

## Is the World Imaginable without the G8?

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**M**ost people's answer to this question would be: »Yes; and the sooner the better!« The G8 is both an unknown quantity and very controversial. It seems that former British Prime Minister Tony Blair, who turned »his« 2005 Gleneagles summit into an unprecedented spectacle, is the only genuine G8 lover on Earth (but even he thinks the body's current composition is outdated). Both the nature of the G8 and its activities are heavily contested. The G8 is said to lack the legitimacy to pose as the global director it wishes to be. Instead of a select group of powerful states, should it not be up to a universal multilateral institution, more precisely the UN, to coordinate global governance? What the G8 does is to reach decisions among powerful nations, and subsequently impose them upon all – for example, within the UN, IMF, or WTO. The most familiar criticism concerning the G8's composition is that it has become obsolete: for example, why are Canada and Italy members, and not China, India, and Brazil? As a result of these formal deficiencies a number of countries hardly recognize the G8 as a partner. Furthermore, some observers doubt whether the G8 really makes a difference: for them the G8 is a mere talking-shop.

The G8 is seen mostly as a club of the rich North, predominantly concerned with its interests and values. The alterglobalist movement adds that the G8 has a one-sidedly neoliberal view in accordance with the neoliberal hegemony that governs the North. These critics are not impressed by the G8's efforts concerning development and the management of such global issues as AIDS, climate change, and energy. In this context the G8 is often reproached for trying to sell mediocre decisions as major breakthroughs and not delivering upon its promises. More than any other institution, the G8 is regularly targeted by massive and sometimes violent protests, as witnessed once again at the 2007 summit in Heiligendamm, Germany. Notwithstanding these widespread criticisms, the role and work of the G8 remains unknown among the broad public, but also among political, diplomatic, and societal elites.

This contribution will attempt to take an objective view of the G8 and through a more theoretical lens. The first question we shall address, from a political science perspective, is whether the existence of the G8, given current power relations, is inevitable. We shall argue that the G8 is a logical consequence of complex interdependence and multipolarity in a world polity still dominated by nation-states. We shall proceed to evaluate the G8's positive and negative achievements. To conclude, we shall look at how the G8 might evolve in the future. In other words, are we obliged to live with the G8, whether we like it or not; and if so, how do we feel about it? Finally, if we cannot think away the G8, how might it evolve, so that its value-added increases while its negative effects diminish? As we will see the analysis of the G8 will sooner or later arrive at the question what a powerful states club means for global governance.

## **Is the Existence of the G8 Inevitable?**

Many people dislike the G8, but is it realistic to hope that the G8 will soon disappear? Is it possible to think away the existence of such an institution? The origins of the G8 supply most of the answer. Its foundation (initially as the G6) took place in the context of an apparent transition from US dominance to multipolarity in the Western world. In 1975 the US experienced a moment of severe weakness and confusion as it continued to recover from Vietnam and Watergate. The increasing assertiveness and economic might of the European Community, Japan, and a number of developing countries showed that the US was no longer the undisputed superpower. In the meantime, global governance problems had not decreased. The world had become more interdependent. There was a world economic crisis. The collapse of the Bretton Woods monetary regime in about 1971–73 rendered the need for monetary cooperation more pressing. French President Valéry Giscard d'Estaing and German Chancellor Helmut Schmidt took the initiative to invite the heads of state and government leaders of six rich industrialized countries to informal discussions to establish the trust needed to deal with common issues in the new context. American President Gerald Ford, who had assumed office after Nixon's resignation, agreed to the creation of the G6. Canada joined the group in 1976, and Russia in 1998 (making it the G8), although the G7 still gathers in connection with financial topics. The EC joined in 1977 as observer.

In other words, the G7 filled the vacuum opened up by the relative decline of the US. The group had the ambition of assuming the political leadership of the Western world. In her seminal study on the position of the G8 in global economic governance Alison Bailin (2005) mentions »group hegemony,« namely the hegemony exerted by a like-minded group of states instead of a single superpower, as contended by Realist hegemonic stability theory. The neo-Gramscian scholar Stephen Gill labels the hegemonic center of today's world order the »G7 nexus.« Within this, a transnational (and predominantly transatlantic) political and economic elite plays a key role as cement between the leading states (Gill 2003).

