

G20 and Sustainable Development

Dr. Ratna Verma

Assistant Professor, Department of Economics, Mata Gujri Mahila Mahavidyalaya (Auto.), (M.P.)

Abstract

G20 has aligned its own development agenda with both global priorities, and the development needs and targets of G20 members. The G20 has an existing framework to coordinate on developmental issues through interactions of specialised ministers from its members. With the adoption of the SDGs, their roles and responsibilities were aligned with the global agenda. Thus, the G20 provided a common platform for countries to undertake collective actions and learn from each other in making individual progress towards fulfilling the SDGs. In some cases, the G20 process of reviewing individual progress involves self-assessment by countries rather than a third-party enforcement mechanism. While some progress has been made by the G20 members in achieving the goals, both individually and through their collective actions and commitments, no country is on-track to achieve the SDG targets. Of all G20 countries, India ranks the lowest on the SDG index.

Keywords: Inclusive growth, Sustainable development Goal

Introduction-

The **G20** or **Group of 20** is an intergovernmental forum comprising 19 countries and the European Union (EU). It works to address major issues related to the global economy, such as international financial stability, climate change mitigation and sustainable development.

The G20 is composed of most of the world's largest economies' finance ministries, including both industrialised and developing nations; it accounts for around 80% of gross world product (GWP), 75% of international trade, two-thirds of the global population, and 60% of the world's land area.

The G20 was founded in 1999 in response to several world economic crises. Since 2008, it has convened at least once a year, with summits involving each member's head of government or state, finance minister, or foreign minister, and other high-ranking officials; the EU is represented by the European Commission and the European Central Bank. Other countries, international organizations, and non governmental organizations are invited to attend the summits, some on a permanent basis.

In its 2009 summit, the G20 declared itself the primary venue for international economic and financial cooperation. The group's stature has risen during the subsequent decade, and it is recognised by analysts as exercising considerable global influence; it is also criticised for its limited membership, lack of enforcement powers, and for the alleged undermining of existing international institutions. Summits are often met with protests, particularly by anti-globalization groups.

The Group of Twenty (G20) is the premier forum for international economic cooperation. It plays an important role in shaping and strengthening global architecture and governance on all major international economic issues. India holds the Presidency of the G20 from 1 December 2022 to 30 November 2023.

Inception of G20

The G20 was founded in 1999 after the Asian financial crisis as a forum for the Finance Ministers and Central Bank Governors to discuss global economic and financial issues.

Role of Asian countries

A 2011 report released by the Asian Development Bank (ADB) predicted that large Asian economies such as China and India would play a more important role in global economic governance in the future. The report claimed that the rise of emerging market economies heralded a new world order, in which the G20 would become the global economic steering committee. The ADB furthermore noted that Asian countries had led the global recovery following the late-2000s recession. It predicted that the region would have a greater presence on the global stage, shaping the G20's agenda for balanced and sustainable growth through strengthening intraregional trade and stimulating domestic demand.

Summits

The Summit of G20 Finance Ministers and Central Bank Governors, who prepare the leaders' summit and implement their decisions, was created as a response both to the financial crisis of 2007–2008 and to a growing recognition that key emerging countries were not adequately included in the core of global economic discussion and governance. Additionally, G20 summits of heads of state or government were held. After the 2008 debut summit in Washington, DC, G20 leaders met twice a year: in London and Pittsburgh in 2009, and in Toronto and Seoul in 2010.

Since 2011, when France chaired and hosted the G20, the summits have been held only once a year. The 2016 summit was held in Hangzhou, China, the 2017 summit was held in Hamburg, Germany, the 2018 summit was held in Buenos Aires, Argentina, the 2019 summit was held in Osaka, Japan, the 2020 summit was scheduled in Riyadh, Saudi Arabia but it was held virtually due to Covid-19, the 2021 summit was held in Rome, Italy and the 2022 summit was held in Bali, Indonesia.

A number of other ministerial-level G20 meetings have been held since 2010. Agriculture ministerial meetings were conducted in 2011 and 2012; meetings of foreign ministers were held in 2012 and 2013; trade ministers met in 2012 and 2014, and employment ministerial meetings have taken place annually since 2010.

