undefined scope at ministerial level within the official IMF governance structure. This body could have served as the crisis committee at the apex of the regime complex of

financial stability. As a component of an official multilateral organization, would it have scored better in terms of legitimacy? This is doubtful, since its composition used to be highly contested, given the perceived overrepresentation of European countries (8), and absence of emerging economies such as Mexico, South Korea, Turkey and South Africa in terms of full-time seats. However, Africa and other developing regions are somewhat better represented in the IMFC. The G20 membership simply refused to give the IMFC the coordinating role. Notwithstanding attempts from within the UN General Assembly, which resulted in the rather ineffective June 2009 United Nations Conference on the World Financial and Economic Crisis and Its Impact on Development, the UN and its 54-member Economic and Social Council (ECOSOC) in particular were not equipped to play the role of financial crisis manager. The G20 members never considered involving the intergovernmental and administrative UN machinery for this coordination effort.

Yet, many observers agree that the G20 lost steam after 2009 (e.g. Angeloni and Pisani-Ferry, 2012). The group rapidly evolved from a crisis committee taking crucial decisions towards a forum that held interesting consultations, but only took decisions of lesser strategic importance for the world. This way, expectations about the G20 had to be modified. The G20 continues to oversee the regime complex for financial stability. It makes decisions and gives impulses where it can. But the national governments are reluctant to consent to far-reaching agreements.

One recent success story is the G20's leadership in strengthening global taxation governance, resulting in the adoption of automatic exchange of account information and the base erosion and profit shifting (BEPS) initiative, furthering a more adequate taxation of multinational companies according to the principle that taxes have to be paid where revenue has actually been generated. Institutionally, the G20 was instrumental in bringing together OECD and non-OECD members on a global taxation agenda in which the OECD would have a lead role in implementing the G20 agenda. The general momentum for the tax agenda flowed from the fiscal and fairness implications of the global financial crisis (Eccleston 2012).

Incremental agenda increase

Furthermore, the G20 has seen a marked and somewhat unexpected expansion of its agenda. To many observers, this came as a surprise, as in 2008-2009

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there existed a widely held belief that the G20 would remain a quite exclusive show of finance ministers and leaders nurtured by the former. But by now, we have seen G20 meetings of labor, development, agriculture, trade, energy, tourism, and even foreign ministers. A health ministerial is scheduled for 2017. The widening agenda reflects a willingness to fill leadership and governance gaps in areas that are internationally less contentious.

At its 2010 Seoul summit, the G20 approved the Seoul Development Consensus for Shared Growth and Multi-Year Action Plan on Development. This constituted a major inroad into the field of long-term development in the Global South beyond the G20's core macro-economic and financial agenda. Sure, the G20 development agenda was intellectually linked to the G20's general Framework for Strong, Sustainable and Balanced Growth. The Seoul text pointed at the serious impact of the global financial crisis upon poor countries, but also presented developing and low-income countries as "new poles of growth" (G20, 2010). This way a multidimensional policy track was launched with intensive G20 activity in fields such as infrastructure, financial inclusion, agriculture and food security, and domestic resource mobilization (notably taxation). On infrastructure, for example, the G20 contributed to moving infrastructure to the heart of the development debate, and provided leadership among existing institutions by coordinating and streamlining multilateral efforts to foster infrastructure projects and financing. One of the G20's tools is the Global Infrastructure Hub – created in 2014 and based in Sydney – which functions as a knowledge center for all interested stakeholders.

Another G20 theme that appeared on the agenda from the 2009 Pittsburgh summit onwards, is international energy cooperation. In the meantime, the G20 has developed a multidimensional energy agenda that includes a commitment to rationalize and phase out inefficient fossil fuel subsidies, voluntary collaboration and domestic efforts on energy efficiency, as well as action to tackle energy poverty in Africa and Asia. At the same 2009 summit, the G20 took on the topic of anti-corruption, which resulted in new impulses to the multilateral anti-corruption regime and efforts of G20 members themselves. It remains a fixed item on the agenda of the leaders' summits.

The expansion of the G20 agenda has been incremental and controlled, however. Most substantial new agenda items retain some connection with the macro-economic and financial core agenda. As already indicated above, the US and BRICS governments are rather conservative in letting the G20 agenda

expand to almost everything. They do not allow the G20 to become the apex body for all major global governance agendas.

Still, agenda broadening has never stopped. At the Antalya 2015 and 2016 Hangzhou summits, the leaders dedicated paragraphs to the ongoing global refugee crisis, the largest since World War II. However, they stopped short of making any concrete commitments in terms of resettlement and financial support, which would have been welcome given the extent of the crisis. Interestingly, the Hangzhou summit announced to address forced displacement “with a view to developing concrete actions” and “to examine migration issues” during the German presidency in 2017. The 2016 Hangzhou summit also discussed the health issue of antimicrobial resistance as “a serious threat to public health, growth and global economic stability”. It called on the World Health Organization (WHO), Food and Agriculture Organization (FAO), the World Organization for Animal Health (OIE) and the OECD to collectively report back in 2017 on ways to tackle the problem and unlock research and development on new and existing antimicrobials (G20, 2016).

In sum, the G20 actually serves as the political apex body for global financial and economic cooperation. Within the G20, member states try to coordinate their multidimensional domestic strategies for “strong, sustainable, balanced and inclusive growth”, including objectives on fiscal consolidation, fiscal stimulus, employment of youth and women, and overall growth, as well as initiatives to boost infrastructure investment. Sure, the G20 as a diplomatic format is not able to overcome all the deep differences between member states that have to do with the structural features of their economies. The G20 functioned as a political cockpit to guide the multilateral institutions of the financial stability regime, such as the IMF, the Financial Stability Board (FSB), the Bank for International Settlements (BIS) and the Basle Committee for Banking Supervision (BCBS). In a similar fashion, the G20 provided the key forum bringing together advanced industrialized and emerging economies on a quite historic global taxation agenda. For the rest, the G20 has developed new agenda items, such as long-term development, energy, and anti-corruption. Work on migration and health is underway. In these areas, the G20 is stimulating less contentious forms of collaboration, and plays a modest, complementary role. Within the relevant regime complexes it is just one player among many others rather than an apex body.

What it could and should be

Given its historically unique character and potential, the G20 should consider to elevate its level of ambition as regards its role in the global governance architecture. This idea was fully realized by Paul Martin, former Prime Minister of Canada. As a co-founder of the G20 financial ministerials back in 1999, along with his US counterpart Lawrence Summers, he appreciated the potential of this group for a wider global governance agenda. In 2005, he proposed the introduction of a standing G20 at leaders' level, the so-called 'L20'. The L20 would assume the major global governance agendas of the day, including climate, AIDS and trade, making meaningful contributions and breaking stalemates (Martin, 2005; Lesage, 2007). Late 2008, the global financial crisis made the launch of a G20 summit at the level of heads of state and government happen, but as we have seen in a less ambitious fashion than Paul Martin's L20 idea. Yet, a G20 with a level of ambition somewhere between the utopian conceptions of a 'surrogate world government' or 'world concert' and what it currently is, should be within reach.

Endorsing major multilateral agendas

For reasons of legitimacy, the G20 could play a more ambitious role with due respect to the official, rules-based multilateral system. In other words, rather than being a competitor or underminer, it should be a supporter of inclusive multilateralism. Our global multilateral system needs powerful actors that help to take care of it and act as a kind of guarantors. The G20 could assume this sort of responsibility. This could be done in the following ways.

With its concentration of economic resources and political clout, the G20 can play a valuable role by lending support to key multilateral agendas, such as the UN climate change negotiations or the UN Financing for Development policy track. Until now, supporting UN agendas has never been a G20 priority. There is a positive evolution in this regard, however. In the 2015 Antalya summit communiqué the G20 recognized the UN 2030 Agenda, including the Sustainable Development Goals (SDGs) and the Addis Ababa Action Agenda (on financing), as "a transformative, universal and ambitious framework for global development efforts." It continued stating: "We are strongly committed to implementing its outcomes to ensure that no-one is left behind in our efforts to eradicate poverty and build an inclusive and sustainable future for all." Yet,

this mention only appeared in paragraph 19, in the last third of the text. In the 2016 Hangzhou summit communiqué the 2030 Agenda moved up to an introductory paragraph 5: “We are determined to foster an innovative, invigorated, interconnected and inclusive world economy to usher in a new era of global growth and sustainable development, taking into account the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda and the Paris [climate] Agreement.” In paragraph 33 the G20 commits to further align its work with the 2030 agenda, but acknowledges that the global follow-up and review is a UN-led process. It further commits to set an example through “bold, transformative collective and intended national actions in a wide range of areas.” Very interestingly, the leaders also released a G20 Action Plan on the 2030 Agenda for Sustainable Development. The Action Plan comprises “high level principles” and is presented as a living document with a time frame of 15 years. It summarizes all the sustainable development-related G20 efforts. It is still early day, but the communiqué language and the Action Plan indicate that the G20 is accepting the 2030 Agenda as a universal, overarching framework for much of its work.

Strengthening, coordinating and consolidating regime complexes

Over the past decades, the international regimes governing global issue areas have more and more transformed into regime complexes consisting of various international arrangements (international treaties, international organizations, informal intergovernmental groupings such as the G20, public-private partnerships, unilateral initiatives, regional arrangements, etc.) with different and sometimes overlapping and rivalling mandates and compositions (Raustiala and Victor, 2004; Orsini et al., 2013). Furthermore, regime complexes often have intriguing relationships with other ones, e.g. the linkages between energy on the one hand, and the regime complexes of security, climate and food governance on the other. This complexity can become problematic, when oversight is lost, duplications are ignored, gaps not addressed and opportunities for better cooperation missed. In addition, regime complexity puts weaker countries and actors at a disadvantage, since it tends to undermine rules-based multilateralism, and only allows actors with vast diplomatic resources to follow all the relevant fora (Drezner, 2009).

In some cases, the G20 could provide this oversight. There are not that many bodies with the political clout, intellectual resources and representative-

ness able to assume this task. The G20 harbors about two thirds of the world population from all continents. UN processes are often not flexible and quick enough for political consensus-building; the multidimensional, comprehensive 2030 Agenda is a remarkable and rare exception in this regard. One of the aspects of coordination is the function of strategic thinking. This implies overall monitoring of the regime complex in terms of the provision of global public goods, detecting duplications and gaps, suggesting reform of certain institutions and making proposals for the consolidation of overly complex governance architectures. The G20 already claimed this role for the global regime complexes of financial stability and taxation. It could also fill this leadership void for global issue areas such as energy, nuclear safety, migration and refugees as well.

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The Gx Contribution to Global Climate Governance

ELLA KOKOTISIS¹

Introduction

2015 was the warmest year in recorded history, according to National Aeronautics and Space Administration (NASA). The average temperature was 1.62 F (0.90 C) above the 20th century average across both land and ocean surfaces, surpassing the record set in 2014 record by 0.29 F (0.16 C). This represented the largest margin by which the annual global temperature record had been broken. In fact, 15 of the 16 warmest years on record have occurred since 2001.

And just one year prior, in 2014, the Intergovernmental Panel on Climate Change (IPCC) released its most compelling scientific evidence to date on the consequences of global climate change, concluding that warming impacts will have “catastrophic and irreversible consequences”, and that the world is largely “ill-prepared” for the risks of a changing climate (IPCC, 2014). Those impacts affect not only the natural environment and marine ecosystems, but also food security, freshwater availability, agricultural income, human security and human health. Taken together, the cumulative effects of a significantly changing climate will not only have disastrous effects on the world’s natural habitats, but will also severely increase the rate and likelihood of violent conflict around the globe, particularly in high-density, urban, poverty hotspots. Limiting the effects of climate change is thus critical in influencing the achievement

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of numerous societal goals, including those related to human health, food security, biodiversity, access to energy and equitable sustainable development.

Yet almost 40 years ago, the leaders of the Group of Seven (G7), meeting in Tokyo, declared the need to “expand alternative sources of energy, especially those which help to prevent further pollution, particularly increases of carbon dioxide and sulphur oxides in the atmosphere” (G7, 1979). By boldly acknowledging the need to halt the concentration of carbon dioxide emissions in the world’s atmosphere, the leaders embarked on a process that would see the G7/8 produce over 260 discrete commitments on issues related to energy and climate change between 1979 and 2009 (Kirton and Guebert, 2009). The G7/8’s leadership, however, has been exerted unevenly over this period, with clear surges in the G7/8’s governance of climate issues from 1975 to 1980, 1987 to 1992, and again from 2005 to 2009, with notable retreats in between.

This article argues that although the process of governing global climate change by the G7/8 has been both challenging and constraining, the G7/8 has led climate governance in ways that other international environmental institutions, primarily those embedded in the UN, have been largely unable to do. This is because since its inception in 1975, the G7/8 has placed energy and subsequently climate protection at the forefront of its policy objectives, alongside economic, health and security goals, reaching consensus repeatedly among its leaders on the importance of stabilizing emissions through energy efficiency, conservation, investment and technological innovation. Moreover, this article argues that the summit’s predominant capability and its constricted participation, democratic convergence and political cohesion – as well as the combined effects of global shocks – have all had positive impacts on the G7/8’s success in mitigating climate change.

This article concludes by assessing the G7/8’s accountability record on climate mitigation and outlines a set of recommendations for delivering a more coherent, results-driven accountability process for global climate governance.

Invention: 1975-80

The first surge in the G7’s leadership in global climate governance began amid the collective shocks spurred by the disruption in global oil supply, price spikes and tanker spills of 1973, followed by the second oil shock of 1979, and compounded by the nuclear explosion at Three Mile Island in the United States in 1979. It was at this point that the G7, at the 1979 Tokyo Summit,

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invented global climate governance with a highly informal regime to control carbon emissions that was the most ambitious and effective ever seen. The G7 took a number of preventive and ambitious steps to control climate change before its potentially irreversible harm could hit and move to levels beyond human control.

On 28 June, at the conclusion of the summit, the G7 leaders declared their “need to expand alternative energy sources, especially those which will help to prevent further pollution” (G7, 1979). In doing so, they specifically noted the harmful effects of increases in carbon dioxide and sulphur oxide levels in the atmosphere. They further acknowledged the need to halt immediately, at 1979 levels, the concentration of carbon dioxide in the world’s climate.

