

Soundings Series: National Perspectives on Global Leadership



NPGL: A joint CIGI - Brookings Institution Project



The Centre for International
Governance Innovation
Centre pour l'innovation dans
la gouvernance internationale

Addressing International Governance Challenges



Global Economy
and Development
at BROOKINGS

NATIONAL PERSPECTIVES ON GLOBAL LEADERSHIP

NPGL: A JOINT CIGI-BROOKINGS
INSTITUTION PROJECT

APRIL-JULY-SEPTEMBER 2009

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The opinions expressed in this paper are those of the authors and do not necessarily reflect the views of The Centre for International Governance Innovation or its Board of Directors and/or Board of Governors.



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INTRODUCTION

Researchers and scholars worldwide have turned their attention to the global economic crisis. National Perspectives on Global Leadership (NPGL), a joint project by the Centre for International Governance Innovation (CIGI) and the Brookings Institution, is an innovative project that focuses on a central question:

To what extent are the G8 and G20 summits seen by national publics in G20 countries as serving their interests and meeting their expectations that leaders will take responsibility for global economic stewardship?

NPGL is an experimental inquiry into the political relationships between national leaders and their publics. Within this project, experts are exploring the degree to which G20 leaders can rebuild public trust in their capacity to act collectively to restore the world's economy. Restoration of public faith would have both political and economic impacts: it would raise the confidence levels of consumers, investors and money markets and, by extension, contribute to global economic stability and growth.

According to Sir Nicholas Bayne, fellow in International Relations at the London School of Economics, "The National Perspectives on Global Leadership Project, for the first time, seeks to establish what citizens expect of their leaders both in reaching agreement at summits and in implementing commitments made there. The results will provide valuable guidance on how to improve global

economic governance and will deserve attention at all levels, right up to the heads of government themselves."

Other institutions contributing to the project include: Facultad Latinoamericana de Ciencias Sociales (FLACSO) in Argentina; Centro Brasileiro de Relacoes Internacionais (CEBRI) in Brazil; the Centre for Global Studies (CFGs), University of Victoria in Canada; the School of Public Policy and Management, Tsinghua University in China; Institute Française de Relations Internationales (IFRI) in France; the German Development Institute; the Centre for Policy Research in India; Mexico's Consejo Mexicano de Asuntos Internacionales (COMEXI); the South African Institute of International Affairs (SAIIA); the Centre for Policy Studies, Sabanci University in Turkey; and the Centre for the Study of Global Governance, London School of Economics.

Commentaries produced for this project are part of a series called *Soundings*. Each partner institution publishes its own papers, while the entire *Soundings* collection is available on CIGI's website: www.cigionline.org.

Soundings Series #1: April 2009

The G20 London Summit held on April 2, 2009, was the basis for the first round of commentary by experts in 12 of the G20 countries. Four questions were addressed in the first round:

1. **Economic Interests:** After identifying the economic priorities of each country in the summit agenda, what are the implications of summit results, or lack of them, for the national economic interests of each country?

2. **Political Interests:** What is the national perception of the effectiveness of their leader on the global stage at the London G20 Summit, and what are the internal ramifications of the leader's performance?
3. **International Interests:** What are the effects of each nation's participation in this G20 Summit on the global position of each country in the evolving global geopolitical order?
4. **Global Leadership:** Comment on the degree to which the London G20 Summit seems to answer public unrest in each country over the consequences of the economic crisis for the public interest and on whether or not the coordinated effort of the G20 Summit is seen by the national public in each G20 country as an effective effort to assert global leadership.

Soundings Series #2: July 2009

The second set of commentaries further explores public perceptions of national leadership at global summits and the degree of concerted global leadership shown. This series reflects on the behaviours and outcomes of the G8 Summit in Italy in July 2009. Since the global economic crisis has revealed a lack of confidence in markets and lack of public trust in political leaders, issues such as how effectively national leaders address global challenges and how they connect with their national publics become crucial.

For the G8 Summit in L'Aquila on July 8-10, 2009, the NPGL project participants answered four questions:

1. **Public Engagement:** Given the diverse agenda for the Italian G8 Summit, including climate change and other issues beyond the financial crisis, which was the exclusive focus of the London G20 Summit, does this wider agenda seem to engage a broader public in the deliberations, or does it diffuse public attention and scramble the screen of public focus, thereby diminishing public involvement?
2. **Public Focus:** Given the sequence of groupings of countries attending the three different days of the Italian G8 Summit, does this multiplicitous framework for discussion constitute a strength in the public mind by being still more inclusive and eclectic than the G20 summits, or does it create confusion regarding who is in charge and where the locus of global leadership is to be found?
3. **G8 Relevance:** Does the eclectically expanded G8 Summit under the Italians seem to national publics to be effective and complementary as a global leadership forum in relation to the sequence of G20 finance ministers-G20 leaders level meetings begun last fall in Brazil, or is the G8 now perceived by national public opinion as a "blast from the past"?
4. **Global Leadership:** Comment on the degree to which the July G8 Summit seems to answer public unrest in each country over the consequences of the economic crisis for the public interest and on whether the coordinated efforts of this G8 Summit are seen by the national public in each G20 country as an effective effort to assert global leadership or not.

Soundings Series #3: September 2009

This inquiry is focused on the four questions that each country paper addressed also for the London G20 Summit in Round I:

1. **Economic Interests:** After identifying the economic priorities of each country in the Pittsburgh G20 Summit agenda, what are the implications of this Summit results, or lack of them, for the national economic interests of each country?
2. **Political Interests:** What is the national perception of the effectiveness of their leader on the global stage at the Pittsburgh G20 Summit and what are the internal ramifications of the leader's performance?
3. **International Interests:** What are the effects of each nation's participation in this G20 Summit on the global position of each country in the evolving global geopolitical order? Are there any changes since London?

4. **Global Leadership:** Comment on the degree to which this third G20 Summit seems to answer public unrest in each country over the consequences of the economic crisis for the public interest and on whether or not the coordinated effort of the G20 Summit is now seen by the national public in each G20 country as an effective effort to assert global leadership.

By addressing each of these four questions we have a common framework that enables readers (including the authors themselves) to work across countries for a given question to observe commonalities and differences and now to see if there is any decided difference in country observations along these four vectors between London and Pittsburgh.

INSIGHTS FROM OBSERVATIONS MADE ABOUT NATIONAL LEADERS AT GLOBAL SUMMITS

Two propositions demonstrate that the CIGI-Brookings NPGL project has generated insights different from the conventional wisdom as expressed in advance of events.

Several authors, as country commentators on the London G20 Summit, speculated in advance that leaders who specialized in a single theme or issue would project a higher leadership profile at home than those who focused on multiple issues. In fact, our observations suggest the opposite: leaders who asserted a strong profile on several issues did better than those who were focused more on a single issue. At the London Summit, it was Obama, Brown, Lula, and (surprisingly) Cristina Kirchner of Argentina who spanned a variety of issues and who seemed, even if momentarily, to project a stronger national leadership profile than those who projected a more limited set of concerns. For example, Canadian Prime Minister Stephen Harper's efforts in London to project Canada's relatively effective system of oversight, supervision and regulation of financial institutions and markets as a financial regulatory model was relatively less successful than his counterparts who spread their initiatives over a variety of sectors, themes and issues.

The results of our survey also confounded expectations regarding the format of the L'Aquila G8 Summit. The authors thought the format comprising successive iterations of country groupings over three days would confuse rather than clarify who was "minding the store," who was in charge. Instead, not only did the sequential iterations of progressively larger groupings

manage to convey a relatively more convincing profile of inclusion, but also (again) the broader agenda of the G8 Summit in L'Aquila seemed to appeal to the public in many countries. This result overturned the a priori notions that a more selective focus on fewer issues and a clearer set of countries might be more effective for global leadership than a larger number of nations embracing a broader array of issues.

As Canada prepares to host the 2010 G8 and G20 Summits, concerns abound regarding the capacity of summits to deliver on an increasingly ambitious agenda of both issues and inclusion. This is a legitimate concern, but the evidence from these *Soundings* does not provide reasons to reconsider presumptive notions that simpler is better and fewer is more tractable. It may be that national leadership at global summits resonates more strongly when the agenda is broader and includes more countries. If so, leaders may be prompted by these observations to adjust their behaviours if G8 Summits marked by overreach in terms of issues and lack of representation of other important nations — towards a more legitimate paradigm of inclusion.

These tentative, preliminary conclusions illustrate the value in observing leadership behaviours at global summits and how these observations can serve as lessons for leaders as they go into future summits; specifically, so that they may be more effective in meeting public expectations for greater stewardship of economic and financial policies on behalf of the public interest.

These initial results provide evidence on the potential for important conclusions to be drawn from continued observation of the responses of national publics to their leaders.

SOUNDINGS SERIES #1: NATIONAL PERSPECTIVES ON GLOBAL LEADERSHIP LONDON SUMMIT, APRIL 2009

OVERVIEW: ASSERTIVENESS OF ECONOMIC INTERESTS AND GEOPOLITICAL RE-POSITIONING: IMPLICATIONS FOR NATIONAL POLITICAL LEADERSHIP AND GLOBAL SUMMITRY

Colin Bradford

These commentaries represent a unique experimental inquiry into the political relationship between national leaders and their publics in the context of the London G20 Summit on April 2, 2009, as revealed in national newspapers in the capitals of G20 countries in the run-up and immediate aftermath of the G20 Summit. The purpose is to assess the degree to which this broader summit grouping — in the context of the global economic crisis — can restore the confidence and trust of people in the capacity of national leaders acting together to take public responsibility for the public interest in economic outcomes. This restoration of confidence would not only have a political effect, but also an economic impact on the level of confidence in consumer, investor and money markets, potentially contributing to greater stability and growth in the global economy. This overview is a first

attempt to identify some common themes and results from this initial inquiry based on the papers from the dozen G20 countries presented here.

NATIONAL ECONOMIC PRIORITIES, POLITICAL LEADERSHIP AND SHIFTS IN PUBLIC OPINION

The behaviour of leaders at the London G20 Summit in April was not fully transparent since the meeting itself was behind closed doors. Nonetheless, the run-up to the summit and the press conferences afterward provided a profile of national leadership and a sense of the priority interests of various leaders in summit outcomes.

Of the dozen G20 countries surveyed here, most leaders were identified with single issues, whereas fewer leaders invested in multiple issues. Further complicating perceptions, or manifesting them differently, was the presence of pairs of countries with common interests. There was considerable interest in the degree to which the United States and China constituted a “G2,” since they are among the largest countries with the broadest global reach, even though both countries tried to downplay the G2 idea. Also, the French-German “couple” revived its image by joining forces against the Anglo-American interest in fiscal stimulus and in expressing the continental priority for strengthening financial regulation. This perceived conflict became the high drama of the London Summit, especially in the run-up to it — less so in the aftermath.

Among the 12 G20 nations surveyed here, a significant contingent clearly prioritized a strong stance against protectionism as being their top priority national interest in the summit. These four countries tended to be countries which had not suffered (yet) enormously

from the global economic crisis, but which have significant trading relationships, especially with the United States. The four countries with single-issue priority commitments in the London G20 Summit to open trade and anti-protectionism were: Canada, Mexico, Brazil and India.

THE G20: OPPORTUNITIES FOR MIDDLE POWERS?

Given the significance of the G20 London Summit meeting at twenty rather than eight (the G8), it implicitly represented an opportunity for medium-sized countries at the table, beyond the G8 and beyond the new superpowers (China, India and Brazil) to capitalize on their presence in the G20 to reposition themselves in the geopolitical structure.¹ For a variety of reasons, this seemed to not happen. Australia, Korea, Indonesia and Saudi Arabia (middle powers not included in this survey) did not appear to be assertive nor visibly try to reposition themselves in the geopolitical order.

Among those middle powers surveyed here, India, South Africa and Turkey were in the midst of elections which deflected public attention from the G20 Summit and meant that their leaders were more intent in early April on domestic issues than making major forays in the international arena. Mexico’s President Calderón deliberately struck a higher visibility profile during his state visit to the UK a few days before April 2 than he did at the G20 Summit itself. Similarly, Turkish Prime Minister Recep Tayyip Erdoğan would be receiving President Barack Obama two days later,

which would be an immensely higher profile international moment for Turkey than Turkey’s role in the London Summit. And Canada’s Prime Minister Harper, suffering low poll ratings at home going into the summit, pushed hard on a relatively lower profile issue of development assistance for poor countries and getting his parliament back home to agree to an International Monetary Fund (IMF) pledge than he did to the larger strategic issues of fiscal stimulus and financial regulation.

Albert O. Hirschman taught many of us to use two-by-two diagrams to reveal and clarify pairs of observations together so as to highlight the interrelationships among the two contre-temps. One can deduce from the commentaries in this project the degree to which national leaders got a boost in public support as a result of the G20 Summit. One can also draw from these commentaries a distinction between those countries that were assertive in promoting their national economic interests and trying to reposition their country in the global order at the April Summit, and those that had domestic constraints (elections, low poll ratings) which drove a lower political profile at the summit and hence may have dampened the degree to which they were perceived at home as having improved their own political profile as a result of the summit. The alignment of the 12 countries and their leaders along these two dimensions is shown here.

HIRSCHMAN TWO-BY-TWO DIAGRAM

| | Assertiveness of National & Global Political Profile | Shifts in Domestic Public Opinion | |
|-------------|---|--|----------------|
| High | Argentina, Brazil, China, France, Germany, UK, US | Fernandez, Lula, Hu, Sarkozy, Merkel, Brown, Obama | Up |
| Low | Canada, India, Mexico, South Africa, Turkey | Harper, Singh, Calderón, Molanthe, Erdoğan | Neutral |

1 Of the G8 countries present at the London G20 Summit, Italy, Japan and Russia are not (yet) included in this survey. The omission of these three G8 countries and of the four other G20 countries was unsystematic, deriving from time and logistical constraints. Future iterations of this effort will continue to attempt to include all G20 countries.

ASSERTION OF SINGLE-ISSUE PRIORITY VS. MULTIPLE ISSUE APPROACH

What is interesting here is the degree to which the assertion of a single-priority interest (trade and protectionism) by Canada, Mexico, Brazil and India may have been less effective in projecting a clear profile of national leadership than might have been expected. A plausible strategy for high-profile leadership in a relatively large meeting could have been to select a single issue and become identified with it. To be sure, other factors intervened in determining where countries fall in the two-by-two categories, such as country size and leadership style. But it seems that those countries which took on more issues and the larger strategic issues in the April G20 Summit (fiscal stimulus, regulation and the IMF) did better at home than those who pushed a single issue of slightly less consequence, such as trade. The exception to this rule seems to be Brazilian President Lula. While Lula kept a relatively low profile on economic issues by singling out a push against protectionism in trade, he asserted a view on the “historic” nature of the G20 London Summit itself and the fact that it “reflected a shift in world power” (Gregory/Zinner paper on Brazil). As a result, he was one of the few G20 leaders who explicitly addressed the issue of global political leadership and the role of new powers in it, asserting a higher political profile and getting a positive response from the Brazilian press and public as a result. It is interesting to note that President Cristina Fernández of Argentina seemed to gain ground at home by taking a holistic view of the G20 agenda, embracing both the fiscal stimulus and financial regulatory issues, as well as “the failure of neoliberalism” and defending developing countries as “weak links bearing an unfair burden,” rather than adopting a single-issue approach.

IMPLICATION

For future summits to provide more robust results, more leaders should take a broader approach to summit issues and a more proactive and visible role in pushing for action across-the-board rather than projecting a single-issue priority. Active assertion of engagement in the summit agenda as a whole and greater visibility in promoting it may yield both national political benefits and strengthen global leadership at the same time.

CONCLUSION

The individual commentaries in this collection need to be read carefully and comparatively to distill more fully their potential insights into the underlying political process of summitry and the relationships between leaders and their publics, which are part of summitry itself. Both this set of commentaries and this brief overview are but experimental beginnings in an exploration we hope to continue in relation to future global leadership moments. We would welcome the comments and contributions of others with similar interests in understanding the dynamics of global political leadership at summits in providing strategic direction for the planet and a sense of responsibility for the public interest of the people.

ARGENTINA

Diana Tussie

ECONOMIC INTERESTS

Argentina’s key objectives for the G20 Summit were the injection of liquidity, reform of the International Monetary Fund (IMF) — as well as other international

financial institutions — and stricter regulation of the credit rating agencies that failed to detect problems in the system. Similar conclusions were reached at the meeting of the NGO Fundacion Ideas where senior figures discussed criticism of the IMF and World Bank's roles in the current crisis.

During the summit, Argentina joined several developing countries that demanding a bigger say in world trade rules and a relaxation of international credit policies. As a result, a tripling of IMF lending funds was more than had been expected; however, less was said about the rebalancing of influence sought by developing countries.

The daily *Clarín* emphasized the adoption of new financial instruments with less conditionality for developing countries as well as the implementation of Special Drawing Rights (SDRs). In this context, the IMF should be more flexible eliminating or reducing conditionality to a minimum, using financial instruments adequate for the times. This would allow Argentina to access US\$3 billion without Article IV conditions. *Clarín* also mentioned the importance of a massive increase in the funding of international financial institutions leading to a combined lending capacity of the World Bank and the Inter-American Development Bank (PADB) that, welcome as it is, is equivalent to just a fraction of what was used to aid the insurer AIG, for example.

The financial daily *Cronista Comercial* warned against financial protectionism, such as the repatriation of bank funds from emerging markets. At the London Summit, Argentina demanded financial regulations that prevent banks from withdrawing capital from their subsidiaries in emerging countries. I also argued in my article in *Cronista Comercial* that no international

financial institution should be subject to the veto power of one country, for example, “condemning trade protectionism whilst — at the same time — practising financial protectionism is hypocrisy.”

As mentioned, the third priority for the summit was the agreement on a revised regulatory and supervisory framework, including a strategy to cleanse the balance sheets of financial institutions in a credible and effective way without accelerating the disintegration of formal intermediary channels, which could result in additional funds drying up. On the trade front, a standstill on protectionism, monitored by the World Trade Organization (WTO), would be more relevant than closing the imbalanced Doha package.

POLITICAL INTERESTS

The G20 Summit showed itself to be one of the most developing-country friendly meetings where all the members came together in a way they never have before to decide on quite detailed proposals that will reshape the global financial system for a long time. In this context, the Argentinean public's view of the effectiveness of their leaders in the summit and on the global stage remains positive.

In statements to *La Nación*, Argentinean President Cristina Fernández said she did not see such a stark antinomy between fiscal stimulus and regulation. As a matter of fact, the president was in agreement with both the US and the UK to stimulate demand, but also with Germany and France about the necessity of the stricter oversight and regulation, especially regarding offshore activities. Ms. Fernández also regretted that the outcome of the summit would not include acknowledgement “of

the failure of neoliberalism,” but she predicted that its conclusions would lead in that direction.

Another Argentinean leader, Alfredo Chiaradía, the minister for International Economic Relations, called for the inclusion of more developing countries at the London Summit, in an article in the pro-government *Página 12*. He said Argentina and like-minded members of the G20 believe trade finance is crucial to get world trade moving again and argued that the World Bank’s resources should be trebled.

Finally, Alfonso Prat-Gay, the former president of the Argentine Central Bank, argued in *La Nación* that the London Summit offered an opportunity to take a fresh and unbiased look at monetary and financial issues. He said that the main problem is US reluctance to change and suggested that countries like Argentina, Brazil and Mexico have a lot to offer in terms of their own experience in dealing with monetary and financial turmoil.

INTERNATIONAL INTERESTS

According to public opinion, President Cristina Fernández is seen as a developing country leader doing everything in her power to get what she thinks is needed to make the international system fairer. *Infobae*: “Cristina Fernández emphasized that ‘the reading of the document describes very clearly that there is a strong self-criticism of a system that had no regulation and a very strong criticism of the lack of control over credit rating agencies.’”

The participation of Fernández in the G20 Summit has been perceived positively as she comes out as a Latin American leader trying to have more influence in global decisions affecting vulnerable regional economies.

GLOBAL LEADERSHIP

Clarín viewed the battle against tax havens as one worthwhile and very relevant measure to stop capital flight both from the outgoing and incoming ends. This is an opportunity to reform economic policies with a systemic viewpoint and to avoid all the burden of adjustment on developing countries, which have so far been weak links bearing an unfair burden. Argentinean public opinion suggests that this international crisis does not have a direct bearing on their pockets, which might be the reason for the lack of riots and protests.

La Nación stated: “The president of Argentina, Cristina Fernández, celebrated today the successes achieved by Latin American countries at the summit of the G20, including the elimination of one paragraph of the statement which proposed the flexibilization of labour laws as a way out.” *La Nación* further pointed out her argument was supported by Brazil because of the bad experience in that regard.

At the receiving end of neoliberal-framed international economic policies, the country finds in the G20 an arena to share its concerns in a cooperative and non-antagonistic manner.

BRAZIL

Denise Gregory and Tomas Zinner

ECONOMIC INTERESTS

In Brazil, the government initially took a very optimistic position towards the financial crisis, forecasting a 4 percent growth rate in 2009 and a small impact of the crisis on the economy. But now Brazil’s economy is

suffering. The contraction in commodity exports and the crunch both in domestic and international credit, together with the problem of very large losses in the exchange derivatives, rising unemployment rates and slowing industrial production, generated a chain reaction that made economists revise downward their growth forecast and urge the government to take a more realistic position. The most efficient counter-cyclical instrument available to the Brazilian government is monetary policy. Compared to developed economies, there is limited room for fiscal stimulus in Brazil. Brazil has been an active member of the G20 since its foundation and held its chair in 2008.

The G20 London meeting results were well above expectations. The announcement that a consensus had been reached on important topics, such as tax-haven regulations, support for additional fiscal stimulus and for the financial system reform, as well as pledges to “not repeat the historic mistakes of protectionism of previous recessions” was extremely important to rebuild trust in the financial system. The final communiqué received an optimistic but cautious welcome in the editorial opinions in Brazil. The media celebrated the summit’s decision to strengthen the IMF to help developing countries caught in the international financial crisis, and that those countries had finally been given more power in the decision process and norm setting. “The era in which seven rich countries thought they decided everything for the planet is over” (*O Globo* editorial). President Lula praised the democratic character of the meeting and affirmed that Brazil was considering contributing to the IMF.

There was also widespread support for the announcement of more transparent rules and control over tax havens. Brazil’s concern with increasing world trade protectionism in the communiqué was seen as a sign of success, but we have to wait to see how it will be translated into practical initiatives.

POLITICAL INTERESTS

There was a high perception that Brazil emerged from the London Summit with more stature and power. The *O Globo* newspaper front-page headline declared that “the Summit has modified geopolitics, giving more weight to Brasil and China.” They referred to a document of the British Foreign Ministry that grouped G20 countries in two categories according to their importance for the UK. Brazil, China and India were placed in the first rank together with the US, Japan, France and Germany. Brazilian media and television highlighted the leadership of President Obama and his good relations with Lula, who was referred to by Obama as the most popular politician on earth.

INTERNATIONAL INTERESTS

The summit has portrayed Brazil and the other emerging economies as having a central role in the global community of nations and the G20 was consolidated as the core centre for deliberations on economic and financial issues. Lula himself called the summit “historic,” reflecting a shift in world power. He also stressed the fact that the global economic crisis stemmed originally from the rich countries and that any action taken from now on would have to be multilateral. And he used the meeting to repeatedly call for measures to fight protectionism.

Small coverage was given to other major issues such as climate change and investment programs in infrastructure with environment concerns.

GLOBAL LEADERSHIP

The final communiqué was welcomed as an important step to restore confidence and a call for tighter control and greater cooperation. The countries showed unity and great ability to work together. The decisions taken were perceived as correct and in the right direction. The emerging economies influenced the final outcome. The G20 that emerged from the London meeting is much more in line with the present global geopolitical and economic order. The world had come together in a way that was unprecedented. The G20 has been transformed into a high-level forum with heads of state and government replacing the G8 and being perceived as capable of guiding the necessary reforms in multilateral organizations and avoiding future crises.

CANADA

Barry Carin

Recent polls indicate Canada's current minority government enjoys 33 or 34 percent of popular support. Almost half of those polled said they were unhappy or very unhappy with what the prime minister had done so far to mitigate the effects of the recession. Without the summit, support might have been dragged down farther by all the troubling economic news. However, the stock market responded positively, closing April 3, 2009, at a three-month high, which was an indication of a growing confidence in the markets. The Canadian dollar's value increased.

Some pique was expressed when the British Foreign Office distributed a limited-circulation agenda rating Canada as a "second division" country for G20 summit purposes, along with Russia and Australia, instead of the "First Division with the debt-crunched US, troubled France, China with its soaring unemployment, anxious India and medieval Saudi Arabia." The tabloid press had fun with the "call of nature" that had the prime minister miss the G20 family photo, which had to be retaken.