In 2012, the G20 Ministers of Tourism and Heads of Delegation of G20 member countries and other invited States, as well as representatives from the World Travel and Tourism Council (WTTC), World Tourism Organization (UNWTO) and other organisations in the Travel & Tourism sector met in Mérida, Mexico, on May 16 at the 4th G20 meeting and focused on 'Tourism as a means to Job Creation'. As a result of this meeting and The World Travel & Tourism Council's Visa Impact Research, later on the Leaders of the G20, convened in Los Cabos on 18–19 June, would recognise the impact of Travel & Tourism for the first time. That year, the G20 Leaders Declaration added the following statement: "We recognise the role of travel and tourism as a vehicle for job creation, economic growth and development, and, while recognizing the sovereign right of States to control the entry of foreign nationals, we will work towards developing travel facilitation initiatives in support of job creation, quality work, poverty reduction and global growth."

In March 2014, the former Australian foreign minister Julie Bishop, when Australia was hosting the 2014 G20 summit in Brisbane, proposed to ban Russia from the summit over its annexation of Ukrainian Crimea. The BRICS foreign ministers subsequently reminded Bishop that "the custodianship of the G20

belongs to all Member States equally and no one Member State can unilaterally determine its nature and character."

In 2016, the G20 framed its commitment to the 2030 Agenda (Sustainable Development Goals) in three key themes; the promotion of strong sustainable and balanced growth; protection of the planet from degradation; and furthering co-operation with low-income and developing countries. At the G20 Summit in Hangzhou, members agreed on an action plan and issued a high level principles document to member countries to help facilitate the agenda's implementation.

Japan hosted the 2019 summit, The 2020 summit was to be held in Saudi Arabia, but was instead held virtually on 21–22 November 2020 due to the COVID-19 pandemic under the presidency of Saudi Arabia. 2021 G20 Rome summit which was held in Rome, the capital city of Italy, on 30–31 October 2021.

Indonesia held the G20 presidency from 1 December 2021 to 30 November 2022. During its presidency, Indonesia focused on the global COVID-19 pandemic and how to collectively overcome the challenges related to it. The three priorities of Indonesia's G20 presidency were global health architecture, digital transformations, and sustainable energy transitions.^[34] India has held the G20 presidency since 1 December 2022, with its presidency's theme being "**Vasudhaiva Kutumbakam**, or "**One Earth One Family One Future**."

Proposed permanent secretariat

In 2010, President of France Nicolas Sarkozy proposed the establishment of a permanent G20 secretariat, similar to the United Nations. Seoul and Paris were suggested as possible locations for its headquarters. Brazil and China supported the establishment of a secretariat, while Italy and Japan expressed opposition to the proposal. South Korea proposed a "cyber secretariat" as an alternative. It has been argued that the G20 has been using the OECD as a secretariat.

Members

As of 2023, there are 20 members in the group:

Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, South Korea, Japan, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, the United States, and the European Union. Guest invitees include, amongst others, Spain, the United Nations, the World Bank, the African Union and ASEAN.

Representatives include, at the leaders' summits, the leaders of nineteen countries and of the European Union, and, at the ministerial-level meetings, the finance ministers and central bank governors of nineteen countries and of the European Union.

In addition, each year, the G20's guests include Spain, the Chair of ASEAN; two African countries (the chair of the African Union and a representative of the New Partnership for Africa's Development (NEPAD) and a country (sometimes more than one) invited by the presidency, usually from its own region.

The first of the tables below lists the member entities and their leaders, finance ministers and central bank governors. The second table lists relevant statistics such as population and GDP figures for each member, as well as detailing memberships of other international organizations, such as the G7, BRICS and MIKTA. Total GDP figures are given in millions of US dollars.

Role of Asian countries

A 2011 report released by the Asian Development Bank (ADB) predicted that large Asian economies such as China and India would play a more important role in global economic governance in the future. The report claimed that the rise of emerging market economies heralded a new world order, in which the G20 would become the global economic steering committee. The ADB furthermore noted that Asian countries had led the global recovery following the late-2000s recession. It predicted that the region would have a greater presence on the global stage, shaping the G20's agenda for balanced and sustainable growth through strengthening intraregional trade and stimulating domestic demand.

Agenda

Financial focus

The initial G20 agenda, as conceived by US, Canadian and German policymakers, was very much focused on the sustainability of sovereign debt and global financial stability, in an inclusive format that would bring in the largest developing economies as equal partners. During a summit in November 2008, the leaders of the group pledged to contribute trillions to international financial organizations, including the World Bank and IMF, mainly for re-establishing the global financial system.

Since inception, the recurring themes covered by G20 summit participants have related in priority to global economic growth, international trade and financial market regulation.

