

Review - The G20: Evolution, Interrelationships, Documentaion

Written by Hakan Mehmetcik

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HAKAN MEHMETCIK, MAY 5 2015

The G20: Evolution, Interrelationships, Documentation

By Peter I. Hajnal

Farnham, Ashgate, 2014

Peter I. Hajnal starts his book by mentioning that “much has been changed in global governance since the publication of my previous book, *The G8 System and G20*, in 2007” (page xi).^[i] Indeed one of the most obvious peculiarities of the “Gx” system in global governance is the fact that they have changed a lot since they were first created. The G20 is not free from this observation because it has changed substantially. In November 2015, for the first time ever, we will see the Republic of Turkey hosting the G20 Summit.

The volume points out that the G20, like the G7/8, was born of crises (page 11), a response by the G20 finance ministers’ and central bank governors’ forum in 1999. As such, the idea of the Group of Twenty^[ii] was a reaction to the world’s financial turbulences (Thailand in July 1997, Indonesia and Korea by the end of 1997, Russia in August 1998, the US in September 1998, Brazil in October 1998) and the inability of existing institutions such as the IMF and the G7/8 to properly address the challenges.^[iii] At that time, in 1999, for a matter of fact, it was designed as a temporary solution to the issue of spillover effects of crises in emerging economies.

Since the global financial crisis of 2008-2009, however, even though there were many other unilateral, bilateral, multilateral, regional and international alternatives, the G20 summit has become both permanent and has been declared as the premier forum for its members and thus, the centre of economic governance. The elevation of the G20 in global governance from finance ministers level in 1999 to the summitry in 2008 was the most important change and also one of the most significant steps in global governance to bringing emerging markets and developing states into the global decision-making processes.^[iv]

Hajnal’s recent books are among the most informative analyses to date.^[v] Early on, the purpose of the book is established as follows: “to provide an authoritative work of reference on the G20 and on G8/G20 reform.” (page 5) The book accomplishes this by providing the history of the creation of the group and by surveying meetings and summits since 1999. In doing this, explicit attention is paid to the evolution of the agenda, interrelationships with governmental organizations, business sector, civil society and documentations of G20 summits, and sub-summits groups (pages 5-6). As such, it makes a sense to title the book – *The G20: Evolution, Interrelations, Documentations*.

With this apt title, Hajnal starts his book with a chapter on the background of the development that led the establishment of the G20; first, as a finance ministers’ and central bank governors’ forum in 1999 and finally as a leaders summit in 2008. At the end of the chapter, he concludes that the G20 arose in response to the crises and shifts in the balance of power at the global level (page 16). The second chapter mostly deals with the question of membership issues such as members, non-members and invited members. Besides these, the chapters examines the evolution of agendas since the 2008 summit where the G20 was transformed from a discussion forum to a much more institutionalized permanent body with incrementally growing agenda (page 28). Chapter 3 is more about the

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components of G20, ministerial fora, summit groups and sherpas. In Chapter 4, Hajnal pays attention to the relationships with some other governmental institutions such as with the OECD, the UN and the BIS (in particular the Bretton Woods institutions – the IMF and the World Bank). The next two chapters (5 & 6) dwell more on G20 relations with other types of actors such as the business sector and civil society. These chapters conclude that these broad relations are mutually beneficial to both parties.

To maximize impact on the G20 and of G20, combined and coordinated efforts must be continued with the business sector as well as with civil society, as establishing and maintaining successful relations with the global community enhances the legitimacy of the G20 (page 108). Chapter 7 can be divided into two sub sections. Within the first part of the chapter, the book surveys reforms in G20 and G8 by analyzing reform proposals for transforming G20 from a crisis committee to a string group. Furthermore, the book discusses proposals on a variety of subjects such as memberships, agenda developments, institutional restructuring, and improvements. In the second part, it focuses on relationships with other international institutions (G8/IMF/WB). As the dichotomy of representativeness versus efficiency has been an enduring concern, this chapter points out that expanding or contracting the G20 agenda is another fraught point (page 138). In Chapter 8, Hajnal focuses on G20's performance as a key aspects of accountability by examining the role of civil society, IGOs, and the G20 itself. Here, Hajnal follows different methodologies for evaluating the G20's performance from different actors' lenses. For instance, civil society, including think tanks, is an important partner in the evaluation process, all of whom have different catalogs of compliances.

The G20 itself has increasingly recognized the crucial role of accountability in building legitimacy, as there is an increasing attention to its compliance.^[vi] Therefore, paying attention to compliance and implementation makes a lot of sense. Subsequently, for the upcoming 2015 G20 Summit, the Turkish Presidency is paying attention to the problem of "implementation." Chapter 9 and chapter 10 pay more attention to the documentation of G20 and related sources of information such as think-tanks reports, websites and newspapers. These chapters are very rich in terms of presenting both primary (chapter 9) and secondary sources (chapter 10) as a whole. All of the chapters are well designed, richly documented, with full bibliographies, and include a summary of findings at the end.

The G20 collectively represents 90% of world's total GDP, 80% of world trade and over 60% of the world's population. As an informal entity without any permanent secretariats and legal obligations, the G20 is a buzzword association in the global governance framework even though it is declared as the premier forum for international cooperation. Therefore, as Peter I. Hajnal also points out, it is difficult to answer the question of: "What is the G20?" This book is one of the best guides for finding out what that answer might be.

Notes

^[i] Peter I. Hajnal is part of the G20 research group based at the University of Toronto, which offers extensive research on G20 as well as G8. This book is his third in a series on the subject, the first being *The G7/G8 System* (1999) , and the second being *The G8 System and the G20* (2007).

^[ii] It was originally an initiative of two individuals: Canadian Finance Minister, Paul Martin, and American Treasury Secretary, Lawrence Summers. Lawrence Summers later confirmed that G20 is a Canadian (Paul Martin's) initiative. See "Will 2014 End Up Like 1914?"

^[iii] See pages 11-18; especially the conclusion beginning on page 16. See also John Ibbitson and Tara Perkins. "How Canada Made the G20 Happen." *The Globe and Mail*, June 18, 2010.

^[iv] See also Martin, Paul. "Breaking Deadlocks in Global Governance: The L-20 Proposal." *Global Governance: A Review of Multilateralism and International Organizations* 13, no. 3 (2007): 301–305.

^[v] A book of reference on the topic is John J. Kirton's *G20 Governance for a Globalized World*. However, Kirton includes it only until 2010 whereas Hajnal comes right up to the 2013 G20 summit.

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See for instance Yueh, Linda. "G20 Summit: Much Promised, Less Delivered." BBC News, November 16, 2014.

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