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A Primer to the G7 Summit in Biarritz
August 24-25, 2019

by Colin Robertson
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CGAI PRIMER

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On Saturday 24th and Sunday 25th of August, the leaders of the major western democracies will meet in their 45th summit. They will discuss global geopolitical and socioeconomic issues in Biarritz, a seaside resort in Basque country on the Atlantic coast, made famous in the 19th century as the summer playground of Europe's elite.

As the host, French President Emmanuel Macron is focusing on [inequality](#): be it income, gender, education, healthcare or access to drinking water.

But can M. Macron bring his fellow leaders into consensus given their diverging perspectives on diverse issues including gender, work, climate, energy, protectionism, populism and extremism? What will be the chemistry between the disparate leaders, including the new member of the group, Boris Johnson? And how will these heads of state manage Donald Trump? Will there be a communiqué? As Justin Trudeau will ruefully recall, the US president upended last year's Charlevoix summit [revoking](#) the US agreement to the communiqué while en route to meet Kim Jong-Un in Singapore.

There will be various measures of success in Biarritz, but it will be important for leaders to say something and do something on Hong Kong. Keeping the spotlight on this international city will be important to restrain China from rash action. As the principal guardians of international covenants, the G7 leaders have an obligation to Hong Kong.

It will also be important for the leaders to make some sort of statement on trade measures. If we are moving into an economic decoupling with China, then it will be vital that the G7 hangs together. A recession will only incite more populism and aggravate the inequalities that are the focus at Biarritz.

Backdrop to Biarritz

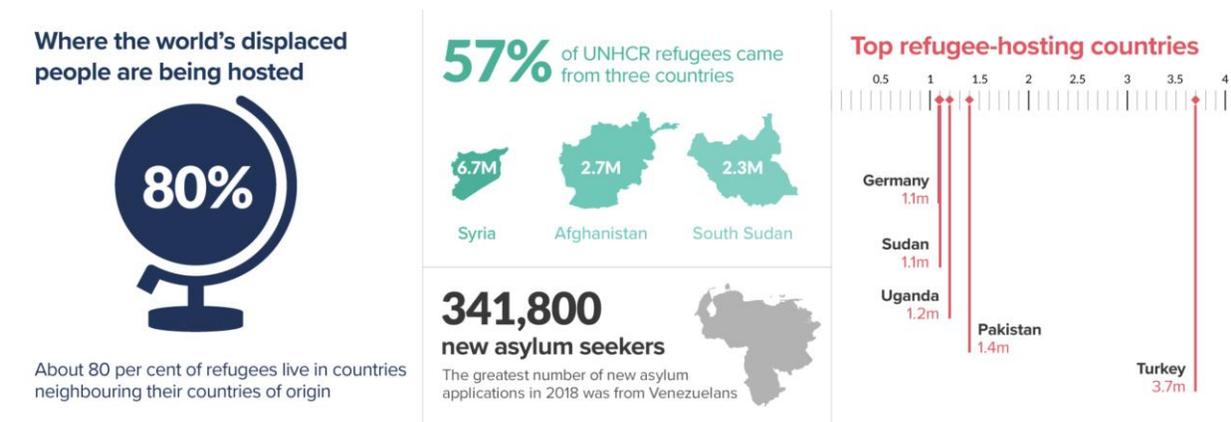
The geo-socioeconomic challenges facing the G7 leaders are daunting. There are fears that the low-growth European economy may be slipping [into a recession](#) that would be exacerbated by a hard BREXIT on October 31. The leading [Latin American](#) economies – Argentina, Brazil and Mexico – have problems. There is the dispute between [Japan and Korea](#). Asian economies are weaker, partly as a result of the Sino-American trade war. In its July [World Economic Outlook](#), the International Monetary Fund (IMF) warns against using tariffs to target bilateral trade balances or as a substitute for dialogue to pressure others for reforms. The IMF calls for reducing trade and technology tensions and expeditiously resolving uncertainty around trade agreements – notably BREXIT and the



new NAFTA. Multilateral and national policy actions are vital, says the IMF, to place global growth on a stronger footing.

