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## GLOBAL GOVERNANCE STALEMATE

### BROOKINGS GLOBAL EXPERTS

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**T**oday's global challenges—nuclear proliferation, the deadlock of global trade negotiations, the threat of pandemic flu, and the fight against global poverty—cannot be solved by yesterday's international institutions. To resolve the world's most pressing problems, which touch all corners of the globe, we must adapt our global governance approaches to be more representative and thus more effective by encouraging and enabling the key affected countries to take an active role in generating solutions.

### THE GLOBAL CONTEXT

Global governance is a vast arena, with numerous institutions, structures, processes and players all with their own agendas and missions. Countless reform proposals are on the table for the United Nations, the international financial institutions (such as the World Bank and the International Monetary

Fund) and the many summit forums (especially the Group of Eight, or G8). But experience shows that meaningful reform cannot be accomplished by taking action solely within an international organization, because mandates overlap and intersect, there are many entrenched interests and conflicting political forces, and legal and institutional complexities prevent decisive action. So what is the best way to proceed with meaningful reform and break through the current stalemate?

Perhaps the most pragmatic and appropriate path of action is to expand the G8 to make room for and eventually give way to an expanded summit of key leaders as the new forum of global negotiation and decision-making. By bringing other major economies “into the tent,” they would be encouraged to contribute constructively to the solution of global issues and share the burdens of challenges that the old industrial countries cannot expect to solve on their own.

The G8 is the best body to focus on to break the global governance stalemate because it offers a summit-level forum for addressing overarching global issues. The G8 could be quickly and effectively transformed by inviting more countries to the table without having to push forward changes to

legal foundations, operational mandates and bureaucratic processes bound by treaties and requiring legislative action by member countries, as is the case with governance reforms in the United Nations or the international financial institutions.

## RECOMMENDATIONS FOR ACTION

Some global leaders, including British prime minister Tony Blair at the St. Petersburg Summit in 2006, have suggested that the G8 could be amplified to become the G13 by making the major emerging market economies—Brazil, China, India, Mexico and South Africa—permanent members.

Though a G13 would be a start, this proposal leaves out the critical region of the Middle East and would give no voice to Muslim countries, a critical omission given the need for collaboration and coordination on energy security, terrorism and trade. A simple and alternative pragmatic solution was put forward by former Canadian prime minister Paul Martin: to expand the G8 beyond the G13 to a G20. A working structure for the G20 already exists in the example of the successful and effective forum of the G20 finance ministers, which includes representation from Argentina, Australia, Indonesia, Korea, Saudi Arabia and Turkey as well as the BRIC/SAM and the G7.

In addition to being geographically and culturally much more diverse than the G8, the G20 would be more broadly representative, including two-thirds of the global population and approximately 90 percent of the global economy (compared with the current G8 representation of only one-fifth of the world's population and two-thirds of the global economy). As a result, a summit of leaders of the G20 would be a more legitimate forum for global negotiation and decision-making, as well as one that could effectively address the key global issues, because all the major actors would be engaged.

As in the case of reform the UN Security Council, restructuring the G8 will not come easily. Political rivalries and bureaucratic inertia are powerful obstacles. And there are fears that an expanded summit group would no longer be a “club of democracies” and would be too large to enable an effective dialogue. But the purpose of the enlarged summit forum is to resolve urgent global challenges, not solely or even primarily to serve as a club of democracies. Moreover, while it is correct that agreement may be easier to reach in a smaller group, implementation will often fail if key actors are not included in the deliberation and decision-making process.

In the end, the real issue today is not whether a G13 is better than a G20 or vice versa, but whether the leaders of the G8 recognize that their current forum increasingly lacks legitimacy and is headed toward irrelevance, if they are unwilling to expand its membership. An expanded summit would not only

in itself represent a more effective forum to address key global challenges; it could also become the instrument to break the stalemate of reform in other international institutions. In this regard, the G20 of finance ministers has been critical for reaching agreement to move ahead with IMF reform. An inclusive summit-level group of decision makers will also be needed to break the stalemate on reforming other key institutions (such as the UN).

Perhaps Germany, which will host the 2008 G8 summit in Heiligendamm, could start the ball rolling by extending an invitation to the leaders of the emerging powers to join the G8, not as second-class guests but as full members of the club. This action would serve U.S., European and Japanese global interests by increasing the inclusiveness and effectiveness of the global steering process as emerging economies join the discussion and are encouraged to contribute constructively to the solution of global challenges.

## WANT TO READ MORE?

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