In acting so boldly in 1979, G7 leaders were giving voice to the more implicit carbon-controlling environmental values embedded in their group from its very inception. At the conclusion of the first summit at Rambouillet, France, in 1975, the six leaders present declared that “our common interests require that we continue to cooperate in order to reduce our dependence on imported energy through conservation and the development of alternative sources” (G7, 1975). In 1976, now with Canada at the table, they noted the intention to use energy resources “rationally” (G7, 1976). The following year, with the European Community now added, they affirmed the value of “more efficient energy use” (G7, 1977). At the first German-hosted summit, at Bonn in 1978, the leaders directly declared: “in energy development, the environment and human safety of the population must be safeguarded with greatest care” (G7, 1978). And at their fifth summit in 1979, they took up carbon dioxide directly and declared that its concentration in the atmosphere must be immediately stabilized.

Throughout the following seven years, the G7 and other countries in the Organisation for Economic Co-operation and Development (OECD) moved in this desired direction, as their emissions of carbon dioxide into the atmosphere began to show signs of notable decline (Sustainable Energy Development Center, 2006; Barnes, 1994: 42).

The G7’s role in global climate governance during this first phase stands in sharp contrast to the historic absence of any powerful global intergovernmental organization dedicated to the control of climate change. The charter of the United Nations was silent about the existence, let alone the value, of the natural environment. During this initial period, the UN system lacked any functional organization to deal with either energy or the environment overall,

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beyond the fragile United Nations Environmental Programme (UNEP) created in 1972 (Kirton, 2004; Biermann and Bauer, 2005). The global community was thus institutionally defenceless, as the oil shocks of 1973 and 1979, stemming from the Organization of Petroleum Exporting Countries (OPEC), assaulted the global economy, and as the trees dying from acid rain in North America and Europe showed that a greater use of coal and other hydrocarbons killed living organisms. When George Kennan, one of the world's leading pioneers of the post-World War II order, called for a new powerful plurilateral institution to meet these ecological challenges, only the G7 responded to the call.

Revival: 1987-92

With the decline of the oil shocks of the 1970's and recession of the 1980's, G7 leadership virtually disappeared during the new cold war from 1981 to 1986, despite a spike at the G7's second summit in Bonn in 1985. The summit's references to pollution, natural resource management and environmental measurement were the closest the G7 came to discussing climate change during this period, even as it celebrated declining world oil prices, approved increases in oil supply and issued a separate statement on the Chernobyl nuclear accident at its second summit in Tokyo in 1986.

But a second surge came in 1987-92, due largely to the deadly heat wave afflicting the United States in the summer of 1988 and the positive shock of the Cold War victory that gave G7 leaders, gradually including Russia in a new G8, the freedom to focus on new global security threats. Climate change thus returned to the G7's agenda in 1987, where it would continue to remain. At Toronto in 1988, it started its definition and expansion with the summit's call for "the establishment of an inter-governmental panel on global climate change under the auspices of UNEP and the World Meteorological Organization (WMO)" (G7, 1988). Toronto further welcomed the Conference on the Changing Atmosphere to be held in the same city later that week.

It was thus during this period that the G7 was able to effectively catalyze the multilateral climate regime that would be created in Rio in June 1992. Here, under the UN Framework Convention on Climate Change (UNFCCC), only the existing industrial powers of the OECD were obligated to control their carbon emissions, as well as offer developing countries technology and finance for climate mitigation.

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However, it was also the absence of any formal recognition of the existence or value of the natural environment in the UN charter and the absence of a UN energy organization, coupled with the failure of the WMO and the UNEP to take up climate change control at the highest political level that led the G7 to guide global climate governance during this period. And as the new post-Cold War era of globalization took hold, the G7 was able to successfully convince a reluctant American president George H. Bush to become a full partner in G8 environmental governance from 1989 to 1992. Bush himself came to the UN Conference on Environment and Development (UNCED) in Rio in 1992, thereby making this first-ever global sustainable development summit a notable success and allowing for the creation of the UNFCCC.

Meeting in Munich just one month following Rio, G7 leaders agreed that the Earth Summit represented a “landmark in heightening the consciousness of global environmental challenges and giving new impetus to the process of creating a worldwide partnership on development and the environment” (U.S. Department of State, 1992). But along with the success of UNCED came the recognition that if Rio was to have any lasting significance, the international community had to act collectively to implement the conventions created there. G7 leaders at Munich thus stressed the importance and urgency of carrying the momentum forward and agreed on a several immediate measures to follow up, most notably on the ratification of the Climate Change convention by all G7 members by the end of 1993.

Munich’s significance was further reinforced by its first-ever pre-summit assembly of G7 environment ministers, which began a process of securing environmental issues on the summit’s standing agenda. After Munich, these ministerial meetings became a tradition in the summit’s annual preparatory process.

The creation of the Conference of the Parties (COP) to the UNFCCC in 1992 and the subsequent Kyoto Protocol’s Meeting of the Parties (MOP) in 1997 then led the G7/8 to leave the subject of climate mitigation to the UN process. G7/8 leadership thus saw a decline in global climate governance between 1993 and 2004, despite a spike at the Denver Summit of the Eight in 1997, now with Russia at the table, to help produce the Kyoto Protocol. The decline was predicated largely on the recurrent failure of the multilateral organizations created by the UN system to assume global leadership in combating a climate change problem that was becoming cumulatively worse and approaching critical thresholds by 2005.

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Restoration: 2005-09

The G7/8's governance of climate change surged again to new heights from 2005 to 2009. With the evident failure of the UN regime to work by 2005, the G8 now reached out to involve emerging powers through the Gleneagles Plus Five process in 2005 and the Major Economies Meetings on Energy Security and Climate Change (MEM) in 2008-09 to pioneer a regime beyond Kyoto in which all existing and emerging powers would control their own carbon emissions.

A significant turning point came at the 2005 Gleneagles Summit, where British host Tony Blair made climate change one of the two major summit priorities and brought together the world's largest emitters (Brazil, China, India, Mexico and South Africa) through the Gleneagles Plus Five process. Blair is also credited with confronting the Americans who stood alone against all other G8 members as the only country not to have ratified the Kyoto Protocol. He successfully persuaded George W. Bush to accept a new climate change regime that would effectively move "beyond Kyoto" to include all existing and emerging powers. Gleneagles thus marked the emergence of a new consensus among the G8 members on both the importance and urgency of the effects of a changing global climate on a number of inter-related levels, including energy, health, security and the global economy.

Three years later in 2008 in Hokkaido, Japan, climate change became the defining challenge of the G8's leadership. The Japanese summit produced 55 concrete climate-related commitments; the largest to date, with leaders agreeing to reduce carbon emissions by 50% by 2050. By summit's end, a bottom-up, sectoral strategy was mapped out, involving both developed and developing countries, that had both sides agreeing on effective ways to liberalize global trade for environmentally-enhancing products. Moreover, Hokkaido was able to mobilize the support of the world's largest emitters, by getting both the Russians and the Americans to commit to very specific, long-term carbon reduction strategies.

Thus from 2005 to 2009, the G8's focus on climate shifted from reacting defensively to becoming more proactive in the development of governance regimes that would deal with climate issues more innovatively. The UNFCCC and Kyoto's failure in containing the world's largest carbon emitters – led by China – induced the G8 to embrace these actors in more inclusive, burden-sharing ways. By bridging the efforts of G8 energy ministers as well as carbon-

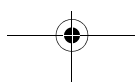
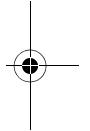
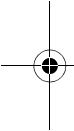


consuming and -producing countries through G8-centred bodies, the leaders put in place more comprehensive and inclusive initiatives to further institutionalize the process by which these actors would consolidate their climate mitigation efforts. An important example of this was through the creation of the MEM in 2008 and 2009. Meeting at the end of the G8's 2009 L'Aquila Summit, and now calling their gathering the Major Economies Forum on Energy and Climate (MEF), 17 leaders stated that climate change presented a "clear danger requiring an extraordinary global response", noting further the criticality of moving to a low-carbon economy that would include low-cost alternative clean energy technologies (MEF, 2009). They further affirmed they would work together "to identify a global goal for substantially reducing global emissions by 2050."

Reaching Out: 2009-14

Only with the evident failure of the UN regime to work by 2005, and the frustration at the Copenhagen COP/MOP in 2009 to reach any meaningful consensus, did the G8 reassume the lead in governing global climate change. It did so by involving the other consequential energy and carbon producers in a balanced and G8-guided way at the summit and ministerial levels, initially through the MEM/F and then letting leadership pass to the new leader-level G20 summit. The G20 was able to add the Kyoto-unconstrained energy producers of Saudi Arabia, Australia and Indonesia to the G8 Plus Five, as well as many emerging demand powers within the next tier. Initially limited in scope, climate change was an issue from the start of the G20's leaders' meeting in Washington DC in 2008, securing more attention at London in April 2009, peaking at Pittsburgh in September 2009, and then receding somewhat at Toronto and Seoul in 2010. By 2010, climate change had become a joint venture of both the G8 and G20, as the earlier MEM/F summit process began to die out.

Beginning at the Cannes Summit in 2011, the G20 began to take up a number of climate change initiatives within the broad context of green growth. For the first time, the G20 mobilized support for innovative financing for climate change and committed to promoting low-carbon development strategies in order to optimize the potential for green growth. The G20 also stressed the relationship between energy and climate, devoting a section of the final declaration on the enhancement of energy markets through "improved energy effi-



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ciency and better access to clean technologies, to achieve strong growth that is both sustainable and inclusive” (G20, 2011).

The G20 continued to address energy directly and integrate it with environmental and climate concerns the following year in Los Cabos, where the leaders re-iterated their Pittsburgh commitment to phasing out “inefficient fossil fuel subsidies that encourage wasteful consumption.” Here, they also created the first-ever G20 study group on climate finance to consider ways to mobilize resources to help “transform economies towards a climate-friendly path” (G20, 2012).

The following year, at their 2013 St. Petersburg Summit, G20 leaders devoted more than 10% of their final declaration (13 of 113 paragraphs) to sustainable energy policy and the fight against climate change. Their most prevailing commitment came in the context of a post-Kyoto control regime, where the G20 agreed to work toward “the successful adoption of a protocol, another legal instrument, or an agreed outcome with legal force under the convention applicable to all Parties by 2015” (G20, 2013).

Momentum continued at the 2014 G20 Summit, hosted by Australia, where summit leaders reaffirmed their commitment to the COP21 meetings in Paris by encouraging countries to communicate their intended nationally determined contributions (INDCs) by the first quarter of 2015. As a further step, summit leaders released an “Action Plan for Voluntary Collaboration on Energy Efficiency”, which included new work on efficiency, emissions performance of vehicles, industrial processes as well as electricity generation. A large part of these discussions focused on the phasing out of inefficient fossil fuel subsidies that encourage wasteful consumption.

The following year in Turkey, the G20 continued its focus on climate change by tasking their energy ministers to report back in 2016 on the implementation of the energy collaboration principles agreed to at Brisbane the year before. By acknowledging in their final communique that “climate change is one of the greatest challenges of our time”, the leaders recognized that this required “effective, strong and collective action on climate change and its effects”. They also reaffirmed their goal of below 2°C through the “adoption of a protocol, another legal instrument or an agreed outcome with legal force under the UNFCCC that is applicable to all Parties”. (G20, 2015). The leaders further underscored their commitment to reaching an “ambitious agreement in Paris that reflects the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances”. They

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finally noted that by the time of their summit meeting in Turkey, all G20 member countries had submitted their INDCs to the UNFCCC, thereby encouraging others to do the same in advance of the Paris COP 21 Conference.

As the joint venture between G8 and G20 leaders continued throughout this period, each G8 summit addressed climate change and mitigation efforts in varying degrees. Meeting in Lough Erne, Northern Ireland, in 2013, the G8 leaders noted they would pursue “ambitious and transparent action” on climate change through various international forums, including the MEF, the International Civil Aviation Organization and the International Maritime Organization. Moreover, in recognizing its members’ commitment to the Climate and Clean Air Coalition, the G8 formally acknowledged that climate change is “a contributing factor in increased economic and security risks globally.” They reiterated the pledge made by developed countries at Copenhagen to jointly mobilize \$100 billion of climate finance per year by 2020 through a “wide variety of sources” (G8, 2013).

And at their summit in Brussels in 2014, the G7 – now again minus Russia – identified energy security as a key summit priority, noting clearly at the outset that the use of energy supplies as a means of threatening global security were “unacceptable.” The crisis in Ukraine highlighted the leaders’ conviction that diversifying the global supply of energy had to be at the centre of their collective agenda. The G7 thus committed to implement concrete domestic policies to build “a more competitive, diversified, resilient and low-carbon energy system” based on the principles agreed to by their energy ministers in May in Rome. Based on these principles, the G7 leaders acknowledged they would take concrete actions to facilitate exchanges with Ukraine on renewable energies and energy efficiency, encourage the use of low-carbon technologies (and nuclear energy in the countries that opt to use it) and promote a more integrated market for liquefied natural gas. The leaders also tasked the IEA to present a list of options for individual and collective actions in the field of gas security. Finally, the G7 tasked their energy ministers to report back to them on progress made in each of these issue areas by the time of their next summit meeting in Germany in 2015.

But the G7 leaders in Brussels also clearly recognized the link between energy security and climate change, noting that reductions in greenhouse gas emissions and a move to a low-carbon economy were both necessary for energy security. They said they would do their part to limit the increase in global temperatures below two degrees Celsius above the pre-industrial average. They

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further noted their commitment toward a “new protocol in 2015, another legal instrument or an agreed outcome under the convention with legal force applicable to all parties” – echoing the G20’s 2013 St. Petersburg statement (G7, 2014).