Inclusive growth

The G20 countries account for almost 75% of global carbon emissions. After the adoption of the UN Sustainable Development Goals and the Paris Climate Agreement in 2015, more "issues of global significance" were added to the G20 agenda: migration, digitisation, employment, healthcare, the economic empowerment of women and development aid. Despite promises G20 nations subsidised fossil fuel companies over \$3.3 trillion between 2015 and 2021.

The G20 countries account for almost 75% of the global carbon emissions and promised in 2009 to phase out 'inefficient subsidies'. Despite these promises G20 nations have subsidised fossil fuel companies over \$3.3 trillion between 2015 and 2021, with several nations increasing subsidies; Australia (+48.2%), the US (+36.7%), Indonesia (+26.6%), France (+23.8%), China (+4.1%), Brazil (+3.0%), Mexico (+2.6%). China alone generates over half of the coal-generated electricity in the world.

Interrelated themes

Wolfgang Schäuble, German Federal Minister of Finance, has insisted on the interconnected nature of the issues facing G20 nations, be they purely financial or developmental, and the need to reach effective, cross-cutting policy measures: "Globalization has lifted hundreds of millions out of poverty, but there is also a growing rise in frustration in some quarters development, [national] security and migration are all interlinked"

Influence and accountability

The G20's prominent membership gives it a strong input on global policy despite lacking any formal ability to enforce rules. There are disputes over the legitimacy of the G20, and criticisms of its organisation and the efficacy of its declarations.

The G20's transparency and accountability have been questioned by critics, who call attention to the absence of a formal charter and the fact that the most important G20 meetings are closed-door. In 2001, the economist Frances Stewart proposed an Economic Security Council within the United Nations as an alternative to the G20. In such a council, members would be elected by the General Assembly based on their importance to the world economy, and the contribution they are willing to provide to world economic development.

The cost and extent of summit-related security is often a contentious issue in the hosting country, and G20 summits have attracted protesters from a variety of backgrounds, including information activists, opponents of fractional-reserve banking and anti-capitalists. In 2010, the Toronto G20 summit sparked mass protests and rioting, leading to the largest mass arrest in Canada's history.

Global Governance Group (3G) response

In June 2010, Singapore's representative to the United Nations warned the G20 that its decisions would affect "all countries, big and small", and asserted that prominent non-G20 members should be included in financial reform discussions. Singapore thereafter took a leading role in organizing the Global Governance Group (3G), an informal grouping of 30 non-G20 countries (including several microstates and many Third World countries) with the aim of collectively channelling their views into the G20 process more effectively. Singapore's chairing of the 3G was cited as a rationale for inviting Singapore to the November 2010 G20 summit in South Korea, as well as 2011, 2013, 2014, 2015, 2016, and 2017 summits.

Foreign Policy critiques

The American magazine Foreign Policy has published articles condemning the G20, in terms of its principal function as an alternative to the supposedly exclusive G8. It questions the actions of some of the G20 members and advances the notion that some nations should not have membership in the first place. Furthermore, with the effects of the Great Recession still ongoing, the magazine has criticized the G20's efforts to implement reforms of the world's financial institutions, branding such efforts as failures.

Sustainable economic growth is a part of Global Development:

The concept of sustainable development nowadays has a focus on economic development, social development and environmental protection for future generations. Inclusive growth is economic growth that raises standards of livings for broad swaths of a population. Proponents for inclusive growth warn that inequitable growth may have adverse political outcomes. Sustainable economic growth requires inclusive growth. Maintaining this is sometimes difficult because economic growth may give rise to negative externalities, such as a rise in corruption, which is a major problem in developing countries. Nonetheless, an emphasis on inclusiveness—especially on equality of opportunity in terms of access to markets, resources, and an unbiased regulatory environment—is an essential ingredient of successful growth. The inclusive growth approach takes a longer-term perspective, as the focus is on productive employment as a means of increasing the incomes of poor and excluded groups and raising their standards of living. A key feature distinguishing sustainable development from traditional development is that sustainable development is a universal agenda, not limited to developing countries. This concept of universality fits with the G-20's approach to deliver positive outcomes for all countries. It is a concept that enjoys wide support. The G-20 has been concerned with global development as a major topic ever since the first meetings of G-20 finance ministers and central bank governors, which were held to respond to the Asian financial crisis starting in 1997. There is considerable popular support for global development

cooperation in each G-20 country, so it is sensible for leaders to comment on what they are doing to support global development in their final communiqués. This has Sustainable Development been done with regularity; there is ample space given to development issues in final communiqués. But there is less evidence of actual progress and concrete achievement. As one commentator remarks, “No field suffers more international meetings resulting in elegant platitudes and irreproachable aspirational statements. To date the G-20 efforts in development have had no impact on the ground.” The challenge, then, is to produce more deliverables—and more deliverables that are worthy of leaders’ attention and discussion.

