2014

The G20 and Africa: A Critical Assessment

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OCCASIONAL PAPER NO 145

Economic Diplomacy Programme

April 2013

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South African Institute of International Affairs

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SAIIA gratefully acknowledges the Swedish International Development Cooperation Agency, the Danish International Development Agency, the UK Department for International Development and the Swiss Development Corporation, which generously support the EDIP Programme.

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ABSTRACT

The increased globalisation over the last 20 years has made effective global economic governance more important than ever. This period has witnessed the rise of a number of new international governance actors, such as the Group of Twenty (G-20) and the Financial Stability Board. The paper proposes a five-part test to evaluate how the existing global governance actors serve the interests of all stakeholders in the global economy. The test is based on five factors indicating good global governance. These are the goals relating to global economic governance being followed by the governance entity, respect for applicable international legal principles, good administrative practice, comprehensive coverage of all relevant issues and all affected stakeholders, and co-ordinated specialization. The paper uses these five factors to develop a framework for assessing the responsiveness of the G-20 to African issues and concerns. The final part of the paper applies this framework to the documentary outputs of the seven G-20 summits held during 2008–12 to assess their responsiveness to Africa. It looks at how the communiqués and other key documents from each of the summits address the issues arising from each part of the test and then makes an assessment of how well the G-20 has satisfied that part of the test over the course of the period from 2008–12. The paper concludes that the G-20 is not fully satisfying any of the five parts of the test, and therefore fails to reach its full potential as a global economic governance actor.

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ABBREVIATIONS AND ACRONYMS

AfDB	African Development Bank
BIS	Bank for International Settlements
CAADP	Comprehensive Africa Agricultural Development Programme
ECOWAS	Economic Community of West African States
FAO	Food and Agriculture Organization
FSB	Financial Stability Board
FSF	Financial Stability Forum
G-7	Group of Seven
G-20	Group of Twenty
IFI	international financial institution
ILO	International Labour Organization
IMF	International Monetary Fund
IOSCO	International Organization of Securities Commissions
LDC	least-developed country
MDB	multilateral development bank
MDG	Millennium Development Goal
NEPAD	New Partnership for Africa's Development
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of the Petroleum Exporting Countries
UDHR	Universal Declaration of Human Rights
UNCTAD	UN Conference on Trade and Development
UNDP	UN Development Programme
WFP	World Food Programme
WTO	World Trade Organization

INTRODUCTION

Global economic governance has become more complex over the past 20 years. The range of issues that require global co-ordination now include topics that were once viewed as falling exclusively within a state's domestic jurisdiction, like banking regulation, inclusive green growth, youth employment, and domestic resource mobilisation. There are also new global governance actors such as the Group of Twenty (G-20), which has designated itself as the 'premier' institution in global economic governance.[1] As a result, global economic governance directly affects a broad range of state and non-state actors, many of which were previously only indirectly affected by these matters.

Unfortunately, most of these stakeholders are not able to participate effectively in global economic governance decision making. In some cases, for example the G-20, this is because membership is restricted to a relatively small number of states. In other cases, for example the International Organization of Securities Commissions (IOSCO)[2] or the International Monetary Fund (IMF),[3] it is because, although membership is more universal, effective participation in decision making is de facto limited to a smaller number of actors.

The combination of the expanding scope of global economic governance affairs and the relative nature of effective participation in the institutional arrangements for global economic governance creates a challenge for African countries. Currently South Africa is the only African country that is a member of the G-20 and thus participates in all G-20 meetings and is eligible to participate in all G-20 working groups. This means that although South Africa is not formally the designated representative of Africa in the G-20, it is expected to pay attention to the concerns and interests of the rest of the continent in regard to the G-20. This places South Africa in an unusual position in the G-20 and increases the challenges that it faces as the only African member in the G-20. It should be noted that usually there are other African participants at G-20 summits and at some of the other G-20 meetings. To date the chair of most recent G-20 summits has invited the leaders of the countries that chair the African Union and the New Partnership for Africa's Development (NEPAD) for that year to participate in the summit.

The limited number of assured African participants in the G-20 increases the risk of the G-20 paying insufficient attention to issues of concern to Africa or to the potential adverse impacts of their decisions and actions on Africa. This suggests that it is in the interests of all African stakeholders in global economic governance to identify means for enhancing the responsiveness of the key decision makers to non-participants in their deliberations. One way to do this is to critically assess how well these decision makers are serving the interests of African stakeholders in the global economy.

This paper proposes a five-part test for making such an assessment. It includes consideration of such matters as the strategic objective of global economic governance, its compliance with applicable international legal principles and good administrative practice, the scope of its coverage of the relevant issues and stakeholders, and the coherence of its institutional relations.

The paper is divided into three sections. The first section is a description of the G-20. The second is a discussion of the elements of the assessment framework. The third section is an application of the proposed assessment framework to the outputs of the G-20, from an African perspective.

THE G-20[4]

In 1999, in the wake of the Asian financial crisis in 1997–98, the leading members in the Group of Seven (G-7) invited the ministers of finance from a select group of countries, including the G-7 countries, and the EU, to meet. This resulted in the formation of the G-20 Ministers of Finance in September 1999.[5] In 2008, as part of the response to that year's global financial crisis, the G-20 was elevated to the level of a summit of heads of government. The next year, at the Pittsburgh G-20 summit, the participating states declared that the G-20 was the 'premier forum' for global economic governance.[6] This announcement, although its practical implications are not yet clear, amounted to a public acknowledgment that the G-7 was no longer capable of managing the global economy on its own and needed to share this responsibility with a broader group of countries. However, it is important to note that the G-7 still continues to meet and to play a role in the governance of the global economy.

The G-20 refers to more than a grouping of countries. It is also a short-hand reference to a complex cluster of governance activities. The apex of this cluster is the annual summit of the leaders of the G-20, which is the culminating event of an annual work programme consisting of two work streams. The first, which is guided by ministers of finance and central bank governors, deals with a range of financial and economic issues.[7] These officials meet regularly to discuss global economic conditions and to co-ordinate their responses to these conditions. They are supported by working groups, each consisting of and co-chaired by officials from G-20 states. The working groups deal with such issues as developing the framework for strong sustainable and balanced growth, financial regulation, financial inclusion, the international financial architecture, energy and commodities markets, energy and growth, disaster management, and climate finance. The working groups, in addition to their specific mandates, follow up on the decisions and requests of the G-20 leaders, promote co-operation between the participants in the G-20 process on particular issues, and help shape the summit discussions and communiqués.

The second track is the Sherpa track.[8] This track, in which each leader is represented by an official, known as the leader's 'sherpa', is responsible for the political aspects of the G-20's work. Its workload is undertaken by working groups and it is supplemented, in some cases, by meetings of ministers other than ministers of finance. Currently there are working groups for such issues as employment, agriculture and food security, energy, corruption, and development.

These activities suggest that the G-20 plays three critical global economic governance roles. First, it is a crisis manager. In this capacity it has forged agreement on the actions that the participants, individually and collectively, must take in order to try and resolve the current financial crisis.

Second, the G-20 is the orchestrator of global economic governance. It is the setting in which the major economies meet with the leading international institutions – the IMF, the World Bank Group ('The World Bank'), the World Trade Organization (WTO), the UN – to discuss the key economic challenges facing the international community and co-ordinate their responses to these challenges. The G-20, therefore, enables the relevant policymakers and technical experts from the participating countries and international organisations to meet and seek common understandings and approaches on particular issues of global importance.

Third, the G-20 is a communicator. It helps to promote international global awareness of the challenges facing the global community and the approach that the most powerful countries are considering for dealing with these challenges.

There are three aspects of the G-20 structure that should be noted. First, the number of G-20 participants, in fact, exceeds 20. They usually include a number of additional states that are invited by the G-20 chair, which is the host state for that year's summit. Some of these states, such as Spain, are invited regularly in their own right and some are invited because of their position as chair of an important regional body, such as the African Union or the Association of Southeast Asian Nations. In addition, the regular participants include international organisations like the IMF, the World Bank, the regional development banks, the Bank for International Settlements (BIS), the Financial Stability Board (FSB), the International Labour Organization (ILO), the Organisation of Economic Co-operation and Development (OECD), the UN Conference on Trade and Development (UNCTAD), the UN Development Programme (UNDP) and the WTO. These organisations can participate in both the summits and those other G-20 meetings that are most relevant to their work. Since the G-20 does not have a permanent secretariat, the participating international organisations usually assume responsibility for preparing the background studies and policy proposals requested by the leaders of the G-20. For example, the FSB and the IMF co-ordinate studies on financial regulatory issues. In addition, these organisations can be expected to work with their non-G-20 member states to implement applicable recommendations of the G-20. It is not clear what role, if any, they may play in informing the G-20 about the views of their non-G-20 member states.

Second, the G-20 has begun a process of outreach to other stakeholders in the global economy. This process, which is managed by the chair of the G-20, usually includes meetings of business leaders and labour leaders from the G-20 countries, and separate meetings of representatives of think tanks, civil society, and youth groups from these countries. These meetings, which may lead to reports that feed into the G-20 process, are an opportunity for the G-20 to learn the views of other stakeholders.