The G7 summit at Schloss Elmau in June 2015 once again placed climate governance high on the G7’s political agenda, with host German chancellor Angela Merkel declaring that “along with our G7 partners, we aim to prepare initiatives that demonstrate that the G7 states are willing to take on a leading role in fostering low-carbon development“, both through increased mitigation efforts and a sustainable energy supply. Issues related to climate change, energy and the environment found prominence in the leader’s final declaration, as the G7 recognized that climate change requires “urgent and concrete action”. Summit leaders here clearly noted that “deep cuts” in global greenhouse gas emissions were required, with a “decarbonisation of the global economy over the course of this century”. (Schloss Elmau, 2015). They collectively agreed to share with all parties to the UNFCCC “the upper end of the latest IPCC recommendation of 40 to 70% reductions by 2050 compared to 2010”, recognizing that this challenge “can only be met by a global response”. They further affirmed their “strong commitment” to the Copenhagen Accord, aimed at mobilizing USD 100 billion a year by 2020 “from a wide variety of sources, both public and private in the context of meaningful mitigation actions and transparency on implementation”. Making the Green Climate Fund fully operationally as the key institution for future climate finance by the end of 2015 was a key commitment in this regard. (Schloss Elmau, 2015).

G7/8 Decision Making and Accountability

Understanding how much and how well the G7/8 reaches and keeps its international commitments is key to understanding the effectiveness and legitimacy of the summit process as an international decision-making body.² Through its ability to make and reach agreements, over time the G7/8 has consistently demonstrated its capacity to make significant advances in global climate governance. Although communiqué-encoded deliberations on climate change began briefly in 1979, both core environmental and environment-related issues

² Commitments are defined as discrete, specific, publicly expressed, collectively agreed to statements of intent; a “promise” or “undertaking” by summit members that they will undertake future action to move toward, meet or adjust to meet an identified welfare target. (Kokotsis 1999)

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have been part of the G7/8's agenda since the Rambouillet Summit. The 228 commitments that were generated from that first summit in 1975 until 2008 correspond with the phases of summit leadership, with more climate commitments on average generated from 1978 to 1992 (between one and seven commitments), prominent dips after the UN took control at its Rio UNCED conference in 1992 (fewer than four commitments, with the exception of the Kyoto spike of nine in 1997), and with notable surges again during the post-2005 Gleneagles period (reaching 54 commitments in 2008).

Environmental issues became a robust and regular part of the G7 leaders' agenda at Paris in 1989. The "Summit of the Arche" was transformed into what the media heralded as a "green" summit, with environmental issues dominating the leaders' discussions and consuming one third of the final communiqué (Kirton, 1990; MacNeill et al., 1991).

During the seven years following the Paris Summit, the G7 produced many specific and often ambitious commitments in core areas of sustainable development. It also became more active in generating agreements that were specific, identifiable and measurable. In the area of environmental protection, the summit generated 49 such commitments during this period, a significant increase from the 25 recorded in the energy domain from 1975 to 1989 (von Furstenberg and Daniels, 1991).

However, beginning with the Munich Summit in 1992, there was a sharp drop in attention to environmental issues due in part to the emergence at the time of the G7 environment ministers' forum to deal with the members' collective environmental interests. In large part, this was due to the flourishing of UNCED at Rio in 1992 and the institutions and processes it spawned, allowing the G7 to leave global environmental issues to the broader UN multilateral system. But it was also due to the G7's new preoccupation with providing assistance to the once communist countries in Central and Eastern Europe and the former Soviet Union. This preoccupation continued through to the "Denver Summit of the Eight", which was designed to present Russia's Boris Yeltsin as a full summit participant, but saw climate change emerge as a major issue in the lead-up to the completion of the Kyoto Protocol that year. Subsequently, Birmingham 1998, Cologne 1999, Okinawa 2000 and Genoa 2001 paid only modest attention to climate and the environment. The 2002 Kananaskis Summit gave it none at all outside of the G8 African Action Plan. While Evian 2003 restored the environmental agenda to a prime position, the subject and its climate component virtually disappeared at Sea Island in 2004. The

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forward leap at Gleneagles in 2005 suggests that, for the first time, the G7/8 had given up on the UN-centred COP/MOP process and took back the reins of climate change control. It was also at Gleneagles that climate change began to appear in several separate summit documents and receive a dedicated document of its own.

In terms of delivering on summit decisions, the evidence suggests that G7/8 members comply with their climate change commitments to a considerable degree. Since 1985, the G7/8 has averaged a compliance score of 45% across 69 priority climate commitments, with clear variations by summit country over this period. The UK, Germany, Japan, Canada and the EU have consistently been the highest compliers on their climate commitments, followed by France, Italy and Russia (Kirton and Guebert, 2009).

The final phase of the summit's lead on global climate governance corresponds with the start of the G20 summit and the subsequent division of labour on matters related to climate change. From its inception in 2008 to 2013, the G20 produced 41 discrete climate-related commitments, with a steady increase in the number generated between 2008 and 2013. In terms of delivering on decisions, of the 25 core climate commitments from 2008 to 2012 assessed by the G20 Research Group, compliance has occurred 88% of the time – the highest of all G20 issue areas assessed (Shaw, 2011).

Challenges Confronted by World Leaders

The G8's global climate leadership has been neither continuous nor comprehensive in covering all component issues contained within, or related to, climate change control. While the G8 has done well on climate issues linked to the sources of energy, it has done less well on the sinks produced by biodiversity and oceans. And at times, it has had to retreat to components on the periphery of the climate debate including acid rain, freshwater and the program on reduce, recycle and reuse. Nor has it been able to make the architecturally flawed UNFCCC and Kyoto Protocol regimes work.

Nonetheless, the Gleneagles breakthrough of 2005 was central in producing a new consensus, with ambitious commitments and high compliance, and led to the new UNFCCC and G8 Plus Five Gleneagles Dialogue. In institutionalization, the G7/8 combined energy and climate actors in G8-centred bodies, beginning in 1979-80 and again in 2003-05, as well as when George W. Bush hosted the summit in 2004. Through inclusion, the G8 increasingly involved at

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the summit and ministerial levels the other consequential energy and carbon-producing and -consuming countries, in a balanced but G8-guided way. In doing so, it offered an alternative to the UNFCCC, in which most global powers agreed to control their carbon emissions in increasingly effective ways.

But the challenges confronted by global climate change are vast, and their impacts have the potential to affect every species and human being on Earth, as the UN's November 2014 IPCC assessment report concludes. One of the biggest challenges currently facing world leaders is their ability, and indeed capacity, not only to comprehend the vastly complex and largely uncertain characteristics of the climate debate, but also to act in a concerted and comprehensive fashion on this mounting yet disputed scientific consensus.

How world leaders at future summits can best help in this regard is indeed a complex question. To effect change, a number of prescriptive changes need to take place. First, the G7/8 must exert leadership in global climate governance in ways that have yielded successes in the past – through initiation, leadership, inclusion and collective support of global climate governance initiatives. Empirical evidence suggests that summits perform best in terms of deliberation and delivery at times when leaders have made climate change their top summit priority. World leaders, including the G7/8 and G20 must thus place climate protection at the apex of their health, development, security and economic agendas.

But the G7/8 and G20's ability to meet and keep its collectively endorsed commitments matters beyond its ability to reach agreements, for it demonstrates the summit's legitimacy and credibility as an effective centre of global governance. Although compliance with climate commitments has yielded above-average compliance scores over time, the G7/8 and G20 would both benefit from an ongoing commitment to transparency and candid self-reporting through rigorous accountability mechanisms. As a start, this would include an accountability working group dedicated solely to global climate initiatives. By dedicating resources to such a group, the necessary accountability mechanisms on climate mitigation could track and report on difficult and complex climate results. Data limitations would thus need to be addressed in a comprehensive manner, as baseline data and consistent methodologies allow for more rigorous assessments. In addition, existing monitoring systems would need to be improved, allowing for timely and reliable information to enhance results-oriented reporting. Finally, the G7/8 would need to continue to rely on the ongoing support of its partner organizations – non-governmental organizations, foundations, civil

society and private sector associations – to ensure the successful delivery of its climate-related commitments.

After Paris 2015 – Next Steps

In December 2015, the UNFCCC convened in Paris for its 21st COP meeting, with governments seeking a legally binding agreement, with concrete pledges and essential finance contributions. Describing climate change as “this century’s major challenge,” French president François Hollande embraced the role and responsibility France had in chairing this landmark meeting.

COP 21 was hailed internationally as a resounding success, setting high aspirational goals of limiting warming to 2C, and further striving to keep temperatures at 1.5C above pre-industrial levels; a target far more ambitious than originally expected. Moreover, for the first time ever in global climate negotiations, all 196 countries – both industrialized and developing alike – agreed to work together to curb greenhouse gas emissions. The deal therefore restored much of the confidence in the UN process which had been so badly tarnished following the failed Copenhagen climate negotiations six years prior.

The G20 leaders, meeting in China in 2016, are similarly expected to continue on a collectively-agreed-to carbon-reduction path. This comes at a time when American public opinion is witnessing a surge in support of carbon reduction policies in the lead-up to the 2016 presidential election. Coupled with climate leaders – Germany and Japan – the 2016 G20 summit is thus poised to set the stage for what will undoubtedly be continued and sustained attention on critical global carbon reduction targets and strategies.

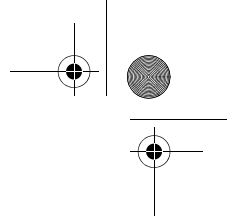
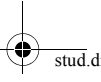
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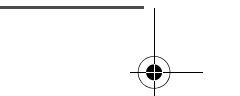
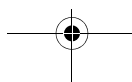
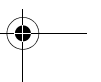
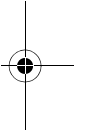
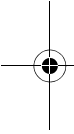
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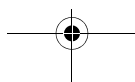
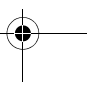
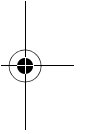
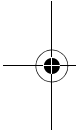


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Energy Governance in the G7 and G20 after the Ukraine Crisis

THIJS VAN DE GRAAF¹

This article examines the contribution of the G7 and G20 to energy governance following Russia's annexation of Crimea in March 2014 and its continued support for Russophile separatists in eastern Ukraine afterwards. The Ukraine crisis is arguably the most severe security crisis in Europe since the end of the Cold War. Given Russia's position as the main supplier of oil and gas to the European Union (EU) and Ukraine's pivotal role as transit country for Russian gas, the crisis has once again alerted European policymakers to the risks and dangers involved in overreliance on those two countries for Europe's energy supply.

After outlining the contours of a comprehensive energy governance agenda, the focus of this contribution lies mostly on the G7 Energy Ministers Meeting in Rome in May 2014 and the G7 Brussels Summit of June 2014, where energy was high on the agenda because of the Ukraine situation. Due attention will also be given to the G20 Brisbane Summit of November 2014 because, as this piece argues, the G20 has a much bigger potential to work on a comprehensive global energy governance agenda.

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What is energy governance about?

Any evaluation of the Gx contribution to energy governance should begin with a discussion of what ‘energy governance’ really means. Governing energy is often equated with ensuring ‘energy security,’ traditionally defined as having adequate and reliable supplies of energy (read: oil and gas) at reasonable prices. This is, for example, the definition employed by the Paris-based International Energy Agency (IEA), an offshoot of the Organization of Economic Cooperation and Development (OECD).² Thus conceived, energy security revolves around two key concepts: availability and affordability.

Yet, this is actually a very narrow approach of energy security. For starters, it does not take into account the interests of the main oil- and gas-exporting countries. While consumers are interested in the security of supply, producers worry more about security of demand and, especially, revenues. When energy security is on the table of the G20 leaders, the representatives of Russia and Saudi Arabia will strive for demand security to be taken into account. This seems like a fair point because these countries need to plan their investment policy in the long term. Moreover, on the face of it, security of supply and demand are just two sides of the same coin.

In reality, there are key distributional issues that pit hydrocarbon exporters and importers off against each other. One is the ‘rent contest’ between the governments of oil and gas exporters and importers. It is often overlooked that the G7 governments earn more from oil taxes than the governments of the Organization of Petroleum-Exporting Countries (OPEC) earn from oil sales. Over the period 2009-13, for example, OECD countries earned an average of \$1,082 billion per year from oil taxes, whereas OPEC members earned an average of \$966 billion per year (OPEC, 2014). This is an issue that has long been, and continues to be, a thorn in the eye of the oil cartel.

Another, even more divisive issue are the ambitious decarbonization policies that (some) G7 countries are announcing and implementing. In the long run, these policies could translate into shrinking energy export revenues for major hydrocarbon producers (Van de Graaf and Verbruggen, 2014). Western consumer countries have often taken a hypocritical stance by announcing large decarbonization schemes, on the one hand, while asking OPEC to pump more oil when oil prices are high, on the other. Some would add the proposed policies of ‘energy independence’ in the United States (US) to this list of divisive

² The IEA’s definition of energy security is available at: <http://www.iea.org/topics/energysecurity/>.

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issues but energy pundits agree that this is essentially an empty slogan and it does not really upset major energy exporters. The recent rhetoric in the EU to ‘get off Russian gas’ (cf. *infra*), not for reasons of environmental zeal but for geostrategic concerns, is a far more credible threat.

One way to bridge this divide between energy importers and exporters is through the concept of ‘energy services.’ Households and (most) companies do not need energy sources (say, a barrel of oil, a ton of coal, or a cargo of LNG). Instead, they require the services that these sources can yield: cooking, lighting, refrigeration, heating, mobility and others. Putting energy services central in the discourse on energy governance is one way in which the producer-consumer schism can be overcome. The United Nations (UN) have started to make serious headways on this front with their Sustainable Energy for All (SE4ALL) initiative, launched by the UN General Assembly in late 2010. This process has led to the inclusion of energy into the Sustainable Development Goals, more precisely as Goal 7 to ensure access to affordable, reliable, sustainable and modern energy for all.