The immediate geopolitical challenges on the G7's agenda include the threat of Chinese intervention in Hong Kong and tensions between Pakistan and India over Kashmir. Sanctions around denuclearization in North Korea and Iran will also be discussed. Russia continues to occupy parts of Ukraine and meddle in the democratic processes of others. In the South China Sea, China's armed forces occupy and exercise on newly created territory. There are continuing conflicts in Syria, Iraq, Afghanistan, Yemen, Central Africa, Mali, and the Horn of Africa, all of which are complicated by famine and disease. There is unrest in Venezuela and Central America. There is the Israeli-Palestinian situation that still remains to be resolved. There is renewed famine in the Horn of Africa. Then, there are the chronic trans-national challenges, like organized crime and trafficking of people, drugs, guns, and the ongoing effort to contain weapons of mass destruction be they chemical, biological or nuclear.

Then there is migration. The United Nations High Commissioner for Refugees (UNHCR) estimates that someone is forcibly displaced [every two seconds](#), with [70.8](#) million people forced from their homes. Among them are 25.9 million refugees, over half of whom are under the age of 18. The movement strains the European Union's (EU) unity and polarizes Americans.



Who and What is the G7?

The G7 is the forum at which the leaders of the big liberal democracies talk about what troubles them and how they can collectively fix it. Its current members are:

- Canada – Prime Minister Justin Trudeau



- France – President Emmanuel Macron
- Germany – Chancellor Angela Merkel
- Italy – *Prime Minister Giuseppe Conte* (resigned on August 20th. Successor TBD)
- Japan – Prime Minister Shinzo Abe
- United Kingdom – Prime Minister Boris Johnson
- United States – President Donald Trump
- European Union – Commission President Jean-Claude Juncker and Council President Donald Tusk

Collectively, the G7 represent [40 percent](#) of the global GDP and [10 percent](#) of the world's population. The G7 provides over [75 percent](#) of global development and humanitarian assistance. Through their membership in the North Atlantic Treaty Organization (NATO), the European and North American G7 members provide the backbone of collective security and humanitarian relief. While not a NATO member, Japan is [strengthening its relations](#) with the Alliance.

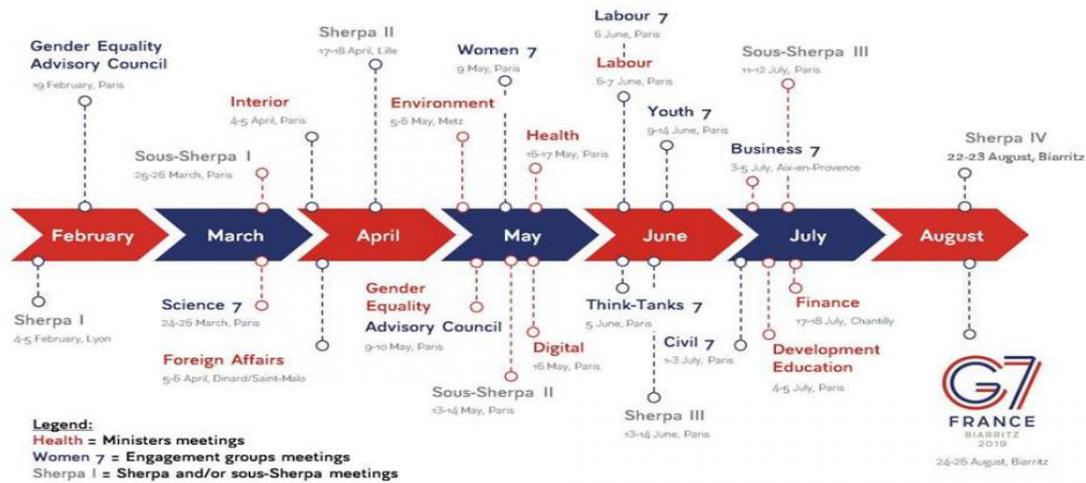
As in the past, other leaders will be invited to Biarritz, including Australia, Burkina Faso, Chile, Egypt, India, Rwanda, Senegal, and South Africa. There will also be representatives from international organizations.

