

A Primer to the G7 Summit in Carbis Bay June 11-13, 2021

by Colin Robertson
June 2021

POLICY PERSPECTIVE

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he leaders of the advanced economies and leading democracies will meet this coming weekend at the Carbis Bay Hotel in Carbis Bay, a tiny Cornish seaside village in Britain's most southerly county. While the issues change, since its creation in 1975 in the wake of the oil shock crisis, the G7 leaders have had two overriding priorities: strengthening the global economy and bolstering the rules-based order. With their economies accounting for over two-fifths of global GDP, when they act collectively their decisions make a difference.

Top of this year's agenda is dealing with the pandemic and post-pandemic recovery. Host and chair of this year's summit, British Prime Minister Boris Johnson is imploring his fellow leaders saying: "The world is looking to us to rise to the <u>greatest challenge of the post-war era</u> – defeating COVID and leading a global recovery driven by our shared values. Vaccinating the world by the end of next year would be the single greatest feat in medical history."

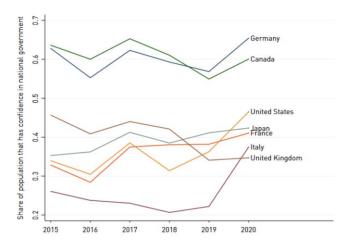
Climate change, looking to the COP Glasgow conference in November, also gets top billing. Leaders will also discuss the rules -based order and how to deal with an increasingly aggressive China and Russia.

After four years of a disruptive Donald Trump, the other leaders will also be assessing whether Joe Biden's presidency means that the U.S. is really 'back' and ready to lead the democracies. The <u>Trump experience</u> showed that the democracies drift without American leadership. Despite efforts, especially by the Germans and French in creating the <u>Alliance for Multilateralism</u>, there is really no plausible alternative to U.S. leadership, especially when it comes to security.

The leaders met virtually in February when Johnson, convened them on the pandemic. They agreed to "build back better for all" – the theme of this year's conference - through addressing climate change and the reversal of biodiversity loss, and committing to "levelling up our economies so that no geographic region or person, irrespective of gender or ethnicity, is left behind." They also committed to champion "open economies and societies; promote global economic resilience; harness the digital economy with data free flow with trust; cooperate on a modernised, freer and fairer rules-based multilateral trading system that reflects our values and delivers balanced growth with a reformed World Trade Organization (WHO) at its centre; and, strive to reach a consensus-based solution on international taxation by mid-2021 within the framework of the OECD."

For the meeting at Carbis Bay, Johnson has set a high bar declaring that "as the <u>most prominent grouping of democratic countries</u>, the G7 has long been the catalyst for decisive international action to tackle the greatest challenges we face." Johnson has invited the leaders of <u>India, Australia, South Korea</u> and <u>South Africa</u> to Carbis Bay. Together, the 11 leaders represent almost two-thirds of the people living in democracies around the world.

Figure 4. Confidence in national government over the past 5 years



The pandemic has created greater confidence in governments. Can the G7 leaders come to a consensus on climate, energy, protectionism, populism and extremism?

Success at Carbis Bay will be measured not just by an assessment of their camaraderie - who can forget Angela Merkel staring down Donald Trump at Charlevoix - or their communique, without Trump there will be one, but by their actions and follow-up.

Note: Confidence in national government reflects the share of the people who reported to have confidence in the national government of their country. Source: Gallup World Poll

Source: Brookings

The G7 In-Basket

Prime Minister Boris Johnson wants to 'build back better' from the pandemic by:

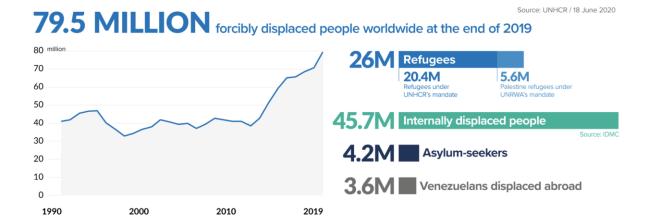
- leading the <u>global recovery from coronavirus</u> while strengthening our resilience against future pandemics
- promoting our future prosperity by championing <u>free and fair trade</u>
- tackling <u>climate change</u> and preserving the planet's biodiversity
- championing our shared values

The G7 leaders meet against a challenging backdrop. In a signed <u>statement</u> to the G7 titled "Our Planet, Our Future: An Urgent Call to Action", 126 Nobel laureates called last week on the leaders to commit to "a new relationship with the planet" recognizing that this decade will be 'decisive' in determining whether the Earth remains habitable. Addressing future zoonotic diseases requires a 'one health' approach to global wellbeing recognizing the intimate connections between human health and the health of other animals and the environment." The laureates' "inescapable conclusion" is that "inequality and global sustainability challenges are deeply linked. Reducing inequality will positively impact collective decision-making."

In its analysis the <u>IMF says</u> the strength of the recovery from the pandemic will vary significantly across countries, depending on access to medical interventions, effectiveness of policy and structural support and exposure to cross-country spillovers. Multilateral and national policy actions will be vital to ensure vaccines are globally available and then to place global growth on a stronger footing.