The energy governance agenda does not end there, however. Besides the availability and affordability of energy services (and not energy sources, as just explained), policy-makers would do well bring in the sustainable development dimension. This draws attention to the issues of ‘accessibility’ and ‘acceptability’. On energy access, world leaders urgently need to address the problem of electricity deprivation. It is simply unacceptable that 1.3 billion people – that is, a population five times the size of the US – still lacks access to electricity in their homes, and thus lacks access to elementary energy services. The element of ‘acceptability’ refers to the various externalities our energy system incurs, most notably the environmental dimension. Given the fact that fossil fuels are the main culprit for CO₂ emissions, climate change should be an integral part of the energy governance agenda. While climate change is arguably the most severe and urgent adverse environmental shock generated by our energy system, the list of energy-induced environmental problem is longer and includes issues like air pollution (caused by emissions of substances such as SO₂, NO_x and particulate matter), water quality and availability, and land use change (Sovacool and Dworkin, 2014).

In sum, there are four major goals in global energy governance, commonly referred to as the ‘4 A’s’: ensuring the availability, affordability, accessibility and acceptability of energy services. Action is sorely needed as there are critical signposts that these goals are currently not being delivered. Think of the

growing anxiety about energy security around the world, oil prices hovering above \$100 a barrel on average in the period 2011-2014 (though they have markedly dropped since June 2014), persistent energy poverty in Asia and Sub-Saharan Africa, and the crossing in May 2013 of the 400 parts per million (ppm) threshold of greenhouse gas concentrations in the atmosphere (WMO, 2013). The overall energy governance agenda is thus quite broad, but it also crosses many policy silos and involves balancing across competing priorities. For example, when the members of the International Energy Agency (IEA) released strategic oil stocks in 2011 to stabilize the oil market in the wake of the Libya war (availability goal), they also pumped more carbon dioxide in the atmosphere (acceptability goal).

There is certainly no lack of international energy organizations and forums to deal with common energy challenges ranging from the IEA, OPEC, the International Energy Forum (IEF), the Energy Charter Treaty (ECT), the International Renewable Energy Agency (IRENA), the United Nations Framework Convention on Climate Change (UNFCCC), and many others.³ Yet there are two major problems with this global energy architecture. The first is: rising and developing countries are severely underrepresented. China and India, countries that are contributing the most to the world's growing oil demand, are still no members of the IEA.⁴ The second problem is: no one is in charge. There is a lot of fragmentation and these organizations often try to steer us in different directions. For example the IEA is concerned with energy security and tries to stabilize fossil fuel markets while the UNFCCC is basically trying to destroy these markets. These gaps represent a huge opportunity for the Gx system to take a seat in the cockpit of global energy governance.

Energy discussions at the G7

The G8's activities in 2014 have largely been overshadowed by the Ukraine crisis. In the wake of the Russian annexation of Crimea in March 2014, Russia has been ousted from the G8 and the leaders have continued to meet in their old G7 constellation ever since. Energy has figured prominently on the G7's agenda in 2014, largely in connection to the events in Ukraine. At the G7 summit in The Hague, in March 2014, the leaders cancelled their participation

³ For an overview, see Thijs Van de Graaf (2013a).

⁴ On the relationship between the IEA and rising powers, see Thijs Van de Graaf (2015).

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to the planned G8 Sochi summit and called on their energy ministers to discuss ways to strengthen the G7's collective energy security (G7, 2014a).

On the eve of that G7 energy ministers' meeting in May 2014, UK Energy Secretary Ed Davey said that the G7 was coming together to study ways 'to disarm the Russian energy weapon' (O'Leary, 2014). His words suggest a belief that Russia was using its energy exports, most notably its natural gas deliveries, as a coercive tool to try to control Ukraine. Yet, this view reveals an important misunderstanding of the role of energy in the Ukraine crisis. At the time, in May 2014, Russian gas supplies to Ukraine had not yet been interrupted, and this in spite of the sizeable debt that Ukrainian state-owned gas company Naftogaz had accumulated with its Russian counterpart Gazprom. Overall, the Ukraine crisis is not about energy but revolves around power, territory and domestic politics. Energy has at best been a contextual factor in the crisis and none of the protagonists has successfully employed energy as a coercive tool during the conflict (Van de Graaf and Colgan, 2017).

Even so, the Ukraine crisis has catapulted energy back to a central place on the agenda of especially European policy-makers and, by extension, also the G7. In May 2014, the G7 energy ministers agreed to a set of short-term and long-term steps to enhance their countries' energy security situation. As for immediate steps, the G7 members pledged to develop energy emergency plans for the winter of 2014-2015, exchange best practices for assessing energy security vulnerabilities, and assist Ukraine to develop its indigenous energy production and to improve energy efficiency. The IEA was tasked to come up with an action plan to improve gas security. For the longer term, the G7 energy ministers agreed to a 13-point plan that fixed a set of strategic energy security principles and goals (G7, 2014b). The G7 leaders later endorsed the plan at their June 2014 summit in Brussels, and asked the energy ministers to take forward this Rome G7 Energy Initiative and report back to the leaders in 2015 (G7, 2014c).

The general thrust of the Rome G7 Energy Initiative, and of the EU Commission's European Energy Security Strategy of May 2014 (European Commission, 2014), is that Europe wants to lower its dependency on energy imports from Russia. It wants to do so by diversifying supply routes, energy suppliers, and energy sources, and stimulating indigenous energy production. Despite the rhetoric of 'getting off Russian gas,' European policy-makers are well aware of the short-term interdependence between the EU and Russia. Gas exports are mostly pipeline-bound and cannot be easily redirected. Europe

cannot switch to alternative suppliers of gas (e.g., Iran or the Caspian states) overnight, just like Russia cannot revert gas flows from Europe to China in the short term. In the long term, there is of course leeway to diversify energy trade flows, but this often comes at a cost. In the landmark gas deal between Russia and China of May 2014, for example, China was able to negotiate a much lower gas price than most European countries pay (Van de Graaf, 2014). Similarly, switching to non-Russian gas supplies (e.g., importing LNG from the world markets) would entail a significant price premium for Europe.

The G7 and Russia would do well to understand that there are strict limits to the notion of an ‘energy weapon’, whomever attempts to employ it. Russia could not sustain a gas embargo since it is highly dependent on export revenues from gas and oil, which together account for about half of Russia’s federal budget (EIA, 2014). The Kremlin and Gazprom need European cash as much as Europe needs Russian gas. Moreover, any suspicion that Russia would use its energy exports as a geopolitical tool will damage its image as a reliable supplier and urge its customers to diversify away and seek alternative suppliers. There are tentative signs that the EU’s rule-based order prevails over Gazprom’s power-based tactics. In December 2014, Russia abandoned its long-pursued pipeline project of South Stream because EU internal market rules would require Bulgaria and other EU transit countries to grant non-Russian gas producers access to the pipeline on equal terms as Gazprom – something which the Kremlin could not accept. In April 2015, the European Commission opened an antitrust case against Gazprom for alleged market abuse and partitioning of markets.

In a similar vein, the G7 countries face severe limitations to using energy as a coercive tool. The assertion that the US could use its envisaged oil and gas exports as a ‘geopolitical weapon’ to weaken Putin’s hand is overblown. Even though the US has recently lifted its crude oil export ban (Colgan and Van de Graaf, 2017), it is highly unlikely that the US would ever become a major net oil exporter. More importantly, oil is a fungible commodity traded on a globalized market (Van de Graaf, 2013b). Exporting some of its shale gas to Europe is equally unlikely. The US does not have the export facilities to ship LNG in any significant volumes in the years to come and all possible US gas export volumes are most likely to be heading for Asia, where the product catches a much higher price. In what might be seen as another instance of the ‘energy weapon’, the US and Europe have introduced a series of sanctions against Russia’s energy sector. While there are some differences between the

American and European sanctions, they both essentially forbid western companies to supply technology or services that could aid Russia in developing its Arctic, shale, and deepwater oil reserves. The very design of these sanctions show the limitations of using energy as a coercive tool: the sanctions leave Russia's oil exports and its entire gas sector untouched.

In May 2015, the G7 Energy Ministers met again in Hamburg Germany, where they launched the Hamburg Initiative for Sustainable Energy Security (G7, 2015). The Communiqué proposed new concrete measures in the areas of gas security, electricity security, cybersecurity in the energy sector, support for Ukraine, energy efficiency, and clean energy research. These measures will be taken up by the leaders of the G7 in early June 2015.

Energy discussions at the G20

The G20 leaders' summit has much more potential to act on the 4 A's outlined earlier. The G20 has worked on energy since it was upgraded to the apex forum of global economic governance in Pittsburgh in 2009. At that summit, the G20 leaders pledged to phase out inefficient fossil fuel subsidies because they 'encourage wasteful consumption, reduce our energy security, impede investment in clean energy sources and undermine efforts to deal with the threat of climate change' (G20, 2009). In spite of this commitment, fossil fuel subsidies still amounted to \$550 billion in 2013 according to the IEA, up from \$300 billion in 2009 and outmatching renewable energy subsidies by a ratio of four to one (IEA, 2014). A recent study from the IMF even reckoned that global fossil fuel subsidies amount to the monumental figure in 2015 of 5.3 trillion dollars (Coady et al., 2015). That is equivalent to 6.5 percent of global GDP. The difference with the figures of the IEA can be explained by the fact that the IMF also considers the environmental and social costs of our fossil fuel use to be a form of 'subsidy.'

It would be wrong to conclude from this apparent failure that the G20 cannot act as a relevant forum in global energy policy. The group still represents over 70% of global energy consumption and emissions. It is one of the rare global forums where energy producers and consumers, rising and established powers meet on an equal footing and with a broad agenda. While the G20 has not yet delivered on its pledge to eliminate fossil fuel subsidies, one could say that this was the wrong energy policy measure to start with at the G20. It might have been better to start with softer policy measures, like devel-

oping standards and improving data transparency, issues where national interests at the G20 table do not collide (Van de Graaf and Westphal, 2011).

Recently, the energy work of the G20 has been galvanized through the Energy Sustainability Working Group (ESWG), created under Russia's chairmanship of the G20 in 2013. This Working Group, which was co-chaired by India and Australia, submitted its final report to the leaders of the G20 in November 2014, on the eve of the G20 Brisbane summit (G20, 2014a). At that summit, the G20 leaders for the first time dedicated a full session to discuss global energy issues, thereby anchoring energy issues firmly onto the G20's agenda. In October 2015, also for the first time, the G20 will organize an energy ministerial meeting in Istanbul, Turkey.

The Brisbane discussions on energy yielded two noteworthy declarations. The first was the G20 Energy Efficiency Action Plan, a very detailed 10-page document covering energy efficiency in vehicles, buildings, networked devices, industrial processes and electricity generation (G20, 2014b). This plan of action foresees a large role for the International Partnership for Energy Efficiency Cooperation (IPEEC), hosted at the IEA headquarters in Paris, to oversee the commitments.

The second outcome was the G20 Principles on Energy Collaboration (G20, 2014c). Contrary to the Efficiency action plan, this document was much shorter and more abstract. The most important innovation in this document is 'a common understanding that the international energy architecture needs to reflect better the changing realities of the world energy landscape.' The ESWG commissioned two surveys which revealed that more can be done to strengthen collaboration between existing international energy organizations, that developing and emerging countries need to be better represented, and that energy access and poverty should get more attention from existing organizations. However, at their Brisbane summit, the G20 leaders failed to move beyond general statements like making international organizations 'more representative' and enhancing 'coordination between international energy institutions.'

Conclusions

This article has made three main arguments. First, the Ukraine crisis is fundamentally *not* about energy. Instead, it revolves around security interests and domestic politics in Russia and Ukraine. Misreading the Ukraine crisis as an energy crisis could lead the G7 leaders to propose the wrong policy solutions,

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such as shipping US LNG across the Atlantic to ‘rescue’ Europe, an idea that is practically infeasible. The G7 countries cannot credibly urge Russia to stop politicizing energy trade if they enact energy sanctions themselves. The recent moves by Margrethe Vestager, the EU Commissioner for Competition, to make sure Gazprom complies with EU internal market rules are a much better approach than energy sanctions, US LNG exports, or reckless diversification away from Russia (e.g., more coal use in Europe).

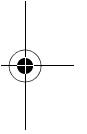
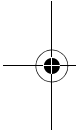
Second, the agenda of global energy governance is much broader than just energy security and the Ukraine crisis should not divert attention away from pressing issues such as the need to transition to zero-carbon energy systems and to provide sustainable energy services for all. In that sense, the G7 Hamburg Initiative for Sustainable Energy Security marks a significant improvement compared to the war-like mentality that prevailed at the G7 summit in June 2014, exemplified by Ed Davey’s statement about the ‘disarmament of Russia’s energy weapon’. It is an improvement because it takes on not just the availability dimension of energy security, but also focuses on energy efficiency, clean energy technologies, and the like.

Third, despite its more diverse membership, the G20 has a much bigger potential than the G7 to deliver results on a comprehensive global energy governance agenda. Regular energy discussions at the G20 are a laudable goal in itself to build trust, share information, exchange views, and promote transparent, functioning markets. Currently, there is no similar high-level format where such discussions can take place. Yet, to ensure iteration and continuity, the G20 leaders should consider to turn the Energy Sustainability Working Group into a permanent body, with secretarial assistance from the IEA. This would amount to David Victor’s proposal for an ‘Energy Stability Board’ and it would echo China’s call for an ‘energy stabilization’ mechanism within the G20 (Victor and Yueh, 2010). Modeled after the Financial Stability Board, it would not be composed of diplomats but of energy policy-makers and experts and report directly to the world leaders. Its aim would not be to substitute the work already being done elsewhere, but to contribute to policy coherence in the scattershot and weak global energy architecture. This would help to bring about the strong and coherent energy governance impulses that the world so badly needs.

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The Brussels Summit: Implications for the EU's Role in the G7

PETER DEBAERE¹

Introduction

The G7 Brussels Summit will above all be remembered as the summit without Russia, but at least equally important is the fact that it is the first summit in the 40-year existence of the G7² that is hosted by the European Union. For decades, it has been unthinkable that the European institutions would host a G7 summit and chair the meetings. After all, although it participates in every G7 meeting, the EU has never been recognized as a full member of the club. For this reason, the EU has never been allowed to hold the G7 or G8 presidency. On 4 June 2014, this anomaly came to an end when European Council President Van Rompuy and European Commission President Barroso welcomed their G7 counterparts for the Brussels Summit. The summit took place after the G7 leaders decided not to participate in the planned G8 summit in Sochi under the Russian chairmanship as a reaction to Russia's annexation of the Crimea. Instead, they decided to gather in Brussels in the G7 format.