ECONOMIC INTERESTS

Canada's principal economic priority for the London Summit was a "standstill" on new trade barriers to investment or trade measures by countries. Integrated as Canada is with the US economy, there is widespread concern that "Buy America" provisions in the American stimulus package could infect procurement. US protectionist measures are major irritants in Canada, given our dependence on US trade and extensive experience — for example, softwood lumber — and security-driven measures that "harden" the US-Canada border. Reports that "Harper wins key support on trade barriers" — the agreement to extend a 12-month pledge not to raise new trade barriers — is seen as a success for Canada.

Canadians reading the fine print of the Leaders' Statement were reassured by the commitment to refrain from competitive devaluation of currencies. Depreciation of the US dollar spells disaster for our export industries.

POLITICAL INTERESTS

The government's position is that Canada has exceeded the targets set out at last November's G20 meeting, and it's now up to other nations to pull their weight. The

political opposition characterized the prime minister as “flip flopping on stimulus action.”

The Conservative base opposes deficits and government spending — the government has been criticized by supporters for a budget deficit pegged at \$80 billion over the next two years. The prime minister noted: “Canada is not ruling out additional stimulus measures in the future... the government’s first priority is to get the current stimulus spending into the economy.” The IMF reported Canada’s stimulus this year adds up to about 1.5 percent of output. The OECD concluded that Canada had the “fiscal capacity” to do more to stimulate the economy, forecasting 10.5 percent joblessness next year, and urged Canada to provide more stimulus, partly in income support for laid-off workers.

Backing Mr. Obama’s call for more stimulus at home would further inflame Prime Minister Harper’s critics, and perhaps exacerbate nascent tensions within his conservative core. The opposition, perhaps unfairly, argues that in London Mr. Harper contradicted himself in saying, “... leaders should over act at this point ... I think there would be a risk of under acting. Let’s assume that we need dramatic action and let’s do it.”

INTERNATIONAL INTERESTS

The main message received was that Canada will be paving the way in banking reform — the Canadian system could be used as a blueprint for the world. Canada co-chaired the working group that built the consensus reached on the recommendations for international financial reforms. A representative editorial opined, “Canada has a record of performance that suggests that the approach we’ve taken as a country is the one that

works and may be relevant to future global solutions. The combination of our macroeconomic framework, regulatory oversight of our financial sector and the specific management practices of the private sector has resulted in a strong, well-capitalized and successful banking sector. And while not immune, Canadian banks have weathered this storm relatively well.”

Canada agreed to contribute \$12 billion dollars to the G20 US\$500 billion commitment to triple IMF resources for struggling countries. Canadian agreement was characterized as the “search for consensus appeared to nudge Mr. Harper toward embracing the more drastic measures for poor countries.”

GLOBAL LEADERSHIP

There was a sense that the US has conceded power as in the headline “U.S. takes back seat as power balance shifts.” One influential commentator noted that the G20 Summit had marked the end of the postwar era, and that the role of the Bretton Woods institutions and the shape of the world is permanently altered. Until 2009, the fundamental goal of the IMF and its sister organizations was to deregulate the world economy, to remove restrictions from finance capital. Under the April 2 agreement, “those organizations will serve as regulators: As well as keeping the financial system working and rescuing nations from bankruptcy, the IMF and new organizations will aggressively police the worldwide credit, finance and banking systems to prevent a recurrence of the bad-credit spiral that led to the current crisis.”

The results were mixed on whether the G20 could tackle the economic crisis. One editorial stated, “If the G20

cannot solve this current financial crisis, it is seen as a positive mechanism to avoid future economic collapse"; "high level damage control"; and "No single problem is likely to be solved at the end of this G20 meeting. But the formation of consensus among nation-states amounts to an ounce of prevention, which in the not-so-long run may be worth a pound of cure."

There is little faith in the G20 Summit to reverse the protectionist tide. There was skepticism that while all 20 governments shared the pledge against protectionism, it may not mean very much. *The Toronto Star's* April 3 editorial reads: "G20 leaders put hope before help."

CHINA

Xue Lan

ECONOMIC INTERESTS

There have been various interpretations of the roots and the long-term consequences of the global economic crisis in China. Some have blamed it on the American economy over-leveraging its economic power at the cost of the global community, and questioned the fairness and usefulness of the current global financial institutions. Following this line of logic, many media reports positioned the G20 meeting as a platform for the global community to address the defects of global financial institutions. The mainstream media were very positive about the significance of the summit. China's participation was viewed as an important gesture of a responsible partner in the global community. Media also provided full details of the summit agenda.

Despite the media's enthusiasm, academics and analysts were quite skeptical about what can be achieved from

the summit. Some of them felt that the summit is "more about posturing than about real substance" and "nothing tangible of great significance can be expected." Others felt that "the sickness of the global financial system cannot be expected to get rid of its problems overnight." Few predicted any immediate and tangible economic benefits for China in the short term.

Precisely because of the relatively low expectations set prior to the summit, all media were pleasantly surprised by the outcome, particularly the US\$1.1 trillion stimulus package. The "family photo of G20" appeared on the front page of many major newspapers and websites with many lavishing praise. However, this positive mood was not entirely shared by Chinese citizens. A survey by Sina.com, one of the country's most popular websites, showed that when asked whether the world economy had bottomed out, more than 64 percent of the more than 110,000 respondents said "No," while 21 percent said "Yes," with the rest being unsure.

POLITICAL INTERESTS

There have been some intense debates among Chinese Internet users and in some media circles about China's international strategy in responding to the global economic crisis. On the one side is the view that despite the economy's rapid growth and the country's growing financial power, China's international stature has not changed accordingly. It is now time for China to play a more active role in global affairs to address the lack of balance and fairness in the current global economic and financial arrangements. On the other side is the view that China should be careful not to be carried away by the discussion of the G2. One should not forget about the reality of China, which is still a developing country with

millions of people living below the poverty line. There remains a demanding agenda ahead in China's economic and social transitions. The best way for China to make a contribution to global affairs is to maintain its economic growth and social stability.

While the Chinese official position has been more inclined towards the latter, it is clear that China is making gradual change in becoming more active in expressing its views and exerting its influence in public forums such as the G20 Summit, albeit with "Chinese characteristics." First of all, weeks before the G20 Summit, Zhou Xiaochuan, president of the People's Bank of China (PBOC), China's Central Bank, published three articles on the PBOC website.

One of the key points made in these articles was the need to create a new international currency, which should be detached from any sovereign country to maintain global financial stability. Some media viewed such an argument as an indirect challenge to the dominant position of the US dollar, and there was speculation about how such a proposal would be pursued by Chinese leaders at the summit. However, President Hu Jintao was quite gentle in expressing China's position in reforming global financial institutions at the summit, signaling China's willingness to wait for a consensus on the issue.

Second, the summit event was used by Chinese leaders as an opportunity to strengthen bilateral relationships. President Hu Jintao held at least eight talks with different leaders of other countries in the 50 hours he was in London, including US President Obama, UK Prime Minister Brown and French President Sarkozy. The meeting with French President Sarkozy right before the summit was a complete

surprise and attracted lots of media attention. Clearly, China has become more sophisticated in diplomatic engagement by taking advantage of international forums such as the G20 Summit.

Third, the widely reported story of US President Obama mediating between President Hu Jintao and French President Sarkozy over dropping the "tax heaven" tag on Hong Kong seems to indicate that China can be quite firm in protecting its core interests. Overall, Chinese media seemed quite happy about the role played by Chinese leaders, relatively low key but centre stage. In the same survey previously mentioned — when asked about whether the G2 (US-China) has become the centre of global affairs, about half said "No," 30 percent said "Yes," with the remainder being unsure.

GLOBAL GOVERNANCE

The success of the London G20 Summit has provided hope for a new global governance system that can effectively address global challenges. It was recognized that the dominance of American power has now given way to a new global constellation of powers where emerging economies, along with European countries, are becoming major forces to contend with. At the same time, it was also clear that neither the emerging economies nor the Europeans wanted to create a completely new global architecture. Current global institutions such as the IMF and World Bank would still be the bedrocks of the governance system if they can adapt themselves to the new global environment. The agenda has been set and the mechanism is working, for the moment. The challenge is how to maintain the momentum and show the world that the G20 Summit can become an effective catalyst for a new global order.

FRANCE

Jacques Mistrat

As a brief caveat, it is difficult to pretend that there is a “national” view of the results of the meeting. The skepticism regarding any attempt to make the system work “better” is widespread in France and not only within the (extreme) left: *Le Monde diplomatique*, for one, trumpets on its first page, “Patches to rescue the Financial Titanic.” In this context, it is remarkable that the results of the London meeting are generally taken seriously and positively. Criticizing the traditional G7 and pleading for “global governance” really are at the core of the most traditional French positions so that even left-wing websites — like *Rue 89*, for example — describe the two meetings of the G20 and of NATO as reflecting the emergence of “a new world.” Consequently, there is ample curiosity to decipher this “new world” and its “ambiguities.” This said, the main arguments can tentatively be summarized as follows.

ECONOMIC INTERESTS

The G20 meeting is commonly seen as a success because it lays out “new rules for global capitalism.” Due to President Sarkozy’s emphatic threat “to leave an empty chair at the dinner table” if his proposals were not followed, his personal satisfaction after the meeting is (naively?) considered as sufficient proof that the conclusions are real stuff: in particular, credit is given to the reinforcement of the IMF, to the publication of the tax-havens list (which was goal #1 for Sarkozy), to a program described as (relatively) heavy regulation (hedge funds, remunerations, ratings agencies) even if some doubts arise when commenting on the exact

content of these intentions. Angel Gurría, head of the Paris-based Organisation for Economic Co-operation and Development (OECD), has, for example, been interviewed to confirm that “the one who from now on wants to smuggle has no more place to hide,” but it is also noticed that this list has existed for 10 years without much effect.

The size of the stimulus, which is naturally mentioned but does not attract much attention, was not a French priority and even the big number does not stimulate imagination or debate. The commitment to avoid protectionist measures is taken as good sense even if received with question marks regarding what we will see during the coming months. There are, finally, a few attempts to connect the London rhetoric and measures with expected efforts to “moralize” capitalism (another Sarkozy theme in the autumn). The absence of any reference to the future of the international monetary system is considered a weakness and the issue should be put on the table in the future.

POLITIC INTERESTS

The foregoing suggests that the French media have chosen to closely link the results of the meeting to the personal action of the president; he is, in effect, credited for what he has himself emphatically described as “progresses without precedent.” This positive impression is possibly reinforced by a purely French argument: the leaders of the major international institutions are described as “back on the saddle”: it happens that Dominique Strauss Kahn, Pascal Lamy and Jean-Claude Trichet are French. The other prominent political conclusion of the media is that the “Franco-German” couple is back: the image of a well-coordinated preparation of the meeting

and the insistence to adopt new rules and regulations; the common willingness “to resist the Anglo-Saxon temptations of doing nothing,” had been meticulously orchestrated for weeks so that the results are seen as a logical result of these efforts; and pictures of the two leaders, Chancellor Merkel and President Sarkozy, are displayed in every paper as proof of their shared positions and coordinated pressures. Both leaders are also frequently credited for succeeding in “resisting new stimulus expenditures,” which can be considered as an unconventional position for France!

GEOPOLITICS

This is probably the issue that really reveals a new state of the world; if anything, the meeting is portrayed as the irruption of China as a first-rank actor on the world scene. China is portrayed as playing its hand firmly, as never before, but also with a sufficient flexibility; the Chinese are understood as having a strong interest in the future of an open world trade and they are credited for their movement regarding the publication of the tax-havens list which they initially strongly resisted. The exact role of the US in the London meeting is not clearly assessed, but Barack Obama’s presence alone is additional proof that the new world has arrived, an impression which has been reinforced by his following step in Strasbourg and Kehl; a huge meeting with 400,000 young French and German students is another demonstration that Obama really is “Obama the European” (headline of the *Journal du dimanche*). Other commentators note that, briefly said, America and China have been at the centre of the G20 and that the silence of the European Union speaks volumes (“but who noticed anything about Mr. Barroso?”), so that the question reads: could we possibly have witnessed the first G2?

GLOBAL GOVERNANCE

All this being said, the general impression is that this meeting appropriately reflected the urgent need for international cooperation. The low profile of questions related to Africa or development is considered with regret but without long developments; American shyness regarding climate change raises sharper questions; the leaders’ commitment to meet again and survey the results in the autumn is positively received (surprisingly, I have seen no comment underlining the fact that — due to successive unintentional events — these meetings are held under Anglo-Saxon chairmanship); and not much to read as of now about the institutional future of the G20 and the global architecture.

GERMANY

Thomas Fues

ECONOMIC INTERESTS

The assessment of the G20 Summit by the German media has clearly been favourable to Chancellor Angela Merkel. She is generally credited with having had a decisive influence on the summit’s proceedings and outcome, in a somewhat unexpected alliance with French President Sarkozy. From a German perspective, the key economic issues of the summit were strict regulation of the global financial sector, safeguarding an open world economy, effective action against tax havens, tight limits to management remuneration and the rejection of a globally agreed upon stimulus package. On all these points, German commentators rate the final document as a sound success of German-French positions over US-British inclinations. Public opinion has also positively responded

to the elements of the London outcome in support of developing countries, which is seen as yet another step in tune with the chancellor's programmatic worldview emphasizing global justice and sustainable development.

Together with all the satisfaction over the wording of the final document, there is, however, an often-heard note of caution and doubt on future implementation of the London decisions. Most journalists are not yet convinced that all G20 participants are serious about follow-up and fear that many might quickly renege on their high-sounding commitments.

POLITICAL INTERESTS

As indicated above, Chancellor Merkel (Christian Democrats) and Finance Minister Peer Steinbrueck from the competing Social Democrats are generally seen as effective representatives of German national interests while, at the same time, are also successfully acting in support of global solutions. The approaching national elections (end of September 2009) have, so far, not brought forth noticeable tensions between the coalition parties in power with regard to global challenges. The German public, therefore, is under the impression that the government is in full command of domestic policies while participating in global governance in a meaningful way. The London Summit has consolidated the positive image of Merkel as a key global player in her country. This is a welcome boost for her since considerable criticism had been building up on the alleged lack of a conservative profile in her governing style and substance. There is also a high degree of satisfaction about Merkel's special relationship with French President Sarkozy while, at the same time, staying on good terms with the leaders of the US and UK despite profound differences.

INTERNATIONAL INTERESTS

In Germany, the G20 is widely interpreted as a suitable big power arena for the projection of national interests, particularly in comparison to other multilateral contexts, like the United Nations, where individual European states must channel their foreign policies through the consensus-building mechanisms of the European Union, often leading to watered-down positions of the least common denominator. The significant influence and reach of German representatives within the G20 also helps the country to hold on to its cherished self-image as a global leader in the face of growing anxieties of becoming increasingly marginalized as the core of the global economy shifts to Asia. Still, German diplomacy has yet to find satisfactory answers to two unresolved issues: what shape should the summit architecture take? The German government will need to find an answer on G8 expansion versus the establishment of the G20 at the level of leaders. And the second dilemma: can individual European nations, even those as powerful as Germany, expect to maintain a place at the global apex on their own, or should they focus on an integrated European representation of interests to get on an equal footing with the US and China?

GLOBAL LEADERSHIP

The London Summit is generally seen as an important step forward in managing the global crisis. The German financial markets have reacted strongly on this perceived sign of global leadership and the media shares this sense of confidence. The present successful efforts of global policy coordination are often contrasted with failures in international cooperation during the Great Depression. In the face of historic experiences with Nazi terror and the

suffering from World War II, the German public highly appreciates the positive political implications generated by coordinated crisis response and economic prosperity. Effective global governance is seen as a key prerequisite of domestic stability and democracy. In general, the impending transition from the G8 to a G20 world is regarded with high sympathy among policy makers and the public alike. However, there are some critical voices, particularly within civil society and academia, which question the legitimacy of club governance where major powers make decisions which affect all of humankind. They would prefer a reformed United Nations to become the privileged locus of global decision making in economic affairs. Still, Chancellor Merkel's proposal of a new Global Economic Council under the umbrella of the UN has so far met with little support in the media.

INDIA

Pratap Mehta

Perceptions of the G20 Summit are not independent of broader ideological and theoretical commitments of commentators and their sense of the causes and effects of this crisis. It would be, particularly for a country like India, hard to pretend that there is a unified perception. Indeed, the debate is quite vigorous, and is also overshadowed by two contexts. Since it was election season in India, the amount of sustained attention a summit like this can get is limited. While India has also been hit by the global downturn, there is, domestically, not quite the same sense of crisis as there is globally. The summit was probably also helped by low expectations; after all the pessimism leading up to the summit, the communiqué came as a relief. However, the following points stand out.

ECONOMIC INTERESTS

In a narrow sense, India's performance is being judged by three concerns. The first was warding off incipient protectionism in the world trading system. On this measure the summit is being seen as something of a success, but there is some skepticism regarding whether countries will walk the talk. After all, even after meetings in November, serious commitment was expressed in this direction, but protectionist measures are increasing. The second core interest was eliciting a series of measures to restore confidence in the world economy. On this measure the summit is being seen as, at best, a partial success. While the figure of injecting a trillion dollars into the global economy grabbed headlines, most commentators seem to believe that this injection is somewhat notional. It includes US\$250 billion dollars already committed; most of it will be in the form of Special Drawing Rights, etc. Although there is some appreciation of the commitment shown to developing countries, there is also some skepticism that the commitment will turn out to be less substantive than promised. In short, the total fiscal stimulus is still smaller than might turn out to be necessary. India is being given high marks for making this point. The third core interest was reform of international financial institutions. This is also seen as a partial success — a work in progress whose outcome is yet not clear. There is widespread sympathy over the clamping down on tax havens. It has even become a point in the political campaign. On this point, it is felt, India could have been more assertive and sought stronger action against illicit money flows.

BROADER ISSUES

But in a broader sense there is a great disquiet about the summit. The Hindi media in India particularly highlighted the crisis of authority facing the financial community and economics profession. There was a sense that the main “intellectual” protagonists in the summit, whose views national leaders reflect, whether in the US or in India, have lost all credibility. To put it crudely, the people whose ideas and performance caused the crisis in the first place are still running the show. This suggests that many of the leaders are still unwilling to countenance more radical steps; they are prisoners of past points of view.

This point is a serious one because there is a sense that the summit did not manage to convince people that there is even a consensus around the root causes of the crisis. Almost everyone agrees that the architecture of financial regulation had a lot to do with it. There is some skepticism, however, about whether merely fixing the financial sector can address deeper long-term challenges of systemic global imbalances and a crisis of overproduction. The debate over the summit is, in part, a debate over whether this is merely a crisis of finance, or something deeper. There is still a sense that global leaders exude — with the exception of Angela Merkel — an undue faith and deference to financial capitalism. In short, the real challenge for the G20 is yet to come when it really begins to negotiate deeper structural imbalances in the global economy.

POLITICAL ASSESSMENT

It would be difficult to deny that many people see this summit in the context of global geopolitics. In some ways,

in India, “exclusive” clubs now have more prestige than the United Nations, and the G20 is seen as a long overdue grouping. There is a paradox also in Indian attitudes to leadership in the summit. Barack Obama still generates enormous interest, and his persona almost overshadows discussions of deep structural issues. He is the source of much of the remaining confidence that the G20 can be a source of leadership. There is great appreciation of the fact that he does not seem to have pushed the US line too hard and seems to listen.

But the summit is being read as an example of the decline of American authority, and the true emergence of China on the world stage. While India’s performance is seen as quite satisfactory, there is deep interest in how China now drives the global debate. Prior to the summit, there was a great deal of debate over the implications of China’s suggestion that the dollar no longer act as a reserve currency. There were two readings of this. First, this was as a marker of Chinese power. But it was also, implicitly, a vote of confidence in the American economy. The dance of “G2” within a broader “G20” is a subject of considerable interest, but there is no determinate view on how this will turn out. In this context, it was recognized that India is not as big a player as it would like to think itself. On the whole, though, there was satisfaction that India acquitted itself in protecting its own interests. The summit was a success in that it calmed the nerves and is keeping the conversation going. But the real hard work is ahead.

MEXICO

Andrés Rozental

ECONOMIC INTERESTS

Mexico's primary objective at the G20 London Summit was to plead for the international community not to be swayed by protectionist sentiment in order to keep vital trading links open and as free as possible. This comes at a time when Mexico, acting quite differently from several other members of the G20, has decided to lower or eliminate tariffs on a whole series of goods as a way of stimulating the domestic economy and making the country more competitive in the global marketplace. With the exception of a bilateral NAFTA dispute with the United States related to trucking, which led Mexico to raise tariffs on several key imports from the US, the Calderón administration has bent over backwards to preach the free trade, anti-protectionist gospel everywhere it can, including at the G20. It is difficult at this stage to judge whether the good intentions expressed in the communiqué will translate into practical measures on the trade liberalization front.

Little or no importance was given in the Mexican media to the additional commitments for developing countries, except for the increase in IMF funding, since Mexico used the G20 meeting to announce that it was the first country to sign up for a \$47 billion IMF facility under the Fund's new, non-conditionality scheme.

POLITICAL INTERESTS

Mexico's role at the London Summit was rather opaque from the media's point of view. President Calderón spoke about guarding against trade protectionism,

appeared in the group photo, etc., but this was somewhat overshadowed by the pomp and circumstance of the state visit to the UK that took place immediately prior to April 2, and the fact that Mexico's president was the only G20 leader to be so honoured. Although now a republic, there is still a vestige of admiration and awe for monarchies and the trappings that go with it. Our media was much more enthralled by the carriages, dinners and events during the state visit than by Calderón's participation in the G20 which, unlike the visit, had to be shared with other, often more popular, leaders.

INTERNATIONAL INTERESTS

There was little interest in Mexican media in the political importance of the G20 and the country's role as a member of this elite group. This is mainly due to the fact that the preparation for the London Summit (as was the case for the first Washington gathering) was in the hands of the Ministry of Finance and the agenda was mostly technical. There is still no thought being given to the G20 as a forum of leaders that could address other major issues on the global agenda such as climate change, weapons of mass destruction, etc. There is a degree of complacency evident in that Mexico, a member of the G5, the G20, and as a non-permanent member of the UN Security Council, therefore "sits at all the tables." But there doesn't seem to be an overall strategy on how to maximize Mexico's participation and whether or not to be seen as a "leader" of the developing world as are Brazil, India and perhaps South Africa.

GLOBAL LEADERSHIP

Here, too, Mexican media was not particularly interested in the global aspects of the summit. Much of the coverage

focused on the Obama phenomenon and the various bilateral meetings between the US president and the Chinese president, Russian president, and other country leaders. No mention was made of the decision to hold another G20 Summit in the fall in New York, nor of the various geometries that have been discussed relating to a more permanent institutional architecture for global governance. Therefore, I don't think that Mexican public opinion has focused on how the G20 can place the country at the forefront of global leadership, perhaps also as a result of the economic crisis affecting us at the moment, and the problems in our bilateral relationship with the United States.

SOUTH AFRICA

Peter Draper

ECONOMIC INTERESTS

The South African economy is heading for its first recession since 1992, after 16 years of uninterrupted, albeit somewhat anemic, growth. Consequently, the first priority was to ensure that the short-term agenda outlined during the Washington Summit was adequately addressed, with appropriate measures taken in the major developed countries to underpin growth. Whilst no new fiscal measures were announced in London, and both the US and continental Europeans were unwilling to coordinate their fiscal stimulus packages, enough was done prior to the crisis to ensure this was not a major issue for South Africa.

Similarly, the South African financial sector has emerged from the crisis relatively unscathed. Hence the G20's regulatory agenda, whilst regarded as important

in order to promote global financial stability, was not of first-order importance to South African policy makers. However, recognizing the importance of the financial sector to South Africa, there is substantial interest in having more say in how regulations evolve at the multilateral level. Therefore, the decisions to create the Financial Stability Board and to buttress it with a greater role for the IMF in global surveillance, were both important outcomes for South Africa.

Ensuring continued access to finance, both for South Africa and other African economies, was also important. South Africa faces continued pressure on its current account, which has been in escalating deficit for some years now. That deficit has been financed by short-term portfolio inflows. In the context of the global credit crunch there remain concerns that financing for the deficit would dry up, precipitating a currency crisis. Whilst the London Summit outcomes did not address this issue directly — since South Africa is unlikely to resort to IMF or World Bank financing on a substantial scale — the positive mood embracing financial markets after the summit has allayed fears to some extent.