The G7 came into being in the wake of the 1973 Organization of the Petroleum Exporting Countries (OPEC)-initiated oil crisis; at the same time, then-U.S. secretary of the Treasury George Shultz and former president Richard Nixon appreciated that the leading democratic powers needed a forum at which their leaders could engage in sustained, yet informal discussions over a couple of days. Russia was a member from 1997 to 2014, but Vladimir Putin was disinvited after the Russian invasion of Crimea and Ukraine.

Summitry for summits like the G7 is not cheap, but think of it as an insurance premium for global wellbeing.

The Road to Biarritz

The leaders' summit is the culmination of a year-long process of meetings bringing together Sherpas (nickname given to the personal representatives of the heads of states), foreign ministers, finance, interior, development and education ministers, health and environment ministers, with sessions involving the Gender Equality Advisory Council and the G7 engagement groups: Business7, Civil7, ThinkThank7, Labour7, Science7, Women7, and Youth7. These planning meetings may not get a lot of media attention, but they are important because their deliberations are usually endorsed by the leaders and their 'deliverables' become entrenched in the final communiqué.



At their meeting in [Chantilly](#) (17- 18 July), Finance Ministers and Central Bank Governors agreed to new territorial tax rules ensuring fair taxation of corporations, including in the digital sector, regardless of physical presence. They hope these will eventually be applied to the Organisation for Economic Co-operation and Development (OECD) members. Lessons learned during the first joint G7 cross-border cyber crisis management exercise were also discussed, and a road map was developed for strengthening the resilience of the financial system. Ministers and bankers also discussed how to regulate the excessive concentration of data in the hands of the multinational digital giants.

With scientific warnings on the erosion of biodiversity and climate change growing, [Environment ministers](#) met in May. Canada, Egypt, the European Union, France, Gabon, Germany, Indonesia, Italy, Japan, Mexico, Niger, Norway, and the United Kingdom jointly launched the [Gender Responsive Environmental Action & Training \(G.R.E.A.T.\)](#) initiative. The Environment Ministers adopted the [Metz Charter on Biodiversity](#). [An initiative focused on sustainable waste management](#) was supported by Canada, Egypt, the European Union, France, Germany, Indonesia, Japan, Niger, Norway, the United Kingdom, and the United States. [An initiative aiming to put a stop to deforestation with sustainable agricultural supply chains](#) was supported by Canada, the European Union, France, Germany, Italy, Norway, and the United Kingdom. Canada and India joined the European Union, France, Gabon, Germany, Indonesia, Norway, the



United Kingdom, and the United States in the [Great Apes Survival Partnership \(GRASP\)](#). Canada and Germany also joined Norway, India, France, Japan, the United Kingdom, the United States, Egypt, the Fiji Islands, Indonesia, and Mexico in supporting the [International Coral Reef Initiative \(ICRI\)](#). Canada also put forward the [Ocean Risk and Resilience Action Alliance \(ORRAA\)](#).

The April meeting in Paris of [Interior Ministers](#) set down joint commitments on security and counter-terrorism, including on the use of the Internet for terrorist purposes and violent extremism, management of foreign terrorist fighters and their families, the fight against smuggling networks and trafficking in human beings, and the fight against environmental crime.

The April meeting in Dinard and Saint Malo of [Foreign Ministers](#) discussed joint responses to international security challenges, including: terrorism and trafficking, and the major regional crises; strengthening our democracies in the face of new threats, mainly arising from the digital revolution and attempted foreign interference.