Already a decade ago, John Kirton (2004: 465) called for the EU to be inserted into the G8 hosting cycle, “by allowing it finally to host a Summit of

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² In this article, G7 refers to the ‘political’ G7 and previous G8, not to the G7 meetings of finance ministers. The G7 finance process can be considered as a relatively autonomous pillar within the ‘G8 system’ with distinct dynamics and institutional features. In this process, the position of the EU is even more ambiguous (Debaere & Orbie, 2013).

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its own, sometime between 2011 and 2020". It was indeed a matter of time before the EU would be allowed to host a G7/8 summit. This article illustrates that the road towards the EU's first G7 presidency has been long but steady. It argues that due to its patient, constructive and conflict-averse behavior in the G7, the EU has become a reliable partner and gained other leaders' trust to fill the vacant position left by the suspension of Russia. Furthermore, as a thinking exercise, the article discusses what another year at the helm of the G7 could mean for the EU, thereby particularly looking at the EU's internal preparation process for the summit. Finally, by way of conclusion, this contribution also briefly explores the possibility to grant the EU official G7 membership.

A long way to the top

Today, the presence of the EU at the G7 table is not being questioned. However, when the G7 was created in the mid-1970s to discuss global economic issues, there was no room for the European Community. France was starkly opposed to the presence of the European Community and refused to invite it during the G7's first years. The then French President Giscard d'Estaing argued that the inclusion of the Community would mean a broadening of the agenda to political affairs and endanger the informal exchange of views among the leaders (Bonvicini & Wessels, 1984: 172). After strong protest of the European institutions and smaller member states such as Belgium and the Netherlands, France had to give in. The president of the European Commission received an invitation, but only for those sessions that fell under its competences such as international trade. Also the rotating Council President was allowed to participate, but until 1982 the summit always took place when a European G7 member held the Council Presidency.

Quickly, the participation of the Community was extended to cover all other G7 sessions. Already in 1978, the Community's presence at the summits had become uncontested. The European Community fully participated in all economic sessions and its preparations at the 1978 Bonn Summit. In 1981, the Community was allowed to take part in the political discussion and joined the preparations one year later (Putnam & Bayne, 1987: 152). In 1987, the Commission drew up for the first time a detailed working paper dealing with the problem of sub-Saharan debt, which served as the basis for summit discussions (Hainsworth, 1990). After the implosion of the Soviet Union, the G7

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even mandated the European Commission to coordinate Western aid to Central and Eastern countries, which was to become the so-called PHARE programme.

According to Niemann & Huigens (2011: 430-433), the emancipation of the EU, and in particular the European Commission, in the G7 is in part due to the Commission's significant contribution to the G7 debates. European and non-European G8 countries value its considerable expertise and capabilities in many issue areas that belong to the core of the G7 agenda such as trade, development aid and climate change. For example, the Commission enriches G7 discussions as it tends to take a more holistic and comprehensive approach to policy problems than the other actors. The G7 process also benefits from the Commission's skills of consensus-building and its substantial policy-network including, for instance, the non-G7 EU members or the African, Caribbean and Pacific (ACP) countries (Kirton, 2004: 462).

The EU does not only feed the G7 process with substantive expertise and useful skills, it also assumes responsibility when it comes to implementing G7 decisions. First, the EU does not hide behind the fact that it is not an official member of the G7 for not complying with decisions taken in the context of the G7/8. Based on compliance scores for the period 1985-2013 measured by the G8 Research Group³, the EU is even among the top performers of the club. On average, the EU shares a second place with Canada and scores only slightly worse than the UK. Second, the EU also contributes financially to initiatives that have been created or supported by the G8. Table 1 shows the EU's pledges towards four major initiatives. It illustrates that while in general the amount of money provided by the EU is rather modest compared to its G8 partners, the EU's contribution is more than symbolic. The EU has for example made the largest pledge to the L'Aquila Food Security Initiative by committing 20 per cent of the total G8 contribution.

The EU is to a full extent involved in the G7/8 process. It participates in every meeting at every level and enjoys the same rights as the other member countries. It is however deprived from the privilege to hold the presidency and chair the summit⁴. Consequently, the EU is generally not referred to as a member, but as 'representative', 'participant' or 'attendeé' (Huigens &

³ <http://www.g8.utoronto.ca/compliance/dataset/index.html>

⁴ Apart from the 2014 Brussels Summit, there has been one exception, although at ministerial level, when in 1995 the European Commission organized the G7 ministerial meeting on the Global Information Society instead of the US (Ullrich & Donnelly, 1998).

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Table 1

	EU pledge (in USD millions)	EU share of total G8 pledge	Ranking among G8 members
Global Fund to Fight AIDS, Tuberculosis and Malaria, 2002-2011	1351.3	8%	6 th
Muskoka Initiative for Maternal, Newborn, Child Health, initial pledge	70	1%	9 th
Global Polio Eradication Initiative, 2006-2011	99	5%	6 th
L'Aquila Food Security Initiative, initial pledge (of which new money)	3800 (742)	20% (13%)	1 st (3 rd)

Authors' calculations based on Deauville & Camp David Accountability reports (G8, 2011; 2012).

Niemann, 2009: 12). Neither is the presence of the EU reflected in the name of the club – there are nine leaders around the G7 table: the seven heads of state and government of the G7 countries, the President of the European Council and the President of the European Commission. In contrast, the EU is – next to 19 countries – one of the twenty official members of the G20, but also in the G20 the EU is not eligible to chair the group (Carin et al., 2010).

Remarkably, since a couple of years, the EU has been claiming that it possesses full G8 and G7 membership and seems to stress that in every press release on the G7/8 (e.g. European Council, 2011). It argues that the EU does not assume the rotating G8 presidency because it is a “unique supranational organization – not a sovereign Member State” (European Council, 2013). According to the EU, this is also why the name G8 or G7 still stands since it refers to Group of Eight/Seven Nations.

A Brussels Summit? Why not?

Against this background, the 2014 G7 Brussels Summit could be seen as an extraordinary event, representing a key milestone in the EU-G7/8 relations. By tackling the final hurdle towards official membership, it could be interpreted as an implicit recognition by the G7 countries of the EU being a full member of the G7. However, as Huigens (2015) has noticed, the Brussels Summit has not been framed as such, not by the G7 countries, nor by the media. Illustrative is an article in *European Voice* that considers the exclusion of Russia, rather than EU's first presidency the main peculiarity of the Brussels Summit (Keating, 2014). Instead of an effort to upgrade the EU's role in the G7, it was generally

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presented as an ad hoc solution to a practical problem: finding a host and location for an unexpected G7 Summit.

In January 2014, Russia assumed the G8 presidency for the second time in history and initiated the preparations for the upcoming G8 Summit in Sochi. Soon, however, the G7 countries and the EU gradually withdrew from the G8-process as a response to the Russian involvement in the Ukraine crisis. First, on 2 March, the leaders of the G7 and the EU decided to suspend their participation in the preparation of the scheduled G8 summit. By then, already several preparatory meetings had taken place at the level of experts, political directors and (sous-)sherpas. Initially, the Sochi Summit itself had not yet been cancelled as the G7 did not rule out the possibility that “the environment comes back where the G-8 is able to have meaningful discussion” (G7, 2014). However, when the Russian President Vladimir Putin signed a treaty to make Crimea a part of Russia, an emergency G7 meeting was convened at the highest political level. The leaders of the G7 and the EU met on 24 March 2014 in the margins of the nuclear security summit in The Hague. The meeting was hosted by US President Obama who also led the discussions. The leaders agreed to suspend their participation in the G8 and to boycott the Sochi Summit. Instead the G7 would be meeting in Brussels on 4 and 5 June to discuss the broad agenda that would have been discussed otherwise at the G8 (The White House, 2014).

The idea of a Brussels Summit was raised by the Chancellor Angela Merkel. After the German sherpa had informally consulted his EU counterpart, Merkel suggested that the EU could host a G7 meeting in Brussels to replace the Sochi Summit. Presidents Van Rompuy and Barroso said ‘Why not?’ and also President Obama had no reservations. All in all, the decision passed without much debate⁵.

The rather indifferent reception of Merkel’s idea may be surprising, knowing that the EU has been deprived from this privilege for almost four decades. At least three elements explain why the other G7 nations relatively easily accepted the proposal of a Brussels Summit⁶.

First, no one was eager to take on the substantive and logistical challenge of hosting a summit within a timeframe of less than three months. From the beginning, the Brussels summit was not conceived of as a ‘G7 light’ that would

⁵ Telephone interview with EU official close to the G7 talks, on the condition of anonymity, 31 August 2015.

⁶ Op. cit.

only discuss Ukraine and some related issues. On the contrary, the aim was to have a “full agenda covering all the issues of a normal G8 meeting” (European Council, 2014; The White House, 2014). But at least on the logistical side, the EU institutions and the city of Brussels could rely on vast experience and routines when it comes to welcoming heads of state and government and organizing international summits.

Second, the EU was also seen as more neutral than the ordinary G7 members. Especially for leading the discussions on Ukraine and Russia, this sense of neutrality would be useful. Therefore, the EU was a more acceptable choice than for example France, which was one of the main advocates of a Russian suspension from the G8, or Italy, which had a much softer stance vis-à-vis Russia. Moreover, the G7 countries also wanted to avoid that one member would seize the G7 process. Germany was already scheduled to preside the G8 in 2015, while the UK had just handed over its 2014 presidency.

Third, the decision to hold the G7 summit in Brussels was also facilitated by the integration of Presidents Van Rompuy and Barroso in the group of G7 leaders. For European Commission President Barroso, the 2014 summit would be his tenth time around a G7/8 table, more than any of his G8 peers. President Van Rompuy had been attending the summits since 2010. Both are experienced and well-respected summiteers who are familiar to the informal and personal setting and know the G-process inside out. This has helped the other G7 members to delegate the presidency to the EU. The high level of trust in the EU’s top representatives has been a direct result of the Lisbon Treaty. Since December 2009, the treaty has brought continuity in the EU’s external representation by replacing the six-monthly rotating Council presidency by a permanent President of the European Council. This enhanced the development of personal relations within the G7 and added to the group’s collective identity. Without the Lisbon Treaty, it would have been very unlikely that the G7 countries let the rotating Council Presidency, held by Greece at that time, (co-)host the G7 summit.

Although the The Hague Declaration did not explicitly address the issue of who was going to chair the meetings (it only specified Brussels as the summit venue), it was more or less evident that the EU would lead the discussions. However, while officials in the EU’s administration have plenty of experience in drafting outcome documents of Council meetings and international summits, they have never guided a summit communiqué through the G7 process. Therefore, an informal and ad-hoc troika arrangement had been agreed in which the



EU sherpa was assisted by the sherpas of the outgoing British and incoming German presidency. In addition, and perhaps more importantly, the troika arrangement also addressed another concern. The G7 countries attach great importance to the nation-led character of the G7. Especially the European members fear that the EU might take over their role and privileges in this club of states. Hence the involvement of the British and German sherpa was also meant to ensure the ownership of the nation-states over the G7 process.

Implications for the EU

For now it seems highly uncertain, even unlikely that the EU will again be allowed to host the G7 summit in the future. As said, the Brussels Summit was an ad hoc solution, not a permanent decision to upgrade the EU's status in the G7 and include it in the hosting cycle. Moreover, the next opportunity to hold the presidency would be in 2022, assuming that the EU continues to replace Russia. It is unclear whether the G7 (and the EU) would still exist by then and how it will look like. Nevertheless, as the events in 2014 have exemplified, things could change rapidly. At one day, it might appear that the Brussels Summit has set a precedent and that the EU might prepare for its second presidency of the G7/8/x. Therefore, as a thinking exercise, this section discusses what another year at the helm of the G7 could mean for the EU, thereby particularly looking at the EU's internal preparation process for the summit.

Agenda-setting

Traditionally, the G7 host enjoys the freedom to determine the agenda and to set the thematic focus for the summit. Even after the agenda is set, the presidency can modify, add or delete agenda items (Hajnal, 2007: 53). It is also the host's prerogative to convene ministerial meetings or establish working groups. While this may lead to a proliferation of isolated initiatives and a lack of continuity and follow-up, it enables the host to gather support for its own priorities or to bring "forgotten" issues back into the limelight.

In case the EU hosts another G7 summit, the EU could also make use of these agenda-setting powers, depending on whether it will again be part of a troika arrangement (see supra). It is however difficult to estimate how an EU agenda for the G7 would look like and how it would come about. There are very few, if any examples from the past where the EU has been at the helm of



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an international institution, and certainly not one with the political weight and broad scope of the Gx. Nevertheless, the organization and preparation of a full, one-year EU presidency of the G7 may come with a number of challenges.

Regarding the formulation of the agenda and the identification of priorities and deliverables, one aspect is the internal division of labor between the different EU institutions. When it comes to the EU's representation in the G8 and G20, there is an informal agreement that the president of the European Council takes the lead in the G8, particularly on foreign policy and security issues, while in the G20 and on economic-financial matters, the European Commission president is in charge. However, due to the limited capacity of the cabinet of the European Council president, it is the Secretariat-General of the European Commission that provides the substantive backing for the EU's participation in the G8 (Debaere & Orbie, 2013). It is therefore likely that the specific formulation of the agenda would be carried out by the Commission, within the contours set by the European Council president and his/her sherpa. This of course requires good inter-institutional collaboration between the Commission's Secretariat-General, the Council's administration as well as the EU's foreign policy wing, the European External Action Service. All of this comes with the question of how and to what degree the member states should be involved in the agenda setting process. This issue will be addressed below.