A surprising number of development activities have actually been delivered, largely through the workings of the G-20’s Development Working Group, but many of these are process activities that have yet to have measurable impact. The gap between what the Development Working Group does and what leaders should talk about is unlikely to be narrowed. Both streams serve a purpose, but they are different and should not be conflated. The Development Working Group correctly gets involved in pushing forward a technical agenda, while the leaders should take a broader strategic perspective. Leaders should focus on getting multilateral organizations to work together to solve global problems. They have not been bold enough to ask whether existing organizations have the right level of resources and structures to do the job that is required. For example, a major gap has been identified in infrastructure financing, but little action has been taken as yet to ensure that multilateral development banks have the resources and ambition to address these needs. In the current context, it is important for leaders to explore where there is common ground to improve the governance of multilateral organizations to make them more effective. Leaders should also focus on presenting a fresh narrative on development to their public. The old narrative, focused on providing more aid, is less relevant in a globalized world, where trade, investment, and knowledge drive growth and prosperity. The public policy agenda is to ensure that each country implements a structural reform agenda that will lead to sustainable development, both in their own countries and overseas. This will require a deeper understanding of how spill overs from systemically important large countries affect others, not just in the economic spheres of trade and investment but in social and environmental spheres as well. The post-2015 agenda will consist of mutually reinforcing goals and targets. The G-20 could lead by example in terms of how to approach a complex integrated sustainable development agenda by emphasizing sustainability in the core G-20 agenda and aligning it with the post-2015 focus on sustainability. At the Brisbane summit, leaders could provide a statement of support for universal, comprehensive, and sustainable development goals, with an endorsement of their readiness to use the G-20 dialogue as a supplementary mechanism to monitor their implementation in G-20 countries. The post-2015 agenda is one that leaders will agree to in September 2015, and as it is likely to involve a periodic review mechanism involving leaders at the United Nations, it becomes a natural framework to incorporate into the G-20 itself. A process like the Mutual Assessment Process should be set up to monitor G-20 countries’ progress toward meeting the relevant goals and targets, along with a register of voluntary commitments by each G-20 member country, in much the same way as is currently done for the structural reforms that lie behind implementation of the framework for strong, sustainable, and balanced growth. The Development Working Group, on the other hand, should focus more on identifying areas in which multilateral organizations could contribute to solving global problems. It could be renamed the Managing Globalization Working Group. This dual track would provide a focused sustainability agenda for the G-20. The leaders would focus on domestic actions to respond to the G-20’s strong, sustainable, and balanced growth framework and to the post-2015 agenda, along with collective actions to implement the global partnership called for in the post-2015 agenda. The Development Working Group would focus on using multilateral institutions in a coordinated way to make technical advances in implementing core critical issues, starting with the priorities laid out in the St. Petersburg development outlook. This alignment between the core agenda of the G-20 and the post-2015 agenda—and the clearer division of labor between

the leaders' summits and the working groups—would provide a more compelling and coherent vision for the future.

Conclusion-

G20 has aligned its own development agenda with both global priorities, and the development needs and targets of G20 members. The G20 has an existing framework to coordinate on developmental issues through interactions of specialised ministers from its members. With the adoption of the SDGs, their roles and responsibilities were aligned with the global agenda. Thus, the G20 provided a common platform for countries to undertake collective actions and learn from each other in making individual progress towards fulfilling the SDGs. In some cases, the G20 process of reviewing individual progress involves self-assessment by countries rather than a third-party enforcement mechanism. While some progress has been made by the G20 members in achieving the goals, both individually and through their collective actions and commitments, no country is on-track to achieve the SDG targets. Of all G20 countries, India ranks the lowest on the SDG index.

Overall, the G20 has been instrumental in launching new initiatives and tracking progress of countries in the implementation of the 2030 Sustainable Development Agenda. The role of the G20 in global policymaking was conceived differently. The purpose has been to bring countries together to cooperate on issues of common interest. In that respect, the G20 as a forum can set actionable targets, facilitate discussion and track progress. Actual implementation, however, remains in the hands of individual nations.

G-20's most recent assertion that the group can add value to non member countries in general and to low-income countries in particular.¹ It emphasizes the role of the G-20 on measures to promote growth and resilience and adds to the framework of strong, sustainable, and balanced growth by calling for economic growth to be "inclusive and resilient" as well.

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