Many other African countries also face current account deficits in a context of donor-funded fiscal revenues; consequently, their concerns have been twofold: development assistance drying up as developed countries engage in fiscal expansion, and private flows (the primary source of growth in recent years) sharply declining. South Africa has a strong interest in maintaining economic and political stability on the continent since a growing proportion of our value-added exports and outward foreign direct investment (FDI) are destined for African markets. Hence the London

Summit outcomes were very positive, particularly the announcements concerning IMF capital injections, overseas development assistance (ODA) flows for poor countries and increased trade finance funding. South Africa is very conscious of its position as the only African country represented in the G20, and therefore actively advocates on behalf of other African states on the basis of consultations in various forums prior to the Washington and London summits. An outstanding question, however, concerns the conditionalities likely to be applied to such financing especially from the IMF, and the extent to which governance reform of those institutions can be sped up and made relevant to African interests. In this respect, the decision on executive appointments to the IMF and World Bank was positive, as was the decision to accelerate quota reform. However, regarding the latter point, it remains to be seen whether this can be expedited.

POLITICAL INTERESTS

Strangely, this has not featured in the public debate in South Africa. Media coverage focused on the various schisms amongst developed countries and China's growing global role. The most likely reason for this lack of attention is the fact that South Africa has a "caretaker" president who is essentially keeping the seat warm for his likely successor, Mr. Zuma, who should take office in the next three weeks. Consequently, what coverage and debate there is has been focused on the performance of the finance minister, Mr. Trevor Manuel. The business media continue their love affair with him; as a result, coverage has been positive, with very few dissenting opinions aired.

INTERNATIONAL INTERESTS

International interests will most likely enhance South Africa's standing to the extent that the leadership is able to forge pragmatic alliances in pursuit of common interests. Whilst the Treasury remains in the overall lead, that will not always be the case. After the April 22 elections, the situation will become much more fluid. There is a strong lobby within the African National Congress-led government that wishes to "clip Treasury's wings." This could result in the presidency taking the overall coordinating role at a time when the discussions are moving into substantive, technical detail. Depending on the balance of power amongst competing factions within the ANC and its alliance partners, the overall foreign policy thrust could become more anti-liberal and possibly anti-West. This would result in a more ideological foreign economic policy, which could lead to substantial curtailment of alliance possibilities within the G20 forum, and therefore relatively diminished standing in the geopolitical order.

GLOBAL LEADERSHIP

As already discussed, the G20 Summit has received some attention, but is regarded as peripheral to solving the difficulties associated with the economic crisis. The primary forums for the latter are recognized as being domestic, principally the Central Bank through easing monetary policy and government broadly defined through a multi-stakeholder process intended to lead to rescue packages for various "distressed sectors." The London Summit outcomes generally received favourable reportage, and the G20's efforts are consequently seen as making a positive contribution. I suspect that if the summit had failed then domestic constituencies would

have been far more concerned about the role the G20 is or should be playing.

TURKEY

Eser Şekercioğlu

This has been an exceptionally busy week for Turkish foreign and economic policy makers. The G20 and NATO Summits were immediately followed by Barack Obama's visit to Turkey, which happened to be the president's first official visit outside North America except for the international summits in London and Prague.

This extraordinarily intense week meant, at least partially, that the public had to prioritize. Unfortunately, the "Rasmussen crisis" in the NATO Summit and President Obama's two-day program in Ankara took centre stage at the expense of the attention needed for the G20 meeting and its long-term implications. Still, the media outlets were generally responsive to the summit, albeit somewhat superficially.

ECONOMIC INTERESTS

The G20 Summit has been evaluated, especially when it comes to short- to middle-term economic consequences, not as a stand-alone process with explicit and concrete results, but in conjunction with its implications for Turkey through the IMF. With this regard, the resulting communiqué issued by the G20 leaders was welcomed. In particular, the additional funds made available for the IMF are regarded positively. This perception was buttressed by the speculations that Prime Minister Recep Tayyip Erdoğan might strike a deal with the IMF during the London Summit.

For Turkey, the G20 Summit's most profound results might prove to be the confident but cautious tone of the final document and the commitment of the group to restore confidence in the financial markets and economic growth. It is still unknown to what extent actual steps will be taken, but one important aspect is confidence, and any step toward restoring confidence should be welcome. This point was generally either overlooked or mentioned only in passing. Then again, in the aftermath of the summit there was little time to absorb and digest the implications and produce in-depth analyses of the summit and the Leaders' Statement issued on April 2.

Despite these above-mentioned factors that affected the public perception of the summit, the general reception was positive even if it was a little too romantic. Several newspapers mentioned the summit on their front pages with references to "The end of wild capitalism," "A new world order," etc. Such headlines were not limited to marginal publications, but seen in the mainstream media. The general message from the summit, as it is received in Turkey, is the call for more international cooperation and tighter control of the financial markets.

INTERNATIONAL INTERESTS

In the run-up to the summit, Prime Minister Erdoğan tried to publicize the importance of the G20 and Turkey's role in the group. However, naturally, unlike the more heavyweight actors, Turkey's actual weight in the group is limited. However, one story that has had some impact was the news based on a *Financial Times* story, which "revealed" that the British Foreign Ministry grouped G20 countries according to their importance for Britain, and that Turkey was in the "second league." There was little infuriation about the news, but it still lent support

to the impression that the G20's global reach might be limited and that it would primarily serve the wealthier members of the group.

The tension between the "continental" and Anglo-Saxon approaches to financial regulation and the size of fiscal stimulus was largely ignored in Turkish public opinion. Turkey seemed to have refrained from supporting either position in a binding manner. Given Turkey's sometimes conflicting bilateral relations with the US and the EU, this position is perhaps understandable.

However, as an economy increasingly dependent on foreign capital and exports for its fiscal solvency, Turkey might have been more vocal against the possibility of a rise in protectionism. The final document of the summit was generally perceived as a positive development. However, Turkey is viewed as a recipient of these policies rather than a participant in the decision-making process itself.

As far as domestic reverberations of the summit go, again the G20 Summit was left in the shadow of the "Rasmussen crisis" at the NATO Summit and Barack Obama's visit. Both developments were regarded as having more important and immediate implications for Turkey. I shall focus on these points more in the Political Interests section.

POLITICAL INTERESTS

On the domestic front, the G20 Summit had little impact. Two reasons can be identified: first, the NATO Summit and Obama visit took centre stage in Turkish politics. The NATO Summit was seen as quite important even without the "Rasmussen crisis." France's return to the military wing and Turkey's response to it (that is, whether to

make Turkey's support conditional on a positive change in France's attitude towards Turkey's accession to the EU) was an important subject. But the NATO Summit turned out to be even more dramatic with the selection of Anders Rasmussen as the secretary-general. Prime Minister Erdoğan's public objection was well publicized in Turkey and bolstered his image among his supporters. It could be debated whether this was a sound foreign policy choice, but it cannot be debated that Erdoğan earned some political capital at home. Most newspapers declared this so-called "Rasmussen crisis" and its resolution through some vague concessions as a victory for the prime minister. Any political impact of the G20 Summit was bound to be left in the shadows.

Second, Turkey's actual role in the G20 meetings and shaping of policy was limited. Unlike in France, Britain and Germany, there was little if any political capital to be transferred from the summit to domestic politics. In fact, in the newspapers, Prime Minister Erdoğan's short conversation with Barack Obama was given more emphasis than whatever role he had in the summit. As a prelude to the impending visit of the US president, this short conversation was deemed more newsworthy than the actual processions of the summit.

GLOBAL LEADERSHIP

Overall, the London Summit was viewed as a positive and constructive step towards managing the global crisis and maybe the first indications of a reformed capitalism and less volatile market system. At least, the summit produced a document that focuses unequivocally on increased international cooperation, which is perceived quite positively in Turkey. However, there seems to be no clear role drawn for Turkey. The transition from G8

to G20 is not only viewed positively, but was publicly endorsed by the prime minister himself. Since a couple of months before the summit, Prime Minister Erdoğan, on a few occasions, talked about the need for an expanded group of leading economies to discuss and decide on international economic issues. In the meantime, he also tried to portray Turkey as an active member of this leading group. Despite his efforts, both because of other developments that are deemed more important and Turkey's actual weight within the G20, it is hard to say that the G20 Summit in London had any consequential change in Turkey's international standing. After all, it seems that size matters. Overall, what characterized the perception of the G20 Summit in London was an initial positive response based on superficial evaluation of the summit and a lack of in-depth analysis in the aftermath due to factors I described above.

UNITED KINGDOM

Martin Albrow

ECONOMIC INTERESTS

The global crisis has opened up the issue that has long been dormant in British politics: whether it is in the national interest to be so dependent on the financial sector. In recent years all political parties have effectively signed up to an open borders, globalization agenda that appeared to enjoy sustained success and led to London displacing New York as the top global financial centre. It underpinned the credit boom and housing bubble. Warning signs were disregarded and critics marginalized. Government response to the crisis domestically has been to underpin banks, through public ownership, guaranteeing deposits and insuring

against bad risks; to rely on the Bank of England to reduce interest rates and to expand the money supply; to run an ever-increasing budget deficit by easing the VAT; and bearing the costs of unemployment and selective bailout measures. A 30 percent decline in the value of the pound has been accepted in the hope it would reduce the British trading deficit.

These measures have opened up political divides and the Conservative Opposition, which has been directly critical of expanding government debt, has welcomed the Bank of England governor's statements as calling a halt to further expansion. The government's dilemma is that the more it stresses the global determinants of the domestic economy, it draws attention to the limits of domestic policy and to its role in championing globalization over the last 12 years. It rests its hopes on coordinated global fiscal expansion, but the G20 Summit has not provided any sufficient extra boost to what was already in the pipeline, and appears to offer nothing domestically. No one is suggesting any significant structural shift for the British economy is likely, while the banks, though villains of the piece, are now even more central to future recovery.

POLITICAL INTERESTS

The summit was about as good as it can get for Gordon Brown. Plaudits came from all sides of the political spectrum, summed up best perhaps in the fact that on April 3 both the left wing *The Guardian* and the right wing *Daily Mail* (though adding an exclamation mark) carried the same headline: "Brown's New World Order." *The Mail*, in its editorial comment, declared, "This has been an impressive week for Mr. Brown ... Nor should anyone underestimate Mr. Brown's achievements," though it showed its

underlying animus by saying it “could have done with less of the ersatz celebrity trappings.” (“Ersatz”? ... Obama, the Queen?) Any criticisms of Brown were largely related to presentation, to his “practised technique of presenting old information as if it were new” (*The Times*’ leading article). Like *The Times*, the Murdoch-owned newspaper *The Sun* put the dagger in with a smile: “While the PM’s words may have echoes of movie baddie Dr. Evil, he may yet emerge from the global financial crisis as a superhero.” The extraordinarily fulsome tributes to Brown from President Obama were repeatedly shown on television. Even Vince Cable, the Liberal Democrat politician, enjoying the prestige in Britain on the financial crisis equivalent to Obama’s in the US on Iraq, has said Brown “deserves some credit for bringing things together.”

The paradox in terms of British politics is that the more Brown appears as the global statesman and emphasizes the dependence of British jobs and prosperity on the global economy, the more it highlights his own earlier role as chancellor in positioning Britain in this way. There is a general view that his success at the summit will do little for him in the longer run. *The Economist* (April 2) goes as far as to say that his power is ebbing irrespective of the summit and opinion polls since show a boost of a mere three points for Labour, still lying seven points behind the Conservatives. Chancellor Darling has lowered expectations by saying the recession will last this year, but prepares us for recovery next — that is, election year. But 13 years of New Labour rule? The voters will say, “Give us a break.”

INTERNATIONAL INTERESTS

In the run-up to the summit, the main international story was of a tension between Germany and France

on the one hand, and the US and UK on the other, on the appropriate amount of extra fiscal stimulus for the global economy and on the degree of regulation the global system needed. This worked around the long-standing theme of the contrast between Anglo-Saxon and European models of capitalism. The story gained headline appeal through President Sarkozy’s grandstanding on possible walk-outs and the joint press conference he and Chancellor Merkel gave the evening before the summit. Brown fed into the story through repeated calls to combat protectionism, code usually for criticism of the French. This choreography was a net effect of interacting national stereotypes of the other, rather than a reflection of underlying national interest. Evidence from the Fund on overall stimulus when automatic stabilizers are added to special measures suggests the main countries are all injecting around 3 percent extra expenditure and from the Bank that nearly all the G20 countries have taken protectionist measures.

But the appearance of a crafted compromise with the healing balm and blessing of the US president, coupled with genuine cooperation at official level and the fact that the event was in London, combined to strengthen the British self-image of “bridge” between the US and Europe, while being very dependent on both (one walks over bridges). The expansion of the summit to a G20 (plus) helps Britain to go a step further to being what the Foreign Office describes as a “global hub,” but caught as it is in the tension between the US and Europe, the UK is likely to find itself marginal to US-Asia or US-Latin American relations, and ever more likely to find itself subsumed in a European bloc. The London Summit is probably the maximum influence the UK will ever exert on international relations, but as we move away from

zero-sum games to an interdependent world, that should not reduce its international engagement, nor indeed its dependence on and contribution to an ever-developing system of global governance.

GLOBAL LEADERSHIP

The summit has done an enormous amount to dramatize and portray for its public the UK as having a central role in a global community of nations. The theatre of Buckingham Palace receptions, of Michelle Obama in a London school (of the nine-page coverage in the *Daily Mail*, she was pictured in six of them), and of group photographs gained more attention than the substance, but at the same time needed the substance to match the imagery: for example, “rewriting the rules of capitalism” (*Daily Mail*) and “the G8 is now eclipsed by the broader G20” (*The Daily Telegraph*). The tabloid *Daily Mirror*’s opening front-page sentence: “Gordon Brown and Barack Obama last night emerged triumphant from the G20 Summit with a \$1 trillion global rescue deal has the general effect in a nutshell.” *The Times* grudgingly applauds, “Its achievements were predictably modest, but it was not in vain.” Mary Dejevsky in *The Independent* says, “Britain has a future as host to the world,” but on its front page the paper’s headline is “Obama hails the new world order,” with subtext “Markets roar after President brokers ‘historic’ G20 deal between world leaders to bring end to recession.”

Broadly, while there were comments about how the summit in itself would not solve the crisis, there was an acceptance that it was an effective and intrinsic part of bringing the world together in a common cause. The expense and the logistical complexity, while noted, never became prominent issues, except in so far as they

testified to the importance of the occasion. In the UK it signaled the debut of the new multilateral presidency of the United States, a new kind of leadership and a British hosting of the global community of nations. Obama’s media skills made this kind of summit, pageantry with purpose, a perfect vehicle for global leadership.

UNITED STATES

Colin Bradford

ECONOMIC INTERESTS

Headlines varied on April 3, with *The Washington Post* giving favour to the European agenda by heralding “Nations Craft Hard-Fought Pledge to Repair World Financial System” while *The New York Times*, “Obama Ties U.S. to World in Seeking Blue Print for Global Recovery.” The much-discussed US priority, of course, was the fiscal stimulus package. *The Wall Street Journal* in its “G20 Scorecard” clearly stated under “Losses” that the G20 “didn’t agree on a fiscal-stimulus target.”

The editorial opinions were dour: *The New York Times*: “They fell short”; *The Washington Post* editorial headline, echoed Obama: “‘We Did Okay’: The G20 summit produces a few useful economic steps — but misses a big opportunity.” But, a *New York Times*/CBS News poll taken between April 1 and 5 during the G20 Summit and Obama’s European trip, showed that “the percentage of (American) people feeling the economy is getting better grew from February to April.” Obama’s willingness to yield rather than push his priorities in the end seemed to enhance his standing among G20 leaders and also at home. The conservative *Washington Times* front-page headline declared: “Obama yields to ‘collective action’;

U.S. wants to cooperate, not dominate.” A cartoon inside showed Obama at the summit resigned to realities, saying: “Well, there’s another proposal we can’t agree on.”

POLITICAL INTERESTS

But none of these difficulties over economic priorities or disagreements on issues seemed to affect the American public’s view of the effectiveness of the new president at the G20 Summit and on the global stage. More than a few commentators remarked on his ease and confidence in the summit setting, his ability to interact with a variety of leaders, and present a positive, but realistic explanation of what was happening. *The NYTimes/CBS* poll revealed that “two-thirds of respondents said leaders of other countries had respect for Mr. Obama.”

It was impressive to see Obama chiding Brazilian President Lula, “you are the most popular politician on the planet”; engaging with Turkish Prime Minister Erdoğan and others after the photo op; talking intently with German Chancellor Angela Merkel in the background while the world focused on whether Michelle Obama or the Queen had broken new ground in royal protocol; and of course playing along with the Berlusconi thumbs-up caper with Russian President Medvedev. But most important was the fact that Obama was seen to broker an agreement between French President Sarkozy and China’s lead, President Hu Jintao, on tax havens, by taking each aside and talking to them individually.

INTERNATIONAL INTERESTS

As a result of these actions and perceptions, President Obama seemed to Americans to have emerged from the G20 Summit not only as effective, but also having made progress in restoring confidence, trust and stature to the

United States’ position in the world. While the summit was perceived to have fallen short on substance and the US unable to get its priorities fully met, the overall impression was that America’s position in the world was adapting to new global realities and taking a strong leadership position in what Gordon Brown called “the new global order.” As Philip Stephens aptly put it in the *Financial Times*, “the US president has grasped that if America is to hold on to its pre-eminent role in the world it will be with a system in which others have a stake. Mr. Obama shows wisdom beyond his years in realizing that to understand the extent of US power — and it is still unrivalled — a president must also map its limits.”

GLOBAL LEADERSHIP

The American public, along with the global public, was seeing the G20 Summit in the context of a broader array of highly visible international engagements during which the new president was making his first major appearance on the global stage. Differences of views among G20 leaders were clearly evident, as the cartoon in the *Washington Times*, clearly shows. But even though some agreements “fell short” in the view of many, the headlines, articles and editorials still revealed concerted if not coordinated action on financial system reform, international resources for addressing gaps and crises in global finance, and pledges to “taking whatever action is necessary” to “accelerate the return to trend growth,” to “not repeat the historic mistakes of protectionism of previous eras,” to “ensure our domestic regulatory systems are strong,” to “rebuild trust in our financial system,” and “to recognize that the current crisis has a disproportionate impact on the vulnerable in the poorest countries.” Real resources and processes for monitoring implementation were put in place, and the

international institutions for advancing the G20 agenda will be strengthened to better deal with the global dimensions of the crisis. The image, impression and profile of the G20 London Summit were ones of “collective action,” as the *Washington Times* put it. Leaders were doing the public’s business. Even though it was not seen in America as a stunning success, it was seen as progress.

The lead sentence in *The New York Times* front-page report on the *NYTimes*/CBS poll at the time of the G20 Summit (April 1-5) reveals: “Americans have grown more optimistic about the economy and the direction of the country in the 11 weeks since President Obama was inaugurated, suggesting that he is enjoying some success in his critical task of rebuilding the nation’s confidence.” Americans see their president as doing his job, taking charge, going in the right direction. The G20 Summit seemed to reinforce the perception of a leader who knows how to work with others and others seemed glad to work with him. Together, G20 leaders seemed intent on “repairing” the global financial system, recovering global economic growth and restoring public confidence. Somebody is minding the store again. “Now the G20 has come of age,” opined the *Financial Times* on April 4. Perhaps, slowly, a sense of global leadership is coming into being with America pulling its weight.

SOUNDINGS SERIES #2: NATIONAL PERSPECTIVES ON GLOBAL LEADERSHIP G8 SUMMIT, L'AQUILA, JULY 2009

OVERVIEW: UNEXPECTED STEPPING STONE ON SUMMIT ISSUES AND IN SUMMIT REFORM

NEW ISSUES, INSIGHTS AND INQUIRIES

The second *Soundings* series of commentaries regarding public perceptions and perspectives on global leadership at summits as viewed through national press reports in ten G20 countries has revealed still more insights into the issues facing G20 nations and raises still more questions for further thought, observation, analysis, interpretation and exchange of views. These have to do with the fundamentals of the inquiry.

For example, Martin Albrow (UK) raised an important issue about whether “leaders’...domestic political standing, their relations with each other and to the meeting rather than their stands on issues occupied press interest.” This then raises questions about the role of the press in shaping public perceptions of leadership by what they choose to focus upon. Albrow suggest that “it is the meeting itself that is the event, the staged occasion rather than the substantive discussions which are simply episodes in the long running narratives ... Press coverage suggests that the meetings are news for

the light they throw on leaders rather than any leadership on issues.” His colleague, Olaf Corry, asserted that the NPGL inquiry itself highlights that “the very idea of public engagement in a summit of global leaders is a relatively new construct that in itself represents a sign of the creeping globalization of national politics.”

Pratap Mehta (India) pointed out the potential for determining “whether India’s international position (on climate change) should crowd out domestic discussion of India’s development path” and that for India, the possible “clubbing itself with China” on climate change has triggered “some recognition that India does need to think about the nature of its own development path and (that) following China may not be desirable.” This interface of domestic determinations with international issues, with the international debate forcing domestic introspections and reflections is a fascinating dynamic that works from outside in rather than the reverse, which might have been thought to be the case. Peter Draper’s observations that South Africa’s lack of coverage by national journalists and the necessary reliance on foreign news feeds “not critically filtered from a South African perspective” implicitly questions whether a national public can be expected to have distinctive domestic perspectives if it does not have direct coverage by national journalists which provide uniquely indigenous perspectives on the issues, interests and individual actors involved that indeed are the connecting link between summits and domestic publics.

GLOBAL LEADERSHIP AT THE ITALIAN G8

Given the foregoing comments on the role of the press, it is interesting to note that of the 10 country papers (all but China and France from the first round of *Soundings*),

four report low public attention: Argentina, which was not invited to the G8; South Africa, which had virtually no direct national news coverage from Italy; Turkey, where the worst first-quarter growth rate since 1945 seized public attention; and the United Kingdom, where “public attention seems to be basically elsewhere.” Not surprisingly, leaders of these four countries were seen to have etched a low profile at L’Aquila, except for a foray by Turkish Prime Minister Erdoğan who “criticized Chinese authorities for their conduct in Xianjiang” (Şekercioğlu). The other six leaders did better in public perceptions of their leadership as reflected in the national press in Brazil, Canada, Germany, India, Mexico and the United States. But this success relied less on press coverage than on already strong domestic political positions of leaders (Lula, Singh and Obama), on strong positions on issues (Merkel on the G20; Calderón as G5 coordinator; Harper on a “hat trick” of three issues — climate, stimulus and aid; Singh on trade; Obama on climate, nonproliferation, and aid to Africa; and Lula on Iran); and on interpersonal relationships, Lula and Obama taking centre stage both individually and together.

THE G8, THE G8 PLUS 5/6, AND THE G20

The questions authors addressed in this round concerned the degree to which the broader agenda of the G8 with respect to the G20, the sequence of different configurations of countries and the relevance of the G8 might diminish and detract the trajectory toward summit reform and global leadership that has characterized the response to the economic crisis beginning with the first ever G20 Summit in November 2008 and carried forward by the London Summit in April 2009. The overall conclusion seems to have been that the Italian G8 Summit served

as a stepping stone forward toward the G20 Pittsburgh Summit in September and the UN Climate Change Conference in Copenhagen in December, despite the fact that no major shifts in substantive issues occurred at L’Aquila.

The most stunning revelation in these papers was the turnaround in the German position from one of explicit support for the G8 Plus 5 (the Heiligendamm Process) to “unequivocal” support for the G20. First was German Chancellor Angela Merkel who, “in a parliamentary debate one week before the Italy summit ... declared her unequivocal commitment to the G20 as (the) ‘overarching structure.’” Second was Social Democratic Party figure, Hans Eichel, who stated in parliament that “the G20 is the only format of the future, and nothing between G8 and G20.” And third was the German Council on Foreign Relations, which Thomas Fues reports as saying “the time of G8 outreach is over; a new summit architecture has to be put in place.”

This echoes what Pratap Mehta found in India where “there is by and large (a) consensus that (the) G8 itself is an anachronism that has outlived its usefulness” and what Andrés Rozental found in Mexico where “there seems to be a growing consensus that the G8 format by itself is no longer useful or valid.” *The Mail and Guardian* in South Africa deemed the G8 to be “a farce,” according to Peter Draper. Albrow cites *The Times* as saying that “real decision making power has shifted upwards from the G8 via the G13 to the G20.” *The Daily Telegraph* warned that “the challenge for the G8 Summit is for it to matter.” Denise Gregory found that in Brazil “President Lula prefers to strengthen and consolidate (the) G20 as the centre for deliberations on economic and financial

issues. The G20 has transformed into a high-level forum with heads of state and government replacing (the) G8.”