Third, the G-20 has initiated a peer-review process, called the Mutual Assessment Process, that is designed to ensure that the economic and financial policies of the G-20 are co-ordinated and compatible. In this process, each of the states is expected to report on its macroeconomic policies and to have them reviewed by its peers in the G-20. The process is managed by the IMF.

Given its important role in global economic governance, it is striking that the G-20 remains an informal grouping of states and international organisations. It is not based on a treaty and has no formal international legal personality. In addition, it has no permanent headquarters or secretariat. As a result, the reports, communiqués, and documents that it issues have no formal international legal status. Thus when the G-20 states make firm commitments in the communiqués and other G-20 documents, they do not constitute obligations for which states can be held legally responsible if they fail to comply with their obligations.

This does not, however, mean that non-compliance has no consequences for either the G-20 states or for other stakeholders. First, in some cases, a G-20 country's failures to comply with the G-20's decisions can adversely affect its credibility, its relations with other G-20 states, and its access to financing. In addition, G-20 decisions can have, and in some cases are intended to have, an impact beyond the participants in the G-20. For example, non-G-20 states that fail to comply with G-20 financial regulatory and transparency requirements can suffer adverse consequences in terms of their borrowing costs, the attractiveness of the country to foreign investors, and their relations with the states and international organisations that participate in the G-20.[9] Non-state actors in these countries', for example, financial institutions, can suffer analogous adverse consequences. Thus for these states, and the non-state actors in these states, the decisions and actions of global economic governance de facto have a compliance pull that is stronger than for the richer and more powerful states.

This differential impact on the various stakeholders in the global economy is exacerbated by the legal status of the current arrangements. It makes it difficult for adversely affected stakeholders to hold a key actor like the G-20 accountable for its decisions and actions. This situation of power without accountability is troubling and requires a response. One possible response is a framework for assessing the outputs of global economic governance decision making.

A FRAMEWORK FOR ASSESSING GLOBAL ECONOMIC GOVERNANCE

The framework proposed in this section consists of five factors, each of which is discussed below.

Factor 1: What is the goal?

The first challenge for any governance system is to define its ultimate objective. All state and non-state stakeholders agree that every society should aim to offer all its members lives of dignity and opportunity. Although these stakeholders may differ in how they understand and plan to reach this objective, they all acknowledge that it includes economic, social, political, environmental, and cultural aspects. Moreover, they all agree that this goal, which none of them has fully achieved, has both an individual and a social dimension. This means that the ultimate objective of global economic governance should be to achieve 'development' as defined in the Declaration on the Right to Development:[10]

> [D]evelopment is a comprehensive economic, social, cultural and political process, which aims at the constant improvement of the well-being of the entire population and of all individuals on the basis of their active, free and meaningful participation in development and in the fair distribution of benefits resulting therefrom.

This definition suggests two considerations that can be used in a global economic governance assessment framework. The first is the extent to which the actors in global economic governance promote economic policies and practices that enable all stakeholders, including the weakest societies and the poorest individuals, to share in the benefits of the global economic system. The second is that global economic governance must promote economic policies that are sustainable, so that they will not be undermined over time by their environmental or social costs.

From an African perspective, these two considerations suggest that the core global economic governance issue regarding this factor is inclusion at the global, national, and local levels. This issue has a number of dimensions. The first is the economic effects of the lack of inclusiveness – that is poverty, inequality, and unemployment. The second is the issue of social exclusion, which includes such considerations as discrimination, the lack of access to education, justice, and social services. Third is the political dimension of inclusiveness at the national level, which refers to the ability of citizens to engage in national affairs. The fourth aspect of inclusiveness is manifested at the global level and is concerned with the way in which the global economic governance arrangements facilitate or undermine transparency, participation by all stakeholders, and accountability.

It is important to note that in order for the G-20 to be viewed as performing acceptably on this factor, it is not necessary that the G-20 itself deal directly with a particular issue. It is sufficient for the G-20 to show that it has taken the various dimensions of this factor into account and ensured that it is addressed somewhere in the existing arrangements for global economic governance.

Factor 2: Respect for the applicable international law[11]

As indicated above, some significant global economic governance actors are not subjects of international law. Nevertheless, there are a limited number of international legal principles, derived from customary international law and general principles of law, that are relevant for all actors in global economic governance.[12] This means that these have been incorporated into state practice, including in their dealings with other states and global actors, because the states believe they have an obligation to comply with the requirements of these principles.[13] These principles are:

Sovereignty

The customary international law principle of respect for state sovereignty means that global economic governance actors should refrain from interfering in those matters that fall within the domestic jurisdiction of each sovereign state.[14] This obligation is becoming both easier and more complex. On the one hand, the scope of matters that are deemed by the UN to fall within a sovereign state's domestic jurisdiction has narrowed over time, so that currently, for example, states are required to report to international supervisory bodies[15] on their compliance with the specific international human rights agreements to which they are party.[16] On the other hand, the resulting expansion in the powers and responsibilities of the actors in the international sphere imposes an obligation on them to deal responsibly with issues that were previously viewed as being within a state's exclusive jurisdiction and in which their actions can have a direct impact on a range of state and non-state stakeholders.

The legal principle of state sovereignty is an important criterion in assessing global governance because, at a minimum, it reminds global economic governance decision makers that they should act in ways that preserve as much independence and policy space for states as is consistent with effective global economic governance.

Non-discrimination[17]

The principle of non-discrimination requires subjects of international law to treat all similarly situated parties in a like manner. However, the impact of the decisions and actions of global economic governance will affect different states differently depending on their wealth, power, and position in the global economy. This suggests that the application of the principle of non-discrimination to global economic governance requires treating all similarly situated states similarly and all dissimilarly situated states differently. This allows for the possibility of giving special treatment to weak and poor states to compensate for their relative lack of access to and participation in the institutions of global economic governance.

Treatment of legal persons

The principle of non-discrimination has relevance to the responsibility of the actors in global economic governance to corporate actors in the global economy.[18] They would be eligible for non-discriminatory treatment when they operate outside their home state. This would include ensuring that they receive at least national treatment in their dealings with their host states.[19]

Treatment of natural persons

For many international legal scholars and diplomats, the Universal Declaration of Human Rights (UDHR)[20] has assumed the status of an instrument of customary international law.[21] Thus the UDHR helps to identity and define the responsibilities of global economic governance actors to natural persons. The challenge for global economic governance is that the UDHR only contains general principles, as it was always envisaged that they would be elaborated and eventually made binding through treaties.[22] This means that the UDHR does not provide clear operational guidance to global economic governance decision makers. At most it suggests that these decision makers have an obligation to respect, protect and fulfill those human rights principles expressed in the UDHR. Exactly how each decision maker should fulfill these obligations is not clear and thus, in effect, the decision is left to the discretion of each actor.

Environmental responsibility

In regard to customary international environmental law, the most relevant obligation is to undertake impact assessments.[23] Given the importance of sustainability to global economic governance, this principle is clearly relevant to the conduct of each actor within the realm of global economic governance. However, the principle is stated too generally to provide clear guidance on how it should be applied in this context. Therefore, global economic actors retain considerable discretion in deciding how to apply the principle in their activities.

Principle of good faith[24]

In this context, the principle of good faith can be interpreted as a call for honesty and fairness in dealings between the various actors and stakeholders in global economic governance. However, the principle offers little guidance to actors seeking to implement it in their global governance activities. For example, the principle does not help a decision maker know whether or when to consult with each of the stakeholders in a particular matter of global economic governance, how much information to make available to the stakeholders, or how to handle complaints from the different stakeholders in the matter. In fact, it is possible that honest and fair dealing in a particular international economic governance matter may require different answers for different stakeholders, depending on their interest in the particular matter and, in some cases, the identity of the particular decision maker. Given these variables, the content of this obligation must be left to the discretion of each actor.

The fact that the applicable international legal principles are stated in general terms that are not easily applied to global economic governance would seem to suggest that they cannot be very useful in assessing the performance of the key actors in global economic governance. However, this is not accurate. Although the principles allow each actor considerable discretion in their implementation, they do establish a floor for the conduct of global economic governance. Thus global economic governance decisions and actions that fail to demonstrate some attention to these principles would be considered to be unacceptable, in the sense of being non-compliant with the applicable minimum standards.

Factor 3: Good administrative practice[25]

The general principles of administrative law and practice that are recognised by all nations are relevant because global economic governance, to a significant extent, involves designing rules for regulating the global economy. In this sense, the actors in global economic governance are comparable to administrative agencies in domestic law. This suggests that they should comply with the principles of good administrative practice that are applicable to any national-level administrative agency. These principles are transparency, predictability, participation, reasoned and timely decision making, and accountability.

Factor 4: Comprehensive coverage

Comprehensive coverage refers to the need for all the mechanisms and institutions of global economic governance to be applicable to and serve all the interests of all stakeholders in the international economic system. This means, for example, in the case of international financial governance, that the mechanisms of international financial governance must address such diverse matters as all the regulatory, supervisory, resource allocation, and developmental needs of states, international organisations, financial intermediaries that engage in sophisticated national and cross-border financial transactions and their clients, savers and investors who wish to base their financial transactions on religious principles, small financial institutions that operate only in local markets, micro-financial institutions, and small businesses, community groups, and individuals that have difficulty accessing financial services. In addition, the actors in global economic governance must be flexible and dynamic enough to adapt to the changing needs and activities of all these stakeholders.