Amid exceptional uncertainty, the <u>IMF projects</u> global economic growth at 5.5 per cent in 2021 and 4.2 per cent in 2022. The pandemic's impact on the world's poor has been brutal, pushing an estimated <u>100 million people into extreme poverty in 2020 alone</u>. The <u>UN warns</u> that in some regions poverty could rise to levels not seen in 30 years. Derailing progress towards basic development goals, low-income developing countries must now balance emergency relief against longer-term investments in health, education, physical infrastructure, and other essential needs.

The geo-political problems come in four parts. First, there is the growing systemic challenge that China, Russia and the other authoritarian disruptors – North Korea, Turkey, Saudi Arabia – pose to the rules-based system. Second, the democracies are dealing domestically with social inequities that are exacerbated by populism, extremism and disinformation.

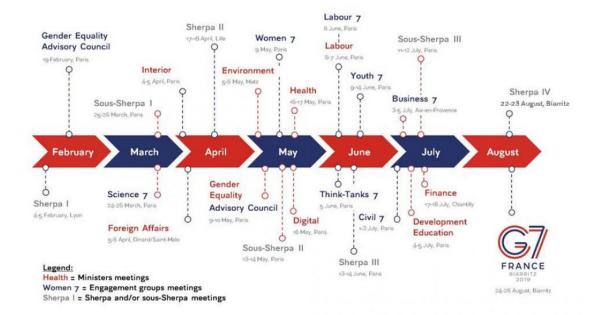


Third, there are the problems, new and old. The emerging political problems – cyber-intrusion and ransomware (Russia), hostage-taking (China), air piracy (Belarus) require action. The ongoing trans-national challenges like organized crime trafficking in people, drugs, guns and the ongoing effort to contain weapons of mass destruction be they chemical, biological or nuclear get ongoing attention but no one expects they will go away. It's the same with the chronic issues. Many, like Israel and Palestine, pre-date the G7. The forced movement of people is another. The United Nations High Commissioner for Refugees (UNHCR) estimates that someone is forcibly displaced every two seconds with 79.5 million people forced from their homes. Among them are 26 million refugees, over half of whom are under the age of 18. Their movement strains EU unity and polarizes Americans. The most the leaders can hope to achieve is to prevent their chronic condition from exploding into violence and chaos.

The Road to Carbis Bay

The leaders' summit is the culmination of a year-long process of meetings including seven ministerial tracks: foreign, finance, transport, development, education, health and environment. A comparison to an iceberg is apt: if the summit is the tip and most visible piece of the G7 process, this coordinated process involving ministers and officials lies mostly beneath the surface of public

attention but it is vitally important. The chart below – produced by the French for the 2019 Biarritz summit – illustrates this process that also includes the sessions involving the Gender Equality Advisory Council and the G7 engagement groups: Business7, Civil7, ThinkThank7, Labour7, Science7, Women7 and Youth7.



These ministerial sessions and civil society discussions may not get a lot of media attention, but they build the necessary consensus for actions and decisions outlined in the final communique. Sometimes it is just a matter of moving an issue forward as with the ministers' May statement on corruption, a longstanding concern. It's also about trying to figure out solutions to new problems. For example, transport ministers met in early May to plan for a safe return to international travel which could include some form of uniform vaccine certificate.

The collective action by Foreign Ministers through joint statements is noteworthy, especially as they have also included sanctions applied in tandem. In recent months the foreign ministers have issued statements on the arrest and detention of Alexey Navalny, condemning the coup in Myanmar, and subsequent violence, on electoral changes in Hong Kong, on Ukraine, on Tigray, Ethiopia, and Belarus. At their May meeting with Development Ministers, the Foreign Ministers issued an 87-paragraph communique with a series of separate statements on equitable access, girls' education, defending democracy from foreign threats, and famine prevention that was longer than many leaders' communiques.

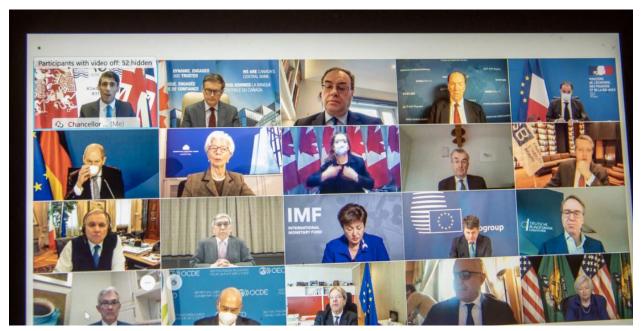
In April, the G7 Non-Proliferation Directors Group met and their <u>statement</u> put the spotlight on the nuclear threat posed by North Korea and Iran and committed to uphold the global norm against the use of chemical weapons and to countering illegal intangible technology transfer, preventing the illicit transfers and destabilising accumulation of conventional weapons, and



countering proliferation financing, threats in space, the threat of non-state actors acquiring nuclear and radioactive materials and the threat of disease being used as a weapon.