The Biarritz Agenda

President Macron has put the focus on inequality. There will also be discussions involving other leaders around: the protection and promotion of democratic freedoms; building a partnership of equals with Africa; discussions with civil society around the fight against violence and discrimination, promoting girls' access to education, economic empowerment of women, and women's entrepreneurship.



To put inequality in perspective, the French G7 Secretariat documents says their presidency aims to find solutions that will address the:

- **783 million people** who live below the poverty line;
- **265 million children** with no access to schooling;
- **620 million extra children** needing schooling worldwide by 2030, including 444 million in Africa;
- **200 million women** with no access to contraception;
- **More than 1 billion women** who are not protected by the law if they are victims of violence at home;
- **100 million people** who are condemned to a situation of extreme poverty by 2030 if we fail to fulfil our commitments in the fight against global warming;
- **690 million children** who live in the regions most exposed to climate change, who are victims of flooding, droughts, rising waters and scarcity of resources;
- Aspirations of young people – more than **2 billion people** aged between 10 and 24 years, 90% of whom live in developing countries.

President Macron has also revised the G7 format. As he stressed in his UN General Assembly [speech](#) in September, 2018, “the time when a club of rich countries could alone define the world’s balances is long gone.” Towards this end the Biarritz G7 includes: the major democracies with major regional influence including the leaders of Australia, Chile, India, South Africa; African partners – the leaders of South Africa, Burkina Faso, Egypt, Senegal, Rwanda – to build a renewed partnership; as well as key representatives of civil society. In the months leading to Biarritz, they worked together with the aim of forming coalitions around projects and producing solutions to combat all forms of inequality.

To illustrate their commitment to sustainable development, the French have also obtained [ISO 20121 certification](#) for the Biarritz Summit and some G7 ministerial meetings, in order to show its strong commitment to sustainable development, and created an ‘Equality at a Major Event’ label.



What does Canada want from Biarritz?

Biarritz will be Prime Minister Trudeau's fourth G7 meeting. Many of the issues that he raised as host of last year's Charlevoix summit will be on the agenda at Biarritz, notably gender equality, combatting the climate crisis, and defending the rules-based international order.

The PMO [news release](#) says that Mr. Trudeau will also promote "open trade and investment, call for stronger and more decisive action to combat violent extremism in all its forms, including online, and underline the need to take decisive, collective action to combat the climate crisis and protect our world's oceans."

Mr. Trudeau will also meet with the attending African leaders to discuss ways to combat global inequality, encourage stability, and promote development across Africa, in particular in the Sahel region.

Former prime minister Pierre Trudeau hosted Canada's first G7 summit in 1981 at Montebello, QC, and, since then, we have hosted summits in Toronto, ON (1988, Brian Mulroney), Halifax, NS (1995, Jean Chrétien), Kananaskis, AB (2002, Jean Chrétien), Huntsville, ON (2010, Stephen Harper), and Charlevoix, QC (2018, Justin Trudeau).



Figure 1: The flag of each Group of Seven (G7) country.



What About Deliverables from Biarritz?

Deliverables come in two parts. There are the useful initiatives, like the ongoing work on gender. Then there are the top-table agreements on critical issues, hammered out in their face-to-face, formal and informal discussions. The extent and number of these commitments is their test at Biarritz. Can they find consensus and translate that into a shared communiqué?

The recent [joint statement](#) on Hong Kong by the Canadian and EU foreign ministers calling for restraint, engagement, and preservation of fundamental freedoms is fine, but the G7 leaders need to keep the focus on Hong Kong and warn the Chinese against rash action.

Do We Really Need a G7?

Yes. The rules-based liberal international order and multilateral co-operation are under protectionist and populist pressures, both from within and without. The G7 summit is the top table where the leaders of the major liberal democracies visibly demonstrate (or not) their ability to collectively manage the geopolitical pressure points and the growing socioeconomic consequences of globalization. Winston Churchill, who popularized the word “summitry”, observed that “jaw-jaw” among leaders is better than “war-war,” and, with trade conflicts on the rise within the G7 partnership, the heads of state need to talk. For over forty years, frank discussions and informality have characterized the G7 summits.