But our observers of the US, Mexico, South Africa and elsewhere found the matter of the composition of the summit to be “not cast in stone” and that a compromise would end up somewhere between the G8 Plus 5 and the G20. Andrew Cooper quotes Canadian Prime Minister Stephen Harper, host of the G8 in 2010, as saying that he would aim to “try to find comfortable ground between the vintage eight-only G8” and the 40 plus found at L’Aquila. Cooper indicates that Harper would prefer “a couple of formats” for the G8 he will chair in 2010, much like the Italian G8 just completed. This may encounter hostility in several quarters, most likely in Brazil and South Africa, among others. China’s preference is unknown: this is blurred by the absence of President Hu Jintao at L’Aquila and of a country paper in this round of *Soundings*. The political dynamics among the leaders and their interactions with their own publics will drive the continuing evolution of the composition and size of the summit grouping as the G8 / G20 sequence rolls forward toward 2010.

OTHER ISSUES

Dianna Tussie makes the point that public opinion in Argentina was not focused on the Italian G8 Summit because Argentina was an “outsider,” not invited to L’Aquila in any of the configurations as it had been to London and Washington as a member of the G20. One has to wonder, by extension, about the degree to which there is a lack of interest among both the press and the public in all the countries not included in the summits of whatever configuration and the impact that has on perceptions of global leadership throughout the world. If

this is a general problem for successful global leadership, it would not appear to have easy answers.

In the first *Soundings* on the London G20 Summit, it was observed that leaders who engaged in multiple issues across a broad range seemed to do better in generating a higher profile at home than those who focused on a single issue, even though it was initially thought that a single-issue focus might be more effective in conveying leadership. In this second round, there were some differences between countries on whether the public seemed more or less engaged in summit deliberations because of the broader agenda at L’Aquila.

But on the whole, it seemed that the broader agenda did engage publics more than the narrower focus on the economic crisis in London in April even though that was the most pressing problem at the time. The agenda appears to attract a broader array of public interest groupings and to convey a stronger sense of addressing current challenges in the larger rather than the narrower, more technical problems of the global economy.

ARGENTINA

Dianna Tussie

Given that Argentina was not part of the G8 Summit gathering, the view is that of an outsider country. In fact, the G8 Summit received limited attention from the local media. The main focus has been centred on the efforts of the G5 — especially the Brazilian role — to pledge US\$20 billion in farm aid to help poor nations feed themselves. In this context, the daily *Clarín* (with its permanent correspondent in Italy covering the gathering) clearly highlighted President Lula’s role on the world scene

as a trusted interlocutor not only on issues of regional concern but also global ones. *Clarín* mentioned in this regard Obama's request to Brazil to dissuade Iran on nuclear arms development.

The wider agenda of the G8+G5 (plus Egypt, Indonesia, Korea and Australia) Summit did not appear in the media to be directed to broaden the debate nor to do much in terms of enhancing democratic governances. The press stressed the differences between the G8 and the G5 on climate change, and the demand of the former to the latter not to worsen the global economic crisis. On climate change the skepticism (and even antagonism) of the G5 and Egypt on the G8 proposal to target 2050 as the date for achieving the reduction of global warming without limits on emissions was highlighted. The point made by China, India, Brazil and Egypt that the target was not "credible" was given attention, in addition to Russia's disengagement from the G8 agreement and President Lula's remark that an intermediate target date in 2020 was necessary. Much was made of the issue that climate is of second order importance after the major problems of poverty and underdevelopment.

Since Argentina was not invited to participate in the summit, the impact of the issues discussed was limited at the domestic level. There may be confusion (or fatigue) in the public eye as to the multiplicity of summits, but this is not specific to this instance, given the plethora of summits already in existence in which Argentina participates (Summits of the Americas, Iberoamerican Summit, EU-Latin America, Rio Group, OAS heads of states, etc.).

The difference between the G8+G5 Summit and the G20 was clearly manifested due to Argentina's membership in

the later fora. One of the most relevant issues approached has been related to the strengthened legitimacy of the G20 as a result of the reaching out of the G8. Over and above that, it seems evident to the public that both foras are independent despite the overlap and the connectivity in trade and financial issues. G14 appears to be less binding on these latter issues, but has the added dimension of security, such as nuclear disarmament and the enlargement of the Security Council, which the G20 does not touch upon.

In the way it has been presented, the G8 seems to still be a "blast from the past," but with a "spark of hope" coming from the invitation of some of the G20 leaders to participate in the summit. The G5+G8 and Egypt doesn't seem to be the best option for Argentina since it does not have a voice in the fora. At the same time, it allows Brazil a larger international audience, an issue used as a justification to criticize the Kirchner administration's management of foreign and economic policy.

The summit took place on the week after the mid-term elections hit the Kirchner administration badly, presently overtaken with the results and dealing with cabinet reshuffles. These pressing domestic issues (and the coup in Honduras) have been the main concern of the public with otherwise small room for the L'Aquila Summit.

The coordinated efforts of the G8 have thus received scarce attention beyond the agreement to give the Doha Round of the WTO another chance. As the daily *Página 12* remarked, the European press pointed out that the final declaration did not contain much substance. It cynically remarked that the repetition of wishful exhortations was "similar to the 2008 Summit, which took place while Wall Street was falling apart."

BRAZIL

Denise Gregory

PUBLIC ENGAGEMENT

The wider agenda seems to engage broader public interest. However, there was much less interest in the Brazilian press about the L'Aquila Summit than in the London G20 Summit in April. On the other hand, compared with last year's summit in Japan, this one showed greater relevance. The final balance seems to have been very positive.

Brazilian press coverage was almost exclusively centred on climate change discussions. It was regretted that an agreement on targets for reducing emissions had not been reached, although intermediate commitments had been the object of a compromise. The press pointed out the differences between the G8 and the G5 on the issue. Some experts criticized the Brazilian alliance with China and India. It was said, for example, that "Brazil is on the wrong side about climate change."

There were also references in the press to the setting of a deadline for concluding the Doha Round, but this was viewed with skepticism, since such a commitment had been repeatedly made at every summit, with no practical results.

PUBLIC FOCUS

The sequence of groupings of countries attending the three different days of the Italian G8 Summit creates some confusion in the public perception about the locus of global leadership. However, there is also the perception that arrangements evolve by their nature and are a living process. They should be flexible in order

to bring together countries that would most effectively contribute to the particular subject under consideration. The format and composition of the group should change according to the nature of the addressed problem.

G8 RELEVANCE

President Lula stressed that rich countries realize that global problems/tensions call for a collective and coordinated action, with Brazil and other emerging economies playing a central role in the decision-making process. He referred to Sarkozy, Obama and Berlusconi's statements during the summit calling for a G8 enlargement to incorporate the emerging countries (a G14). The perception that the G5 has a stronger voice now is very important, although President Lula prefers to strengthen and consolidate the G20 as the centre for deliberations on economic and financial issues.

The G20 has been transformed into a high-level forum with heads of state and government replacing G8 and being perceived as capable of guiding the necessary reforms in multilateral organizations in order to avoid future crisis.

GLOBAL LEADERSHIP

There is a growing perception of the importance of Brazil as an active actor in all relevant questions that were discussed at the summit. Bilateral talks with President Obama and his request to Lula to mediate talks with Iran attracted much attention from the press. Brazilian media and television highlighted the leadership of Obama and his good relations with Lula. The front-page photo in the *Financial Times* and in some Brazilian newspapers of Lula and Obama wearing the shirt of the Brazilian soccer team has a symbolic value. Obama was recognized by

his active and progressive positions on climate, trade and aid to African development.

With regard to the economic crisis, in Lula's perception his colleagues were optimistic. The worst of the crisis is over and recovery of the world economy in 2010 is feasible. The meeting was seen as useful for preparing the next G20 summit and all hopes are posted in it. The same rationale applies to the Climate Conference scheduled for December.

CANADA

Andrew F. Cooper

There is a pronounced split in the Canadian press between those that support the established structure of the G8 and those that advocate change. This has a political dimension as those that support the established structure also show the most enthusiasm for the way that Prime Minister Stephen Harper demonstrated leadership at the L'Aquila Summit. Those who are critical of the G8 are also critical of the Harper government's approach. Beyond partisanship, however, this split also reveals the extent of a larger debate about Canada's present and future role in the G8.

PUBLIC ENGAGEMENT: SUPPORTERS AND CRITICS

The top issues addressed at the L'Aquila Summit — food security, African aid and climate change — were well covered in the Canadian media, by supporters and detractors. There remains, however, a muddled picture of how the G8 can address these critical issues in place of other multilateral institutions. Credit is given to Canada for being part of the group of countries that pushed one of the few tangible commitments; a new US\$20 billion

initiative on food security, on which greater attention is placed on agricultural development, and the untying of Canadian food aid.

Canada, along with the US and Japan, are also credited with meeting, if not exceeding, its 2005 commitments to double aid to Africa. Prime Minister Harper showcased this issue as one that confirmed the need for accountability: "Countries who have not been living up to their commitments are going to face increasing heat as we go forward." Nonetheless, these views were backed up by the celebrity diplomat, Bob Geldof, who stated: "When the show rolls into your neck of the woods next year, there is a deep credibility with the leaders, and I think it's quite right that Harper should say. We've done it. Where is your stuff?" On the more critical side, NGOs expressed unease over the food security initiative. Robert Fox, the executive director of Oxfam Canada, calculates this initiative as another promise taken at a G8 that mixes "new" from "additional" monies, another case of double counting.

By way of contrast, the critics concentrated on Canada being out of step with most of its G8 partners on environmental issues. Inuit leader Mary Simon castigated the Harper government's poor performance on this issue, pointing to the manner by which Canada was being lectured to by other governments, most notably France. Reacting to this criticism, Prime Minister Harper argued that the targets on the reduction of greenhouse gases were "virtually identical to ours." However, environment minister Jim Prentice added that cast the targets as "aspirational" and "optimistic," industrialized countries could cut emissions by 80 percent by 2050, relative to an unspecified baseline year.

PUBLIC FOCUS: TACIT DIVISION OF LABOUR

Far more muted were discussions on economic issues, whether stimulus should be unwound or an exit strategy implemented. Arguably the central issue for global governance, debate on the world economic recovery was shelved for future meetings, reflecting the general “wait-and-see” mood of L’Aquila. There was a consensus that these issues could wait, either until the Pittsburgh G20 in September 2009 or the Muskoka G8 Summit in June 2010. In this light, the public is left to presume that the G8 is retreating to strictly a political club, moving away from the economic/financial main game now assumed by the G20.

The supporters of the G8 in the Canadian media focus then on the role of the G8 in political and geostrategic issues. Presently, that involves sending a signal to the Iranian government on human rights abuses and on its aggressive nuclear program. This conformed to the sentiment of the Canadian government going into the summit that: “We obviously view the regime there as extremely dangerous, a serious threat, and [we’re] hoping that the G8 leaders are going to come together to have a dialogue on the issue of Iran.”

Prime Minister Harper’s end of summit press conference offered the primary entry point for the Canadian public into the G8 process. There, he placed the emphasis on not overpromising but on delivering and that Canada will do a better job of hosting the G8 in 2010 — the Muskoka Summit — by going back to basics. The sentiment that the G8 be a forum of delivery not of overpromising came out forcefully. Acknowledgements that the summit process had a credibility gap, “sapping the G8’s moral authority,” the prime minister argued that the response

should not be to abandon the G8, but to make it work more effectively. The problem, in his view, has stemmed from countries that “make commitments and...don’t fulfill them.”

G8 RELEVANCE: DEBATING THE FUTURE OF THE GS

Turning the debate from the specifics of the L’Aquila G8 Summit to the future, the critics of the G8 found plenty of defects to jump on. In the lead-up to the summit, Jeremy Kinsman, a former Canadian ambassador, wrote in a scathing article that the G8 was “a throwback to an era that has faded from the scene.” Canada risked “running with the dinosaurs” by resisting the opening up of the process to emerging states.

In contradistinction to the G8 as “sideshow,” David Crane argued that the real action would take place at the G20 in Pittsburgh, which “should be more disciplined and decisive and it is there that new regimes to manage international finance, coordinate the global economy and deal with the timing and strategies for exiting from the current stimulus programs will be negotiated.” Extending this critique in the aftermath of the L’Aquila Summit, James Travers contended that the Muskoka Summit would be more of the same: “big, wordy and grotesquely expensive.” Faced with the effective competition of the G20, which had the advantage of having a more balanced membership, the G8 is no longer the main event.

For the supporters of the established G8, however, the way forward was not a shift away, but closer attention to the core strengths of the summit process. What was needed was greater accountability and attention to core details. Leading into the summit, Canadian officials were seen

as defending the credibility of the G8 as it exists. A top foreign policy advisor is quoted anonymously that there was a strong interest in “maintaining the G8 as sort of the core group of countries that can provide...leadership... and forceful leadership.” In this vein, Norman Spector dubbed Prime Minister Harper’s G8 performance as a “hat trick,” providing personal and group leadership on climate, stimulus and international aid.

GLOBAL LEADERSHIP: BEYOND THE SUBSTANTIVE DEBATES

Given the intensity of the substantive debates around the G8, it is not surprising that the Canadian media also found time to extend the parameter of these debates. For the supporters of the G8, and Canada’s role in the summit process, some time was taken to contrast Prime Minister Harper’s style with that of the host, Silvio Berlusconi. Depicting them as “polar opposites,” Peter O’Neill states that, “While the straight-laced Harper prefers church picnics or hockey games to parties, the billionaire Italian prime minister is usually found deep in a cauldron of controversy.”

For critics, the main cause celebre related to an attack Prime Minister Harper made on the Liberal opposition leader, Michael Ignatieff, for statements that he allegedly made about Canada being at risk of losing its place in the G8 because powerful nations could form a new group and leave Canada out. When it was discovered Ignatieff never made such a statement, a media backlash ensued. Roger Smith said he was surprised by the attack, stating that such a slip-up had the potential for stealing “the kind of message the prime minister wanted to come out of this summit.” Others took the time to point out Prime Minister Harper’s repeated tardiness for the official G8

photograph, as he had previously been at the London G20 Summit.

Looking ahead to 2010, Prime Minister Harper’s views on participation at the Muskoka Summit were hinted at in an article written by Eric Reguly and Brian Laghi. Asking how Canada would “fine-tune the G8 to keep it alive and kicking?” some answers were provided in an exclusive interview with the prime minister, who indicated that he would aim to “try to find comfortable ground between the vintage eight-only G8” and the 40 plus found at L’Aquila. The choice is for “a couple of formats, a G8 and a more inclusive global forum.” Arguably, this position reflects the debate occurring within Canada on what the future roles exist for the G8 and G20, which countries need to be at the table and how informal processes can influence global governance.

GERMANY

Thomas Fues

PUBLIC ENGAGEMENT

The L’Aquila Summit marks a turning point in German perspectives on the G8. Policy makers and public commentators now fundamentally question the relevance of the G8 and put their hope in the G20, with a few dissenting voices still holding on to the original format. An important factor in this paradigm shift has been the unexpected reversal of opinion by Chancellor Angela Merkel. In a parliamentary debate one week before the Italian summit she declared her unequivocal commitment to the G20 as “overarching structure” for global policy coordination. Somewhat contradictory to the perceived demise of the G8, the German public

followed the event with considerable interest and solid expectations, particularly regarding climate change, economic protectionism, African development and food security. Beyond the substantive issues, public opinion closely observed the extent to which developing countries were integrated into the official proceedings and how they shaped the final outcome. In a show of national pride, Chancellor Merkel is commended for initiating the Heiligendamm process, which has paved the way for an institutionalized dialogue with emerging powers and will be extended for two further years. However, the protest movement Attac, which mobilized a strong following in Germany during the 2007 summit, dismissed the present G8 meeting as “irrevocably delegitimized and irrelevant.” Instead, the group is preparing for the next G20 summit as focal point of its activities. Switching the label of “rich men’s club” from the G8 to the G20, critical commentators see the United Nations as the only legitimate body of global decision-making.

PUBLIC FOCUS

Public commentators in Germany are split in their assessment of the different formats used during the Italian summit. While some fear a significant loss of accountability and transparency through the changing constellations of participating countries over the three days, others see such flexibility as key to effective policy coordination on diverse issues. The national newspaper *Die Welt* approvingly uses the image of an onion to describe the multi-level interaction of leaders: the core being the G8, the outer peel the G20, and in between the G8+5 plus the Major Economies Forum. Referring to current scholarly thinking the daily *Sueddeutsche*

Zeitung underlines the functionality of flexible alliances in response to unprecedented global challenges. The club structure as such, for example, the G8, is not important; the only thing that counts is impact and effectiveness. Since the range of relevant actors differs widely across policy fields, variable arrangements are a prerequisite to effective problem solving. Still, a good number of German opinion makers criticize the fuzziness of the current summit architecture and call for a clear-cut definition of membership and responsibilities. Some especially emphasize the need to eliminate the overlap between the MEF and the G20. Others focus on the inclusion of individual countries or regions, particularly with regard to Egypt and Africa. Chancellor Merkel has urged to cut down on the frequency of summit meetings since leaders’ capacities are overstretched by the present multitude.

G8 RELEVANCE

As indicated above, most public commentators in Germany follow Chancellor Merkel’s sudden change of mind in that the G8 should be degraded to a preparatory caucus of industrialized countries in relation to the G20. The first prominent German politician to support the notion of a G20 at leaders’ level, former finance minister Hans Eichel from the Social Democratic Party, opines: “G20 is the only format of the future, and nothing between G8 and G20” (Bundestag, July 2). Still, the Italian summit is generally perceived as a useful interim step towards the G20 meeting in September in Pittsburgh and the critical climate conference in Copenhagen at the end of the year. The daily *Frankfurter Allgemeine Zeitung* quotes an anonymous member of the German delegation as half-jokingly asserting that

“L’Aquila will certainly not be the final G8 summit, meaning that the glory days are over but the club will not be immediately closed down.” The influential weekly *Der Spiegel* speaks of an “impotent G8.” A certain sense of awe is expressed about the “sensational speed” by which the G20, within months, has replaced the G8 as the locus of global leadership (weekly *Die Zeit*). It has become common knowledge in the German debate that global governance can only succeed if developing countries are adequately included. Due to the growing weight and assertiveness of emerging powers, the time of G8 outreach is over; a new summit architecture has to be put in place (German Council on Foreign Relations). A small minority of commentators insists on holding on to the G8 (sometimes explicitly excluding Russia) as group of like-minded industrialized countries that stand for pluralism and democracy (weekly *Der Stern*). Serious concern is developing in Germany over the future representation of European countries in global institutions like the G20, IMF and World Bank. Analysts and policy makers understand that the European presence has to be reduced, but they do not see how that could possibly be accomplished on a consensual basis among affected countries.

GLOBAL LEADERSHIP

Public opinion in Germany is generally positive for the outcome of the summit as expectations have been exceeded (*Die Zeit*). Progress is seen in substance (climate change, development assistance, food security, Iran, trade) as well as in process by getting the emerging powers on board. Policy makers and the media are particularly pleased about the new consensus on limiting global warming to 2 degrees Celsius. However, since

the outcome documents are weak on implementation, many NGOs are skeptical of how such aspirations will be translated into reality. One example: considering new regulatory mechanisms for financial markets national interests clash even within the European Union (Germany and UK). Many commentators also refer to the rift between the climate ambitions of the Obama administration and the status quo position of the US Congress. Still, there is widespread hope in Germany that leaders are beginning to address pressing global challenges and that an inclusive summit architecture such as the G20 could make an important contribution. Minority voices, including those from the Green Party, in contrast, emphasize the leadership role of the United Nations and call for the creation of a UN Global Economic Council, an idea that has also been propagated by Chancellor Merkel.

INDIA

Pratap Mehta

The G8 Summit was followed very keenly. But this was less on account of the importance of the G8 itself. Rather, it was because of a whole series of other events associated with the Summit (the G8+G5, the Major Economies Forum), and because of a keen interest in the positions of particular countries, especially the United States and China. There is by and large consensus that the G8 itself is an anachronism that has outlived its usefulness. Some commentators put it even more strongly. The unwillingness of a number of European nations to give up their seats at the global high table has itself become an obstacle to global governance reform. The Indian prime minister’s strong letter to the G8 called for the reform

of the United Nations Security Council, and for global governance to adjust to new power shifts in world politics. India's prime minister got high marks for reiterating this stand; and several G8 members were presented as being obstacles to change in global governance.

On other substantive issues, there was a sense that India protected its interests quite well. The commitment of all countries to fight protectionism and conclude the Doha round has been loudly applauded, though there is some uncertainty of what compromises this might entail on India's part. But there is a sense that India does not want to be seen to play spoiler on trade issues, and so progress may be possible after all.

There is a perception that on climate change issues, both the G8 and the associated meeting did not make any major breakthroughs. The fact that there are still significant differences between Americans and Europeans on emissions targets lends credence to the view of developing countries that the developed world is still not serious about discharging its responsibilities in cutting emissions. There is a sense that most of the key issues — baselines to be used for emission cuts, funding, technology transfer regimes — still remain deadlocked. Against this backdrop, developing countries are right to dig in their heels and not agree to any binding targets. The two thoughts in the final communiqué that have drawn most attention on climate change issues are the request to G20 finance ministers to come up with concrete suggestions on financing before the next G20 summit, and the possibilities of global cooperation on energy. But there is no confidence yet that the summits have produced a credible road map on climate change.

Interestingly, opinion was somewhat divided on India's clubbing itself with China on this issue. This is so for two reasons. First, China's per capita emissions are considerably higher than India's. There is a line of argument that it is not in India's interests for India and China to be clubbed together, either by the developed world or through a form of self-identification. Second, domestically there is beginning to be some recognition that India does need to think about the nature of its own development path, and following China may not be desirable. While there is overwhelming support that India should not take on binding targets, the summit at least occasioned some discussion on whether India's international position should crowd out domestic discussion of India's development path. President Obama's views on nuclear proliferation, the NPT review and the status of the CTBT, were matters of considerable interest to India. But on these matters, there is by and large a wait-and-watch attitude in India.

As always, there was a great deal of interest in China's position. President Hu Jintao's early departure dominated news reporting of the summit. This was for two reasons. First, the intrinsic importance of the story as an indicator of how serious the unrest in Xinjiang might be. But there is also a summitry dimension to it. Do summits, by their very existence, also act as an informal peer pressure group on domestic happenings? Certainly there was considerable press speculation on this. But the very fact that this issue is being discussed raises an interesting question about the relationship between summits and domestic matters in particular countries. In a slightly more farcical vein, it has to be said that Prime Minister Berlusconi made more news than the G8 Summit, adding to the general perception that the G8 was relatively inconsequential.

But there was also considerable interest in China's strong signals about moving away from the dollar as the default reserve currency. There was some relief that countries seem to have committed themselves to not engaging in competitive devaluation. But China's position on "alternative" reserve currencies has aroused considerable interest. The signaling war between the US and China on American economic policy and its implications for both currency values, and the value of Chinese assets, is a matter of great global interest.

To conclude: the G8 did not itself arouse much interest; the G-8+5+1 and Major Economies Forum were seen as meetings of greater importance. There was a sense that no country seems to be in a position to exercise leadership to break significant deadlocks on issues like climate change. If there seems to have been progress on issues like trade, it is not because of leadership. It is simply because the interests of countries on that particular issue may be converging at the moment. Whether summits bring this convergence, or the convergence is a precondition for a summit to work remains an open question.

MEXICO

Andrés Rozental

PUBLIC ENGAGEMENT

As stated by Prime Minister Berlusconi during his press conference at the end of the summit, it appears that a G13 or G14 grouping dealing with a broader array of topics has a better chance of engaging a larger public around the world. A single focus on the financial crisis, or on climate change, is less interesting for the average citizen. On this occasion, there was more coverage

and interest in the Mexican press precisely as a result of the wider agenda. Special emphasis was given to President Calderón's participation in the climate change discussions, in the setting of a target date for finalizing the Doha round, and in giving the G5 greater autonomy and an agenda going forward. The L'Aquila G8 Summit was indeed many things to many people and that seems to have given it a greater degree of interest as seen from the number of analysis and opinion pieces in the media.

PUBLIC FOCUS

The L'Aquila Summit took place only a few days after mid-term elections in Mexico, which resulted in a major political defeat for President Calderón and his PAN party. Public attention has been focused almost entirely on the aftermath of the elections and on several other relevant domestic issues. However, as compared with last year's summit in Japan and the London G20 Summit, this gathering was treated with greater relevance and importance than the previous ones. The main reason for this would appear to be President Calderón's press conference, as coordinator of the G5, during which he discussed a wide ranging set of issues and announced the convening of a G5 leader's summit immediately prior to the next G20 meeting in Pittsburgh, so as to set a specific G5 agenda for financial institution reform, the economic crisis, growing trade protectionism and climate change. In spite of the fact that there was no underlying agreement during this summit between the developed and developing countries on a common position going into the Copenhagen meeting on climate change in December, there were a series of intermediate commitments by both sides that might allow for a compromise.