With regard to the content of the agenda, the thematic priorities will most likely reflect the news of the day and address the perceived needs of the moment. But regardless of the issues that will then dominate the international agenda, the EU could put its mark on the G7 discussions by pushing forward a multilateral and inclusive approach. As we know that the G7 might work against multilateral institutions (Kirton, 2010), the EU could use its position as a chair to ensure that the G7 outcomes do strengthen or at least not undermine the existing multilateral system. This could be done not necessarily by explicitly subscribing to universal and rule-based multilateralism, but by fostering bridges with more inclusive multilateral processes, by providing support to existing organizations, rather than launching new and possibly overlapping initiatives, by stimulating cooperation between existing institutions and by building political momentum to UN action. While this is all typical G7 language, the EU could even more emphasize complementarity and coordination with and between the UN, the Bretton Woods institutions and other international and regional bodies. In 2011, the EU already made similar calls regarding the role of the G20 in global economic governance (European Union, 2011).

Involvement of non-G7 EU members states

Another aspect, and probably the main challenge, is the extent to which the EU member states, particularly those who are not directly represented in the G7, ought to be involved in the agenda setting and preparation of the summit. If the EU is again to be appointed to preside the G7, one could expect that the non-G7 EU member states may ask for a voice in the preparation. After all, the EU represents all of its 28 member states in the G7. However at least for the 2014 Brussels Summit, there are no indications that the non-G7 EU member states have been involved in the preparatory process leading up to the summit. The online archives of the Council only refer to a debriefing in Coreper, the EU's committee of permanent representatives, a couple of days after the summit (Council of the European Union, 2014).

In setting the agenda, reaching out to all EU member states could strengthen the input legitimacy of the G7. Even though this is not the source of input legitimacy the G7 actually needs to improve, it might invoke innovative ideas and refreshing perspectives. However, having too many voices with different priorities in the agenda setting process can also reduce the agenda's coherence and the level of ambition. Furthermore, one can also question how such an agenda, that has been prepared by involving all EU member states, would be received by the other G7 countries. Although the presidency enjoys a great degree of autonomy in setting the agenda, at the end of the day, the agenda has to gain the support of the other G7 participants. The ultimate goal is that the priorities of the presidency evolve into a shared G7 agenda to which all G7 leaders are genuinely committed. This could nevertheless be delicate if the non-EU G7 countries feel that the agenda is prepared by the EU institutions together with the four European G7 countries, beside two dozens of other EU member states. So in order not to alienate the G7 partners while at the same time providing the opportunity for non-G7 EU member states to raise ideas and concerns, the EU institutions may opt for an informal brainstorm during a European Council dinner to exchange views on possible priorities for a G7 presidency.

Apart from the agenda setting process, the non-G7 EU countries could also be involved in the EU's preparation for G7 ministerial or sherpa meetings and the actual summit. Such coordination could take many different forms such as informative briefings before and after meetings, actively gathering input or even formulating non-binding, but common EU guidelines. While this is already happening to varying degrees for the G20, coordination for the G7/8 is typi-

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cally very limited. The process to involve the non-G7 EU member states is ad hoc and offers very few opportunities to provide input as it rarely exceeds the mere exchange of information.

Following an earlier study on EU coordination for the G7, G8 and G20 (Debaere, 2015), this can be attributed to two main explanations. Firstly, the direct impact of the G8 on non-G8 EU member states is limited to non-existent. While several EU member states have a key interest in certain G8 topics, their interests are barely threatened by G8 decision. Discussions in the G8 are often held at a general level and do seldom lead to concrete measures. Moreover, G8 activities may also reinforce the preferences of the non-G8 EU countries in a positive way. As a result, intensive prior EU coordination is less urgent and information sharing often suffices. Secondly, for most issues on the G8 agenda, the EU has already some kind of common position available, be it in the form of legislation, Council conclusions, negotiation mandate or best practice. As Woolcock (2012: 27) contends, “if there is a well-developed *acquis* that establishes an agreed internal policy, this will often provide the basis for EU external policies”. Also in the case of the G8, the fact that EU representatives can rely on existing policies and positions often obviates the need to explicitly involve all EU member states in the EU’s preparation for the G8. Hence, unless (one of) these two factors change it is unlikely that internal EU coordination for the G7/8 will be substantially upgraded, even if the EU holds the presidency.

Towards official membership?

Now the EU has been allowed to assume the presidency of the G7, some may dream of a final upgrade towards official membership of the G7. Although the notion of ‘official membership’ is relative in the informal G7 setting, a move from ‘full’ to ‘official’ member is still theoretically possible, for example by an explicit recognition by the G7 countries or by a permanent inclusion in the hosting cycle. However, previous research has shown that EU membership in international organizations is ‘sticky’: it does not tend to change often, nor radically (Debaere et al. 2014). Only in exceptional circumstances when the external context is changing rapidly, an upgrade may occur. So may the Russian annexation of Crimea and subsequent suspension from G8 have opened a window of opportunity that has led to a temporary upgrade of the EU’s status in the G7.

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At least in the G7 an upgrade is not bound by treaty stipulations or membership rules. A decision to upgrade the EU to official member thus only depends on the political will of the G7 countries. It is however needless to state that this is exactly the major remaining obstacle. As said earlier, especially the European G7 countries are wary of their influence and fear that an explicit recognition of the EU in the G7 could undermine the nation-driven nature of the process. But as illustrated in this article, past experience has shown that these concerns are unjustified. The EU's participation in the G7 has not compromised the informal exchange of views among the leaders, as initially feared by the French (see *supra*). Nor is the expansion of the G7 agenda due to the inclusion of EU. And finally, the EU's G7 interim-presidency in 2014 has not drastically altered the state-led character of the G7.

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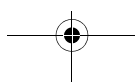
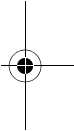
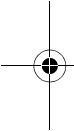


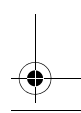
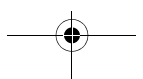
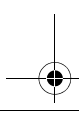
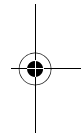
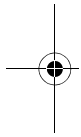
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Gx Delivery Legitimacy: Compliance by Members

MARINA LARIONOVA & ANDREY SHELEPOV¹

Introduction

The G8, G20 and BRICS (Gx²) capability for global governance is often assessed based on the institutional performance of the global governance functions of deliberation, direction-setting, decision-making, delivery and the development of global governance. Deliberation is regarded as face-to-face discussions among the members encoded in their collective documents. Direction-setting is defined as a collective affirmation of shared principles and norms. Decision-making is understood as credible, clear, collective commitments with sufficient precision and obligation. Delivery is considered as stated compliance with collective decisions. Finally, global governance development is understood as a capability of a particular Gx institution to use other international institutions and create its own global governance mechanisms (Kirton, 2013: 37-39). All global governance functions should be properly balanced in the institution discourse for successful implementation of its mission. Deliberation and direction-setting provide foundation for making decisions and subsequent delivery on them. This article focuses on the Gx delivery function as an important indicator of international institutions' effectiveness and, in particular, on the delivery legitimacy.

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² Gx is applied in the article to all the three groups: G8, G20 and BRICS. It is also applied to G7.

Critics frequently argue that G8, G20 and BRICS are just talking shops incapable of implementing concrete decisions, while the world where risks transcend national and generational borders needs the international community³ to scale up collective action on global problems. In the absence of global enforcement authorities with appropriate powers to forge cooperation and accountability (Otker-Robe, 2014), much weight is placed on plurilateral summitry institutions' responsibility for delivery on the collective pledges. Commitments made by the institutions (concrete and publicly agreed decisions), delivery on the commitments (compliance performance) and outcomes (policy changes at the international and/or national level) constitute the output dimension of legitimacy. Legitimacy, especially its output dimension, correlates closely with effectiveness. Effectiveness is understood as institutions' capacity to agree collective commitments, deliver on the pledges made and exert policy changes which help solve collective problems.⁴

Accurate data on the Gx compliance with the decisions the leaders make collectively is needed to analyze the delivery. To assess compliance performance, the analysis was carried out using comparative data on the number of commitments made by the three institutions in 2009-2013 and the level of institutional compliance, distribution of commitments and compliance across issue areas, and individual compliance by member states. However, comparative assessments of the Gx performance using compliance data should be made with the caveat that the core missions of these three institutions are different, just as commitments they make. Moreover, the groups' collective economic power and representativeness legitimacy are also different. Thus pure comparative statistics on compliance performance cannot be interpreted directly as the institution's higher effectiveness in addressing particular global governance issues. The institution's collective economic power and representativeness legitimacy should be taken into consideration as factors directly impacting their effectiveness and output (or delivery) legitimacy. Thus in assessing the delivery legitimacy of the three institutions their average compliance scores were adjusted using an integral effectiveness indicator. The indicator includes the total GDP of each institution's membership as a proxy for decision implementation impact on global governance issues and total population as a measure of institution's

³ The international community is a collection of global standard setters and regulators, international financial institutions, global cooperation organizations, global media, global civil society and the global scientific community.

⁴ The definitions of effectiveness and the output dimension of legitimacy draws on the paper by Gnath, Mildner and Schmucker (2012)

representativeness. Hence delivery legitimacy is understood as an institution's legitimacy derived from its compliance with the pledges made, multiplied by the indicator of collective economic power and representation.

The period of the three institutions' comparative analysis terminates in 2014, given that on March 2, 2014 G7 leaders announced the suspension of their participation in preparations for the Sochi Summit and the Group reverted to the G7 format, holding the first in the new series G7 meeting in Brussels on June 4-5, 2014.

This paper first describes the methodology used for analysis. Second it looks at the overall number of commitments made by the three institutions and their distribution across issue areas. Third, it analyzes the dynamics of compliance with these commitments and provides comparison of the institutions' performance by issue areas. Fourth, the authors examine the compliance of G8 and BRICS members with the commitments made within the G20, as an institution integrating the members of both as caucus groups. Fifth, the paper attempts to assess the Gx delivery legitimacy by integrating compliance performance with GDP and population indicators of the three institutions.

Methodology

This paper puts three institutions within the same assessment paradigm on the basis of examining compliance with the commitments made at the summits, and assessing the Gx delivery legitimacy by integrating compliance performance with the GDP and population indicators of the three institutions.

Assessing compliance with the commitments

The compliance studies are based on the methodology developed by the G8 Research Group, which has been monitoring G8 compliance since 1996. It was adopted for monitoring G20 since its inception at the leaders' level in 2008 and for monitoring BRICS since the 2011 Sanya Summit. The methodology ensures consistency across members, commitments and presidencies and allows making comparative assessments of G8, G8 and BRICS performance.

Commitments for analysis are selected from the documents adopted by leaders at the summits. Commitments are defined as discrete, specific, publicly expressed, collectively agreed to statements of intent; a "promise" or "undertaking" by summit members that they will undertake future actions to move toward, meet or adjust to meet an identified welfare target (Kirton et al., 2014).

Compliance assessment deals with priority commitments from each G8, G20 and BRICS summit. Priority commitments are those that best capture what the summit as a whole did on the decision-making dimension of its global governance. Due to the large number of commitments that appear in the leaders' documents (for instance, 281 commitments were adopted at the St Petersburg G20 Summit), it is difficult to assess every commitment for compliance. Therefore, only commitments that reflect the essence of the summit documents in a reasonably representative way are chosen for compliance analysis. Thus, the selection represents the priorities of the summit and replicates the breakdown of issue areas and the proportion of commitments in each one. The sample is also balanced to allow for comparison with past and future summits. Priority commitments should be chosen that apply to various subsets of countries within the group. The ability to commit fully to the commitment within a year is taken into account to ensure relevance of the results. The commitments should meet some additional criteria, such as performance measurability and significance as identified by the research team and relevant experts (Kirton et al., 2014).

Compliance is understood as national government action geared towards the domestic implementation of the necessary formal legislative and administrative regulations designed to execute summit commitments. Compliance is assessed according to the criteria of official reaffirmation of a summit commitment; internal bureaucratic review and representation; budgetary and resource allocations made or changed; new or altered programs, legislation and regulations.

This methodology uses a three-level measurement scale. Full or almost full compliance with a specific commitment is assigned a score of +1. A score of -1 indicates complete or nearly complete failure to implement a particular commitment. A score of 0 is given for "inability to commit" or "work in progress". An "inability to commit" is a hypothetical situation referring to factors that impede implementation and cannot be controlled by the government of a state assessed for compliance. A "work in progress" describes initiatives that have been launched by a government but have not yet been completed by the time of the next summit, and whose results therefore cannot be measured and assessed. Compliance scores of -1 and 0 do not necessarily imply an unwillingness of a government to comply. In some cases policy actions need multiple compliance cycles to be fully implemented and subsequently measured.

After getting individual compliance scores, average scores for each commitment and member, as well as an average score for the summit are calculated. These scores can range between -1 and +1.

The analysis draws on the data presented in the G8, G20 and BRICS compliance reports prepared by the University of Toronto and the International Organizations Research Institute of the National Research University Higher School of Economics (IORI HSE) for 2009-2013 summits. The period is chosen based on the timing of G8, G20 and BRICS concurrent existence. 2008 is neglected as the G20 Washington compliance report covers a single commitment on anti-protectionism. It should be also mentioned that BRICS compliance data are available only for 2011-2013 summits.

Assessing delivery legitimacy

To assess the delivery legitimacy of G8, G20 and BRICS, compliance scores are adjusted by an integral indicator of G8, G20 and BRICS decisions implementation effectiveness in addressing global governance challenges. The concept used in this article assumes that differences in the effectiveness of the Gx depend on the share of the global economy they affect through their actions, and the number of people they directly create public goods for. Thus, the integral indicator is a product of the two sub indicators reflecting relative economic power of the institutions and their representativeness. The first one is estimated on the basis of the institution PPP-based GDP ratio, reflecting its role in the world economy, and the second one is calculated on the basis of the population ratio, illustrating the representativeness of each institution. PPP-based estimates of the GDP were used in the analysis as they are not subject to short-term market fluctuations, remaining relatively stable over time, and better reflect the real welfare in the countries and their economic attractiveness compared to other indicators. Compliance scores adjusted by the integral indicator for each institution show their relative capability to make and subsequently implement decisions that can address global challenges. Thus, these adjusted scores take into account both compliance data and effectiveness factors and are perceived as proxies for the Gx delivery legitimacy.

The delivery legitimacy indicator (DLI_i) is the product of an average compliance score and an integral indicator of GDP and population.