Since 1975 two crucial factors that were at the basis of the G8's founding – complex interdependence and multipolarity – have only intensified. Today we use the term »globalization« to indicate the increased level of complex interdependence (Keohane and Nye 2001). In the meantime, the G8 has extended its political scope. Initially, the group focused upon classical monetary and macroeconomic issues, but in the 1980s major international political issues such as disarmament talks, terrorism, and the Middle East came onto its agenda. Since the 1990s, the G8 has ambitiously taken the lead on almost all issues touching upon »human security,« such as Africa, health, the digital divide, and climate change.

Multipolarity and globalization have served as permissive causes for the creation and further development of the G8. But does this mean that the organization is historically inevitable? This question can be divided into two: first, was it inevitable that the organization would come into being in the 1970s? And second, might the G8 – for instance, because of worldwide contestation – be abolished in the foreseeable future? To these questions by and large the same answer can be given. To assert that this institution *had* to come into existence would be too deterministic a claim: the voluntarist initiative was indeed crucial. As the interwar period illustrated, the major powers are capable of opting for a chaos that they recklessly consider to be manageable. Probably the Cold War context also facilitated the creation of the G7 by encouraging Western leaders to cooperate at the highest level. Of course, the Cold War is over and there is no longer a common enemy, but perhaps the abovementioned voluntarist initiative and Cold War background have encouraged government leaders to opt for a permanent high-level cooperation forum with a broad agenda instead of temporary ad hoc forms of cooperation.

Besides complex interdependence and multipolarity two other issues promote development of the G8. First, in contemporary world politics it

is a given that powerful states hesitate to hand over international policy processes to multilateral forums that are difficult to control. In some cases, powerful states prefer to set up their own ad hoc structures to address specific issues, outside established multilateral organizations. In other instances, they create their own consultation groups within given organizations to influence or even steer the latter. There are several examples of this, including the »Contact Groups« for the former Yugoslavia and Iran, and the exclusive »Green Room« and »Five Interested Parties« (US, EU, Brazil, India, and Australia) meetings within the framework of the WTO. In the UN the victors of the Second World War sought to safeguard their privileged position by means of a permanent seat with a veto on the UN Security Council. Within the EU, from time to time a »directorship of the great« emerges.

The G8 is sometimes compared to the Concert of Europe that came into existence in 1815 and continued to operate during the greater part of the nineteenth century. Clearly, (i) nation-states are still the most important actors in world politics, and (ii) powerful states want to take the lead: although there may be good normative arguments to the contrary, most powerful states are not likely to voluntarily surrender power. The recent debate on UN Security Council reform is a good example of this. Occasionally, some powerful states are willing to reconsider their privileged position in favor of broader power sharing (France and the UK are prepared to allow new permanent members onto the UN Security Council; France advocates a Social and Economic Security Council within the framework of the UN, which would be a competitor to the G8; Tony Blair called for G8 enlargement to a G13; former Canadian Prime Minister Paul Martin campaigned for a Leaders' 20 alongside the G8, and received some support from other world leaders). But for any progress to be made the approval of all the governments concerned is needed. Given the current power relations it would be difficult to establish a counterweight. Moreover, without the involvement of powerful states implementation of multilateral policies will not be successful. For powerful states to surrender their power major domestic transformations would be required, perhaps motivated by a shift in public opinion to the view that power sharing is ethically preferable – a speculative scenario indeed. This does not mean that it is not worth striving for a more democratic form of global governance both within and outside the G8 countries, for instance through reform of the UN system under which the principle »one state, one vote« mostly applies. By pushing in this direction, the

current situation might be remedied to some degree, in the hope of more fundamental changes in the long term.

Second, there is a plausible hypothesis that the social constellation of the Western world after the Second World War, founded largely on what one might call a »Kantian political culture,« characterized by »friendship« (instead of »rivalry« or »enmity«) (Wendt 1999) was conducive to the formation of the G8. Related concepts are Karl Deutsch's transatlantic »security community« (1957), the English School concept »world society« (Wight 1991; Buzan 2004), and Kees Van Der Pijl's »Lockean heartland« (1998). The first approach stresses the cumulative friendly interaction patterns among Western powers; the second and third relate to the sociological phenomenon of intense and constructive exchange at the level of state apparatuses, but also, and even more importantly, business and civil society; and the fourth refers to the common ideological background of liberal democracy and capitalism. The conjunction of all the above factors is the basis upon which the G8 rests, and a major difference with the 1930s, when a shared political leadership did not take off.