G8 RELEVANCE

There seems to be a growing consensus that the G8 format by itself is no longer useful or valid. There still is no agreement of whether a G13 (or G14, including Egypt) is the way to go in the future, or whether the Italian model of dozens of leaders invited to various parts of the three-day summit works better. From a public opinion perspective, the variable geometry model with different leaders participating in consecutive events does not seem to arouse a great deal of confidence. It would clearly be preferable to have a limited group of between 13 and 20 heads of state and government to gather annually, discuss burning global issues and make concrete commitments and recommendations which are easily understood and measured from year to year as to compliance. The vague nature of decisions reached at L'Aquila this year, together with the complex agenda of each of the major parts of the three-day summit, certainly didn't "grab" anyone outside of the meeting. Media coverage focused on the failure to reach agreement on greenhouse gas emissions, on Berlusconi's personal soap opera, on the criticisms by Kofi Annan and others with regard to not fulfilling aid commitments to Africa, and on the lack of any concrete idea of how to move out of the current global financial and economic crisis.

GLOBAL LEADERSHIP

In the case of Mexico, President Calderón's G5 coordinating role was emphasized by the media in coverage of the G8 Summit. However, other events such as the first ladies' audience with the Pope also received coverage. As with the previous G8 Summit last year and the London G20 Summit, there was little coverage of the substance of Mexico's participation or proposals.

Bilateral talks with the new president of South Africa and the decision by Brazil and Mexico to issue another condemnation of the coup in Honduras attracted as much media attention as the summit itself. It would be difficult to expect that public opinion could be reassured by the results of the summit as they relate to bringing the economic crisis to an end because there were no clear decisions or commitments on how and when to do that.

SOUTH AFRICA

Peter Draper

From a South African perspective, the G8 Summit passed without much coverage in the print media. This lack of publicity seems to be indicative that the G8 Summit was not as significant as the G20 Summit. Most of the coverage on the G8 Summit in South Africa's print media was sourced from international news agencies, like Reuters or AFP, and simply reprinted. One journalist indicated to me that the reason for this is simple: South African publications do not have the funding to dispatch journalists to cover the summit in detail. Only once the summit concluded did several publications offer editorials.

PUBLIC ENGAGEMENT

Given the lack of coverage it is difficult to tell the level of public engagement. The issues that received some airtime here were the obvious ones (climate change, food security, world trade talks) and the African agenda. This demonstrates some commitment on the part of the publications concerned to do some justice to the issues, but given that the articles were sourced from foreign newsfeeds, coverage was necessarily not critically

filtered from a South African perspective. This leads to the conclusion that the wider agenda tends rather to diffuse public attention — as mediated by the South African media.

PUBLIC FOCUS

According to one opinion piece, the significance of the G8 Summit for South Africa is that by the second day the G8 “effectively ceased to meet on its own, joining up instead with the G5.” It was more a summit of inclusiveness and represented a new dimension of world politics. This manifested in the permutations and combinations beyond the original G8 membership that discussed various issues: climate change was discussed by both the G8 and the Major Economies Forum on energy and climate change; for the first time there was a joint G8-Africa Statement; and particular countries were included on particular issues — for example, Australia, Korea and Indonesia were part of talks on global trade. Hence the G8 Summit was also labeled a “summit in waiting, rather than a summit in itself.” Many of the issues tackled by the G8 were viewed to be decisions that feed into further, focused meetings. For example, climate change targets discussions were viewed as feeding into the December Copenhagen meeting; and the G8’s discussion of the economic crisis seemed minor in comparison to that of the G20 leaders in their London Summit and who are due to meet this September.

G8 RELEVANCE

In a report released by the *Mail and Guardian*, the G8 is described as “increasingly unrepresentative of the world and it lacks both legitimacy and power...the G8 cannot tackle the world’s most urgent problems...the only

solution out of this mess is to cast petty politics aside and to democratize the G8 and expand it to the G14.” While acknowledging that replacing the G8 with the G20 would have practical constraints because the intimacy and informality of discussion would be lost, there were still calls for a reconstituted G14 (or a variation thereof) to signify that global distribution of power is not set in stone. The present construction of the G8 was deemed a “farce, where declining and self-important Western nations celebrate themselves and believe that the West can still fix the world.” The same article asserted that to remain effective the G8 must regain three attributes: the ability to address global problems, legitimacy and practicality. Inclusion of the increasingly powerful G5 would help the G8 regain its ability to address global problems such as climate change. The example cited in the *Mail and Guardian* was that any agreement to reduce emissions that did not include China, India and Brazil would not contribute to lasting change.

GLOBAL LEADERSHIP

Generally, the G8 was praised for its recognition of new emerging powers in the international order. But the relevance of the G8 as a decision-making body was questioned, largely because it represents a construction of the world as it existed in 1980 and not 2010. Managing the economic crisis did not receive much airtime, no doubt because the G20 is regarded as a more effective forum for this. While some advances were made in terms of climate change, increased commitment in the allocation of aid money and food security for Africa, these commitments were diluted by a lack of specificity as to how these objectives would be achieved. The announced increases in aid were welcomed with caution

since these utterances were made at Gleneagles in 2005, with some states not honouring those commitments — not least the hosts.

From a South African perspective, it is significant that the G5 countries were able to be the voice for developing countries in the global arena. This was partly due to their consensus on key issues: they agreed on the agenda and goals for the summit, they hold similar views on the representativeness and focus of multilateral institutions such as the Security Council and World Bank on issues such as climate change. However, one article in the *Sunday Independent* cautioned that it may take awhile for the G8 to become the G14 by including the G5 (plus Egypt) because some leaders in the G8 countries that do not have permanent seats on the United Nations Security Council fear that such a move would dilute their clout in world affairs.

TURKEY

Eser Şekercioğlu

PUBLIC ENGAGEMENT

Compared to the London G20 Summit, the G8 Summit held in L'Aquila failed to engage the public opinion in Turkey in any considerable way. The most potent reason why Turkish public opinion was largely oblivious to the G8 Summit seems to be the increasingly worse news about the state of the economy. The modest interest in the G20 Summit was created in part by Prime Minister Erdoğan's publicizing, and in part by the summit's focus on managing the global crisis. Now, with neither an engaging focus on the economic crisis nor any special interest shown by the top echelons of the politicians,

major media outlets chose not to run any detailed stories about the summit culminating in the lack of public interest. Perhaps the wider agenda set for the summit played a role in the low level of public engagement, but it was not the main reason. A more concentrated agenda on the economic crisis would have engaged the Turkish public more and created a more engaged following. However, it is still curious that Turkish media and hence the public was not more interested and engaged than they were. Turkey was among the countries invited to participate in the last two days of the meetings and some of the major issues that were discussed — Iran's nuclear policy and global economic crisis — were of particular relevance for Turkey.

PUBLIC FOCUS

A G8-G20 comparison worth analyzing has not emerged in the wake of the G20 meetings in Italy as far as the major media outlets and general public mind is concerned. Turkey was among the countries invited to the meeting, and Prime Minister Erdoğan participated in the last day of meetings. However, despite involvement at a high level, news on the summit was limited in scope and failed to induce a public debate on the roles of the G20 and G8 in world leadership. This is somewhat surprising since the future role of the G8 and several formulae proposed to extend the framework to 13 or 14 countries was also among the major discussions that made their way through international media outlets. In Turkey, a couple of major newspapers mentioned the discussions about the role of the G8, but only superficially, and no widely read and followed commentator picked up the issue. This is interesting because while Turkey is an active participant in the G20 framework, it is not part of

the G8+5 formula that has been functioning since 2007. It appears as if Turkey's invitation to the last day of the meetings was perceived as if the country was included in a sort of G8 + X format. One major newspaper even misquoted Silvio Berlusconi to mention his satisfaction of extending the G8 to G8+6 to include major emerging powers, including Turkey. Of course, in reality, Egypt was the additional sixth country to participate on the second day of the meetings. In short, what appeared to be a good opportunity to compare G20 and G8 meetings with respect to Turkey's involvement and implications for the interests of the country was largely ignored.

G8 RELEVANCE

The main rationale behind the initiation of the G20 meetings was to create a group that included all major industrial and developing economies. That was perhaps a tacit acknowledgement of the limitations of the G8 summits, which were increasingly seen as exclusive, elite, unapproachable and cities where the summit gathers have become the main venue of anti-globalization demonstrations. The G20 meetings were welcomed in Turkey partly because Turkey itself was a participant, but perhaps more importantly because the new grouping of countries seemed more inclusive bringing together leaders of both major developed and developing economies. In addition, the Turkish public has always been somewhat suspicious of the all-exclusive western look of the G8 summits. So, the public mind in Turkey is relatively more positive towards more inclusive formulae. In addition to other factors (for example, the prime minister's publicizing efforts and end of capitalism references made in various media outlets in the wake of the G20 meetings), this is why

the G20 meeting was positively perceived in Turkey. If properly informed, a similar warmer attitude towards an expanded G8 might be expected, but there was not a progressive build up towards the summit as there was for the G20 meetings.

GLOBAL LEADERSHIP

Despite the crowded docket of the summit, the global economic crisis was inevitably one of the major subjects. However, all that has reflected in the Turkish media was Berlusconi's declaration that the worst of the crisis is behind us. In the wake of the growth rate data for the first quarter (-13.8%, worst quarter since 1945) such optimistic messages with no concrete steps did not stir the Turkish public opinion. On top of the limited public engagement came Prime Minister Erdoğan's comments on the situation in China concerning the incidents in the Xinjiang region. Erdoğan once again chose the setting of an international summit to make some incensed comments about a third party. In Davos during the World Economic Forum's annual meeting, he almost engaged in a quarrel with the Israeli prime minister over Gaza, and from L'Aquila he harshly criticized Chinese authorities for their conduct in Xianjiang. In both cases, the main motive was domestic in nature; the message was intended for the Turkish public to perceive Tayyip Erdoğan as a strong leader. While Erdoğan maybe somehow increased his political capital at home, the summit failed to assure the Turkish public about how the crisis is being handled, and fell short of creating an optimistic outlook for the coming months as the G20 meeting in London managed.

UNITED KINGDOM

Martin Albrow and Olaf Corry

PUBLIC ENGAGEMENT

Albrow: Compared with the April G20 Summit, which gathered world leaders in London and gave the British public the impression that Gordon Brown was both hosting and leading the world in addressing the economic crisis, the L'Aquila summit could not avoid being seen as less newsworthy and more pedestrian. For the red top press it never reached the front page.

Reports on the first day from the four main tabloids all gave as much coverage to the fashion choices of the leaders' wives as to the agreement on climate change. Throughout the period, *The Guardian's* main story was its own campaign against the practices of the Murdoch press (first seven pages on the Friday). And only in one broadsheet paper, *The Independent* on the Thursday, did it make the front page headline with the US agreement to cut carbon emissions by 80 percent and reporting the many cross currents of the climate change discussions; the reluctance of India and China to sign up; Brown's own carbon fund proposal and green groups criticism. Apart from the *Financial Times*, which treated both on each day, the papers were divided on whether to focus on climate change or the economy, the *Telegraph* and *Guardian* covered the global economy on day 1 and climate change on day 2, but on the second day it was Brown's announcement that the UK's nuclear weaponry could be subject to future summit talks on disarmament that captured most attention in the press. On Saturday, Obama's food security plan competed for space with Brown's meeting with Gaddafi.

Other lines in the period were the summit arrangements, development aid, relations with Iran, meetings with the Pope, China's criticism of the role of the dollar, Obama's Africa visit, Michelle Obama, Carla Bruni, Sarah Brown's objections to veal, and a miscellany of "human interest" angles that included Berlusconi's colourful persona. Probably the diversity of issues does not detract from public interest, but it does create an impression more of a convention or world exhibition, a festival of issues. It is the meeting itself that is the event, the staged occasion rather than the substantive discussions, which are simply episodes in long running narratives.

Corry: The very idea of public engagement in a summit of global leaders is a relatively new construct that in itself represents a sign of the creeping globalization of national politics. However, compared to the G20 Summit, which was held in London, hosted by the embattled Prime Minister Brown and subjected to large street demonstrations, public engagement in the G8 meeting is low in Britain. Demonstrations or other signs of public interest have been relatively minor, leaving the "riot angle" unusable on this occasion. Although this is partly blamed on Berlusconi's last-minute relocation to the earthquake-shattered town of L'Aquila, the lack of a street-level dimension appears to have made the summit less newsworthy in other ways.

Public attention during the run-up to the summit was dominated by speculation about the also embattled Italian premier, Silvio Berlusconi, and worries about Italian organizational problems. *The Guardian* newspaper speculated that Italy was about to be ejected from the G8 for not delivering on earlier aid promises. Newspaper headlines on G8 subjects on the final day of the summit in

Italy were dominated by domestic scandals (concerning *News International's* phone tapping of celebrities, politicians and dignitaries) and a new wave of fatalities suffered by British forces in the war in Afghanistan. For the BBC's correspondent it was clear that "we shall soon forget the announcements on climate change and food aid. But the image of another prime minister once again having to defend and explain what is, for some, an unpopular war will linger on." Public attention seems to be basically elsewhere.

All the same, certain issues have been afforded airtime, including the first meeting between Libya's Colonel Gaddafi and Gordon Brown, and in particular, the issue of climate change and possible UK reductions in nuclear arsenals mooted for future multilateral talks to be hosted in Washington.

PUBLIC FOCUS

Albrow: The burden of this question is how global leadership is shaped and perceived through the summit. This summit with its ever-expanding circles of attendance and intricate series of meetings with different membership displayed the elaborated layering of contemporary international relations much more than any organized collaboration on global issues. Press estimates of leaders' attendance varied from more than 20 to 40 and their domestic political standing, their relations with each other and to the meeting rather than their stands on issues occupied press interest. In the British press three leaders stood out. Berlusconi's role as host attracted interest throughout. At the beginning it looked as if he was being set up as the buffoon fall guy, by the end he gained certain grudging admiration for carrying the whole event off without disaster. Brown, beleaguered at

home, initially appeared to be targeting Italy as the villain in order to promote himself as the responsible voice for the global economy and for poor countries, but it was the Obama-led food security initiative that sealed American global leadership. Perhaps Obama's simultaneous public display of friendliness to Berlusconi and attentiveness to Brown were sufficient to calm British fears and The Guardian's overall verdict was that it was Brown's "best week since he hosted the London G20 Summit." It was not enough for the Oxfam spokesman who said it was a case of "for Obama it was yes we can." For Berlusconi's G8, "it's no we won't" and that the next meeting in Canada would be the end of the road for the G8. Obama himself, by openly discussing the composition of the G meetings (*Financial Times* 11/12 July, p. 7) while taking the lead on issues, effectively reasserted American global leadership whatever the format of summits. Press coverage suggests that the meetings are news for the light they throw on the leaders rather than any leadership on the issues.

Corry: Compared to the days when the G7 meant seven leaders discussing the economy, the G8 meeting of 2009 is a sprawling affair. The changing themes and actors of the current G8 Summit have spread attention and created a more blurred image of who was prioritizing which global issue. Attention shifted from the early negotiations that led to a climate change deal that fixed a 2-degree limit (but not the corresponding carbon emissions limits) to the question of food security, and aid to Africa to that of nuclear weapons and nonproliferation (aka Iran).

This is, however, not purely a weakness. In a sense, the G8 has quietly evolved in the eyes of the British press, from being a closed economics summit, to become a "flatter" broader forum charged with navigating a wider

global agenda — more of a “plateau” than a summit. Increasingly resembling a small version of the World Economic Forum that meets in Davos, it provides not just decisions but discussions and diplomatic moments, and is seen as a chance to prepare for other events on the world leader calendar, including in this case the climate change summit planned for Copenhagen later this year. A successful G8 is seen as one that grapples with and delivers upon a wide agenda of security and progress.

G8 RELEVANCE

Albrow: There is no real debate in the UK on the future of the summits, only a deeply conflicted and confused official consensus of establishment opinion that the G8 is on the way out, but at the same time there is a British investment in the G8 process which they have to maintain somehow. Whatever the direction of future summits, the default solution is to stay on the same page as the United States.

At the outset of the summit the best way to conceal this inner conflict appeared to be to attack the Italians, and Berlusconi in particular. The 2005 Gleneagles poverty and Africa agenda has not lost its public appeal and British Aid Minister Douglas Alexander, a close ally of Prime Minister Brown, issued a white paper immediately before the G8 reiterating those commitments and calling for countries that fell short on them to be “named and shamed.” On July 7, Julian Borger in *The Guardian* newspaper reported deep official dissatisfaction with the Italian leadership, both for failing to deliver on promises and for chaotic preparations for the summit, a report that Berlusconi rebutted as coming from “a small newspaper.” These comments were directed towards raising the whole question of summit organization and

suggested American officials were working towards a 13-16 strong replacement of both the G8 and G20.

The Daily Telegraph editorial on July 8 was headed “The challenge for the G8 is for it to matter.” A leading article in *The Times* on the July 8 was entitled “Talking Shop” and declared that “real decision making power has shifted upwards from the G8 via the G13 to the G20,” suggesting that no progress would be made on reforms of global governance that everyone agreed were necessary. Its pre-meeting report also pointed to Berlusconi’s self-inflicted loss of international standing arising from his personal life.

On July 11, *The Times* said this summit would be the last of its kind. *The London Financial Times* summed up the meeting as a “glorified but vacuous photo opportunity” with the food security initiative giving the G8 “a chance of relevance.” However, *The Guardian’s* reporting at the end indicated that British anxieties might have been overblown. That paper’s columnist Marina Hyde paraded old-fashioned British “fair play”: all the attacks on Italy had been quite overdone, and who were the British to point to others’ corruption in high places? And the BBC’s Bridget Kendall, reporting at the end, complimented the Italians for a minimalist summit, set in earthquake ruins, with an air of austerity that brought correspondents closer to the leaders.

Corry: Compared to the excitement generated by the Live8 concerts in 2005 in the campaign to make poverty history, however, this year has been low key in the British public imagination. With the arrival of the G20 and the corrosive effects of the financial crisis on the power of the G8 countries, some grass roots organizations have concluded that the G8 has been superseded as a forum for global decision-making.

More fundamentally, global summits have tended to be viewed with suspicion on both the left and the right in the UK at least since the defining summits following the end of the Second World War. The conservative daily newspaper *The Daily Telegraph* pours scorn on the whole idea, assuming power resides elsewhere: “The challenge for the G8 Summit is for it to matter.” For the left-leaning *Independent* the problem is accountability — that “too often the group’s optimistic resolutions and promises have been forgotten or discarded.” Pragmatic voices see the G8 as a limited yet indispensable institution that simply needs to get its priorities right concerning global food security, climate change and the economic crisis.

But currently such questions of substance are partially obscured as the event activates a particularly dominant theme on the UK political agenda, namely Gordon Brown’s leadership. Seen as being “in his element” when at global summits, this is contrasted with the image of a national leader out of touch with his domestic constituency. According to *The Independent*, Brown “clearly feels at home when talking about the global economy, climate change and aid to poor countries — the main items on the G8 agenda” — an escape from domestic troubles, in other words. For the right-wing *Spectator*, Brown’s “doom mongering on the world stage is simply intended to provide the same escape route as it did prior to the G20 Summit: in the case that the green shoots don’t grow rapidly enough, Brown can blame the ‘inaction’ of other countries.”

The global summit is resolutely viewed through a national political prism and personal dramas.

GLOBAL LEADERSHIP

Albrow: As far as the global economic crisis is concerned, to which this question relates, the overall impression in the UK is that the L’Aquila Summit was almost time out. It was known that Obama would be chairing the G20 when it meets later in the year in Pittsburgh, and opinion is divided both between economists and countries whether the measures adopted both before and after the London G20 Summit in April have been effective or not. The disagreement on the need for further stimulus for the world economy as opposed to countries reining in public spending, with Angela Merkel leading the call for restraint, is mirrored internally in the UK with the Conservative opposition taking a similar line to Germany’s. Gordon Brown was reported as saying the summit was a second wake-up call, but equally the summit agreed to discuss exit strategies from the current spending levels. “Leaders can only paper over the cracks” was a *Financial Times* judgement and the papers were at one in emphasizing the precarious state of the global economy. The early place of the economic discussion on the agenda and its interim and tentative character shifted the weight of the summit to climate change and food.

Corry: Buoyed by the presence of newly elected President Obama, this year’s G8 is loaded with higher expectations concerning global leadership. The “cando” ethos of the American president coupled with (grudging) respect for Gordon Brown’s command of international political economy has contributed to this. Progress on kick-starting the global economy, increasing aid and food security in Africa, laying the foundations of a global climate regime and weaving stronger multilateral harnesses on nuclear

proliferation are seen as relevant themes that the G8 is right to give priority to.

However, cynicism about delivery, unfavourable comparisons with the G20 that includes China, Brazil and India, and doubts about the host nation Italy overshadowed this British near-consensus on the necessity of global governance in general. High projected levels of public debt undercut faith in the ability of global leaders to follow up on promises given at L'Aquila as well as on pledges made in former years, not least the 2005 meeting in Gleneagles where higher foreign aid levels were agreed. The overriding worries in the British public domain are currently levels of debt incurred to offset the economic downturn, the faltering war in Afghanistan and what is seen as the corruption of the political class after the MPs expenses scandals. None of these problems, except perhaps the question of national debt, are seen to be tackled at the G8 Summit.

UNITED STATES

Colin Bradford

BROADER AGENDA — BROADER ENGAGEMENT

Unlike the G20 London Summit, the G8 Summit in Italy took on a host of other issues beyond the economic crisis, and in fact made more progress on those than on the economic crisis itself, which continues to be the front burner issue, even if there is nothing much more which requires head of state decision right now. In our summit *Soundings* on the G20 London Summit, one of the issues that seemed to emerge was that leaders who engaged across the broad spectrum of economic issues cut a higher profile at home and seemed to advance

national interests at the G20 Summit more than those who specialized in a single issue. What the G8 Summit in L'Aquila seems to have shown is that summits which embrace a broader range of issues demonstrate greater global leadership than those which limit themselves to a single issue.

President Obama was seen in the American press to be actively involved in promoting a shift from food aid to investment in agriculture in poorer countries, progress on climate change negotiations, breaking the trade deadlock by working with newly re-elected Indian Prime Minister Singh on greater flexibility on tariff cushions against sugar and cotton import surges opening the way toward a renewal of the Doha trade round, as well Iran, nuclear proliferation and aid to Africa. In April, the world was looking for global economic leadership. The G8 Summit, which morphed into a sequence of larger groupings, became an opportunity to demonstrate leadership on a broader range of issues of consequence to national publics of the leaders present but also to global society.

BROADER ENGAGEMENT — BROADER IMPACT

The second day of the three-day Italian G8 Summit was dubbed the G8 +5+ 1 (Egypt) + 5 [(Turkey, Australia, Indonesia, and Korea (MEF countries) and Denmark (UNFCCC Chair)] summit grouping to discuss climate change, with US President Obama co-chairing the session with Italian host, Prime Minister Silvio Berlusconi. This session brought into public view the real tensions involved in reaching a global climate change agreement. Thursday's *New York Times'* headline read "Poorer Nations Reject Developed Countries' Target on Emission Cut," while *The Washington Post* ran a headline stating that "Group of 8 Agrees on a Ceiling for Temperature

Rise: Broader Carbon Proposal is Rejected.” But Obama faced the music directly, stating his understanding that countries had different priorities and politics. In a breakthrough, he then called on G20 ministers of finance to meet to prepare proposals for financing climate mitigation in the developing world, the real stumbling block, by the time of the Pittsburgh G20 Summit at the end of September.

There is no doubt that what the post-Kyoto climate change framework cannot be negotiated by the G8 alone, as both this G8 Summit and the headlines starkly revealed. The Major Emitters Forum G16 are all G20 countries, and only Saudi Arabia and Argentina from the G20 were not present in the expanded G8 Summit in Italy. The broader, ever morphing, groupings present in L’Aquila enabled the climate change issue and others to inch forward. Even though no major decisions were reached, the larger than G8 groupings provided the dynamics necessary for the forward movement.

G8 FEEDER TO THE G20

So was this eclectic summit of ever-changing constellations of leaders a “three ring circus” as Nina Hachigian suggested, confusing to the aware public? Or was there clarity despite complexity, a clear meaning coming through the shifting scenarios? By and large, it looked as if the Italian effort to keep the G8 at the centre of summit dynamics and fudge the issue of who is in charge by morphing the groups could not hide the fact that most observers would agree with the *New York Times*’ headline on Friday (July10) that read: “Group of 8 Is Not Enough, Say Outsiders Wanting In.” Mike Froman, US sherpa for President Obama, stated: “We view this meeting and this discussion as a midpoint between the

London G20 Summit and the Pittsburgh G20 Summit” (*NYTimes* 7/10/09). Veteran summit scholar John Kirton said in the same article, “you’ll always need the G-8,” which is probably also true.