One corollary of the principle of comprehensive coverage is that the principle of subsidiarity[26] should apply to global economic governance. This principle holds that all decisions should be taken at the lowest level in the system compatible with effective decision making. It is a complicated principle to implement because it must apply both in standard operating conditions and in crisis situations, when decisions may need to be made at a different level than during normal conditions. In addition, it may require a conflict resolution mechanism that is capable of resolving disputes over which level is the most appropriate for resolving a particular issue.

This factor is particularly relevant to Africa because both African state and non-state actors have particular needs that may not always be addressed by the key actors in global economic governance. For example, it has some needs relating to access to both domestic and international financial services, to water and food security, and in regard to international trade, that are different from the concerns of the richest and most powerful states in the global system. In addition, Africa has a rich network of regional and subregional groupings that can play a role in global economic governance. The principle of subsidiarity is particularly relevant to efforts to incorporate these institutions into the overall scheme for global economic governance.

Factor 5: Co-ordinated specialisation

Co-ordinated specialisation acknowledges that even though all aspects of global economic governance are interconnected, global economic governance cannot function efficiently without institutions that have limited and specialised mandates.[27] The principle of co-ordinated specialisation is intended to ensure that the actors in global economic governance act in mutually consistent and supportive ways to meet all the needs of all stakeholders in global economic governance. It has two requirements. First, the mandate of the mechanisms and institutions of global economic governance must be clearly defined and must be limited to their areas of specialisation. Second, in executing their specialised responsibilities these institutions cannot ignore the impact they have on and the ways in which they are affected by other actors in global governance. Consequently, there is a need for co-ordination between the institutions and mechanisms of international economic governance themselves and with the key actors in other areas of global governance. The co-ordinating mechanism's function is to resolve tensions between the different actors in global economic governance and between them and other actors in global governance. It is also to facilitate coherence in global economic governance. It is important to note that the G-20 has assumed for itself the role as the co-ordinating mechanism in global economic governance by calling itself the 'premier forum' in this regard.

A FRAMEWORK FOR EVALUATING THE G-20's RESPONSIVENESS TO AFRICAN INTERESTS AND CONCERNS

Based on the above factors it is possible to develop the following tests for assessing the performance of the G-20 in regard to Africa in general.

Factor 1: What is the goal?

1. How well does the G-20 address the challenges of poverty, inequality, and unemployment in Africa?
2. How well does the G-20 address the problems of education, the lack of access to justice and social services in Africa?[28]

3 How well does the G-20 address the challenge of ensuring that Africans have the ability to participate in national political affairs?

Factor 2: Respect for the applicable international law

1 Is the G-20 respectful of African sovereignty?
2 Does the G-20 comply with the principle of non-discrimination?
3 How effectively does the G-20 respond to the difficult environmental challenges that Africa is facing?

Factor 3: Good administrative practice

1 Does the G-20 operate in ways that comply with the principles of good administrative practice, namely transparency, predictability, participation, reasoned and timely decision making, and accountability?

Factor 4: Comprehensive coverage

1 Does the G-20 respond to all the needs of all African stakeholders in global economic governance?
2 Does the G-20 make efforts to incorporate African regional and subregional bodies in its deliberations and in the operation of global economic governance?

Factor 5: Co-ordinated specialisation

1 Does the G-20 have a means for ensuring that all the institutions and arrangements for global economic governance offer African states a coherent framework for global economic governance?
2 Are there mechanisms in place to resolve conflicts and contradictions in the decisions, actions and operations of all the regional and global actors in global economic governance?

APPLYING THE FRAMEWORK TO THE G-20 SUMMITS

The purpose of this section is to apply the above frameworks to the official outputs of the seven G-20 summits that have taken place to date. The format of the section will be to discuss briefly how each of the seven summits addressed each of the five factors identified above.

Factor 1: What is the goal?

Washington DC, November 2008

The primary goal of this summit was crisis management. Nevertheless, the G-20 leaders, in their statement, did pay some attention to longer-term considerations. They expressed their interest in laying the foundation for a fair and sustainable global economy. They proposed that families should be at the heart of recovery plans in all states, regardless of their level of wealth. They also expressed an intention to deal with the problems of poverty, disease, rule of law, and climate change.

These statements suggest that at least at a rhetorical level the G-20 leaders were paying attention to the issues of concern to Africa. However, it is important to note that the G-20 leader's statements do not contain any explicit references to Africa.

London, April 2009

The primary focus of this summit was also on crisis management, however, the participants intimated that their longer-term objective is a more inclusive economic system. For example, the leaders stated that they agreed on the desirability of a new global consensus on values and principles to promote sustainable economic recovery and to restore world economic growth on a fair, green, and sustainable basis. They also acknowledged that they had a responsibility to mitigate the social impact of the crisis, and to this end pledged $50 billion for crisis support for low-income countries. The pledged funds would be used for social protection, and to boost trade and restore development, including food security. The communiqué also indicated that the G-20 would protect their development assistance budgets and efforts to reach the Millennium Development Goals (MDGs).

The statement from the leaders in London indicates that they were not unaware of the concerns and interests of low-income countries in general and were interested in mitigating the impact of the crisis on these countries. This suggests that the G-20 at this time had an implicit goal of promoting a more inclusive global economic system.

Pittsburgh, September 2009

Although again the primary focus of this summit also was on crisis management, the G-20 leaders stated that their goal was to launch a framework for 'strong, sustainable and balanced growth' and to reform the global architecture and regulatory arrangements to support this framework. The leaders did not define the elements of this framework, but they did express an intention to take steps to increase access to food, fuel, and finance among the world's poorest. This suggests that the G-20 continued to have an implicit goal of promoting a more inclusive global economic system.

Toronto, June 2010

Although the official documents issued at the Toronto summit do not make any new statements relating to the goal of the G-20, they do demonstrate support for inclusion. For example, the leaders confirmed that they are committed to narrowing the development gap and that this involves taking the impact of their policy actions on low-income countries into account in their policymaking. In this regard, the leaders acknowledged the importance of working with the least-developed countries (LDCs) to make them active participants in and beneficiaries of the global economic system.

Seoul, November 2010

This summit is the first in which the G-20 paid significant explicit attention to the issue of development, which required them to pay more attention to the implications for the overall goal of inclusion. For example, in their communiqué, the leaders expressed an intention to make sure that the perspectives of the emerging markets were better reflected in the financial regulatory reform efforts that were then under way. In addition, both in their communiqué and in the leaders' declaration, they recognised the importance of addressing the concerns of the most vulnerable by providing social protection and by placing the creation of jobs and decent work at the heart of the recovery. This summit also gave birth to the Seoul Development Consensus for Shared Growth, in which the leaders stated that they would work in partnership with developing countries and low-income countries to help them build capacity to maximise their growth and development potential and to make a significant difference in people's lives.

The statements in their communiqué suggest that the G-20 leaders were concerned about the issue of inclusion both at a global governance level and at a national level.

Cannes, November 2011

In their communiqué, the G-20 leaders specifically committed themselves to inclusive and resilient growth, although they did not provide a clear definition for this concept. Nevertheless, the report of the G-20 development working group states that the participants would facilitate and would work together to eradicate poverty in their development co-operation work. They also expressed a strong commitment to promote African regional integration. Finally, in their Action Plan on Growth and Jobs, the leaders stated that their ultimate goal is to provide more and better jobs for their citizens, to promote social inclusion in all countries, and to foster development and poverty reduction in less-developed countries.

This summit was the first to specifically address some of the issues that arise from the G-20's implicit goal of inclusion, albeit in the G-20's Development Working Group report rather than in the leaders' communiqué. The statements addressing these issues remain relatively general and are not linked to any specific actions. Nevertheless, they are helpful to African countries in giving some guidance on the ultimate goals of the G-20 and thus some basis on which to assess future G-20 statements and actions.

Los Cabos, June 2012

Although the G-20 leaders did not make any statements about their goals for the G-20 in their communiqué, they did discuss issues related to the implicit goal of inclusion in the G-20 Labour and Employment Ministers' Conclusions and in the report of the G-20 Development Working Group. The first of these two documents expresses the G-20's concern about employment, social protection, social dialogue and full respect for the fundamental principles and rights at work. The report of the Development Working Group explicitly acknowledges the need to promote inclusive green growth that takes into account the results of the Rio+20 meeting and of other relevant forums.

This summit document suggests two things. First, that the G-20 is beginning to articulate a vision of what its implicit goal of inclusion means. The outputs of the summit indicate that, at least for the participants in this summit, 'inclusion' incorporates decent work and attention to environmental sustainability. It is also important to note in this regard that the goal is being articulated at a general and rather abstract level. Second, however, it also suggests that the leaders are delegating responsibility for articulating this vision to their ministers and representatives in the subcommittees of the G-20. This suggests that the G-20 leaders may not endorse the views of inclusion expressed in other parts of the G-20 process. This, in turn, has uncertain implications for whether African countries can rely on the goal being articulated by the G-20. These two considerations pose substantial challenges in regard to holding the G-20 states to account for the way in which they seek to implement this vision.