## **Positive and Negative Consequences of the G8**

As already mentioned, the G8 evokes mixed emotions, mostly negative. Obvious disadvantages are the Western-oriented composition and the fact that, as a result, the G8 leadership in global governance will always bear a heavy Western stamp. By consequence, the G8's output in the foreseeable future will not be geared towards profound reform of international institutions giving the South a more prominent seat at the table, nor a fundamental change in the rules of neoliberal globalization. It is understandable that many people consider such leadership as fundamentally undemocratic and illegitimate.

But are there no positive effects to be expected from the G8 as a club of powerful states taking the lead in global governance? To put it another way, is political leadership in global governance necessary, and are there no other actors better suited to assume this task? Leadership is needed to take the initiative in a credible way. It is also required to set in motion the rest of the international community and to limit free-riders. Therefore, both hard and soft power capabilities are necessary. Admittedly, less powerful states are also able to take successful initiatives based on their acknowledged legitimacy and credibility on certain issues. An example is

Belgium that has played a prominent role in the campaigns against landmines and, more recently, cluster bombs, as well as in keeping the problems in Congo on the international agenda. But in relation to major, complex, and urgent issues such as Africa or energy, in respect of which a broad approach is necessary in global governance terms, such states do not have sufficient power. A club of powerful states, on the other hand, does possess the power to undo difficult knots and, if necessary, to establish international regimes.

The value-added for global governance due to a club of powerful states stems from four specific functions attributable to both its basic characteristics and auxiliary attributes (for more detail, see Lesage 2007). No other institution possesses all these features, although to be sure the G8 is far from perfect and its position is deteriorating. The functions are: (i) crisis management (for example, in case of an international financial crisis); (ii) the monitoring of coordination between distinct policy domains (for example, the multidimensional energy issue); (iii) the steering of global governance (for example, through the creation of new institutions); and (iv) the coordination of domestic policies. The fourth function relates to the fact that powerful states, because of their economic weight, are themselves to a large extent responsible for a number of (potential) global issues, such as financial and economic instability or global warming. Basic characteristics of a successful powerful states club are (i) the very fact that it is a gathering of powerful states, (ii) its legitimacy, (iii) the limited number of members, (iv) a set of common interests and values (reducing heterogeneity), (v) high-level meetings, (vi) informal and flexible procedures, (vii) the fact that it is permanently operational, and (viii) the public documentation of decisions (enhancing accountability and loyalty). From these basic characteristics the following intermediate attributes, making possible implementation of the four functions, are derived: (i) financial and other resources, (ii) hard and soft power capabilities, (iii) critical mass in relation to global issues and processes, (iv) the ability to take major decisions, (v) the ability to take decisions quickly, (vi) a commitment to global issues, and (vii) trust and group identity, which is a pivotal factor.

The UN lacks a number of these basic characteristics. Its large number of members, heterogeneity, and bureaucratic procedures seriously reduce its ability to lead. Moreover, several important states distrust this multilateral setting too much to confer a leading role on it. For similar reasons ideas for integrating a kind of world directorate for human security issues