There is little doubt that for most of the smaller members, the G8 will continue to serve a useful purpose of, among other things, keeping their star bright in the firmament and dealing with transatlantic-trilateral issues of consequence within the circumference of their interactive reach, which is now more circumscribed in a world of rising, new powers than it was in the last half of the last century. But as a global steering committee, this G8 Summit proved more clearly than ever that the days of the G8 meeting by itself to deal with global issues is over, and that the presence of other powers necessary for global leadership, not a courtesy.

GLOBAL LEADERS FOR GLOBAL LEADERSHIP

Once underway, the Italian G8 Summit appeared from the US to be more coherent than chaotic, more focused than frantic, and more business-like than a PR opportunity. President Hu’s absence was highly significant, and visibly important. But attention shifted to Manmohan Singh and Luiz Inacio Lula da Silva as representing the big emerging market powers. The ever-effervescent Silvio Berlusconi didn’t steal the show as he did in London with his adroit intrusion into a photo with Obama and Medvedev. This time Lula’s gift to Obama of a yellow and green Brazilian futbol shirt caught the world’s attention on the front page of Friday’s *Financial Times*. Gordon Brown, Nicolas Sarkozy and Angel Merkel were visibly important players but less prominent, curiously, than at the London G20 Summit. While not being overbearing, US President Obama

seemed to quietly and gradually emerge as the leader of the emerging constellation of world leaders composed still, and importantly, of Europe, Japan and Russia, but now also including China, India and Brazil and other EMEs, and Australia and Canada. Slowly, steadily, and eclectically, a new global steering group is coming forward to provide global leadership. Happily, and to some extent, unexpectedly, the Italian G8 Summit seems to have contributed to and clarified that transition rather than having blurred it.

SOUNDINGS SERIES #3: NATIONAL PERSPECTIVES ON GLOBAL LEADERSHIP

OVERVIEW OF THE PITTSBURGH G20 SUMMIT: FROM G20 ASCENDANCE TO G20 EFFECTIVENESS

Colin Bradford

BIG PICTURE TAKE-AWAYS

The Group of 20 emerged from the Pittsburgh Summit as the “premier forum for international economic cooperation.” Of the 14 countries surveyed in *Soundings Series 3*, almost all indicated widespread public support for this change; a G20 framework elevates the 10 emerging market economies to the high summit table with the G8 countries (plus, significantly, Australia). This was welcomed nearly everywhere, according to the NPGL country commentaries, and is seen in most countries to be a significant change in the “world order” — a realigning of global leadership to twenty-first century economic and political realities rather than basing them on the mid-twentieth century power relations embodied in the G8.

Nonetheless, concerns were expressed in the media in most countries regarding the effectiveness of the G20 in generating concrete policy action and its yet unproven capacity to implement action and follow through in terms of full compliance with new norms and practices. While Pittsburgh seems to have been successful both in

form and content, the truth is that many issues have not yet matured to the point where new, concerted action is warranted. Therefore, Pittsburgh was another “stepping stone,” as was the Italian G8 in July, from the “grand strategy” articulated by the G20 at the historic London G20 Summit in April to the now crucial G20 Canada Summit to be held in Toronto in late June 2010. By that time, issues like “exit strategies,” financial regulatory reform, international financial institution (IFI) reform and even rebalancing global growth, will have ripened to a point where more robust action will be required.

NATIONAL LEADERSHIP AT GLOBAL SUMMITS

Based on the 14 NPGL country commentaries on Pittsburgh, one could consider the focus of the NPGL project, namely, the degree to which national leaders are asserting global leadership at summits. Specifically, questions arise from NPGL country observations about (1) the degree to which national leaders are trying to use summits to address the issues of public confidence and trust, (2) the degree to which they are asserting national economic interests at summits in order to contribute to global outcomes, represent the national public interest and be seen to be doing so at home, and (3) the degree to which the national media in some countries is actually following and portraying the profile of the national leader to the public.

LEADERSHIP PROFILE

| Media Coverage | Low | High |
|----------------|------------------------------------|--|
| Low | South Africa, Mexico, Non-G20 LDCs | |
| High | France, Russia, Turkey | Argentina, Australia, Brazil, Canada, China, Germany, U.K., U.S. |

We resort again to a Hirschmanesque (Albert O. Hirschman, former scholar and mentor to some of us) 2-by-2 matrix to illustrate the combinations of the degree of media coverage with assertiveness in national leadership. This time, as compared with London, we have some stronger contrasts in both media coverage and behaviours.

First, it is clear that media coverage was high in most (11) of the 14 countries reporting and that President Barack Obama, Prime Minister Gordon Brown, President Luiz Lula da Silva, Prime Minister Kevin Rudd, Chancellor Angela Merkel, President Cristina Fernández-Kirchner and Prime Minister Stephen Harper were each portrayed in their national media as having exercised initiative in playing assertive roles and projecting high-profile leadership. Surprisingly, it seems that French President Nicolas Sarkozy was in a more low-profile stance at this summit and was less rambunctious than in Washington, London and L'Aquila. His pre-announced idea to implement a G8+5+1 (Egypt) = G14 summit in France in 2011 was overruled by the decision to have the G20 become the "premier forum." Russia, Mexico, South Africa and Turkey have now been hard hit by the economic crisis and domestic issues, and tensions have taken precedence over projecting international leadership, such that Russian President Dmitry Medvedev, Turkish Prime Minister Recep Tayyip Erdoğan, Mexican President Felipe Calderón and South African President Jacob Zuma were not assertive in Pittsburgh.

What is disturbing, however, is the degree to which asserting international leadership seems not to automatically project back into domestic opinion in a positive and enduring way. The most dramatic example

is the **UK's** Gordon Brown. Olaf Corry wrote from London: "Gordon Brown's apparent success in leading a concerted push for a global new deal... tends to reinforce the negative *domestic* image of him as a 'systems operator' or lofty world actor who remains distant from and unable to cope with the realities of British politics. *The dominant national narrative of failure clearly overrides the global narrative of accomplished statesman.*" [Emphasis throughout by article author]

From **Turkey**, Eser Şekercioğlu wrote that, despite the fact that "this time in Pittsburgh the G20 Summit was much higher on the foreign issues hierarchy and hence the increased media coverage.... there was little expectation that Prime Minister Erdoğan could play an important role in the actual proceedings of the meeting... *Since there is little direct political capital to be transferred from the summit to the domestic front, little could have happened in the first place.*"

From **Mexico**, Andrés Rozental wrote that "the low-profile participation by President Calderón and the very sparse media coverage didn't contribute at all to enhancing his own global leadership role... *this government does not appear to have any interest in continuing the country's traditional leadership on global issues.*"

In **South Africa**, national media coverage was non-existent with all the coverage being sourced by international news services like Reuters and Bloomberg. Peter Draper wrote from Johannesburg: "I can safely conclude that zero media interest was expressed in President Zuma's participation in this key forum... international issues paled into insignificance compared to coverage of domestic political issues, which dominate the local media space. The conclusion I draw is that as

the Zuma administration starts to bed down, in the face of enduring and growing questions about who is really calling the shots on domestic economic policy, so the media's attention is almost entirely focused on ensuring power struggles... *there is a huge gap between this imperative [enhancing South Africa's global leadership position through participation in the G20] and raising the importance of this issue in the public space.*"

These stark examples illustrate that even positive participation in global summits does not necessarily generate stronger domestic political support for the assertive leader. According to Eser Şekercioğlu, "... there is little direct political capital to be transferred from the summit to the domestic front." If this is a fact of life in summitry, then there are serious constraints on the incentives for leaders to exercise leadership in summits for either the national or the global good. These observations are consistent with the behaviours of two other leaders, Calderón and Zuma, who appear to have decided not to try to take advantage of the potential visibility of summits to enhance their difficult political position at home, as seeming proof of Şekercioğlu's proposition that it would not work, even if they tried. Lula, Obama, Harper, Rudd, Merkel and Fernández-Kirchner, on the other hand, seem to have been able to make summits work for them domestically.

But the constraints highlighted by the examples noted above raise serious questions about whether even the new "premier forum" will provide the venue for strong contributions by leaders of emerging-market economies, especially, or whether they will keep a low profile. There will be limits on the degree to which summits can restore public trust and confidence, if leaders themselves

feel there is little benefit in using summits to advance their national interest or contribute to the global good. Running this issue down in terms of further evidence and practice is a key task for this inquiry into "national perspectives on global leadership."

The role of the media is crucial. Consider the extreme example of South Africa where there was no direct national news coverage by the South African press in Pittsburgh. The fact that ALL the news coverage was supplied by foreign sources raises the question of whether a leader under those circumstances could project leadership back to his nation even if he tried. National media coverage of Calderón in Pittsburgh was low also. Is this a reflection of the fact that neither Zuma nor Calderón tried to assert themselves in Pittsburgh, or is their lack of assertion due to the fact that because there are no domestic implications, there was little or no direct national news coverage? Turkey provides a contrast where there was high media coverage, but still no sense that national leadership on the global stage would make an impact domestically. On the other hand, the NPGL country commentaries on Rudd in **Australia**, Harper in **Canada**, Lula in **Brazil**, Fernández-Kirchner in **Argentina** and Obama in the **United States** seem to indicate a keen national interest in how the leader was doing in representing the national and geopolitical interests of his/her country in a rapidly changing global context. The commentaries on these countries by Mark Thirlwell, Andrew F. Cooper, Denise Gregory and Georges Landau, Diana Tussie and Melisa Deciancio, and Bradford, respectively, also make clear that each of these leaders went to some length to involve themselves in a variety of issues of consequence to their countries, and worked on communicating their involvement to their publics. Leadership does work, it seems, if leaders work.

FROM ASCENDANCY TO EFFECTIVENESS

Despite the breakthrough at Pittsburgh on the emergence of the G20 as the apex forum for global leadership, there was increasing concern regarding the enduring effectiveness of the G20 in reaching, implementing and enforcing decisions. Thomas Fues wrote from **Germany** that “recognition of the benefits associated with such club governance goes hand in hand with growing *uneasiness* about the inherent limits of informal, selective arrangements... There is also a widespread feeling that governments in the G20 may shy away from difficult decisions such as addressing global imbalances, protectionism, supervision of financial institutions and rating agencies as well as protection of global ecosystems.” From **France**, Jacques Mistral wrote that G20 “commitments are sufficiently vague that few would qualify the wording of the communiqué as strong... In short, London was followed by hope; today, expectations are not dead but more should be delivered; and Pittsburgh rather produced *skepticism*.” And Yanbing Zhang wrote from **China** that some “... economists in China are *not optimistic* the summit results will secure China’s economic interests. Among them, some think that deeds may not be consistent with words since this kind of multilateral international forum cannot take concrete actions to prevent protectionism.”

A new perspective in this third round of *Soundings* comes from Homi Kharas, former leading World Bank economist and now senior development fellow at the Wolfenshohn Center at Brookings, rendered a highly relevant perspective of how the Pittsburgh G20 Summit looked from the vantage point of **non-G20 developing**

countries, most of whom are much poorer than the EME (emerging market economy) members of the G20. According to Kharas, “The leaders’ statement is full of promises, including a reiteration of those already made but which increasingly lack credibility... It is irritating to many of those who are excluded to think that the rich countries feel that the new, developing country members of the G20 represent their views... The new G20 effort to assume the mantle of global economic leadership will not be complete until these issues are also addressed.”

Much has been accomplished in the last year, but clearly G20 summits are not magic bullets. Strong leadership by the G20 has addressed the global financial crisis and emerged from the early stages of the crisis with sufficient credibility to rise to the apex of international governance; however, the G20 still needs to elicit stronger national contributions by leaders to make it work and to be effective. Beyond that, they need to inspire greater concerted and coordinated efforts by ministers and senior officials of their countries to generate more concrete policy decisions and more vigorous oversight and enforcement mechanisms. Finally, G20 leaders need to think carefully about how this more representative forum can become still more inclusive without weakening its effectiveness. The success of the G20 does not mean the global leadership vacuum is now solved and that progress in effective concerted action is guaranteed. More work lies ahead. Our Chinese colleague, Yanbing Zhang concluded: “Thus, in order to assert global leadership effectively, the G20 Summit still has a long way to go.”

ARGENTINA

Diana Tussie and Melisa Deciancio

ECONOMIC INTERESTS

The summit held in Pittsburgh has been the most important of the G20 Summits for Argentina. Compared to the last two summits — in Washington and London — this one has had greater publicity in the local media. Argentina has especially benefited from the decision of reinforcing the G20, which eliminated the possibility of a reconfiguration which could have led to the instituting of the G14 (G8 + 5 + 1), the French proposal for 2011, whereby Argentina would have been left out.

This summit and the meetings President Cristina Fernández held in New York before it have been used by the president to show her willingness to begin negotiations with both the IMF and the Paris Club and recover international trust. The likelihood of the acceptance of an auditing on the evolution of the Argentine economy, as foreseen in Article IV of the IMF charter, has had a great impact in the major newspapers, particularly Fernández' affirmation that "the fact that the IMF could come to audit the national economy doesn't mean that it is going to tell us which policies to adopt." Another issue of special interest to the national media was the negotiations between the Argentine and French finance ministers in order to open the Paris Club negotiations over Argentina's debt.

The acceptance of Article IV audits and the Paris Club has been marked as a turning point.

POLITICAL INTERESTS

In Pittsburgh, Fernández claimed a victory inviting — with the support of the Brazilian President Lula Da Silva — the International Labour Organization (ILO) to join the summit under the conviction that jobs should be the priority in the way out of the crisis. She also insisted that the main focus of the solution must be on the real economy.

At the same time, the claim for equality among G20 members with no distinctions was reiterated by President Fernández and reproduced in most of the media — even those from the opposition — as the voice of the weaker countries in an international organization that should not focus only on solving financial crunches, but also, and more importantly, on reducing the impacts of the crisis on the weaker links. Fernández highlighted the importance of an active role of the state to confront the actual situation, following what the government has been promoting at home.

Another issue that attracted the interest of most of the newspapers — especially the pro-government *Página12* — has been the support of the Argentine government to the ousted Honduran President Manuel Zelaya. In the meeting she held with Spanish President José Luis Rodríguez Zapatero, Mexican President Felipe Calderón and Brazilian President Lula Da Silva, Fernández expressed her intent to raise the case in the Security Council. In the same meeting they agreed to file a proposal for the capitalization of the Inter-American Development Bank (IADB), which is one of Latin America's major demands for the G20 Summit. They also vowed to keep pressing for more restrictions on tax havens, something that Argentina regards as a "decisive step" in the effort to seek a new, more solid global financial order.

INTERNATIONAL INTERESTS

Cristina Fernández had prior meetings with Spain, Mexico and Brazil to jointly champion the restitution of democracy in Honduras, emphasizing the multilateral solution to the problem. G20 issues were also addressed, most probably the implications of opening negotiations with the hold outs and the Paris Club. During the immediately subsequent summit of Latin American and African countries held in Venezuela, the agreement establishing the Bank of the South came to light with an initial capital investment of US\$20 billion to which Argentina pledged US\$2 billion.

These strings of summit meetings reflect the features of Kirchner's foreign policy since 2003 oriented to forge closer relations with Latin America, not as a regional leader, but as a committed country with regional interests.

GLOBAL LEADERSHIP

In Argentina, the leadership issue has not been strongly addressed. Argentina is not among the big players in the world system, although it is trying to keep its relevance in the region in contrast to the Brazilian ambition to become not only the regional leader but also a world player.

President Fernández showed a strong commitment to the restitution of democracy in Honduras and pressed for a multilateral solution to the problem that would not only include Latin American countries but also the entire Security Council. She supported the Brazilian leadership in the summit and in the meetings held before and after it. At the same time, she took the opportunity to meet President Calderón of Mexico and Spanish Prime Minister Zapatero on the sidelines of the UN General

Assembly to agree to head towards Pittsburgh with a call for the world to remain vigilant even if it appears to be starting to recover from the global economic crisis.

In this sense, Argentina's victory may have been in remaining part of the club. Public opinion seems to agree with these efforts to create a stronger international image for Argentina. Some sectors continue to see Brazil as a threat in the global scene and the apparently inevitable Brazilian leadership. At the same time, there is a considerable part of the public that still does not understand the scope of the G20 and the impact of its decisions on their daily lives, completely ignoring the purpose it serves.

AUSTRALIA

Mark Thirlwell

ECONOMIC INTERESTS

Australia has had a longstanding interest in securing the installation of the G20 as a more representative and hence more legitimate and more effective body than the G7/8 at the apex of the international economic architecture. Not at all coincidentally, this would thereby secure Australia a seat at the world economy's top table and, moreover, do so alongside a significantly expanded Asian presence.

Australia owes its place in the G20 to its activist and independent-minded economic diplomacy during the 1997-98 Asian financial crisis. Since then successive Australian governments have championed the grouping, with current Prime Minister Kevin Rudd and Treasurer Wayne Swan building on earlier work by Treasurer Peter Costello. In particular, Rudd and Swan have worked hard to try to ensure that it is the G20,

and not some other, smaller, Australia-excluding body, such as the sometimes mooted G-14, that will steer the global economy. Hence, the declaration in the Pittsburgh communiqué designating the G20 as the premier forum for international economic cooperation represents the successful culmination of Australia's key objective.

In addition, Australia has significant interests in the coordination of economic policies, the delivery of sustainable international growth, and the structure and scope of any future international financial regulation. It also has strong views on the need to reform the IMF in order to boost the representation of the major emerging markets, and in particular those in developing Asia. Here the Pittsburgh Summit will be judged to have at least made some moves in the right direction, albeit with such judgements subject to the usual caveats regarding the gap between intentions and implementation.

Finally, Australia remains strongly committed to open global markets in general and a successful conclusion to the Doha Round in particular, and here the summit will likely be judged to have made minimal progress.

POLITICAL INTERESTS

Given that Australia succeeded in its main objective for Pittsburgh, the early reviews have been positive. Although sporting finals dominated the front pages of most the national newspapers at the weekend, the G20 still merited inclusion. For example, the front page of the *Weekend Australian* included a story with the title "PM wins place at new seat of power" with the opening sentence "Australia is a founding member of the world's new premier forum for global governance and economic management."

Similarly, the *Sydney Morning Herald's* front page offering had the title "G-whizz: high-flying PM changes the world" and the opening line "The Prime Minister, Kevin Rudd, has won a significant victory for Australia with the Group of 20 largest economies replacing the G8 as the world's leading forum for economic co-operation," while the equivalent headline for Melbourne's *The Age* was "Major win for Australia as G20 permanently replaces the G8." *The Australian Financial Review* had a banner headline on "Rudd's new world order" and a story on page two headed "A global role for Australia in G20's rise."

Not surprisingly, Prime Minister Rudd is likely to be rather pleased by all this, not least since it represents a fairly potent rejoinder to past opposition jibes about unnecessary prime ministerial international grandstanding, as captured in the snarky sobriquet "Kevin 747" that was aimed at the current PM's apparent willingness to jump on an aircraft at the drop of a hat.

There are also some secondary benefits for Prime Minister Rudd in terms of an international stamp of approval for his own government's economic response to the GFC, perceived as very successful domestically, although the adverse impact of the crisis on Australia to date has been very modest by international standards.

INTERNATIONAL INTERESTS

Australia's desire to see the elevation of the G20 in the global economic architecture is part of a much broader and extremely ambitious push by the Rudd government to see the country become a more important player across a range of international issues. These include the current campaign for a non-permanent seat on the

United Nations Security Council in 2013-14, the talk of forging an Asia Pacific Community, and policy ambitions regarding nuclear nonproliferation and an international climate change agreement.

With respect to the G20, Rudd and Swan have sought to leverage Australia's position as one of the best-performing developed economies and the kudos that this has attracted for the functioning of the country's policy regime and financial sector, as well as draw upon Australia's increasingly deep economic integration with the dynamic Asian region, to help make the case that Australia has something worthwhile to contribute to international economic policy making.

The outcome of the Pittsburgh Summit therefore represents a significant success for the new strategy and — at least to some extent — a validation of the case for Australia's enhanced international role. In addition, Australia's presence in the G20 alongside a range of key regional players — China, Japan, Korea, India and Indonesia — represents an important opportunity to further develop important bilateral and regional relationships.

GLOBAL LEADERSHIP

Australia has had a relatively "good" economic crisis to date, and while there is recognition that the G-20 meetings have played their role in helping stabilize the overall international economic environment, the limited economic fallout experienced so far means that the importance of the G-20 in reassuring a worried public has been limited. Instead, the arrival of the G-20 in the public consciousness has been viewed more in terms of its part in the ongoing narrative about the economic rise

of "the rest," and in particular the growing importance of the economies of developing Asia and the consequent changes in economic arrangements that this shift will entail. It is also seen as signaling recognition of Australia as a global player.

BRAZIL

Denise Gregory and Georges Landau

ECONOMIC INTERESTS

The editorial opinions in Brazil celebrated the Pittsburgh G20 Summit's historic decision to replace the G8 with the G20 as the decision-making body for international economic cooperation, as well as the decision to give more power to the emerging powers in the IMF and the World Bank, increasing their voting shares. The leaders also agreed to revive talks to complete the Doha Round by the end of 2010. Those were the issues on the agenda of Pittsburgh Summit that President Lula's administration had made top priority.

Lula himself called the summit "historic," which reflected a shift in world power. And in his opinion, the BRICs achieved a remarkable and historical victory reflected in the G20 Summit's final communiqué. The rising of the emerging countries, the increase in their international representation, role and weight come as a result from the global financial crisis. Small media coverage was given to other summit issues.

There are relatively few direct implications for Brazil from the Pittsburgh G20 Summit, even if President Lula played a prominent role. It is perceived that the country will benefit from enhanced representation on the boards of the IMF and World Bank, and the incidental reference

to resumption of the Doha Round will benefit Brazil as a staunch advocate of multilateralism and international trade. Moreover, the country will benefit from being a full-fledged member of the G20, rather than an invited guest at the G8 deliberations. However, with regard to the elimination of protectionism, the G20's pious exhortations will not actually benefit Brazil in the absence of effective sanctions.

DOMESTIC POLITICAL INTERESTS

Lula, in his seventh year in office, enjoys a staggering (80 percent) popularity and enviable performance. His very visible stance in international fora reinforces his statesmanlike image, even if, in fact, what he actually said in Pittsburgh were platitudes and generalities. To the extent that his viewpoints were echoed by other national leaders, his domestic image is correspondingly enhanced. Media coverage on the summit was divided with various other international events, such as the UN General Assembly, the UN Climate Change meeting, Lula's meeting with Iranian President Mahmoud Ahmadinejad, and the return of ousted President Mel Zelaya to Honduras (to the Brazilian Embassy).

INTERNATIONAL INTERESTS

Brazil's stature has been bolstered by the Pittsburgh G20 Summit, which was a distinct progress over the London meeting. Advances were made vis-à-vis representation of the emerging economies in the multilateral financial institutions, as well as in respect of commitments by industrialized nations to honour climate change targets.

GLOBAL LEADERSHIP

Perceptions in Brazil about these twin issues are confined to a small informed segment of society and to selected media. The Congress, for instance, is blissfully indifferent to developments at the G20 Summit. Brazil was relatively less affected than the other BRICs by the global crisis, and early on adopted counter-cyclical policies that mitigated its effects. Thus, the amount of public unrest was minimal. It appears unlikely that the Pittsburgh G20 Summit contributed to that result. What is clear, however, is that Lula's leadership took Brazil's role in multilateral fora to a new and higher level, contributing to the country's enhanced participation in such arenas.

CANADA

Andrew F. Cooper

The Canadian discussion about the Pittsburgh Summit of G20 leaders followed in some of the same trajectory as the L'Aquila G8 debates, where some commentators lauded Canada's performance and others located flaws and pitfalls. However, the partisan edge present during the G8 was far less evident. While early attention was given to Canada's position on the G20's core concerns, media coverage was quickly drawn to the announcement that the next G20 summit would be held in Canada.

Alongside the planned G8 Muskoka Summit of June 2010, Canada will now serve as co-host of a G20 Summit with South Korea. Once made public, the general tone of the media discussion shifted to one in which a number of writers tried seriously to engage in questions of institutional transformation, with an

eye to seeking out what the implications could be for Canada. Overall, political and policy issues were concentrated on a functional basis while the question of who deserved the credit (or blame) for advancing (or rebuffing) the notion of the G20 vis-à-vis the G8 was treated more speculatively.

PUBLIC ENGAGEMENT

The core economic concerns at the centre of the G20 agenda got heavy coverage in the run-up to the summit. Canadian officials signaled that movement was being made on the bank capitalization issue, an item that had divided the position of the US from some major European countries, most notably France and Germany, with the requirement for banks to have an appropriate ratio between money on hand to balance loans. Canadian officials also signaled that a compromise was being sought that linked bonuses to long-term performance of financial institutions, with remuneration being clawed back if and when bank profits suffered because of accentuated risk.