Assessment

As the acute phase of the financial crisis passed, the G-20 leaders were able to begin paying attention to the reforms needed to avoid future crises and to what the goals of building a post-recovery economic system should be. In this regard, the G-20 leaders have begun, at least implicitly, to articulate a goal for global economic governance. This goal, based on the official outputs of the seven summits, is to build a more inclusive and sustainable global economy. Although they have not provided much detail on their understanding of this goal, they have provided some. They have said that it incorporates decent work, social protection, social dialogue, environmental concerns, and efforts to eradicate poverty. Although it would be desirable to have more detail on this vision, the goal being developed for the G-20, at this stage, seems compatible with the concerns and interests of African countries. However, the goal is still at too general a level to be useful as a basis for assessing the efforts of the G-20 to attain the goal and for holding the G-20 leaders to account for the way in which they have worked to reach this goal.

Factor 2: Respect for the applicable international law

As discussed, there are only a few international legal principles that are applicable to global economic governance, and therefore to the work of the G-20. These are the principles of respect for national sovereignty, the principle of non-discrimination, the principle of environmental responsibility, and the principle of good faith. Although the G-20 official documents do not explicitly discuss the application of international law to the G-20, there are a number of statements in the official documents from each of the summits that are relevant to this issue.

Washington DC, November 2008

In the Washington DC summit communiqué, the leaders indicated their respect for national sovereignty. They stressed the importance of country ownership of national economic policy and of promoting co-operation between countries within a framework of agreed rules and regulations.

The leaders' expression of respect for national sovereignty in the midst of an economic crisis that had spilled over national borders and was affecting the whole world in part through global financial markets was significant. It suggested that the leaders were interested in protecting the policy space for all countries, including African countries.

London, April 2009

The London summit documents contain only two references to applicable international legal principles. The first is that the communiqué seeks to convey respect for the principle of good faith. The communiqué's references to the leaders' determination to meet their development assistance commitments, including those made to Africa at the Gleneagles G-7 summit, are noteworthy demonstrations of respect for the principle of good faith. The same is true of their statement that the G-20 states would continue their efforts to ensure that the international community achieved the MDGs. These references were particularly pertinent at the time because there was a concern, particularly in Africa, that the G-7 countries would use the crisis as an excuse to avoid their international development co-operation commitments. Nevertheless, a certain degree of caution about the extent of the G-20's determination was warranted because the leaders' statements were not linked to any timetables or to any concrete actions.

The second reference is that the communiqué shows some attention to the principle of non-discrimination by recognising that the G-20 states have some responsibility to mitigate the social impacts of the crisis. This addresses the requirement that the principle of non-discrimination pay particular attention to the differential impact that the crisis can have on differently situated international actors, including poor states and poor people.

Pittsburgh, September 2009

The Pittsburgh summit documents contain two indications of respect for applicable international law. First, they demonstrate respect for national sovereignty by stipulating that the responsibility for implementing global financial regulatory standards rests with the national regulatory authorities. Second, they show respect for the principle of good faith in their discussion of international trade. In this regard, the G-20 leaders commit themselves and their countries to reject protectionism in their trade relations, thereby indicating their intention to live up to the commitments they have made in the agreements negotiated under the auspices of the WTO.

Toronto, June 2010

The Toronto summit contains only two references to international legal principles. First, it indicates respect for the principle of good faith when it calls on the G-20 states to sign and ratify and comply with the applicable anti-corruption treaties. Second, the G-20 leaders paid attention to the principle of environmental responsibility by calling on members to participate in and bring to a successful conclusion the climate change negotiations and in doing so to respect the principle of special and differential responsibilities. Both of these references have obvious relevance to African countries.

Seoul, November 2010

At the Seoul summit, the leaders paid attention to two applicable international legal principles. First, they showed their concern for national sovereignty when they stressed that development co-operation must be a partnership that allows for national ownership of development-related policies, particularly in the recipient countries. Second, they showed their respect for the principle of non-discrimination when they suggested they would pay particular attention to the needs of the weak and vulnerable. In this connection, they specifically acknowledged an obligation to mitigate the social impact of the crisis and to ensure that the global economy offered social protection for the weak and vulnerable. They also suggested that there was an obligation to provide decent work.

Cannes, November 2011

The Cannes summit, while only dealing with two applicable international legal principles, is the first to contain specific references to international legal documents. The G-20 leaders, again, showed their concern with national sovereignty by stating that the responsibilities of the various G-20 countries in designing and implementing international economic rebalancing policies must take into account national circumstances. The leaders also demonstrated a concern for the principle of non-discrimination and its requirement to treat differently situated actors differently. In particular, they reiterated their commitment to providing social protection and decent work, thereby recognising the need to give special attention to the weak and the vulnerable. However, this time they added that they would encourage the ILO to promote the ratification and implementation of the eight ILO Conventions that together seek to ensure compliance with the fundamental principles applicable to workers and the right to work.

Los Cabos, June 2012

The Los Cabos summit contains the most references to international law. It demonstrates the G-20 leaders' commitment to the principle of non-discrimination by emphasising the relevance of fighting discrimination and of respecting labour rights to economic development and the global economy. In this regard, the leaders called on all states to show full respect for the fundamental principles and rights of workers spelled out in the 1999 ILO Declaration and in the core labour conventions. The leaders showed their commitment to environmental responsibility by recognising the importance of environmental safeguards to sustainable infrastructure projects. They also stressed the importance of promoting inclusive green growth that is based on the principles of the Rio+20 meeting.

Assessment

It is clear that the few applicable international legal principles have only played a limited, and largely implicit, role in the work of the G-20. The most prominent principle has been respect for national sovereignty. This is important for Africa because it helps African countries preserve some policy space that can be used to promote policies that are suitable for specific country conditions.

The principle of non-discrimination has also played a role in G-20 thinking, particularly as it relates to treating differently situated parties differently. This has manifested itself in part through the G-20's statements on financial inclusion, food security and on the importance of providing protection for poor and vulnerable states and people. Once again, this is relevant for the many African countries that are part of the group of low-income countries and to the poor citizens of all African countries. It is also a salutary reminder to all governments, including African governments, of the importance of taking the social impacts of their policies into account in their national and international policymaking.

The principle has also manifested itself in regard to the call to G-20 states to promote decent work and to show full respect for the rights at work as set out in the 1990 ILO Declaration and in the core ILO worker rights conventions. This issue is of relevance to South Africa, which has adopted some of the ILO conventions[29] and in which there is a lively debate about the meaning of decent work. It also has relevance to African countries that, like South Africa, are dealing with the challenge of unemployment.

Third, the G-20 has paid some attention to the principle of good faith. The G-20's attention to good faith has also been applied to the question of compliance with international treaty obligations relating to corruption, protectionism in international trade, labour rights, and environmental protection. It should be noted that although the empirical record might suggest less than full respect for this principle, the leaders' statements appear to have two salutary effects. It does appear to constrain their ability to evade their freely assumed obligations. For example, although many if not all of the G-20 countries adopted protectionist measures in the wake of the financial crisis, to a substantial degree they made an effort to adopt measures that were consistent with the provisions of the various WTO agreements to which they are all signatories. In addition, the leaders' statements provide a basis on which other stakeholders can seek to hold them to account should they fail to comply with their statements.

Finally, the G-20 has paid some attention to the environmental principle of impact assessments. This is manifested in the Los Cabos summit's focus on environmental safeguards in the context of infrastructure development. This is particularly relevant to African countries, including South Africa, both because of their urgent need for infrastructure and their vulnerability to climate change and other environmental challenges.

Factor 3: Good administrative practice

The focus in this factor is on assessing the extent to which the G-20, both in its own affairs and in its interactions with the other international institutional actors in global economic governance, promotes the principles of transparency, predictability, participation, reasoned and timely decision making, and accountability.

Washington DC, November 2008

The G-20 made a clear effort to promote participation in the international financial institutions (IFIs) like the IMF at this summit. The participating states committed themselves to supporting quota and voice reforms at the IMF. The expectation at the time was that this would lead to higher quotas for the leading emerging markets, and an additional African seat on the Board of Executive Directors of the IMF. The G-20 also sought to increase participation by promoting greater involvement of the Board of Governors in providing strategic guidance to the IMF. There was also some expectation that these reforms would promote greater accountability of the IMF staff and management to its member states. Finally, in regard to participation, the G-20 decided to expand the membership in the Financial Stability Forum (FSF).

The only other aspect of good administrative practice addressed at this summit was transparency. The G-20 sought to promote transparency at the World Bank and the IMF by committing to more open, transparent, and merit-based processes for the selection of the heads and senior management of these organisations.

London, April 2009

The G-20 leaders reiterated their interest in promoting participation in global economic governance. They called for greater voice and representation for low-income and emerging economies in the IMF and the World Bank. They promised that they would implement these reforms at the World Bank by Spring 2010. They also repeated their calls for expanding membership in the FSB, the successor to the FSF. The leaders confirmed their support for selecting the heads and senior management of the IFIs through open, transparent, and merit-based processes. Finally, they repeated their intention to enhance the role of the Board of Governors of the IMF in providing strategic guidance to the IMF.