To ensure the data consistency, G8 sub indicators for GDP (I_{G8}^{GDP}) and population (I_{G8}^p) were set as equal to 1.

$$I_{G8}^{GDP} = I_{G8}^p = 1$$

G20 and BRICS sub indicators for GDP (I_i^{GDP}) and population (I_i^p) are estimated in relation to those of G8. Thus G8 and BRICS sub indicators are calculated as follows:

$$I_{G20}^{GDP} = \frac{GDP_{G20}}{GDP_{G8}}$$

$$I_{BRICS}^{GDP} = \frac{GDP_{BRICS}}{GDP_{G8}}$$

$$I_{G20}^p = \frac{P_{G20}}{P_{G8}}$$

$$I_{BRICS}^p = \frac{P_{BRICS}}{P_{G8}}$$

where p is a total population of all members of a particular institution, GDP is their total PPP GDP.

The integral indicators (I_i^{int}) of the three institutions are calculated as follows:

$$I_i^{\text{int}} = I_{G20}^{GDP} * I_{G20}^p$$

$$I_{G8}^{\text{int}} = I_{G8}^{GDP} * I_{G8}^p$$

$$I_{BRICS}^{\text{int}} = I_{BRICS}^{GDP} * I_{BRICS}^p$$

The delivery legitimacy indicators for the three institutions (I_i) are calculated based on the following formula:

$$DLI_i = I_i^{\text{int}} * c_i.$$

Where (c_i) is an average compliance score of an institution.

The approach allows to assess the three institutions' legitimacy as legitimacy derived from their compliance with the pledges made, multiplied by the indicator of collective economic power and representation.

Compliance performance: delivery on commitments

G8, G20 and BRICS commitments dynamics

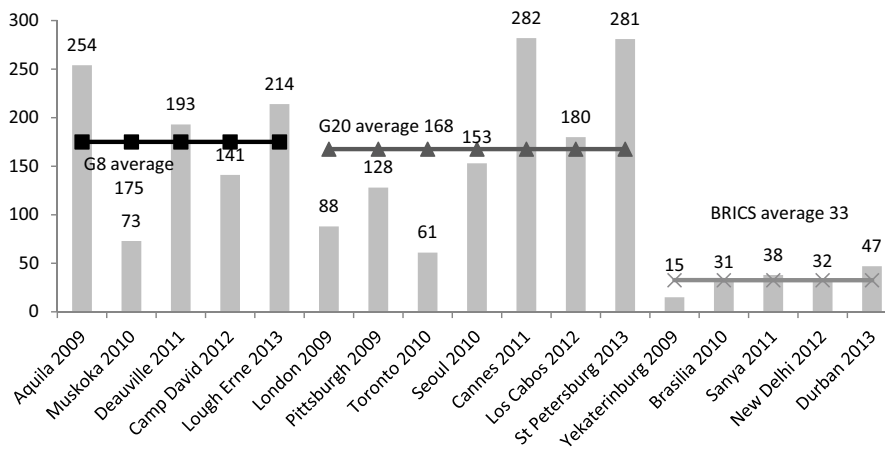
Although the importance of G20 and BRICS in the system of global governance has recently been increasing, they still perform less effectively in terms of

GX DELIVERY LEGITIMACY: COMPLIANCE BY MEMBERS

delivery on commitments than the G8. At the same time, a significant gap exists between decision-making and delivery (compliance performance) in all of the institutions.

On the average number of concrete commitments made in 2009-2014 the G8 (175 commitments) slightly surpasses the G20 (168 commitments), and both of them leave BRICS with an average of 33 commitments per summit far behind (Figure 1). The dynamics of the commitments number is mixed for G8 and G20. In Muskoka, the number of G8 commitments dropped to 73 from 254 registered in L'Aquila. This drop can be attributed to the G8-G20 division of labour, especially sharply emphasized within the Canadian dual G8-G20 presidency in 2010. At the same time, the figure for the G20 remained relatively stable in 2009-2010. Starting from 2011 both institutions demonstrated similar trends, with the number of commitments increasing dramatically in 2011, falling down in 2012, and going up again in 2013. As for BRICS, steady, positive dynamics of the number of commitments have been observed in 2009-2013. However, peaking at 47 in 2013 it was still more than four times lower than the figure for G8 and G20.⁵

Figure 1. G8, G20 and BRICS commitments, 2009-2013.



Distribution of Gx commitments across action areas reflects the core missions of the three institutions (Table 1). Being a key global forum for economic cooperation, G20 decision making is focused on macroeconomic

⁵ It should be noted that in Fortaleza (2014) the BRICS leaders agreed a record 68 commitments, but the summit falls beyond the study period.

policy and financial regulation areas, including such recurring commitments as growth-friendly fiscal consolidation, flexible exchange rates, structural reforms, measures to tackle unemployment, Basel standards for banking capital and liquidity, over-the-counter derivatives, systemically important financial institutions, and measures to address tax avoidance. The G20 also consistently makes commitments on resisting protectionism in trade and investment, and reforming global financial institutions. G20 commitments from other areas aim to address climate change, phasing out inefficient fossil fuel subsidies, fighting crime and corruption. Development cooperation is focused on such issues as infrastructure investment, social protection floors, food security and sustainable agriculture, remittances, financial inclusion, etc. G20 increasingly make commitments to monitor and review progress they make on the agreed pledges.

The commitments of BRICS as a group of major emerging economies mainly fall into the areas relevant for these countries. BRICS focus on practical cooperation and concrete measures to stimulate economic recovery as reflected in the large share of trade and development commitments. Decisions on international cooperation and international institutions reform constitute more than 10 percent, reflecting the members' strife for modernization of the governance architecture, so as to better reflect the increasing weight of emerging markets and developing countries in the world economy. At the same time, within BRICS each presidency's priorities substantially influence the breakdown of commitments. For instance, commitments made during the Russian presidency in 2009 mainly focused on energy and agriculture. Brasilia retained energy issues as a priority, while adding development to the agenda. The summit in Sanya resulted in the adoption of numerous commitments on international cooperation and climate change. The New Delhi and Durban summits addressed regional security as a priority, and the South African summit also dealt with development issues, regional integration and infrastructure development.

The G8 agenda is very broad. Macroeconomic decisions focus on the advanced economies' priorities. A lot of attention is given to development and climate change each area totalling about 10 percent of the G8 decisions. Regional security, nuclear non-proliferation, anti-corruption and fighting terrorism constitute significant part of the G8 decisions.

Commitments on development, trade, energy, agriculture, macroeconomic policy and financial regulation are regularly made by all institutions examined.

Overall, each of the institutions examined has its own core agenda, as reflected by the breakdown of their commitments. At the same time, distribu-

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tion of commitments depends not only on the mission and capabilities of a particular institution, but also on the priorities of the presidencies and the demand for global governance.

Table 1. Distribution of G8, G20 and BRICS commitments across issue areas, 2009-2013, %

Issue area	G8	G20	BRICS
Macroeconomic policy	5.8	26.7	7.4
Finance	5.1	13.7	2.5
International financial institutions reform	0.7	7.1	9.2
Trade	6.7	7.5	12.9
Development	10.9	10.6	12.3
Energy	6.4	6.9	10.4
Food and agriculture	5.4	4.8	3.1
Socioeconomic	0.6	3.2	4.3
Climate change	8.5	3.7	6.7
International cooperation	1.1	3.2	10.4
Accountability	2.5	2.8	0.6
Crime and corruption	6.2	5.0	
Environment	2.2	0.4	
Labor and employment	0.2	4.0	
Good governance	4.9	0.1	
Health	3.5		1.2
Human rights	0.9		1.2
Science and education	0.8		1.8
Regional security	7.1		8.6
Terrorism	5.7		2.5
Natural disasters	0.2		1.8
Non-proloferation	8.3		0.6
Information and communication	1.9		1.2
Nuclear safety	0.6		
Peacekeeping and peacebuilding	1.3		
Transparency	2.4		
Green growth		0.3	
Culture			0.6
Sport			0.6
Total	100.0	100.0	100.0

Delivery on commitments

An institution's effectiveness is based on its ability to deliver on the commitments made. In this regard, the G8, G20 and BRICS comparative compliance performance is surely more important for analysis than the number of commitments made.

The G8 has got well-established delivery mechanisms. After the establishment of the G20 at the leaders' level G8 compliance scores declined slightly for a brief period getting back to normal after Muskoka. Compliance data for the G8 are very stable, with an average score of 0.54 for the examined period; it was 0.53 in Aquila, 0.46 in Muskoka and 0.54 in Deauville. Following a peak of 0.60 in Camp David, the figure reached 0.57 in Lough Erne.

The G20 compliance performance is mixed so far (Figure 2). Following the Toronto Summit, when compliance stood at a score of 0.28 (a bit higher than 0.24 for the Pittsburgh Summit commitments and the London results of 0.23), the figure rose to 0.50 in Seoul, 0.54 in Cannes and 0.57 in Los Cabos. However, it dropped to 0.44 in St Petersburg. The G20 average of 0.40 is thus substantially lower than the G8 average compliance performance of 0.54.

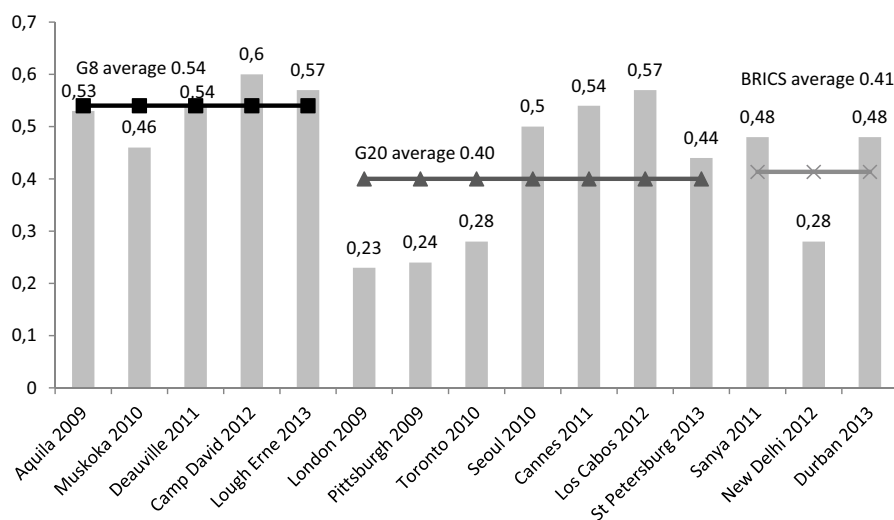
The average compliance score for BRICS (0.41) is almost equal to that of the G20. However, adequate comparison of compliance effectiveness between these institutions can hardly be made, as compliance data is available for only three BRICS summits and the results were mixed. The BRICS average score was relatively high for Sanya and Durban commitments (0.48 for both summits), but the New Delhi figure of 0.28 was almost twice lower.

Despite the growing number of commitments made by the three institutions, their compliance performance has been improving. This can be explained by the formation of institutional culture in G20 and BRICS and the growing awareness of compliance importance for successfully addressing global challenges, but also for proving their legitimacy. A positive trend was also observed in the division of labour between the G8 and G20, which resulted in the G20's emergence as a premier global economic cooperation forum and the G8's greater focus on political, security and development issues.

Overall, G8 average compliance scores are substantially higher than those of the G20 and BRICS. Although an upward trend in G20 and BRICS compliance scores is observed, their delivery on the commitments made is still considerably weaker than that of the G8.

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Figure 2. Compliance with the G8, G20 and BRICS commitments, 2009-2013.

*Compliance by issue areas*

Given the different nature of G8, G20 and BRICS, priority commitments selected for assessing compliance represent different policy areas. However, the period of 5 years used in this paper allows comparing compliance scores in the main areas reflecting the priority issues of G8 and G20. Compliance track record for BRICS is less clear, as the statistics for this institution include the data from only three compliance reports.

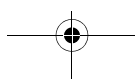
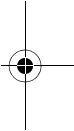
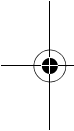
Generally delivery on the commitments is higher in the areas constituting the core of the institutions' agenda (Table 2). For instance, the G8 performed relatively well on commitments related to fighting terrorism, protecting the environment, addressing non-proliferation and natural disasters. The G20 delivered better on macroeconomic and employment commitments, including those related to fiscal consolidation, flexible exchange rates and policies to cut unemployment. At the same time, some commitments reiterated at each summit, for example, in the areas of trade (anti-protectionism) and energy (phasing out inefficient fossil fuel subsidies), remain largely unaddressed. BRICS achieved moderate success in many of the action areas examined, with the highest average scores on development (supporting infrastructure investment and industrial development in Africa), energy (promoting clean technologies) and climate change (implementing the Cancun Agreements), and visibly lower success on macroeconomic policies and regional security.



Compliance with some priority commitments was a challenge. For instance, G8 results were mixed in the areas of good governance and health, where the essence of commitments selected for monitoring changed from summit to summit reflecting new risks and sometimes included decisions difficult to comply with as their implementation depended not only on the institution's members, but on other stakeholders such as international organizations and/or third countries.

Finally, compliance in some areas lags behind in all three institutions. These include trade, where neither G8 members, nor emerging economies from the broader G20 have succeeded in fighting protectionism; development, climate change and anti-corruption, where progress in implementing coordinated policies has been limited; and financial regulation, where scores are high for the broad G8 commitments, while concrete decisions agreed to within the G20 have often remained unaddressed.

Thus, average compliance performance results across issue areas are mixed for all of the institutions considered. However there is a common trend. While delivery on core priorities is increasing from summit to summit, compliance with new commitments proves challenging. Implementation of decisions that are not in line with some member states' national interests is often poor.