Where the government of Prime Minister Stephen Harper devoted most of its attention was on getting the balance right between continuing the recession-fighting stimulus packages and implementing a collective exit strategy when the recovery was ensured. But the time was not yet right to move from the one stage to the next. "While we are seeing signs of recovery, the gains are at best fragile. We must stay on course," Mr. Harper said. In a significant move of political outreach, Mr. Harper took this message to different constituencies, most notably to a pre-summit meeting with labour leader Ken Georgetti in which Harper said he had no intention of letting up on stimulus, and would urge other countries

to stay the course. Georgetti, president of the Canadian Labour Congress, said in an interview that the prime minister "acknowledged that this crisis isn't over, and that government support will continue."

Outside of the core concerns dominating the G20, Mr. Harper focused his attention on two other issues. The first target was the issue of Iranian nuclear aspirations. Following the public line adopted by US President Barack Obama, British Prime Minister Gordon Brown and French President Nicolas Sarkozy, Mr. Harper expressed Canada's concern with the revelations that Iran has been building a covert uranium enrichment facility for several years.

Yet Mr. Harper took a multilateral view, urging the International Atomic Energy Agency to investigate the facility, and called on Iranian authorities to cooperate with any forthcoming inspections. He went out of his way to label the question of whether Canada would support military air strikes as "highly speculative."

The second issue is related to the development agenda, a key focus for the planned G8 summit. Immediately prior to the G20 meeting, Mr. Harper announced that Canada would temporarily make \$2.6 billion available to the African Development Bank, so that it could increase its lending base and improve financing conditions in Africa.

PUBLIC FOCUS

The Harper government acknowledged that not everything had been accomplished at the G20. One gap was on the standstill on protectionism. Another gap was on the overall level of commitments made by the G20 to the developing world. At the G20 PM Harper stated that "We haven't lived up to every commitment,"

pointing to broad statements against protectionism. He added that the summit could have done more to reduce poverty and increase humanitarian assistance and infrastructure development.

That being said, Mr. Harper lauded the G20 substantive achievements as “historic.” He noted that a year ago, stock markets were falling at a precipitous rate and financial institutions were collapsing in ways not seen since the 1930s, and “now we are seeing signs of growth.” In his view, the G20 has worked well as a crisis committee. If it had not been possible, for the first time in history, to get the leaders of the major economies in one room together to put their minds to the collective interest of humanity and coordinate their policies, the result could have been very different.

At his post-summit press conference, Prime Minister Harper was far more effusive. Positioning Canada as a country with a strong banking system as well as other positive attributes, he stated that the Canadian role was that of a problem solver not as part of the problem: “We’re the one country in the room everybody would like to be.”

On the core issues faced by the G20, the Harper government received little criticism in the Canadian media. Rather, its weakness in the arena of climate change, and more generally on the connections of the G20 to environmental policy, was expounded. “I think there will be pressure on President Obama to deliver something at the G20 on financing climate mitigation and adaptation in developing countries,” said Dale Marshall, a climate policy analyst for the David Suzuki Foundation. Mr. Harper was viewed by such critics as having tied Canada’s climate change

plan to President Obama’s in an effort to arrive at a common North American initiative on greenhouse gas reduction, while neither country has been given credit for adopting a clear plan.

DEBATING THE FUTURE OF THE GS

It is the future of the Gs, and especially the relationship between the G8 and the G20, that generated the most attention in the media. As noted, this debate was carried out in a serious fashion. In national leadership terms some kudos was allotted to former Canadian Prime Minister Paul Martin for his role as champion of the G20 — an idea at odds with orthodox thinking of the day. One article elaborated in some depth on this championship, in the context of the attacks made by then-opposition leader Stephen Harper in 2003, when he pronounced that Paul Martin’s G20 served as an example of Canada’s “weak nation strategy.”

Other commentators, though, concentrated on Stephen Harper’s adaptive process in support of the G20. If not an original champion, he had become committed to the initiative. In Pittsburgh, he stated that G8 is “not a sufficient group [anymore] to deal with major economic and financial issues.” He went on to say that the G20, though a bit unwieldy, has proven its value since leaders first met last November in Washington at the height of the financial shocks.

In terms of Canada’s diplomatic status, the debate centred on whether or not Canada’s international role was strengthened or weakened by the accession of the G20 as the hub of global economic governance and the G8 concentrating on security issues. Mr. Harper acknowledged that Canada’s voice in the world on

economic issues could become watered down. He explicitly stated: “Will Canada’s role and Canada’s voice be diluted [in the G20]? Well, look, it would be crazy for me to deny that in some degree. Obviously if you are one of 20 instead of one of eight it is a different dynamic.” What was not looked at in the Canadian media was whether Canada — along with other countries such as Japan and Italy — tried to block the move to institutionalize the G20 beyond a crisis committee. Nor was there any analysis about where Canada stood in the way of the reform of the International Monetary Fund, with a rebalancing in voting power and voice.

The positive assessments concluded that Prime Minister Harper and the Canadian government were left with some considerable diplomatic strength even amidst this transformation. Canada as the co-host of the G20 with South Korea in June 2010 could reinforce its credentials as a country with solid diplomatic and economic strengths. But as the host of the Muskoka G8 Summit, Canada could not only shape the agenda in the way it wanted, but do so in a way that reinforced the G8’s like-minded ethos. “They will be distinctive summits,” said Mr. Harper. “The G20 process has proven critical to our collective response to the global recession. This represents an unprecedented opportunity for Canada to demonstrate leadership as we continue our work on the economy and in defining the path forward.”

At the same time, however, Mr. Harper emphasized that the G8 will not disappear. While it will no longer be the premier body on economic issues, he noted that the G8 has taken an active role in other areas like development and international peace and security: “We view it important that these kinds of discussions continue.”

CHINA

Lan Xue and Yanbing Zhang

It seems the worst time of the global economic crisis has passed and the world economy is in the process of recovery, though it is also widely believed that the recovery has not been stable. The Pittsburgh G20 Summit has just been held within such a context as the continuation of the previous two summits, which had mainly dealt with saving the world economy from a great recession. Several key decisions have been made at this summit; for example, continuing stimulus policies in order to secure the recovery and restructuring of the IMF and the World Bank to build up a sound international financial system. Obviously, among them, the most important one is to replace the G7/G8 with the G20 as the premier forum for global economic cooperation. A new framework of global governance has launched.

ECONOMIC INTERESTS

China expected the summit to achieve concrete progress in promoting world economic recovery, settling the problem of global imbalance, and fighting against trade protectionism. These expectations reflect how deeply China has been integrated into the world economy, and how eagerly it wants an open global market plus a stable international financial system.

Since the global economic crisis started, China’s economic policy makings and the relevant public debates have mainly been around four key issues. The first is how to keep China’s GDP growth around 8 percent this year. It has been reported recently that this will certainly be guaranteed by a surge in credit and fixed investment. The second is how to make sure

that China's investment in the US is safe. Since the US financial system has been rescued and has stabilized, it seems the so-called "miserable 2 trillion foreign reserve" is still safe, at least in the short run. The third is the underlying causes of the financial crisis. China's policy makers and influential intellectuals are fully aware of these reasons: global economic imbalances, the problems of the international financial system and China's domestic demand deficiency. China has tried to boost the domestic consumption, but it will take a long time to change its export-oriented development model. The last one is how to prevent the emergence of trade protectionism and commit to free trade.

China had hoped the summit would pay more attention to the development issue and to boost the world economy to achieve long-term and sustained growth. Although some economists in China have pointed out that the recovery of the world's economy is or will be on the way, many have feared that a premature withdrawal of stimulus measures could lead to a double dip, which may consequently take a heavy toll on the Chinese economy. The Pittsburgh G20 Summit has assured the Chinese that policies to promote sustained economic growth will be kept until a durable recovery is secured.

The agreements to reform the regulatory system are also welcomed by the Chinese public, including plans to raise capital standards, to implement strong international compensation standards aimed at ending practices that lead to excessive risk taking, to improve the over-the-counter derivatives market and to create more powerful tools to hold large global firms to account for the risks they take. Some other economists in China are not optimistic the summit results will secure China's

economic interests. They are quite skeptical about the agreement to fight trade protectionism. Among them, some think that deeds may not be consistent with words since this kind of multilateral international forum cannot take concrete actions to prevent protectionism.

POLITICAL AND INTERNATIONAL INTERESTS

As far as the results concerned with political and international interests achieved in this summit, many of them are perceived quite positively in the Chinese media. Although from an international perspective, China is a rising power and has played a more and more important role globally, it still defines itself as a socialist and developing country, in the league of the third world. Ideologically, it still tries to keep its distance from the West or the G8 countries regarding its own political concerns. Thus, China did not want to join in the G8 and had also formally rejected the idea of the G2. G20 means something different because it highlights global economic cooperation and recognizes the importance of emerging-market economies, including China.

In such a background, namely to replace the G8 with the G20, in which China has formal membership, has been perceived as good news for China. It has been perceived as a big step forward since the London Summit. Some media argue that to replace the G8 with the G20 means the world economic order has completely changed; the media declared that "a new era has started." But in general, it is admitted that it is still impossible for developing countries to have similar rights or status as developed ones at this stage. At the same time, some media have warned that the G20 is still dominated by the US, and China should be careful about its role within the G20. Although the G20

provides a platform for developing countries to speak up, many difficulties and challenges still remain. More measures to improve the developing countries' rights are needed, and some newspaper articles urge China to take on more responsibilities.

GLOBAL LEADERSHIP

China has always advocated the reform of the international financial system on the global level and it seems some progress has been achieved at the Pittsburgh G20 Summit. The G20 committed to a shift of at least five percent in the International Monetary Fund (IMF) quota share to dynamic emerging-market and developing countries, as well as an increase of at least 3 percent of voting power in the World Bank for developing and transition countries. It implies that the reform of international financial institutions is speeding up and developing countries' rising strength is recognized. Chinese media generally welcome it warmly and described it as "a breakthrough [that] has been made for international financial institutions' governance reform."

To institutionalize the G20 Summit and to give developing countries more power in the IMF and the World Bank means that the G20 Summit works and that the global governance framework is changing. However, the divergence among major powers is also quite clear, for example, the different views between the US and the EU about how to regulate financial institutions and the sensitive issue between the US and China about their currency exchange rates. Some analysts warned that China shall have a clear idea of the complexity of international environments it is confronting now, and shall not be optimistic about the future development of global governance architecture.

Thus, in order to assert global leadership effectively, the G20 Summit still has a long way to go.

FRANCE

Jacques Mistral

DEBRIEFING OF THE G20 PITTSBURGH MEETING IN FRANCE

It was quite remarkable that the results of the London meeting had been taken very seriously. Criticizing the traditional G7 and pleading for "global governance" are traditional French positions so that even left-wing websites — like *Rue 89* for example — describe the two meetings of the G20 and of NATO as reflecting the emergence of "a new world." There was consequently ample curiosity to decipher this new world. Now, it is more apparent that the media are unlikely to have a "national" view of the results of the G20 meetings, which are sort of usual political business. The president declared himself relatively happy with the results, and will get more next time, and the opposition party sees nothing more than rhetoric. This said, the main arguments can tentatively be summarized as follows:

ECONOMICS

The results of the meeting are commonly seen as poor; François Bourguignon, former chief economist of the World Bank, for example, wrote an op-ed entitled "A summit with a limited scope." Due to President Sarkozy's emphatic insistence to get "something serious done about the bonuses," this aspect of the conclusions is trumpeted as a French victory. Any complete report will comment on various aspects which are of special interest in France — capital ratios, Basel II, accounting

standards, tax havens and so forth. Some commentators qualify them as promising, but the commitments are sufficiently vague that few would qualify the wording of the communiqué as strong. Enthusiasm has vanished; the mood really is one of “wait and see.” The willingness to “moralize” capitalism (another Sarkozy theme in the spring) has mostly gone out of the radar screen. The reference to global imbalances is considered by the most specialized observers as a distinctive — and long waited for — innovation of this meeting.

POLITICS

The foregoing suggests that the French media have chosen to report the results of the meeting in a way which is less directly connected to the expectations and actions of President Sarkozy (as compared with London where the president’s initiatives were simply qualified as “progresses without precedent”!). The main exception to this summary is the final public appearance by President Obama, Prime Minister Brown and President Sarkozy for their declaration about the Iranian nuclear case: at that moment, it was felt by the media that something great was happening again. The role of the IMF, and the TV presence of its boss, Dominique Strauss-Kahn, also helped to give a French flavour to the meeting. Attention to German positions, which is always of interest in France, was at that time mainly focused on the ongoing elections. There was little attention paid to common Franco-German positions prepared for this meeting.

INTERNATIONAL INTERESTS

According to French observers, the conclusions of London were clear cut; the world was entering a new era. Well, Pittsburgh is now seen as a traditional meeting with a

lot of national interests. One major newspaper carefully analyzed the strategy and goals of the nine major players and painted them as having not much in common. The exact role of the US and China, for example, was not as prominent in these reports as was the case after London. In my previous analysis I went as far as asking: “Could we possibly have witnessed the first G2?” According to the French, Pittsburgh is not a clear step in this direction. To be frank, the direction after Pittsburgh is not evident.

GLOBAL GOVERNANCE

The idea of substituting the G20 to the G8 is generally welcome, but the substance of the change remains to be revealed. It is good that national leaders are meeting and speaking regularly in such a difficult economic period, but what else? The low profile of questions related to Africa is always considered with regret but without long-term developments, and American shyness regarding climate change raises sharper and sharper questions. What the leaders do is probably the best they can due to their mandates. But the rules and scope of future meetings remains unclear, and expectations are more muted. In short, London was followed by hope; Pittsburgh produced skepticism.

GERMANY

Thomas Fues

The Pittsburgh Summit received extraordinary coverage in the German media. This may be partly due to the fact that the event took place just a few days before national elections, thus presenting an ideal photo opportunity for Chancellor Merkel. The other part of the explanation may be due to the widespread acceptance of the G20

as the new format for global policy coordination. The traditionally positive perception of Merkel's international performance is, however, giving way to a more critical assessment of her effectiveness. Similarly, the enhancement of club governance through the integration of emerging powers is a cause of growing concern regarding what this could mean for the excluded rest of the developing world and for the United Nations.

ECONOMIC INTERESTS

Germany's economic agenda for Pittsburgh was strongly focused on effective regulation of financial markets, including the strengthening of banks' equity positions, limits to management compensation and action on tax havens. To this effect, Merkel had re-enacted the German-French connection leading up to the summit while her finance minister, in a parallel move, voiced open criticism of British recalcitrance. The chancellor was also keen on deflecting blame for global imbalances by embedding the structural surplus of her country's current account into the more or less even balance-of-payments position of the European Union (*Spiegel*). An innovative element of the German agenda, as seen by some commentators, was the support of a global tax on all cross-border financial transactions (Tobin tax), which represented a clear policy reversal on a controversial proposal of scholars and non-governmental organizations (*Frankfurter Allgemeine Zeitung*).

Uniformly, German media lamented the fact that, despite Merkel's insistence, climate change did not make it onto the Pittsburgh agenda. While the chancellor is generally credited by the national media to have skillfully represented the country's economic interests (*Zeit; Frankfurter Allgemeine Sonntagszeitung*), criticism is building up that she may have focused on the wrong

priorities. According to other commentators (*Zeit; Spiegel*) she has been too focused on symptoms of the financial crisis, such as management compensation, in order to play on the emotions of the electorate. According to this view, she should have rather addressed structural issues such as banking supervision, an international register of credits and global imbalances (*Financial Times Deutschland*).

POLITICAL INTERESTS

Public assessments of Merkel's role in the Pittsburgh Summit tend to underline her positive image as an assertive negotiator driven by the search for practical solutions (*Handelsblatt*). However, her call for a "Charter for sustainable economic activity" is seen, by some, as one-sided in concentrating on public debt while neglecting the private sector (*Spiegel*). Also, her credibility is put into question by suggesting that Germany could have acted more forcefully at home on limiting the excesses of unfettered financial markets (*Zeit*). German media also commented positively on the harmonious collaboration between Merkel and her finance minister, Peer Steinbrueck, from the competing social democrats in the heat of the election campaign. The results of national elections just two days after the summit have brought this successful tandem to an end.

INTERNATIONAL INTERESTS

German media have generally perceived the Pittsburgh Summit as an affirmation of the key role played by the country in global affairs. The decisions on financial markets are generally interpreted as a success of Merkel's negotiating strategy (*Welt*). Since nobody expected immediate results on the German proposal for a Tobin tax, some commentators emphasize the

long-term benefit of taking the lead on this issue and expect a later convergence of positions (*tageszeitung*). NGOs also note the possibility of raising funds for development purposes through this instrument (*Sueddeutsche Zeitung*). With regard to climate change, domestic media are disturbed by the fact that Germany and Europe's clout did not suffice in having the issue included in the summit agenda (*Frankfurter Rundschau*). There are also some persisting doubts with regard to the adequate form of European representation in global bodies as the influence of individual nations from the continent wanes (*Spiegel*).

GLOBAL LEADERSHIP

Building on the dramatic turnabout of official and public opinion in support of the G20 at the L'Aquila Summit, nobody in the German media now challenges the permanent replacement of the G8 with a new summit architecture. The G20 is basically trusted as an effective organ of global economic governance, which has prevented the world economy from slipping into major disintegration and catastrophic trade wars. However, recognition of the benefits associated with such club governance goes hand in hand with a growing uneasiness about the inherent limits of informal, selective arrangements. For one, influential voices caution against the possible sidelining of the United Nations (*Zeit*; *Frankfurter Allgemeine Zeitung*). Others articulate the concern that the interests of the developing world, particularly low-income countries and Africa, will be further marginalized as traditional and emerging powers close ranks and find new modes of accommodation in exclusive circles.

There is also a widespread feeling that governments in the G20 may shy away from difficult decisions

such as addressing global imbalances, protectionism, supervision of financial institutions and rating agencies as well as protection of global ecosystems. Some NGO commentators even go as far as questioning the future of liberal capitalism altogether since it is claimed that the system cannot deliver social equity, prosperity and stability in times of deepening global crises. This seems to indicate that, in the eyes of some part of the German public at least, the G20 may soon become the target of fundamental societal opposition which has traditionally been directed towards the G8.

MEXICO

Andrés Rozental

ECONOMIC INTERESTS

Mexico's primary interest in the G20 summits has been to ensure that the country sits at the table and is part of the process. Although Mexico has been a member of the G20 since its inception as a body of finance ministers and central bank governors, there was no guarantee that it would continue to be accepted as one of the major players. Even its membership in the G5 grouping (Brazil, China, India, Mexico and South Africa) that has been invited during the last few G8 summits to join the major industrialized countries for a short meeting to discuss common global issues such as development assistance to Africa, climate change and poverty, does not in itself constitute a sufficient antecedent to be assured a spot in the "new" G20 at the leaders level.

Mexico has a direct interest as well in the summit discussions on the global financial and economic crisis. As one of the economies most negatively affected by the downturn in the US, Mexico's overriding objective

is to see its neighbour's economy restored to a pattern of growth and dynamism which, in turn, will allow the NAFTA partner to resume trade and investment flows to levels similar to those existing prior to the crisis.

As a result, Mexico's participation in the Pittsburgh G20 Summit was centred on the above objective. Issues such as executive pay and bonus caps, greater regulation of the international banking system and higher capital requirements for financial institutions were less of a priority for Mexico than the discussions on reforming the IMF and World Bank, for example.

The results of the Pittsburgh G20 Summit seem to have focused more on the issues that I have described above as secondary to Mexico's primary interest. Although there was a lot of rhetoric surrounding the supposed "bottoming out" of the global recession, countries like Mexico have not yet seen quantitative positive changes to negative growth, unemployment, drying up of foreign direct investment flows or increased protectionism. Although much of the final statement issued at the end of this summit relates to a resumption of sustainable economic activity, there is still a long way to go before the Mexican economy can begin to show concrete signs of recovery. Little of what was committed to at Pittsburgh would contribute directly to that objective.

As with previous G20 summits, or indeed G8/G5 annual meetings, there is not much public interest in the process, nor has the government made a special effort on outreach to explain the process or the reasons for Mexico's participation. Media coverage on this occasion was divided between the various other meetings that took place in New York (the Climate Change summit convened by the UN Secretary-General, the Security

Council meeting chaired by Barack Obama on nuclear proliferation and the annual parade of leaders who speak at the UN General Assembly). This year was especially active with the US president getting a lot of media attention with his activities and speeches in New York, Presidents Ghaddafi and Ahmadinejad's appearances at the UN, Iran's second nuclear processing facility, etc. As a result, coverage in Mexico of the G20 Summit itself was rather subdued and limited to the group photograph and a few of the salient points from the communiqué. President Calderón's intervention in the Security Council on the importance of addressing global conventional arms flows, in addition to nuclear weapon proliferation, was covered by the local press, but there continue to be too many burning domestic issues that are seen to be much more important to public opinion than the president's trips abroad.

INTERNATIONAL INTERESTS

The only change since London appears to be the discussions that took place prior to and during the summit about replacing the G8 with the G20. Although the final statement speaks of an agreement for the G20 to be the premier forum for international economic cooperation, there were considerable differences of opinion on what the ongoing role, if any, of the G8 should be. Canada's selfish interest in not jeopardizing hosting the next G8 Summit in 2010 ensures that this forum will continue to exist — albeit with a questionable mandate — until the French jointly host the G8 and G20 Summits in 2011.

GLOBAL LEADERSHIP

Mexican public opinion did not focus much on the issue of global leadership (as mentioned above). For those

of us in the academic, think tank world, it is obviously of great importance to see Mexico at the table, but the low-profile participation by President Calderón and the very sparse media coverage didn't contribute at all to enhancing his own global leadership role. As a matter of fact, several issues extraneous to the G20 process (the fact that Calderón has yet to make a state visit to the US after half of his term has passed, his not having addressed the UN General Assembly in any of the years since he has been president and his rather dismal foreign policy) have led to a very low-profile international role both for Mexico, and for the leader himself. Although many observers lament the fact that Mexico has been overtaken by Brazil, Chile and even Venezuela in terms of foreign policy activism, this government does not appear to have any interest in continuing the country's traditional leadership on global issues.

NON-G20 DEVELOPING COUNTRIES

Homi Kharas

ECONOMIC INTERESTS

It is easy to see how the G20 operated in Pittsburgh. China and other developing countries benefited from a greater say in the IMF, but gave in on the issue of enhanced monitoring of their economies. The Europeans got their way on stiffer curbs on remuneration for bankers and progress on cutting fossil fuel subsidies, but lost clout in the IMF. The US deflected criticism of its role as the originator of the crisis and seems to have maintained its veto power in the IMF, but had to yield on bankers' pay and on multilateral surveillance. In other words, the leaders did exactly what was intended: they traded across issues in order to arrive at compromises in a range of areas.

It is therefore not surprising that for those who were not at the table, the non-G20 developing countries, there was nothing offered! The leaders' statement is full of promises, including a reiteration of those already made; however, these increasingly lack credibility, like the Gleneagles aid pledge and the reaffirmation of the MDGs, but are short on specifics. Non-G20 low-income countries wanted more resources for development through new concessional funds, a disproportionate share of IMF gold sales, and more liberal interpretation of the Debt Sustainability Framework, which currently acts as a strait-jacket for low-income countries trying to preserve core development spending in the face of falling government revenues. What they got was a promise of support, on a voluntary basis, for new trust funds for food and fuel programs — not additional money, but earmarked money.

That said, all non-G20 countries have a strong stake in a well-functioning global economy. They benefit from the stabilization of the system, the agreed commitment to maintain stimulus programs until the recovery is more robust, and the decision to push towards concluding the Doha free trade agreement. They should be thankful that a global group has emerged that is prepared to take on itself the task of collectively providing global economic public goods that the rest of the world depends upon.

POLITICAL INTERESTS

Non-G20 countries see that yet again, when it comes to global politics, money talks. The selection of which countries sit at the G20 table was based on GDP, not on population, although, from a technical point of view, there exists perfectly good formulae which would have combined GDP and population to balance effectiveness

and representation of the world's people in a better way. It is irritating to many of those who are excluded to think that the rich countries feel that the new, developing country members of the G20 represent their views. For Colombians, it matters little that Mexicans and Brazilians are at the table as well as Americans and Europeans. The Pakistanis do not feel better because India is a member of the club. South Africa does not represent other African countries. Developing countries are a very heterogeneous group. Having a few in the club does not make them represent the interests of many who are excluded, even if, on the margin, there is some solidarity.

The G20 has inadvertently weakened the hands of reformers in non-G20 countries. The massive interventions in key banks and industries, and the tactical use of trade tariffs, have been legitimized by the G20 in an atmosphere of coordinated connivance. These policies are damaging to non-G20 country economic and political interests.