It is easy to be cynical about these summits, but as the French point out in their summit document, the G7 can point to [achievements](#):

If diseases are losing ground, it is (in part) thanks to the action of [the Global Fund to Fight AIDS, Tuberculosis and Malaria](#). If maternal and infant mortality is down, it is (in part) thanks to [the Muskoka programme](#). If we are fighting climate change, it is (in part) through the implementation of the [Paris Climate Agreement](#). If women’s rights are progressing worldwide, it is (in part) thanks to the commitment to girls’ education in Africa.

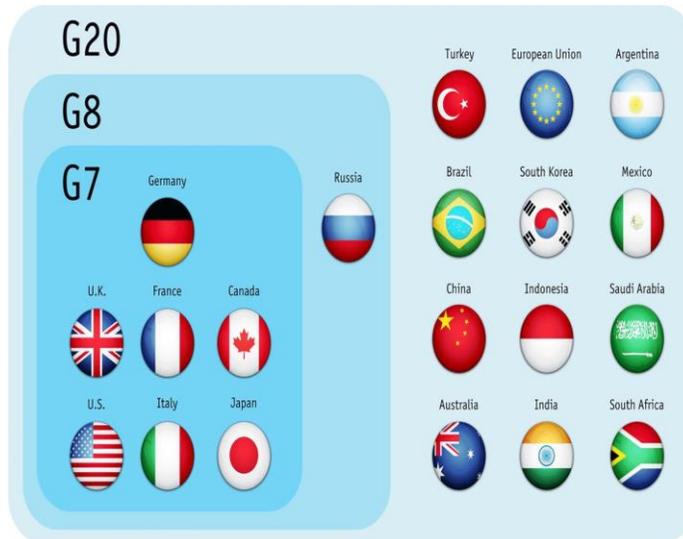


Figure 2: A graphic outlining how individual countries break into the G7, G8, and G20. (Source: Foreign Policy in Focus/Bloomberg)

The UN Security Council and the G20 are the other top table leaders' forum and they complement the work of the G7. The Security Council's permanent members – Russia, China, France, Britain, and the United States – represent the world of 1945 and the early Cold War. As we witness over Syria, North Korea, and other recent crises, getting the Security Council to act constructively is very difficult. Reforming the Security Council is an exercise in futility. The G20, founded in 1999 with strong Canadian encouragements, includes the G7 members – Canada, the United States,

Japan, France, Germany, Italy and the United Kingdom – as well as Argentina, Australia, Brazil, China, India, Indonesia, Mexico, Russia, Saudi Arabia, South Africa, South Korea, and Turkey. With two-thirds of the world's population, their economies account for approximately 80 per cent of world trade and global production.

Like the G20, much of the G7's value is in its process – i.e., in the meetings of Sherpas and ministers throughout the year, and the working groups examining issues like gender, climate, youth employment, health, food safety, development, energy, environmental protection, non-proliferation, and support for the UN's peacekeeping and peace-consolidating operations.

More people may work on the draft of the final communiqué than will read it, but the process of getting there is what really matters. The ongoing meetings between the leaders' Sherpas and relevant ministers keep the dialogue going. They are supported by their discussions with businesses, civil society, and think tanks. Canada's former Sherpa and now senator Peter Boehm – in essence a G7 veteran – captured it best when he said:

The G7 is a collective, it's not a global government. Yes, we're going to have differences – we wouldn't be having these meetings if we were all agreed on everything ... The leaders are really only together for about [48 hours](#), so are we going to solve all the problems in the world? No. Can they have a good discussion and push things forward? Yes. Can they convince some of the more recalcitrant leaders that maybe they should be a bit more open-minded? There's a good possibility of that too.