The G-20 leaders expressed general support for improved administrative practices in global economic governance. They called for reform of the mandates, the scope and the governance of the IFIs so that they would be more reflective of changes in the global economy and more responsive to challenges that may arise in connection with globalisation.

Pittsburgh, September 2009

The G-20 leaders again expressed their interest in promoting participation in the key institutions of global economic governance. They committed themselves to supporting a shift in the IMF votes and quotas to achieve more appropriate representation of the dynamic emerging markets and developing countries. They acknowledged that this shift would entail some loss of votes and quotas by over-represented countries. Similarly, the G-20 leaders called for a more equitable distribution of voting power in the World Bank. They also promised to protect the representation of the poorest countries in the IMF through a change in the basic votes – that is the standard allocation of 250 votes that all members of the IMF get regardless of their IMF quota.

The G-20 members showed some concern with improving the administrative performance of the institutions of global economic governance. They committed themselves to pursuing governance and operational reforms that enhance the effectiveness, relevance, and legitimacy of the World Bank.

Toronto, June 2010

The G-20 leaders paid less attention to administrative practices at this summit compared with previous summits. Nevertheless, they repeated their interest in quota reform in the IMF and called for this reform to be completed by the Seoul 2011 summit. They also repeated their commitment to open, transparent, and merit-based selection processes for the leadership of the IFIs.

Seoul, November 2010

This summit paid limited attention to administrative practices. The communiqué merely mentions the leaders' intention to pursue all outstanding governance reforms efforts at the World Bank and the IMF.

Cannes, November 2011

This summit was the first to deal explicitly, in the summit communiqué, with the management of the G-20 itself. The leaders agreed to formalise the troika process, pursuant to which the past, current, and future chairs of the G-20 would constitute a group to provide leadership for the work of the G-20 each year. They also agreed that after 2015 the annual presidencies of the G-20 will be chosen from a rotation of regional groupings. The first chair will be chosen from a G-20 Asian group consisting of China, Indonesia, Japan, and the Republic of Korea.

Los Cabos, June 2012

The summit documents do not contain any explicit references to the administrative practices and procedures of the G-20 or the other institutional arrangements in global economic governance. The only exception is a reference to formalising the legal status of the FSB.

Assessment

The issue of good administrative practices and procedures of the leading international organisations in global economic governance, particularly the IMF and the World Bank, appears to have been of interest to the G-20 in the early summits. However, as the political challenges in implementing the proposed reforms became clearer and the prospects for significant and meaningful reform receded, the G-20 seems to have paid less attention to these issues. There are two important exceptions to this statement. The first is the governance and legal form of the FSB. The second is the organisational practices of the G-20 itself, with the formalisation of the troika and the regional rotation system for the chair.

The record therefore suggests that the G-20 has demonstrated inconsistent concern with the application of the principles of good administrative practice to the key institutional actors in global economic governance. The administrative principle that has received the most attention is participation. The focus of the participation reform effort has tended to be on expanding the role of dynamic emerging markets in global economic governance. This means that the major African beneficiary has been South Africa. As discussed, it is the only African state that is a full member of the G-20, and it was the first holder of the new African chair on the Executive Board of the World Bank. Besides these changes, the administrative reforms have not resulted in, and, in fact, were not intended to result in, greater African participation in global economic governance.

This suggests that from an African perspective it would have been useful for the G-20 to pay attention to other elements of good administrative practice. In this regard, it should be noted that the institutions of global economic governance comply reasonably well with all the other elements of good administrative practice except accountability. They are reasonably transparent, at least for state actors, and usually provide reasoned decisions for their actions, However, most global economic governance institutions have no formal mechanisms through which states that are not direct participants in a particular global economic governance decision-making institution or arrangement (which includes most African states) can hold the decision makers in that institution or arrangement accountable. The situation is even less favourable for non-state actors. In this regard, it is important to acknowledge the not insubstantial challenges involved in holding an informal group of countries, like the G-20, accountable for its decisions and actions.

Factor 4: Comprehensive coverage

The focus of this factor is on assessing the extent to which the G-20, or those institutions and actors involved in its process, addresses all the global economic concerns and interests of all the stakeholders in global economic governance.

Although Africa has many specific concerns in global economic governance, its overarching concern is the issue of inclusion. This means that the African states would like to ensure that the way in which the G-20 addresses a particular issue enables African state and non-state actors to either access the opportunities and benefits arising from the decisions of the G-20 or to mitigate their adverse impacts on African state and non-state actors. Consequently, this section will focus on the G-20's treatment of the issue of inclusion, as it directly affects African countries.

Washington DC, November 2008

The G-20 leaders discussed inclusion in their summit documents. First, they acknowledged that the financial crisis would have a disproportionate impact on the vulnerable in the poorest countries and that they had a responsibility to mitigate the social impact of the crisis. They promised to take specific actions to mitigate these impacts, including providing $50 billion to social protection and to safeguard development in low-income countries, and taking actions to restore developing country access to credit. Second, they acknowledged that although most of the attention of global financial regulatory bodies would be on matters of interest to rich countries, they must try and avoid regulatory reforms that have adverse impacts on other countries.

It is noteworthy that although the G-20 leaders acknowledged that they need to take account of the impact of the financial crisis on low-income countries and poor and vulnerable communities, they made no formal effort to communicate with these stakeholders about their efforts to deal with or their needs for managing the crisis.

London, April 2009

The focus of the London summit was on macroeconomic policy and financial regulatory reforms that were clearly of most direct relevance to the rich countries. For example, the focus of the financial regulatory discussions was on such topics as regulation of credit-rating agencies, shadow banking and globally systemically important financial institutions. Although these issues are all important and affect all stakeholders in the global economic system, they are of less direct relevance to the financial and developmental challenges facing Africa.

One important issue that the leaders addressed, that is of relevance to Africa, is that of international standards on tax transparency. Action on this issue could mitigate the adverse impact on African countries of such issues as transfer pricing, and capital flight.

It should also be noted that the G-20 leaders also made an effort to communicate directly with African stakeholders about the crisis. Thus the chair of NEPAD was invited to attend the summit, together with other non-African regional organisations and international organisations.

Pittsburgh, September 2009

The Pittsburgh summit addressed a number of dimensions of the inclusion issue. First, the leaders committed to work together to ensure that their fiscal, monetary, trade and structural policies are collectively consistent with sustainable and balanced growth. Second, they pledged to improve access to food, financing, and fuel for the poor and to promote deployment of clean affordable energy to the developing world. Third, they reaffirmed their commitment to the MDGs and their pledges on official development assistance, including those made to Africa at Gleneagles.

The G-20's efforts to communicate with Africa were enhanced during this summit by inviting both the chair of NEPAD and the African Union to attend the summit.

Toronto, June 2010

The Toronto summit declarations contain a number of statements relevant to the issue of inclusion. First, the leaders acknowledged that they need to consider the impact of their policies on low-income countries and that it is important for the G-20 to help these countries become active participants in and beneficiaries of the global economic system. In this regard, they specifically mention the importance of the MDGs and aid for trade. Second, for the first time at the G-20 summit level, the leaders called for full implementation of the L'Aquila initiative on global food security.

The G-20's efforts to communicate with Africa continued at this summit, to which both the chair of NEPAD and the African Union were invited.

Seoul, November 2010

At this summit, the leaders adopted a multi-year action plan on development that incorporated a number of issues relevant to inclusion. First, the leaders promised to strengthen global financial safety nets so that they can help countries cope with financial volatility. Second, the leaders committed to developing regulations and undertaking initiatives to address such issues as commodity derivative markets, fossil-fuel subsidies, safeguarding the marine environment, and dealing with climate change. Third, they also promised to foster job creation, and increase the potential for growth. In this regard, they also promised to adopt policies that will improve the prospects for inclusive, sustainable and resilient growth. Fourth, the G-20 leaders stated that they will engage with developing countries, particularly low-income countries, as equal partners in regard to development co-operation. They stressed that in doing so they will respect national ownership of development policies, noting that the most important determinant of successful development is a country's own development policy. In order to support this insight they promised to ensure that their actions foster strong, responsible, accountable and transparent development partnerships between the G-20 and low-income countries. Fifth, the leaders committed to encouraging ways to stimulate and leverage private capital flows to developing countries and to overcoming obstacles to investment in infrastructure in developing countries.

Sixth, they discussed the importance of transparent procurement policies in regard to development and anti-corruption efforts. Seventh, they promised to assess how best to integrate environmental safeguards into infrastructure development in an effective and cost-efficient way. Eighth, they stressed the importance of social protection and remittances and access to financial services in providing income security to poor communities in developing countries. Ninth, they promised to help developing countries tax MNEs through effective transfer pricing as part of their resource mobilisation efforts. Finally, they committed to helping developing countries mitigate the risks to development, including volatility in food markets and exclusion from financial services.

It should be noted that none of these actions is explicitly intended to benefit African countries. Nevertheless, they are all relevant to Africa, and, if implemented, would improve African countries' ability to participate in and benefit from the global economy.