Perhaps the best political news is the renewed determination of the G20 to crack down on corruption and tax havens. Maybe now the process of democratization and political legitimacy will be strengthened in non-G20 countries. They will benefit from this if enforcement is strong. But right now, the measures are being taken to protect the G20 country tax bases, not to root out corruption. There's a coincidence of interests in the short run, but no guarantee this will persist in the medium term.

GEOPOLITICAL INTERESTS

The G20 leaders make much of being more inclusive in the governance of the international financial institutions.

This will make a difference to large G20 developing countries, like China. But the decision to increase the voting share of developing countries by a paltry 3 percentage points in the World Bank is a clear statement that it is unnecessary to hear the voices of poor, developing countries in order to set development strategies. The G20 promised to protect the share of votes of poor countries: but protecting almost nothing still leaves poor countries with little voice in the new system.

Politics matters. Connected developing countries, like those in Eastern Europe, got access to huge funds to run counter-cyclical policies. So did other middle-income countries that got access to MDB and IMF non-concessional resources. But poor countries have been told they have no fiscal space (based on very conservative and questionable methodologies), so they should contract. The World Bank estimated that low-income countries need US\$11.6 billion to protect core infrastructure, safety net and social services. Little of this has been forthcoming as yet, although there are promises to look favourably on IDA and AfDF replenishments when these come up.

It seems clear that global institutions will pay less attention to the specific needs of development in each of the non-G20 countries and more attention to global public goods. Regional institutions, and regional powers, now call the shots.

GLOBAL LEADERSHIP

Small countries swim in a big pond. The G20 provides some semblance of global economic leadership on which others can get a free ride. In many instances, the non-G20 country interests coincide with those who sit at the G20 table, for example, on trade talks, climate change

and energy security. But no one in the G20 spoke up for the fact that average incomes in the United States are now 44 times the average income in sub-Saharan Africa (compared to only 17 times in 1980). That is also surely a sign of global economic imbalance. Perhaps in time global imbalances will come to mean more than Asia should spend more and the United States should save more. As Donald Kaberuka has noted, “low income countries’ priorities are still an appendix, a footnote.” The new G20 effort to assume the mantle of global economic leadership will not be complete until these issues are also addressed.

SOUTH AFRICA

Peter Draper

PREQUEL

I have spent the last couple of days poring over the pages, both physical and web, of the six major newspapers in South Africa searching in vain for some signs that the South African media establishment is seriously interested in the G20 process. Unfortunately, my search proved fruitless. As was the case with the G8 L’Aquila Summit, although in a more extreme form this time, there was zero South African writing on the topic (for L’Aquila we picked up a couple of editorials). Every single article I came across was sourced from Reuters, Bloomberg or Sapa. There were no editorials.

The closest I came was two pictures: of President Zuma’s first wife (he has four) and hence first lady with Michelle Obama; and Zuma plus his first wife with the Obamas. Besides anodyne captions there was no attempt to put these meetings into the G20 context and hence to profile President Zuma on the international stage. Therefore, I

can safely conclude that zero media interest was expressed in President Zuma’s participation in this key forum. Indeed, the G20 was outcompeted in the media space by: the UN General Assembly opening; the Latin America-Africa Summit and President Chavez’s pronouncements on South-South collaboration; and Iran’s missile test. Even these international issues paled into insignificance compared to coverage of domestic political issues, which dominated the local media space. The conclusion I draw is that as the Zuma administration starts to bed down, in the face of enduring and growing questions about who is really calling the shots on domestic economic policy, so the media’s attention are almost entirely focused on the ensuing power struggles.

ECONOMIC INTERESTS

In my estimation South Africa’s main economic interests in Pittsburgh were the same as those going into the London Summit. As I outlined in my commentary for *Soundings Series 1*, and briefly summarize here, these consisted of:

1. Ensuring that appropriate fiscal and monetary measures were taken in the major developed countries to underpin growth. This time around the concern was more with sequencing exit strategies, on which there was no SA media coverage.
2. The G20’s regulatory agenda, whilst regarded as important in order to promote global financial stability, was not of first-order importance to South African policy makers. Whilst there is substantial interest in government in having more say in how

regulations evolve at the multilateral level, the media did not cover any issues related to this other than through the international media perspectives referred to above.

3. Ensuring continued access to finance, both for South Africa and other African economies, was also important. Yet there was no independent (South African) coverage of this issue.
4. The London Summit outcomes concerning IMF capital injections, ODA flows for poor countries, and increased trade finance funding were very positive and reflected South African policy positions. The major breakthroughs were made there, however, and partly for this reason there was no focus on them in the South African media this time around.

POLITICAL INTERESTS

Since there was zero print media coverage of this issue, I have to conclude that “the nation” does not have a perception of the leader’s effectiveness in this forum, and that therefore his performance (whatever that was) does not matter at all in terms of internal ramifications. An alternative conclusion is that the G20 is not of much interest, or, related to this, that it is being well-run and hence does not require investment of media resources into figuring out what is going on from a national interest perspective.

INTERNATIONAL INTERESTS

My view remains that our participation in this forum is of direct national interest, particularly from the standpoint of building up a global leadership position. Clearly, there is a huge gap between this imperative

and raising the importance of this issue in the public space. This also has implications for democratic oversight of the positions our government takes since, unless one is an insider in an overwhelmingly executive driven process, one does not know what positions are being taken.

Having said this, the major change since London is that the BRIC economies seem to have formally constituted themselves as such with their finance ministers issuing a joint statement in London. This has sent some shockwaves through our international relations establishment since it has highlighted what has been obvious to some observers, this one included, for a long time: we are not a BRIC! This will have implications for how other countries interact with us, which could be favourable or not depending on what is being considered and with whom we are interacting.

GLOBAL LEADERSHIP

The media coverage did not address this dynamic at all, since it was entirely sourced from foreign agencies. It may be that over the next couple of weeks various political actors will wake up to the fact that the G20 has now replaced the G8 with SA as a privileged participant, but the intensifying domestic power struggle will quickly eclipse this if it transpires.

TURKEY

Eser Şekercioğlu

The Pittsburgh Summit, to my surprise, has generated more media coverage and attention in the major Turkish media outlets than both the London Summit and the G8 Summit in Italy. Unlike the previous summits,

media coverage was not limited to narrow news strips. Both before and after the summit several high-profile columnists mentioned the G20 Summit. A few major newspapers even analyzed and reported on the resulting 23-page long Leaders' Statement. Perhaps the reason for this increased attention is the lack of a more urgent and immediate international crisis and/or event. In London both Prime Minister Recep Tayyip Erdoğan and the Turkish media were preoccupied with President Barack Obama's imminent visit to Turkey and the impending NATO Summit. This time in Pittsburgh the G20 Summit was much higher on the foreign issues hierarchy and hence the increased media coverage. Some interpretations were fairly romantic, like the over-optimistic evaluations of the London Summit. There was a tendency to overestimate the importance of the Leaders' Statement and the implications of the quota shifts in the IMF. Still, as far as the Turkish public's responses are concerned this summit was followed far more attentively.

ECONOMIC INTERESTS

Turkey's main economic interest, or more accurately Turkey's main economic expectation from the G20 framework, was, in fact, indirect. Turkey's history with the IMF and the possibility of a new stand-by or similar agreement means that the primary goal is to clarify the relationship with the IMF. The G20 meeting's importance lies in the expectation that in the wake of the global economic crisis major economies sounded willing to modify the financing and administration of the IMF and World Bank funds. A secondary expectation from the G20 would be the overall approach to the management of the global economy and whether the preferences of

the G20 group would benefit Turkish economy's export sectors. With this prioritization in mind, it is safe to argue that the Pittsburgh Summit was quite fruitful.

Items 19, 20 and 21 in the Leaders' Statement, namely, the announcement that the G20 will be "the premier forum for our international economic cooperation" and the new commitments on the financing of the IMF and the World Bank funds addressed Turkey's economic interests to a certain extent. This fact did not escape the radar of the Turkish commentaries in the mainstream media. Several columnists declared that Turkey returned from the summit with tangible benefits. Most pundits focused on the implications of item 19 of the Leaders' Statement and emphasized that the G20 has become more than an appeasement for the non-G8 economies who had been complaining about the exclusive nature of the G8. The Turkish media, which focused on the general implications of the London Summit and was somewhat distanced towards the practical implications of the G20 meetings welcomed the Pittsburgh Summit in a more perceptive way. Thus the announcement that the G20 is to become the primary vehicle of international economics was also perceived to be more than just words.

POLITICAL INTERESTS

As with the London Summit, there was little expectation that Prime Minister Erdoğan could play an important role in the actual processions of the meetings. In that regard, the Turkish public and media are quite realistic. Since there is little direct political capital to be transferred from the summit to the domestic front, little could have happened in the first place. And since there were no other major international events — the previous summit in London was within a week of Barack Obama's visit

to Turkey and the NATO Summit — Prime Minister Erdoğan presented a relatively low profile. Still, his short conversation with Barack Obama and their subsequent meeting after the summit naturally made their way into the news. It is possible to argue that the location and the timing of the summit was particularly advantageous for Prime Minister Erdoğan allowing him to arrange a meeting with the president of the United States with little fanfare and expectations. Again, this is only a remotely G20-related benefit, but still the fact that the Turkish prime minister is now regularly situated in this leading group is bound to have secondary benefits.

INTERNATIONAL INTERESTS

For the leaders of the larger economies like the US, Germany and Japan, the connection between their activities during the processions and their roles as international leaders is more straightforward. Since their preferences inevitably carry more weight, they also could assume credit for the results and global implications of the G20 summits. For smaller economies such connections are more subtle and less well pronounced. That said, Turkey's role in the emerging global geopolitical order is perceived more clearly after the Pittsburgh Summit than the London Summit for two reasons. First of all, the announcement that the G20 will become the primary forum for economic cooperation means that even smaller members of the group will take part in the decision-making process and such a role will not be overshadowed by the ghost of an upcoming G8 meeting. Second, the changes made in structure to the IMF means that some non-G8 countries, including Turkey and China, will now have more weight in the institution's decision-making processes. Since Turkey is

one of the most faithful beneficiaries of the IMF, a shift in the power structure is more than welcome whether or not it means additional funds are made available. Therefore, it is safe to assume that the Pittsburgh Summit addressed Turkey's international interests far better than the London Summit. While the London Summit summarized the wishful expectations with no or very little actual benefits for Turkey, the Pittsburgh Summit provided some tangible and intangible international benefits for Turkey.

GLOBAL LEADERSHIP

Unlike the London Summit which offered a glimmer of hope, albeit through abstract and vague resolutions, for the crisis-stricken economies, the Pittsburgh Summit offered little crisis-specific messages for the Turkish audience. At least this is the way almost all pundits perceived and interpreted the summit. Despite quite a few decisions that will lead to concrete steps to be taken in the coming months and years, the Turkish public did not evaluate the Pittsburgh round through the global crisis prism. Whatever global leadership capital is gained, it is gained through the three items of the Leaders' Statement mentioned above. Item 19 announced that the G20 will become the primary medium of international economic cooperation, and items 20 and 21 announced the changes introduced to the IMF and the World Bank, respectively.

UNITED KINGDOM

Olaf Corry

ECONOMIC INTERESTS

The UK continues to be highly dependent upon a global recovery. With its heavy dependency on the financial

sector, a return to something resembling normality on the financial markets is particularly vital for Britain's economic fortunes. Earlier this month the OECD adjusted its economic forecast downwards predicting that the UK economy would shrink by 4.7 percent as opposed to the 4.3 percent forecast in June. This meant three things for British economic priorities at Pittsburgh. The first was to make sure the stimulus packages in operation in the G20 zone were not withdrawn "prematurely" to ensure as speedy a revival as possible for the UK. Secondly it was considered a priority to make sure agreement on reform of the financial sector secured more trust and stability in the world of finance, while not harming London's (in part bonus-driven) financial industry. The third perceived priority was to help prevent the spread of protectionism which again could hurt the "green shoots" of recovery thought to be discernible.

The result was a partial success in line with these aims. The final communiqué urged G20 members not to drop stimulus packages prematurely (but each country could work out when it wanted to make use of an "exit strategy," albeit in "a cooperative and coordinated way"). The issue of bonuses stayed out of the text (a French suggestion to cap bonuses was first grudgingly accepted as something to be "explored" and then dismissed as unworkable by Chancellor Alastair Darling during the meeting) but other rules to mitigate excessive financial risk-taking and anti-bubble measures were put forward, including the creation or formalization of a Financial Stability Board to oversee and coordinate finance ministries. Finally, G20 leaders warned against protectionism and reiterated their collective commitment to the Doha round of trade talks at the WTO (but added nothing much new on this front). On balance, all three developments probably furthered

Britain's national economic interests understood in terms of securing short term recovery and long term durable and sustainable growth.

POLITICAL INTERESTS

Gordon Brown is well known to be effective in matters of global governance and so another solid performance does not make for many headlines. On the other hand, although he was not seen as the ringleader (that role was seen to belong squarely to President Obama) the image of the consummate global operator was not harmed by events at Pittsburgh and may even have been enhanced when he received the 2009 "World Statesman of the Year" award from the Appeal of Conscience Foundation for his global leadership. The final communiqué bore a clear resemblance to Brown's rhetoric, warning against complacency about the nascent economic upturn, praising the stimulus package agreed upon in London, and emphasizing the need for a new "global architecture."

However, domestic coverage of Gordon Brown's leadership in Pittsburgh was not overwhelming, except, symptomatically, for the rumor that president Obama had snubbed the Brown camp which had apparently been pushing for a bilateral meeting. The view of the British premier as an ailing leader headed after Pittsburgh for a final desperate Labour party conference in Brighton dominated the media picture. Comments by his chancellor, Alastair Darling, that the Labour leadership had "lost the will to live" overshadowed any sense of leadership and dynamism that may have emanated from the G20 Summit. Speculation regarding a possible leadership challenge to Brown inevitably resurfaced.

In a curious way, Gordon Brown's apparent success in leading a concerted push for a global new deal of sustainable economic recovery, better global rules for finance and a reformed system of cooperation between nations tends to reinforce the negative *domestic* image of him as a "systems operator" or lofty world actor who remains distant from and unable to cope with the realities of British politics. The dominant national narrative of failure clearly overrides the global narrative of accomplished statesmanship.

INTERNATIONAL INTERESTS

The G20 continues to be considered an innovation which chimes very well with the UK's post-war commitment to multilateralism — something which has only become more explicit after Gordon Brown replaced Tony Blair. Worries that Britain's influence will somehow be watered down by the expansion from G8 to G20 are conspicuously absent from public debate. Unlike debate on reform of the UN Security Council, where Britain's membership of an exclusive group of permanent members is seen as vital (justifying modernization of nuclear weapons capabilities, for example), there appears to be a wide, albeit unarticulated, consensus that Britain can best look after its global interests by working within a new global architecture that includes the major players and a majority of the world's population. On the other hand, this lack of concern about being joined at the G8 table by other rising powers, such as Brazil and India, in a G20 may also reflect widespread skepticism about the efficacy of either institution, often accused by skeptics of being a "talking shop." Nevertheless, the replacement of the G8 with the G20 (rather than the French model of a G14) is generally seen as an Anglo-American victory and

is being led by none other than President Obama — who is still hugely admired in the UK.

One important development since London was the appointment of Shriti Vadera, Brown's close advisor on international aid and development policy, to a new post as advisor to the G20. This is seen as a move which strengthens British influence on the mould of the emerging G20 institution — although it was also interpreted as another sign of rats fleeing the sinking ship under the troubled Brown captaincy.

GLOBAL LEADERSHIP

The British government insists that the "common action" taken at the G8 and G20 levels to counter the economic downturn was effective. According to the loyalist daily, *The Mirror*, Gordon Brown predicted a "new boom" in Britain by 2010 thanks to the interventionist and globalist approach he adopted. At a news conference in Pittsburgh he said that "The action we took at the London summit has worked. The economy has been prevented from descending from a recession to a great depression as a result of co-ordinated action." This view is probably widely shared. The impression that the US and the UK "won" the battle over bank bonuses is also widespread. New standards ensuring that bonuses, though not capped, will be deferred and "subject to clawback if traders' bets go wrong" as *The Daily Mail* put it, are generally approved of. The public confirmation that the G20 was now the central forum for global regulation and coordination was also met with approval, as were the agreed adjustments to the IMF giving a greater say to developing nations.

On the other hand, rumblings of disquiet about the continued size of banks and the failure to of the G20 to secure a break-up of commercial and merchant banks, leaving them publicly funded but still 'too big to fail', were voiced. Also, the G20 is seen to have danced around the fundamental question of gross imbalances in the global economy between debtor and creditor nations. However, these critiques serve to emphasize the perceived salience, if not the efficacy, of the G20 as the forum in which such problems ought to be tackled.

Meanwhile the major question of public concern in the UK, which is not seen to be relevant to G20 action, is the question of how high public spending and debt resulting from the action taken on the crisis is to be recovered. This is seen squarely as a "domestic" problem which partly explains why Gordon Brown is having trouble translating global policy success into domestic political capital.

UNITED STATES

Colin Bradford

ECONOMIC PRIORITIES AND SUMMIT OUTCOMES

The United States and the Obama administration had high-priority interests in all the major items on the Pittsburgh G20 agenda, including macroeconomic stimulus and coordinated "exit strategies," financial regulation and reform, especially with regard to establishing high capital requirements for banks, and international institutional reform. The final G20 statement manifested progress on each of these points; also particularly noteworthy was President Obama

having been seen as pushing the Europeans to agree on bank capital requirements. The US also got agreement on cutting subsidies for fossil fuels, which broke new ground. Where the Obama administration was eager to duck criticism and avoid overreach was on trade. After the controversy stirred up by the Obama administration's actions to raise import tariffs on tires from China, President Obama was vulnerable to criticism for engaging in protectionism while at the same time the G20 was trying to restrain it. Other issues so dominated the Pittsburgh G20 Summit that the trade issue did not erupt into a visible point of discord, but rather was smoothed over by a call to complete the Doha Round to benefit developing country exports of agricultural products as a source of economic recovery for those nations.

DOMESTIC POLITICAL IMPACT OF SUMMIT LEADERSHIP

Around the world, but especially perhaps in the United States, the G20 Summit was overshadowed by the breaking news: 1) an additional nuclear site in Iran and the consequences for the efforts to forge a stronger nuclear proliferation regime; and 2) international support for forcing Iran to be transparent and adhere to international norms on nuclear energy. In fact, the domestic political impact of Obama's international leadership was generated over most of the week, with a climate change summit at the United Nations on Tuesday, chairing the UN Security Council meeting on nuclear proliferation and Iran on Wednesday, and the G20 Summit in Pittsburgh on Thursday and Friday.

President Obama's withdrawal of US nuclear missiles from Poland and the Czech Republic seemed to pay off in terms of greater support from Russian President Medvedev

mid-week, as well as gaining strength on Friday after the revelation of the nuclear site in Iran. This along with the visible and vocal support of UK Prime Minister Gordon Brown and French President Nicolas Sarkozy, were the most palpable manifestations of Obama's high-profile global leadership during "summit week." Also, the fact that President Obama got the results he wanted at Pittsburgh at week's end, and seemed masterful at orchestrating the G20 leaders toward agreement on a broad range of issues, was icing on the cake in providing the American public with a sense that US international interests are in steady hands. But nuclear and security issues overshadowed the economic crisis and the Pittsburgh G20 Summit in terms of opportunities to demonstrate leadership at the global level but to the same effect.

Obama visibly demonstrated firm and determined international leadership throughout the week and a clear commitment to working with other nations, rather than going it alone, whether on climate change, nuclear security or economic recovery. His call for international cooperation in his United Nations General Assembly speech was strengthened by his actions on major issues throughout the week. This is not just an approach the rest of the world wants from the United States, but is an approach Americans now want from their government, in the wake of the Bush administration. The opportunity to demonstrate the effectiveness of his international approach in various forums on many issues throughout the week strengthened domestic political support for the Obama administration as a result.

GEOPOLITICAL REPOSITIONING

President Obama consulted with all G8 leaders, and Australia, and with the 10 leaders from emerging market economies, and moved everyone forward in Pittsburgh to agree on the most significant reform in the international system since the Second World War, as Gordon Brown put it. By agreeing to make the G20 permanently the "premier forum" for international economic cooperation, "the G20 eclipses the G8," as CNN encapsulated the news in a box on the screen. "G20 Grabs Bigger Role in Global Economy" bellowed the *Washington Post* front-page headline on Saturday after the summit. Only a few weeks ago, President Sarkozy vowed to permanently establish a G14 in 2011 when France hosts the G8, and Canadian Prime Minister Stephen Harper was, and maybe still is, reluctant to convene the G20 as chair of the G8. Nevertheless, the G20 Statement indicates: "Finally, we agreed to meet in Canada in June 2010 and in Korea in November 2010. We expect to meet annually thereafter and will meet in France in 2011."

As a consequence of Obama's leadership, global summitry has been transformed from a parochial Western-dominated G8 with false pretenses to act as a global steering committee, to a more inclusive, representative and now proven-to-be more effective G20 summit that restructures global leadership into a new grouping. This new grouping balances the West and the non-West into a cooperative relationship. This move, initiated by Obama, but obviously supported by the other leaders, repositions the emerging markets in the global order, providing them with visible roles in global leadership, which are more clearly defined than in other more complex international institutional reforms that

are currently underway. The emergence of the G20 as the world's global steering committee is a blockbuster reform, which will now become a more powerful driver of other international reforms.

GLOBAL LEADERSHIP AND THE PUBLIC INTEREST

The momentum for summit reform was bolstered by the success of the G20 at the leaders level in establishing a track record in taking public responsibility for the public interest in economic recovery in the wake of the 2008 financial crisis. The London G20 Summit was clearly pivotal in laying out the pathway involving macroeconomic coordination, financial system reform, and international institutional reforms which dovetailed into an effective, concerted strategy for dealing with the crisis that affected everyone everywhere. The fact that six months later, the world economic downturn had been halted and signs of recovery were appearing, testified to the fact that the G20 acting together was able to have demonstrable effects. This evidence clearly has had the benefit of reassuring publics everywhere that someone is minding the store, there is a focal point for global leadership and that trust and confidence in markets, institutions and leadership, perhaps the most crucial ingredients in the recovery itself, are creeping back into the global economy. The G20 has been instrumental in restoring confidence by being effective in addressing the global crisis with a global response.

The elevation of the G20 to fill the void at the apex created by the lack of representativeness, legitimacy and effectiveness of the G8 acting alone, is a logical result of the critical role the G20 and G20 countries and their leaders have played in charting a new mode of global leadership for the twenty-first century.

ABOUT NPGL

The National Perspectives on Global Leadership (NPGL) project is a collaborative effort between CIGI and the Brookings Institution Global Economy and Development Program. The purpose of NPGL's research and convening is to assess the degree to which a broader summit grouping — in the context of the global economic crisis — can restore the confidence and trust of people in the capacity of national leaders acting together to take public responsibility for the public interest in economic outcomes.

The NPGL project aims to generate a stimulating inquiry into various economic, political and international dimensions of national and global leadership as manifested in summitry.

NPGL will continue to develop ideas on global leadership and the leading issues on the G20 summit agenda, by additional *Soundings* at future G20 and G8 Summits and by further interactions among experts in the NPGL network and with other colleagues in research institutions, universities and public institutions.

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ABOUT CIGI

The Centre for International Governance Innovation is an independent, nonpartisan think tank that addresses international governance challenges. Led by a group of experienced practitioners and distinguished academics, CIGI supports research, forms networks, advances policy debate, builds capacity, and generates ideas for multilateral governance improvements. Conducting an active agenda of research, events, and publications, CIGI's interdisciplinary work includes collaboration with policy, business and academic communities around the world.

CIGI conducts in-depth research and engages experts and partners worldwide from its extensive networks to craft policy proposals and recommendations that promote change in international public policy. Current research interests focus on international economic and financial governance both for the long-term and in the wake of the 2008-2009 financial crisis; the role of the G20 and the newly emerging powers in the evolution of global diplomacy; Africa and climate change, and other issues related to food and human security.

CIGI was founded in 2002 by Jim Balsillie, co-CEO of RIM (Research In Motion) and collaborates with and gratefully acknowledges support from a number of strategic partners, in particular the Government of Canada and the Government of Ontario. CIGI gratefully acknowledges the contribution of the Government of Canada to its endowment fund. Support from the Government of Ontario includes a major financial contribution to the Nuclear Energy Futures project.

Le CIGI a été fondé en 2002 par Jim Balsillie, co-chef de la direction de RIM (Research In Motion). Il collabore avec de nombreux partenaires stratégiques et leur exprime toute sa reconnaissance pour leur soutien. Il remercie tout particulièrement le gouvernement du Canada pour sa contribution à son Fonds de dotation, de même que le gouvernement de l'Ontario, dont l'appui comprend une aide financière majeure au projet Perspectives de l'énergie nucléaire.

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