GX DELIVERY LEGITIMACY: COMPLIANCE BY MEMBERS

Table 2. G8, G20 and BRICS compliance by issue areas

	G8					G20								BRICS				
	Aquila 2009	Muskoka 2010	Deauville 2011	Camp David 2012	Lough Erne 2013	Average	London 2009	Pittsburgh 2009	Toronto 2010	Seoul 2010	Cannes 2011	Los Cabos 2012	St Petersburg 2013	Average	Sanya 2011	New Delhi 2012	Durban 2013	Average
Trade	-0.78 ^a	0.22	0.67	0.56	0.59	0.25	0.5	0.1	0.15	-0.05	0.25	0.25	-0.35	0.12	0.4	0	1	0.47
Development	0.33	0.67	0.59	-0.11	0.22	0.34	0.15	-0.05	0.15	0.6	0.33	0.78	0.17	0.30	0.6	0.4	0.6	0.53
Macroeconomic policies	0.89	n/a	0.89	0.74	0.78	0.83	0.35	0.7	0.71	0.57	0.44	0.68	0.6	0.58	n/a	n/a	0.2	0.20
Financial regulation	0.67	n/a	n/a	n/a	0.67	0.67	0	0.15	0.1	0.63	0.71	0.46	0.35	0.34	0.4	n/a		0.40
Climate change	0.64	0	0.56	0.11	0.23	0.31	n/a	0.75	n/a	n/a	0.7	-0.2	0.42	0.50	0.8	0.2		0.50
Crime and corruption	0.67		-0.22	0.44	0.33	0.31		0.3	-0.2	0.45	-0.1	0.15	0.12					
Food and agriculture	0.89	0.22	0.11	0.72		0.49			0.15		0.55	0.35	0.8	0.46				
IFReform	0.56			0.78		0.67		0.05	0.9		0.5			0.48	0.2	0.2		0.20
Energy	0.67			0.5		0.59			0.05	0.59	0.79		0.55	0.50		0.6		0.60
Health	0.39	-0.08	-0.11	1	0.89	0.42												
Regional security	0.63	0.95	0.22		0.73	0.63											0.2	0.20
Terrorism	0.78	0.78	0.56		0.67	0.70											0.4	0.40
Good governance	0	0.56	1	0		0.39												
Labor and employment				0.78		0.78					1	0.88	0.94					
Socioeconomic									0.9	0.7	0.55		0.72					
Non-proliferation		0.89	0.85	0.95		0.90												
Environment	0.89					0.89					0.58		0.58					
International cooperation									0.05	0.25			0.15					

Table 2. G8, G20 and BRICS compliance by issue areas (Continued)

	G8						G20								BRICS			
	Aquila 2009	Muskoka 2010	Deauville 2011	Camp David 2012	Lough Erne 2013	Average	London 2009	Pittsburgh 2009	Toronto 2010	Seoul 2010	Cannes 2011	Los Cabos 2012	St Petersburg 2013	Average	Sanya 2011	New Delhi 2012	Durban 2013	Average
Information and communication			0.70		0.67	0.73												
Education	0.56					0.56												
Nuclear safety		0.67				0.67												
Natural disasters		0.78				0.78												
Accountability			0.44			0.44												
Transparency					0.91	0.91												

a Figures present average compliance scores for commitments in the particular issue area and are derived from the 2010-2014 G8, G20 and BRICS compliance reports.

G8 and BRICS compliance within the G20

Although the G8, G20 and BRICS missions and priorities, as well as the timing of their summits, are largely different, G8 and BRICS members are all involved in the G20, and consequently should comply with commitments made within this forum. Thus, looking at their compliance performance within the G20 commitments and comparing these both with their results in G8 and BRICS, and with the compliance score of non-G8 and non-BRICS G20 members (Table 3), provide additional insights into Gx delivery performance.

Within the G20 the G8 compliance is significantly and consistently higher than that of the other G20 members. Moreover, the average score of 0.59 is even higher than the G8 compliance with its own commitments over the same period of the institutions' coexistence (0.54). On the contrary, BRICS average compliance within the G20 equals 0.28, while the figure for the BRICS own commitments is 0.41. Such performance supports two basic ideas. First, advanced G8 economies generally deliver better on their commitments than non-G8 G20 members. Second, the implementation by the BRICS of very concrete economic and financial commitments, which constitute the core of the G20 agenda, is more challenging than complying with their own decisions, which are broader and less specific in character. Data in Table 3 illustrate the difference in performance among G20 members. Within the G8 group, Italy, Japan and Russia on average lag behind other members. Within the non-G8 members, Australia (the only advanced economy in this group) is a top-performer, while Indonesia, Saudi Arabia and Turkey have got the lowest average compliance scores.

Table 3. G20 compliance, 2009-2013

	London	Pittsburgh	Toronto	Seoul	Cannes	Los Cabos	St.Petersburg	Average
Canada	0.6	0.63	0.75	0.69	0.73	0.75	0.44	0.66
France	0.8	0.63	0.63	0.77	0.6	0.69	0.69	0.69
Germany	0.8	0.63	0.5	0.54	0.67	0.56	0.75	0.64
Italy	0	0.13	0.5	0.77	0.8	0.19	0.44	0.40
Japan	0.2	0.5	0.5	0.54	0.47	0.5	0.31	0.43
Russia	0.4	0.38	0.13	0.58	0.6	0.63	0.44	0.45
United Kingdom	1	0.5	0.5	0.77	0.87	0.81	0.75	0.74

Table 3. G20 compliance, 2009-2013 (Continued)

	London	Pittsburgh	Toronto	Seoul	Cannes	Los Cabos	St Petersburg	Average
United States	0.4	1	0.38	0.38	0.53	0.81	0.69	0.60
European Union	0.6	0.38	0.63	0.83	0.85	0.75	0.63	0.67
G8	0.53	0.53	0.50	0.65	0.68	0.63	0.57	0.59
G8 average	0.59							
Argentina	-0.6	-0.13	0	-0.08	0	0.31	0.06	-0.06
Australia	0.6	0.5	0.63	0.85	0.67	0.94	0.63	0.69
Brazil	0.2	-0.63	0.38	0.42	0.6	0.56	0.31	0.26
China	-0.4	0.13	0.38	0.42	0.53	0.38	0.19	0.23
India	-0.4	-0.38	-0.38	0.42	0.6	0.5	0.63	0.14
Indonesia	-0.4	-0.63	-0.13	0.33	0.14	0.47	0.5	0.04
Mexico	0	0.25	-0.13	0.31	0.67	0.69	0.38	0.31
Korea	0	0.75	0.5	0.75	0.6	0.63	0.38	0.52
Saudi Arabia	0.2	-0.13	-0.13	0.17	0.21	0.5	0.06	0.13
South Africa	0.4	0.63	-0.25	0.25	0.47	0.47	0.25	0.32
Turkey	0.2	-0.25	0	0.17	0.2	0.25	0.25	0.12
non-G8 G20	-0.02	0.01	0.08	0.36	0.43	0.52	0.33	0.24
non-G8 G20 average	0.24							
G20	0.23	0.24	0.28	0.5	0.54	0.57	0.44	0.40
G20 average	0.40							
BRICS	0.04	0.03	0.05	0.42	0.56	0.51	0.36	0.28
BRICS average	0.28							

Thus, the G8's higher compliance capacity is confirmed by the G20 performance data. The G8 countries' average compliance within the G20 is higher than their performance in the G8, while the opposite is true for the BRICS. This can be attributed to the nature of the G20 pledges which present an implementation challenge for G20 developing countries. The assumption is confirmed by the fact that non-G8 members' average compliance performance with G20 commitments is even lower than that of BRICS. The average for the period data may raise a concern over the contradiction which the G20 seemingly presents: the institution boasts enhanced representation bringing together advanced and developing countries. However, its delivery is mostly driven by the advanced economies. To refute this concern, it can be argued that the data should be considered dynamically. There is a tangible positive trend in the non-

G8 members' compliance performance with G20 commitments: having started with -0.02 for London it steadily rose reaching a peak of 0.52 for Los Cabos. Though it slumped to 0.33 for Saint-Petersburg, developing countries' contribution to G20 delivery is clearly increasing.

To sum up, the analysis of compliance revealed that G8 compliance performance is generally higher as compared to the G20 and BRICS, with the G8 average at 0.54 over the period of 2009 to 2013, the G20 average at 0.40 in the same period and the BRICS average at 0.41 in the three years of the study 2011 to 2013. Although an upward trend in G20 and BRICS compliance scores is observed, their delivery on the commitments made is still considerably weaker than that of the G8.

Gx delivery legitimacy

To assess the G8, G20 and BRICS delivery legitimacy, compliance performance data were adjusted using sub-indicators of economic power and representativeness of the three institutions. The economic power sub-indicator reflects the G8, G20 and BRICS total GDP while the representativeness sub-indicator reflects the total population of their member countries. Figures for the EU are neglected in the cases of G8 and G20, as the nature of the EU's membership in these institutions differs from that of the other states. Data for GDP are PPP-based. Both GDP and population data are for the year 2013.

To "eliminate" the difference in the units of measurement the data are adjusted to a new common scale through a standard procedure of normalization⁶: sub-indicators showing relative economic power and representativeness of the institutions are calculated against the G8 PPP-based GDP and population data which are set to equal 1. G20 economic power and representativeness sub-indicators are respectively 2.02 and 4.87 times higher than those of G8. BRICS economic power sub-indicator (0.82) is less than that of the G8 and G20, while the representativeness sub indicator is 3.37. The integral indicator reflecting the G8, G20 and BRICS decisions implementation effectiveness in addressing global governance challenges is a product of the GDP and population sub-indicators. The integral indicators are 1, 9.83 and 2.76 for G8, G20 and BRICS respectively (Table 4).

⁶ Normalization originates from statistics, and eliminates the unit of measurement by transforming the data into new scores with a mean of 0 and a standard deviation of 1.

Table 4. G8, G20 and BRICS economic power and representativeness indicators

	GDP PPP, mln of international dollars	Population, people
Argentina	771000	41446246
Australia	1007353	23130900
Brazil	3012197	200361925
Canada	1520493	35158304
China	16157704	1357380000
France	2436930	66028467
Germany	3493479	80621788
India	6774441	1252139596
Indonesia	2388413	249865631
Italy	2052364	59831093
Japan	4624359	127338621
Korea	1664259	50219669
Mexico	2014006	122332399
Russia	3461259	143499861
Saudi Arabia	1550429	28828870
South Africa	662470	52981991
Turkey	1421881	74932641
United Kingdom	2320104	64097085
United States	16800000	316128839
G8	36708988	892704058
G20	74133141	4346323926
BRICS	30068071	3006363373
	Economic power sub indicator	Representativeness sub indicator
G8	1	1
G20	2.02	4.87
BRICS	0.82	3.37
	Integral indicator	
G8	1.00	
G20	9.83	
BRICS	2.76	

Source: World Bank

Average 2009-2013 compliance scores adjusted by the institutions economic power and representativeness indicator (Table 5) show that despite the relatively low level of compliance, G20 has got the highest capability to address global challenges effectively and legitimately. BRICS is comparatively strong in

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terms of representativeness, but weaker than G8 and G20 in terms of economic power. Although the institution delivery legitimacy indicator is higher than that of the G8, to successfully fulfil its mission of reforming the global system to better reflect the interests of developing countries and emerging economies, BRICS should ensure continued economic growth and strengthen compliance with the commitments made by the leaders. G8 legitimacy largely rests on the high level of compliance compared to other institutions. Given that economic power and representativeness of the G8 members are unlikely to increase in future, the institution should further strengthen its commitment to delivery. In this sense the transformation of the G8 into the G7 in 2014 was a step towards decreasing its capability as a global governance institution, on the one hand. On the other hand the cohesive G7 compliance for 2014 Brussels summit rose to 0.63, the highest in the study period. Given the limited data it is too early to make any conclusions on how and if the G7 would offset decline in its representativeness and economic power though an enhanced compliance performance.

Table 5. G7/8, G20 and BRICS compliance corrected for economic power and representativeness

	Compliance	Economic power sub indicator	Representativeness sub indicator	Integral indicator	Compliance, corrected for economic power	Compliance, corrected for representativeness	Delivery legitimacy indicator
G8	0.54	1.00	1.00	1.00	0.54	0.54	0.54
G7 (2014)	0.67	0.91	0.84	0.76	0.61	0.56	0.51
G20	0.40	2.02	4.87	9.83	0.81	1.95	3.93
BRICS	0.41	0.82	3.37	2.76	0.34	1.38	1.13

Conclusion

Delivery on the G8, G20 and BRICS commitments is vital for strengthening the legitimacy of these institutions and effectively addressing their priorities. The analysis of compliance revealed that that over the period of the Gx summit coexistence, the G8 demonstrated higher capacity for the delivery on its commitments than the G20 and BRICS with the G8 average of 0.54 over the period of 2009 to 2013, the G20 average of 0.40 in the same period and the BRICS average of 0.41 in the three years from 2011 to 2013. Although an

upward trend in G20 and BRICS compliance scores is observed, their delivery on the commitments made is still considerably weaker than that of the G8. This can be explained by the fact that both BRICS and G20 members have differing national priorities and domestic economic circumstances, which prevent them from fully implementing the agreed decisions. Thus, these institutions have to strengthen their accountability and coordination mechanisms to enhance their compliance performance.

Analysis also proves the effectiveness of the division of labour between the Gx, as, for example, G8 delivers better on commitments related to political issues, G20 compliance is relatively higher in the macroeconomic area, and BRICS demonstrate good compliance performance on development and energy.

At the same time, given the impact Gx representativeness and economic power have on global governance, they factored into the assessment of delivery legitimacy. Gx compliance performance data adjusted by representativeness and economic power indicators provide useful insights. The G20's delivery legitimacy is the highest among the three institutions (3.93) due to its substantial economic potential and representativeness. Taking into account economic and demographic forecasts, the G20 is likely to retain its leading role in future global economic governance. The G8's decision implementation effectiveness for addressing key global governance issues declines as the result of the institution's decreasing share in the global economy and world population. Its delivery legitimacy stands at 0.54. The G8's strength is the highest compliance performance level of all three institutions. The indicator for BRICS delivery legitimacy is 1.13. BRICS should collectively and individually consolidate efforts to strengthen economic growth. They also need to enhance compliance with collectively made decisions.

Thus, the approach used in this article allows integrating compliance data and factors of economic and demographic capabilities of the three institutions in the assessment of their delivery legitimacy.

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