The G-20's efforts to communicate with Africa continued at this summit, to which both the chair of NEPAD and the African Union were invited.

Cannes, November 2011

The G-20 leaders made a number of statements relevant to inclusion at this summit. First, they noted that the financial transactions tax initiative could be used for a variety of purposes, including development financing. Second, they agreed to a number of measures relating to food security, an issue of great relevance to Africa. These measures include acting within the framework of the Action Plan on Food Price Volatility and Agriculture; launching the Agricultural Market Information System; developing risk management and humanitarian emergency tools that can improve food security; facilitating food purchasing by the World Food Programme (WFP); and enhancing monitoring of the implementation of commitments made in the L'Aquila Food Security Initiative. Third, they proposed mainstreaming development experiences through knowledge-sharing platforms and networks. Fourth, they expressed an intention to increase efforts to develop the capacity of different stakeholders in the value chain to attract investments that will enhance sustainable development and job creation. Fifth, they planned to recommend actions to overcome the obstacles to infrastructure financing and construction in low-income countries, with a particular emphasis on sub-Saharan African countries. In this regard, they noted the importance of an enabling environment for both public and private investment in infrastructure, including regional infrastructure in low-income countries, including sub-Saharan African countries. Sixth, the leaders recommended technical assistance to strengthen capacities in African countries and regional economic communities to foster trade – including trade facilitation, the African Union's Minimum Integration Plan, and the Aid for Trade for Africa Programme of the multilateral development banks (MDBs).

The G-20's efforts to communicate with Africa continued at this summit, to which both the chair of NEPAD and the African Union were invited.

Los Cabos, June 2012

The agenda of the Los Cabos summit was broad and covered a range of issues that have implications for Africa. However, only certain items on the agenda directly relate to the challenge of inclusion. First, the G-20 leaders committed to minimising the spillovers onto other countries of policies implemented for domestic purposes. Second, they acknowledged that they should explore the potential for green growth as a means to foster inclusive growth, job creation and sustainable use of natural resources. The leaders noted that green growth should contribute to poverty eradication and sustainable development. Third, the G-20 leaders agreed to promote policies that integrate gender perspectives in policies and programmes relating to employment and to fight discrimination. Fourth, they suggested that more attention should be paid to helping workers transition from the informal to the formal sector, to promoting job creation and work experience through apprenticeships, internships, on-the-job training schemes and to such issues as labour mobility in regard to job training, and to addressing issues such as rural–urban transition. The G-20 labour ministers also noted the need to promote basic and secondary education. They pointed out that conditional cash transfers can be effective poverty-alleviation instruments. Fifth, the G-20 leaders called for efforts to promote technology transfers and national policies dealing with food security that, inter alia, benefit small-scale farmers. In this regard, they note the relevance of structural poverty, scarce resources, nutritional status, gender inequality, and access to food.

Sixth, they also agreed to support platforms for sharing knowledge on how to deal with food security, growth with resilience, human resource development, innovative financing, and creating an enabling environment for inclusive green growth. Seventh, the leaders noted that there is work being done in the international standard-setting bodies relating to financial inclusion and the funding of small and medium enterprises. In this regard, they noted the relevance of the Global Partnership for Financial Inclusion and the G-20 Financial Inclusion Action Plan and the work being done to create a G-20 Basic Set of Financial Inclusion Indicators. Eighth, the G-20 committed to engage with the private sector to better understand the constraints it faces in financing infrastructure. Ninth, the leaders acknowledged that transfer pricing remains a challenge for developing countries. Tenth, the development working group proposed to explore the linkages between its different work streams with the goal of identifying synergies between them and of developing a more holistic approach to development co-operation with particular emphasis on food security, infrastructure and inclusive green growth.

Eleventh, the development working group reiterated the importance of incorporating social and environmental costs and benefits into economic decision making, noting that this is particularly relevant to inclusive green growth. Twelfth, the working group noted the importance of improving international co-operation so that countries can pursue inclusive green growth in a non-prescriptive, non-conditional way and in terms of accessing financing on a voluntary basis. The group also listed factors that it thought were central to inclusive green growth, including sustainable consumption and production patterns; developing sustainable infrastructure including mass transit; linkages between energy, food security and water; and incorporating the social dimensions of health, education, human resource development, social protection, decent jobs; and incorporating sustainability perspectives into business decision making. The development working group stressed that these issues should be addressed with attention to country needs and circumstances.

Assessment

It is clear that over the course of the seven G-20 summits, the amount of attention the issue of inclusion has received has increased. Usually the increased attention has been focused on the poor and vulnerable in general. Nevertheless, there are specific issues and initiatives that explicitly address African concerns. Although this attention to inclusion is to be welcomed, it is necessary to recognise that it is unclear that the increased attention will translate into meaningful action. This caution follows from the fact that the statements relating to inclusion usually are not linked to specific actions or time-bound commitments. Consequently, the expressions of concern and the commitments being made are difficult to monitor and they form a weak basis on which to hold G-20 states accountable.

The evolution in the G-20's consideration of the issue of inclusion raises two possible avenues for future action. First, the African representatives in the G-20 process can seek to make the G-20 promises and commitments on inclusion more precise and time-bound. Second, there is a need for more research on why the G-20's consideration of this issue has grown. It is not self-evident that the issue's direct relevance to the G-20 participating states has increased or that particular participating states or their invited international organisational and state guests have been advocating for more attention to be paid to the issue of inclusion. Understanding why the G-20 is paying more attention to this issue, therefore, may provide some insight into how South Africa, as a G-20 participant, and the other African countries participating in the G-20 can advocate more effectively within the G-20 and global economic governance actors more generally for more attention to this issue.

Factor 5: Co-ordinated specialisation

Based on its documents, it is clear that the G-20 anticipates that it will play the role of global co-ordinator in global economic governance. This means that it will seek to promote coherence in global economic governance by co-ordinating the actions and mandates of all the other institutional actors in international economic governance. Thus this section focuses on how it attempts to perform this function, particularly in regard to issues of interest to Africa.

Washington DC, November 2008

At this summit, the G-20 leaders made a number of statements regarding institutional co-ordination. First, they called for strengthened collaboration between the World Bank and the IMF. In this regard, they promised to support the World Bank's efforts to support low-income countries and to provide additional resources to the World Bank and the other multilateral development banks. They also stated that they would increase, through gold sales, the resources that the IMF has for low-income countries. Second, they called on the UN and other relevant international organisations to monitor the impact of the financial crisis on the poor and most vulnerable. Third, they called on international organisations to help developing countries to develop regulations that are consistent with international standards. The G-20 also asked the Financial Action Task Force to continue fighting money laundering and terrorist financing, and the FSF and the IMF to collaborate on providing early warning on macroeconomic and financial risk. Finally, the G-20 promised to provide support to the Stolen Assets Recovery programme of the World Bank. This programme is of particular relevance to Africa.

London, April 2009

At this summit, the G-20 again called for greater co-operation and co-ordination between the IFIs in order to increase their effectiveness and for more financing for the IMF and the MDBs. The leaders also reiterated their request to the UN and other international organisations to monitor the impact of the crisis on the poor and most vulnerable.

Pittsburgh, September 2009

The G-20 leaders began to pay closer attention at this summit to the need to promote co-ordination between the various actors in global economic governance. First, they designated the G-20 as the premier forum for international economic co-operation. Second, the leaders tasked their finance ministers to work with the IMF and the FSB, the successor to the FSF, to develop co-operative and co-ordinated exit strategies from the global financial crisis. Third, they asked the IMF to assist their ministers of finance and Central Bank governors in the mutual assessment programme, the G-20 peer-review programme developed at this summit. Fourth, they asked the World Bank to advise them on progress in promoting development and poverty reduction as part of global rebalancing and to work with donors and organisations to develop a multilateral trust fund to scale up agricultural assistance to developing countries. They also requested the World Bank to play a leading role in dealing with problems that require globally co-ordinated actions such as climate change and food security. Fifth, they asked the IMF to advise them and the International Monetary and Financial Committee on global economic developments and the risks to growth.

Sixth, the G-20 leaders asked the International Energy Agency, the Organization of the Petroleum Exporting Countries (OPEC) and IOSCO to take various actions to improve the transparency of energy markets. Seventh, they urged the World Bank, the African Development Bank (AfDB), the Food and Agriculture Organization (FAO) and the WFP to work with their relevant stakeholders to co-ordinate efforts to deal with food insecurity. Eighth, they requested the Consultative Group to Assist the Poor and the International Finance Corporation to launch, together with other interested international organisations and stakeholders, a G-20 financial inclusion expert group. Finally, the leaders repeated their intention to make sure the IMF and the World Bank and the MDBs had adequate resources to meet their expanding range of activities.