Multilateralism needs constant reinvigoration. President Macron's efforts are to be applauded and then need to be assessed for future application. In their recent paper [*International Cooperation: Is the Multilateral System Helping?*](#) (CIGI, June 2019), David Malone and Rohinton Medhora conclude:

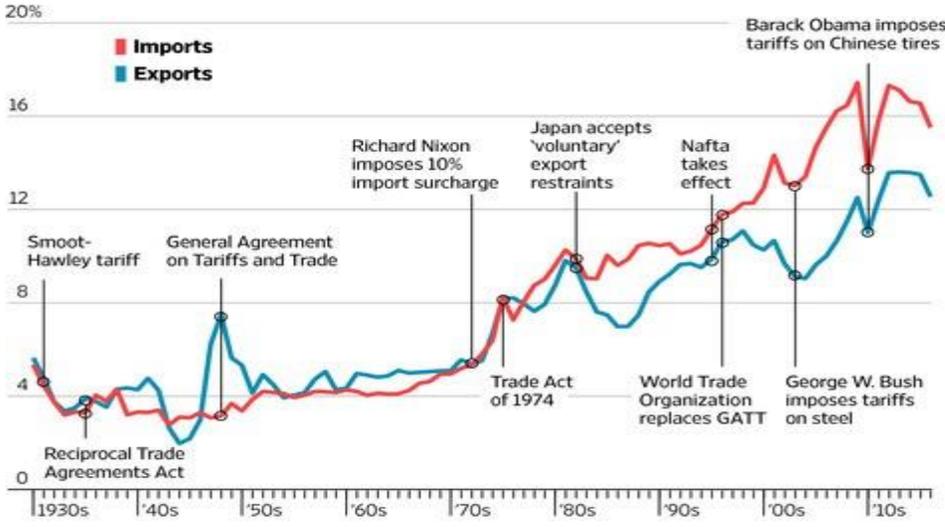
What can be asserted with some confidence, however, is that given the complexity and interconnected nature of economic and social policies and programs today, across the globe, and the greater risks of disaster on a global scale, due to climate change, nuclear proliferation, weapon miniaturization, terrorism and global pandemic risks, and much else, international cooperation will remain vital if the worst is to be avoided.



Presidents, Protectionism and Free Trade

Since 1930, Congress has delegated ever more authority over trade to the president. In recent years, the U.S., like many other major economies, has undertaken numerous steps to punish imports or favor U.S. products.

U.S. trade as a percentage of GDP



Number of discriminatory measures implemented Nov. 2008–Oct. 2015

India	504
Russia	478
U.S.	377
Argentina	344
Brazil	281
Germany	224
China	222
Indonesia	213
U.K.	213
France	201
Italy	197
Turkey	157
Japan	144
Canada	108
South Africa	106
Australia	101
Mexico	83
South Korea	79
Saudi Arabia	18

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Figure 3: Graphs displaying the growth of U.S. trade as a percentage of GDP, and global protectionist measures.

Further Reading and Listening:

The [French G7 site](#) contains much useful background. The best Canadian source for G7/8 documentation, with a chronology of past summits, is the University of Toronto's [G7 Information Centre](#) managed by John Kirton.



► About the Author

Colin Robertson is Vice-President and Fellow at the Canadian Global Affairs Institute and host of its weekly podcast [The Global Exchange](#). A member of the NAFTA Advisory Council to the Deputy Minister of International Trade, and a former Canadian diplomat and member of the teams that negotiated the Canada-U.S. FTA and NAFTA. He is also an Executive Fellow at the University of Calgary's School of Public Policy, a Distinguished Senior Fellow at the Norman Paterson School of International Affairs at Carleton University, a member of the advisory councils of the Conference of Defence Associations Institute and the North American Research Partnership and participant in the North American Forum. He is a past president of the National Capital Branch of the Canadian International Council. He is an honorary Captain (Royal Canadian Navy) assigned to the Strategic Communications Directorate. He writes a regular column on international affairs for the *Globe and Mail* and he is a regular contributor to other media.

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