

THE FUTURE OF GLOBAL SUMMITS: G-20 or G-25?

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ABSTRACT

Global summitry has seen a major shift from the G-8 to the G-20, but the G-20 should be expanded to the G-25, because several major countries from significant developing countries in Asia and Africa, now excluded, need to be included in future decision-making.

INTRODUCTION

Developing countries have won a major victory with the replacement of the rich G-8 with the G-20, but the G-20 should be expanded to the G-25, because several major countries from populous and growing Asia and Africa, now excluded, need to be included in future global decision-making.

The G-20 itself is a historical quirk because its formation resulted from the Asian financial crises of the late 1990's. The countries were selected based on the economic realities of 1999 and included nations with both large and small populations. For example, the five most populous countries (China, India, USA, Indonesia and Brazil) are represented. So are nations with much smaller populations such as Australia (21 million), Saudi Arabia (25 million), Canada (33 million), and Argentina (40 million). The other G-20 countries are Russia, Germany, France, Italy, the United Kingdom, Japan, South Korea, Mexico, South Africa and Turkey. The twentieth member is the country which holds the six month rotating presidency of the European Union. In 2008 due to the global financial crisis, the G-20 was a convenient group to summon because it already existed and when the first G-20 world leader summit in Washington, D.C. occurred, each country was represented by both its President/Prime Minister/King and its Minister of Finance.

Since the G-20 encompasses 90% of the world's economy and two-thirds of the planet's population, agreements reached at the G-20 would represent a powerful consensus between rich countries and developing nations. These summits could easily transcend the United Nations, which is viewed increasingly as an ineffective relic of World War II. In fact, President Lula da Silva of Brazil highlighted the weakness of the UN when he called for a meeting of world leaders to discuss the Gaza crisis of 2009. He said, "It has been proven that the United Nations doesn't have the courage to make a decision to establish peace over there....It lacks the courage because the U.S. has the power to veto and, therefore, things don't happen."

At the Pittsburgh Summit in 2009, Gideon Rachman of the Financial Times noted the significance of the European presence: "The Europeans did not just set the tone at the G20 - they also dominated its proceedings, since they are grossly over-represented. Huge countries such as Brazil, China, India and the US are represented by one leader each. The Europeans managed to secure eight slots around the conference table for Britain, France, Germany, Italy, Spain, the

Netherlands, the president of the European Commission and the president of the European Council. Most of the key international civil servants present were also Europeans: Dominique Strauss-Kahn, head of the International Monetary Fund; Pascal Lamy of the World Trade Organisation.

Rachman also said the upcoming ratification of the Lisbon Treaty with an EU Minister of Foreign Affairs, and a new European President could lead to the implementation of the title of his article, “Europe’s plot to take over the world,” (Rachman, 2009).

If the G-20 was to become more important, it could raise concern about competition with the United Nations. Interestingly, Columbia University Professor Jeffrey Sachs, who was a prominent advisor to UN Secretary-General Kofi Annan, and an active participant in the formulation of the UN Millennium Development Goals wrote that the significance of the G-20 is that the United States is no longer the unquestioned financial leader. The G-20 accentuates the power shift that has now occurred: “Collective action is now the only alternative” (Sachs, 2009). Sachs then goes on to note that the G-20 excludes 2.6 billion mostly impoverished world citizens and that the United Nations is still the only world organization that can make and enforce global law.

FROM THE G-20 TO G-25

If the G-20 is destined to become a major global negotiating vehicle, it is worth considering its expansion, because several large countries are missing. The most populous African country, Nigeria, with 150 million people, is absent and so are Pakistan and Bangladesh, which have nearly 160 million citizens each. Other prominent nations with more than 70 million citizens are Egypt and Viet-Nam. If these five countries were added, the body would be the G-25 and would be much more geographically representative. Membership from Africa, Asia, and the Middle East would nearly double and would constitute a majority of the G-25 instead of the current minority of eight out of the G-20, better reflecting the world’s population, natural resources, and growing economies. (See table below.)

	G-20	G-25
Europe	6	6
Western Hemisphere & Australia	6	6
Asia	5	8
Africa & Middle East	3	5

Adding these five countries may be broadly acceptable to the G-20, but there would still be a major missing country--Iran, with its population of 70 million, huge oil reserves and its strategic location between the Middle East and Asia. However, including Iran would be controversial because of its prickly recalcitrance on several unresolved international issues. Strategically, Iran should evaluate its diplomatic positioning, because if the G-20, perhaps expanded to the G-25, becomes the major global decision-making body in the world, Iran will be even more isolated.

Being excluded from the G-25 and the World Trade Organization would mean that the only major international organization in which Iran was a member would be the problematic United Nations.

In December, 2009, the upcoming G-20 summit in Toronto on June 25 and 26, 2010 has attracted some controversy because those still desiring a strong G-8 lobbied to have its next meeting precede the G-20. This is in contrast to the Pittsburgh summit where the G-20 superseded the G-8 which was not held. After Canada, South Korea is scheduled to be the host of the G-20 meeting which will be the first time that the G-20 summit of world leaders will be convened outside the G-8. (Ljunggren & Palmer, 2009)

CONCLUSION

As developing nations become more economically powerful, especially in view of their huge reserves of cash, their active participation in formal international discussions is increasingly more essential. The G-20, eventually expanded to the G-25, may become the most important 21st century vehicle for global decision-making.

REFERENCES

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