Toronto, June 2010

At this summit, the G-20 leaders continued their practice of assigning specific tasks to specific international institutional actors in global economic governance. They tasked the FSB, in consultation with the IMF, to report to their ministers of finance and Central Bank governors on improving supervision and regulation in the financial sector. They promised to strengthen their commitment to the IMF's and World Bank's Financial Sector Assessment Programs and pledged to provide robust support to the proposed FSB peer-review process. They also committed themselves to strengthen the credibility, legitimacy and effectiveness of the IFIs so that they could be stronger partners of the G-20. In this regard, they again promised to provide adequate resources to the MDBs, including the International Development Association and the African Development Fund. In addition to recommitting themselves to completing the Doha Round, the G-20 leaders asked the World Bank and the other MDBs to step up their support for trade facilitation. The leaders also agreed to establish a G-20 development working group to develop a development agenda and multi-year action plan for the G-20.

Seoul, November 2010

The G-20 leaders, at this summit, expressed their support for a number of collaborative efforts at either the global or regional level. First, they encouraged the work being done by the Global Partnership for Financial Inclusion and the SME Finance Framework to improve access to financing for small and medium-size businesses and poor people. These initiatives will be co-ordinated with the APEC initiative on this issue. Second, the leaders committed themselves to full and timely implementation of the aid effectiveness agenda being negotiated at Busan and to working with international organisations like the World Bank to tackle global and regional systemic issues where the G-20 can play a useful catalytic role. In this regard, the G-20 leaders anticipated that there would be space for collective and co-ordinated actions through South–South and triangular co-operation. Third, the G-20 encouraged international organisations like the UN, World Bank, OECD, and the regional development banks to co-operate on knowledge sharing relating to growth and development. Fourth, the G-20 proposed working with regional organisations and developing countries to support initiatives like the Infrastructure Project Preparation Facility, NEPAD, and the African Water Facility. Fifth, the G-20 delegated to the ILO, UNDP, MDBs and relevant international organisations the task of identifying lessons that can be learned about implementation of social protection mechanisms in developing countries and low-income countries. Sixth, the G-20 leaders proposed that agricultural development be supported in conjunction with the Global Agricultural and Food Security Program and other bilateral and multilateral channels. In this regard, they also endorsed the Rome Principles dealing with sustainable agriculture. Seventh, the ILO, World Bank, OECD and the UN Educational, Scientific and Cultural Organization were assigned responsibility for developing comparable and practical indicators of skills for employment and productivity in developing countries and for skills-development initiatives.

Cannes, November 2011

At this summit, the G-20 leaders, once again, encouraged a number of collaborative efforts. First, they called for the IMF and regional financial arrangements to collaborate in promoting financial integration, seeing this as a useful means of promoting crisis prevention. Second, the FSB was assigned responsibility for improving the capacity to co-ordinate and monitor the financial regulatory agenda. In this regard, the G-20 supported the efforts to reform the FSB so as to clarify its legal status, mandate and governance. Third, the G-20 leaders urged the WTO to work with the OECD and UNCTAD to address the challenges of protectionism. Fourth, they welcomed the creation of a Rapid Response Forum to improve the international community's capacity to co-ordinate policies and responses in times of market crises relating to food. In dealing with food security, the G-20 expressed support for the Comprehensive Africa Agricultural Development Programme (CAADP) as a vehicle to link small-scale farmers to markets. The G-20 also confirmed their support for the WFP and urged reform of the FAO. Fifth, the G-20 called on the UN, WTO, ILO, World Bank, IMF and the OECD to promote dialogue on the social impact of economic policies and to intensify co-ordination in this regard. Sixth, the G-20 welcomed the initiative of the African Union and the AfDB to jointly review progress at their annual meetings relating to their efforts to promote sustainable development and engagements with the private sector and civil society. Seventh, the G-20, as part of its interest in promoting domestic resource mobilisation, urged the Global Forum on Transparency and Exchange of Information for Tax Purposes to offer a platform to international organisations to co-ordinate technical assistance in this area. Eighth, the G-20 welcomed the MDB Infrastructure Action Plan.

Los Cabos, June 2012

The G-20 encouraged a number of collaborative efforts at this summit. First, the G-20 welcomed the FSB's work with the IMF and World Bank to identify the unintended impacts of regulatory reform on emerging market and developing countries. Second, the G-20 agricultural ministers expressed their support of such risk-management initiatives as the Platform for Agricultural Risk Management, Global Index Insurance Facility, Weather Risk Management Facility, R4 Rural Resilience Initiative, and the Weather Information for All. They also called for continued collaboration with the UN Committee on World

Food Security and other relevant international organisational initiatives like the Global Agricultural and Food Security Program and the African Agricultural Fund. They encouraged the efforts of the Economic Community of West African States (ECOWAS) to establish a pilot project for Emergency Humanitarian Food Reserves for the Sahel crisis. They also expressed support for a number of other initiatives, including the Principles for Responsible Agricultural Investment, and called for pilot projects to field test these principles; the Voluntary Guidelines on Governance of Tenure of Land, Fisheries, and Forests in the Context of National Food Security; and the 6th World Water Forum's work on water and food security. Third, the G-20 leaders reiterated their support for consulting with international organisations with an employment and social mandate about assessing the social impact of economic policies, as advocated by these international organisations. They requested the ILO, OECD and other relevant international organisations to work with national organisations to better understand the situation of young people in G-20 countries. Fourth, in order to promote more effective management of research and development activities, the leaders urged information-sharing efforts between the FAO, the Consultative Group on International Agricultural Research, Biodiversity International, the Nagoya Protocol on Access to Genetic Resources and Equitable Sharing Benefits Arising for Utilization of Convention on Biodiversity, Global Rice Science Partnership and the Coalition for African Rice Development. Fifth, the G-20 welcomed the co-ordination platform launched by the Global Forum on Transparency and Exchange of Information for Tax Purposes that, at the request of the G-20, facilitates technical assistance to developing countries and the pilot projects in Ghana and Kenya that are being supported by the World Bank and the UK.

Sixth, the G-20 welcomed the initiative of the AfDB, OECD, UN and the World Bank to develop a tool kit on inclusive green growth. Seventh, the G-20 reiterated its determination to continue to serve as the co-ordination forum for international economic co-operation in the development area and, in this regard, reaffirmed its commitment to the Global Partnership for Effective Development Cooperation established in Busan. Eighth, the development working group stated that multilateral co-operation in regard to infrastructure and inclusive green growth was a priority for the G-20. Ninth, the leaders welcomed the work of the ILO, World Bank and UNCP on social protection, particularly as it relates to low-income countries. Tenth, the leaders requested the OECD and the WTO to continue monitoring aid-for-trade flows and took note of their work on the implications of global value chains for trade.

Eleventh, the leaders reaffirmed their commitment to working with a range of international organisations. They stated that they would work with the MDBs on joint action plans on water, food and agriculture; with humanitarian agencies on a risk-hedging strategy for humanitarian disasters; with NEPAD and other international organisations on a fertiliser initiative; and with the MDBs on the action plan on infrastructure and with the Programme for Infrastructure Development in Africa endorsed by the African Union. In regard to the latter, the G-20 leaders stated that they looked forward to learning the results of the review of various infrastructure-related initiatives relevant to Africa, namely the Project Preparation Facility, the Infrastructure Consortium for Africa, the Construction Sector Transparency Initiative and the Sokoni Africa Infrastructure Initiative. They also expressed interest in the global infrastructure benchmark initiative. Twelfth, they encouraged the AfDB's efforts to enhance trade finance availability in Africa and its work to develop a trade finance facility. Finally, they welcomed the efforts of the African Union and NEPAD on risk management in regard to the CAADP national and regional investment plans.

Assessment

Over the course of the five-year history of the G-20 summits, the leaders, and the process associated with their summits have assumed a much more active role in co-ordinating a range of international activities. They are now assigning responsibility for specific activities to particular international organisations or actors and are encouraging more of them to collaborate with each other. The scope of their interests and actions has also expanded. Whereas initially they only addressed the international organisations and entities involved in international financial and monetary affairs, they are now dealing with organisations involved in agriculture and food security, energy, labour, social protection, education and job training, environment, and infrastructure project planning and financing.

A natural consequence of this expansion in the work of the G-20 is that it has become more directly relevant to African state and non-state actors. In addition, given the co-ordinating role that the G-20 plays in regard to the issues in which it has taken an interest, the impact of the G-20 on the policies, procedures and programmes of the international organisations and entities with which it interacts should be of concern to African state and non-state actors. This in turn suggests that one indirect way in which African actors can seek to ensure that the G-20 adequately responds to their concerns and interests is through these international organisations and entities. In this regard, it is useful to note that African countries are members of many of these organisations and so can attempt to influence their interactions with the G-20.

CONCLUSION

This paper's purpose is to evaluate how responsive the G-20 has been to the concerns and interests of sub-Saharan Africa, based on the outputs of the G-20 summits from 2008–12. The methodology used in the paper is to assess the outputs of the G-20 summits in terms of a five-factor framework. The methodology is, undeniably, experimental and it is hoped that it can be refined in light of further research and of critiques by experts.