within the UN structure – for example, a modernized and more efficient Economic and Social Council (ECOSOC) or a Social and Economic Security Council – have failed, although from a normative viewpoint these proposals are preferable to a »powerful states club.« A final question we must ask in this context is whether the G8 has already exercised the four abovementioned global governance functions. On a number of occasions the G7/G8 has indeed shown political leadership fairly successfully. Examples of crisis management are the actions of the G7 during the 1987 Wall Street crash and the 1997–98 Asian financial crisis. An example of the monitoring of coordination between distinct policy areas is the »Energy Action Plan,« adopted at the 2006 St Petersburg summit which addressed the environmental, macroeconomic, and social dimensions of the energy question, including the interests of both energy-importing and exporting countries, and the need to develop sustainable energy sources in a context in which a UN body for general energy issues does not even exist. It remains to be seen, however, what results this action plan will yield. Examples of the steering of global governance are the creation of the Financial Action Task Force (FATF) against money laundering in 1989, the unfreezing of the Uruguay Trade Round at the Tokyo Summit in 1993, the launch of the policy process leading to a »New International Financial Architecture« at the 1995 Halifax summit in the wake of the Mexican financial crisis, and the creation of the Financial G20 and the Financial Stability Forum in the aftermath of the Asian crisis at the 1999 Cologne summit. The G8 also gave a vital impulse to the New Partnership for Africa's Development (NEPAD) and the Global Fund to Fight AIDS, Malaria, and Tuberculosis. Examples of the coordination of domestic policies include the many arrangements to coordinate national macroeconomic and monetary policies, which was the core business of the G7 in the 1970s and 1980s: taking responsibility is an important dimension of leadership. The achievements of the G8 are well documented by the G8 Information Centre at the University of Toronto (<http://www.g8.utoronto.ca>). But these and other examples do not alter the fact that the G8, given its power, could still do a great deal more in policy areas in which its members are less directly interested.

## How Might the G8 Evolve in the Future?

As a result of the intensification of multipolarity, the G8 is increasingly encountering difficulties. A number of now important states are not members. Hence the G8 is losing both effectiveness and legitimacy. But if it was to incorporate these states, the G8 would risk becoming too heterogeneous. It is trying to obviate this problem through its outreach process involving the emerging powers China, India, Brazil, South Africa, and Mexico. Former UK prime minister Tony Blair and current German Finance Minister Peer Steinbrück (SPD) are in favor of G8 enlargement up to a G13, but others, such as German Chancellor Angela Merkel, have rejected this idea. Former Canadian Prime Minister Paul Martin has advocated a Leader's 20 (L20), derived from the composition of the already existing G20 for financial matters (Fues 2007). For the time being these proposals appear to be utopian, but opponents should ask whether effective global governance in the realization of a series of global public goods is feasible without an institutionalized, but still informal consultative and decision-making body, or, to put it another way, without the trust base and group identity that would thus emerge. For urgent and complex matters such as energy it is of paramount importance for the future of the planet that a constructive, even friendly political culture develops between the West and such powers as Russia, China, and India. Otherwise, derailments on the ecological, socio-economic; and even political-military levels are not to be ruled out (note that they are already with us to some extent in the form of climate change and the Iraq war): it is always unwise to assume that the end of history has arrived. A G13 or L20 would provide a suitable forum for the socialization of important powers in the world community and their involvement in global governance. The G8's outreach process is already a step in the right direction. A much less preferable scenario, bearing some resemblance to the interwar period, is the emergence of different blocs, possibly the G8 as an exclusive Western »community of values« – as Mrs Merkel put it (Bundesregierung 2006) – with problematic Russia not accepted as a full-fledged member, alongside the Shanghai Cooperation Organization (SCO) of Russia, China, and a number of Central Asian states (a rather authoritarian bloc), and the IBSA forum (India, Brazil, and South Africa). These bloc organizations would concentrate on providing internal services and defending their own interests, maintaining loose and often conflictual mutual relations within and outside multilateral institutions. This scenario would imply informalisa-



tion and fragmentation harmful to the universal project of global governance (see also Manz 2007). Whether a G13 or L20 will be established remains an open question, despite the many favorable factors.

In order to reduce the problems of effectiveness and legitimacy, it would be advisable that the G8 (or an enlarged G8) improve its relations with the UN system. The G8 could consider a structural dialogue with ECOSOC and ECOSOC members, so that mutual relations emerged between the two institutions, as already suggested by Cooper and Fues (2005), who see a role for the keenly pro-multilateralism states Germany and Canada in pushing both for ECOSOC reform and the creation of an L20. As a democratic counterweight, the non-G8 ECOSOC members could follow the activities of the (enlarged) G8 in a formal and systematic way, and send out supportive or critical messages. Such a critical dialogue would improve the quality of the G8's output and make it more inclusive. As such, an enlarged G8 is to be seen as complementary to, rather than as conflicting with, the UN system.

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