Nevertheless, based on the above analysis, it is possible to offer five preliminary conclusions, all of which are based on the discussions above. First, the G-20, in its official outputs, has at least implicitly addressed aspects of each of the five factors in the assessment framework used in this paper. Second, although the G-20 outputs contain few explicit references to Africa, there is evidence to suggest that, at least implicitly, the G-20 has been somewhat responsive to a number of Africa's concerns. This is particularly true for those concerns that may also be shared by countries in other regions of the world. Third, over time, the scope of the issues considered by the G-20 has become broader and the issues more complex. It is not exactly clear why this is happening but it could complicate the ability of the G-20 to address African concerns effectively. Fourth, the G-20 statements tend to be quite general and without clear implementation schedules attached to them. This makes them difficult for participants to operationalise and for other stakeholders to hold the G-20 accountable for the commitments it appears to make in

G-20 documents. Fifth, although the G-20 statements may be difficult to operationalise, they do highlight issues and thus can be used by interested stakeholders to advocate for action on issues of interest to them.

ENDNOTES

1 The members of the G-20 are: Argentina, Australia, Brazil, Canada, China, the EU, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, the UK, the US, and Turkey.

2 See International Organization of Securities Commissions, http://www.iosco.org.

3 See IMF (International Monetary Fund), http://www.imf.org.

4 See, generally, G2012 Mexico, http://www.g20.org/en, accessed 3 October 2012. See also Kirton J & M Koch eds, G20 Mexico Summit, http://www.g8.utoronto.ca/newsdesk/g20loscabos2012.pdf; and University of Toronto, 'G20 Information Center', http://www.g20.utoronto.ca/summits/2012loscabos.html, accessed 3 October 2012.

5 Finance ministers and Central Bank governors started to hold annual meetings after the inaugural meeting from 15–16 December 1999 in Berlin. See Russia G20, 'What is the G20', http://www.g20.org/docs/about/about_G20.html.

6 G20, 'G20 Leaders Statement: The Pittsburgh Summit', 24–25 September 2009 (stating 'we designated the G20 as the premier forum for our international economic cooperation.'), http://www.g20.utoronto.ca/2009/2009communique0925.html.

7 G2012 Mexico, 'The Finance Track', http://www.g20.org/index.php/en/financial-track.

8 G2012 Mexico, 'Sherpas' Track', http://www.g20.org/index.php/en/sherpas-track.

9 See, generally, Brummer C, *Soft Law and the Global Financial System*. New York: Cambridge University Press, 2012.

10 UN General Assembly, Declaration on the Right to Development, UNGA Res A/RES/41/128, 4 December 1986, http://www.un.org/documents/ga/res/41/a41r128.htm.

11 Article 38 states that the sources of international law are: international conventions; international custom, as evidence of a general practice accepted as law; and the general principles of law recognised by civilized nations. International Court of Justice, 'Statute of the Court', http://www.icj-cij.org/documents/index.php?p1=4&p2=2&p3=0.

12 It should be noted that there are multilateral treaties that deal with aspects of global economic governance. The most significant are the treaties establishing the key international economic organisations – the IMF, the World Bank, and the WTO. These treaties authorise each of these organisations to perform specific functions relating to the global, monetary, financial and trading systems. However, none of these organisations is specifically assigned the responsibility for overall governance of the global economy. A particularly noteworthy characteristic of these founding documents is that, despite the organisations' specialised nature, their purposes and functions are drafted in broad language. The organisations have effectively used this discretion to expand their originally circumscribed role in global economic governance. For example, the IMF was originally only expected to serve as a forum for the exchange of views among its member states on international monetary affairs and to manage the par value system. It has evolved into an organisation dealing with macroeconomic, monetary, and financial affairs. This evolution occurred even though its articles do not explicitly assign it any role in the regulation of financial institutions or financial markets. Similarly, the World Bank was originally expected

to only be a source of financing for large development projects, particularly infrastructure projects. It has evolved into an organisation that plays a role in national economic governance in its member states, in assisting member states in developing the financial systems and revenue-raising arrangements that allow them to participate in the global economy, and in the funding of a broad range of social development projects. There is a limit, however, on how far these organisations can stretch the language in their founding documents. Consequently, they have been unable to assume full responsibility for all aspects of global governance. The states that are involved in global economic governance, of course, are signatories to a broad range of international agreements dealing with its international economic relations. Except for the founding treaties of the international economic organisations, most of these treaties either relate to the state's economic relations with specific states or groups of states, for example, regional trade agreements, or to specific aspects of economic activity: for example, contracts for the international sale of goods or corruption. They do not provide guidance on how states should conduct themselves in the realm of global economic governance.

13 The formation of customary international law requires a combination of general state practice and *opinion juris*. See Brownlie I, *Principles of Public International Law*. Oxford: Oxford University Press, 7th edition, 2008.

14 Charter of the UN, article 2(7), 59 Stat. 1037, 3 Bevans 1155; Also see, for example, Brownlie I, *ibid*., pp. 2250, 294– 98.

15 See, generally, Hannum H (ed.), *Guide to International Human Rights Practice*. New York: Transnational Publishers, 4th edition, 2004.

16 At this time, almost all states have signed and ratified at least some human rights treaties. For example, the only African country that has not signed and ratified the International Convention on the Rights of the Child is Somalia.

17 Petersmann EU, 'Constitutionalism and WTO law; From a state-centered approach towards a human rights approach in international economic law', in Kennedy DLM & JD Southwick (eds), *The Political Economy of International Trade Law*. New York: Cambridge University Press, 2002, pp. 51–52, 60–61.

18 See, generally, Crawford J, *The International Law Commission's Articles on State Responsibility*. New York: Cambridge University Press, 2002, pp. 1–60.

19 Sornarajah M, *The International Law on Foreign Investment*. New York: Cambridge University Press, 3rd edition, 2010, pp. 201–04, 409–10.

20 UN General Assembly Resolution, General Assembly Resolution 217 A (III) (Universal Declaration of Human Rights), 10 December 1948, http://www.ohchr.org/EN/ UDHR/Pages/ Introduction.aspx.

21 For example, Hannum H, 'The status of the Universal Declaration of Human Rights in national and international law', *Georgia Journal of International and Comparative Law*, 25, 1995, pp. 289–392.

22 Glendon MA, 'The rule of law in the Universal Declaration of Human Rights', *Northwestern University Journal of International Human Rights*, 2, 15, 2004, pp. 67–81 (arguing that the UDHR was written to provide flexibility for countries implementing the declaration and therefore was not meant to create uniform practices).

23 See, generally, Hunter D, Salzman J & D Zaelke, *International Environmental Law and Policy*. New York: Foundation Press, 3rd edition, 2007. See also 'Legality of the Use by a State of Nuclear Weapons in Armed Conflict', Advisory Opinion, 1996 ICJ (International Court of Justice) 66, 8 July; Trail Smelter Arbitration (1938/1941) 3 RIAA, 1905; UN General Assembly,

Stockholm Declaration of the United Nations Conference on the Human Environment, 11 ILM 1416, 1972, http:www.unep.org/ Documents.Multilingual/Default.asp?DocumentID¼97&ArticleID¼1503; UN General Assembly, Rio Declaration on Environment and Development, A/Conf.151/26, vol 1; 31 ILM 874, 1992, http://www.un.org/documents/ga/conf151/aconf15126-1annex1.htm.

24 Vienna Convention on the Law of Treaties, article 26, 23 May 1969, 1155 UNTS 331; Brownlie I, *Principles of Public International Law*. New York: Oxford University Press, 6th edition, 2003, pp. 17–18.

25 See, generally, Harlow C, 'Global administrative law: The quest for principles and values', *European Journal of International Law*, 17, 1, 2006, pp. 187–214; Kingsbury B, 'The concept of law in global administrative law', *European Journal of International Law*, 20, 1, 2009, pp. 23–57.

26 Europa, 'Subsidiarity', http://europa.eu/scadplus/glossary/subsidiarity_en.htm, accessed 7 July 2009.

27 This principle is not new and underlies the role of ECOSOC in the UN system. See, for example, Alger CF, *The United Nations System: A Reference Handbook*. Santa Barbara: ABC-CLIO, 2006, pp. 74–78.

28 It should be noted that although questions 2 and 3 are also applicable to Factor 2, they will only be discussed once in this section.

29 South Africa has ratified 23 ILO conventions, of which 20 are currently in force. Eleven of these conventions have been ratified since the advent of democracy in 1994. For a full list of the ILO conventions ratified by South Africa, see ILO, 'List of ratifications of international labour conventions: South Africa', http://webfusion.ilo.org/public/applis/appl-byCtry.cfm?lang=EN&CTYCHOICE=0650&hdroff=1.

SAIIA'S FUNDING PROFILE

SAIIA raises funds from governments, charitable foundations, companies and individual donors. Our work is currently being funded by, among others, the Bradlow Foundation, the United Kingdom's Department for International Development, the European Commission, the British High Commission of South Africa, the Finnish Ministry for Foreign Affairs, the International Institute for Sustainable Development, INWENT, the Konrad Adenauer Foundation, the Royal Norwegian Ministry of Foreign Affairs, the Royal Danish Ministry of Foreign Affairs, the Royal Netherlands Ministry of Foreign Affairs, the Swedish International Development Cooperation Agency, the Canadian International Development Agency, the Organisation for Economic Co-operation and Development, the United Nations Conference on Trade and Development, the United Nations Economic Commission for Africa, the African Development Bank, and the Open Society Foundation for South Africa.
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