At their May meeting, Health ministers released the <u>Carbis Bay Progress Report: Advancing Universal Health Coverage and Global Health Through Strengthening Health Systems, Preparedness and Resilience and at their June meeting <u>pledged</u> to focus on global health security, antimicrobial resistance, clinical trials and digital health and to build a pandemic-proof <u>global health system</u> to counter future threats.</u>

Environment ministers met in May, <u>committing</u> to deliver climate targets in line with limiting the rise in global temperatures to 1.5C, phase out new direct government support for international fossil fuels and to protect land and ocean to bend the curve of biodiversity loss by 2030. The G7 countries will end all new finance for coal power by the end of 2021, while at the same time supporting clean energy alternatives like solar and wind.



Finance Ministers and heads of international financial institutions virtual meeting, May 2021. Source: <u>UK Government</u>

At their meetings in May and <u>June</u>, Finance Ministers and Central Bank Governors proposed imposing a minimum 15 per cent tax on the profits of big international tech companies. The goal is to <u>prevent big corporations</u> - Google, Apple and Amazon - from shifting their vast profits to tax havens. They also agreed to <u>beneficial ownership registers</u> to combat <u>money-laundering and corruption</u>. The <u>U.S. Congress passed the Corporate Transparency Act</u>, aimed at the creation of a federal register of company owners in the country. <u>Canada announced plans</u> to establish a public register in the recent budget.

In April G7 digital and technology ministers met and <u>agreed</u> to a roadmap for cooperation on data free flow with trust and frameworks for G7 collaboration on digital technical standards and electronic transferable records.



At their May meeting <u>transport ministers</u> committed to a <u>common set of principles</u> to guide the resumption of international travel that would include a coordinated approach for testing and a common platform for recognizing the vaccinated status of travellers.

At their May meeting Trade ministers "recalling the G7 Leaders' Statement at Charlevoix in 2018" reaffirmed their commitment to "open markets and a global trading system that should not be undermined by unfair trade." In a veiled shot at China, ministers expressed concern over "harmful industrial subsidies, including those that lead to severe excess capacity, a lack of transparency regarding the state's role in the economy and the role of state enterprises in unfair subsidisation, and forced technology transfer." At their March meeting Trade ministers committed to free and fair trade, open digital markets and to modernizing the trade system to ensure it is environmentally sustainable, empowers women, supports trade in health products and supply chain resilience.

What About Deliverables from Carbis Bay?

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 – their personal representatives – and relevant ministers keep the dialogue going. They are supported by their discussions with business, civil society and think tanks.

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 Carbis Bay. Can they find consensus in a shared communiqué that they then translate into legislative and regulatory actions?

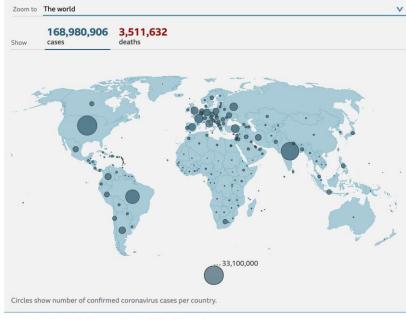
A favorable verdict on Carbis Bay will hinge on three big issues – COVID recovery; climate; China and the rules-based order.

COVID Recovery

At the top of his <u>ten priorities for 2021</u>, UN Secretary-General António Guterres put responding to COVID-19. The global landscape of the pandemic looks different among countries and even communities given the many variables at play — demographics, public funding, and international aid.

Getting Everyone Jabbed

According to the World Health Organization the pandemic has claimed nearly 3.5 million lives. Several coronavirus vaccines have been approved for use but as this map demonstrates global vaccinations have a long way to go. Some countries, including Canada and the U.S., have secured more vaccine doses than their populations need. Most lower-income countries relying on COVAX, a global plan supported by Canada designed to ensure that everyone in the world has access to a vaccine. Earlier this month Japan hosted the virtual Gavi COVAX Advance



Source: Johns Hopkins University, national public health agencies Figures last updated 28 May 2021, 11:02 BST

Market Commitment (AMC) summit aimed at accelerating access to 1.8 billion COVID-19 vaccine doses for lower-income economies via the <u>Gavi COVAX Advance Market Commitment</u> by raising an additional US\$ 2 billion from donors and the private sector, in addition to US\$ 6.3 billion already raised before the campaign was launched at the <u>"One World Protected"</u> event in April.

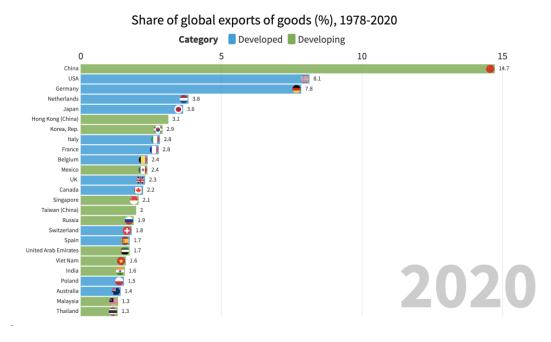
The COVAX programme needs vaccines. The Serum Institute of India, the largest single supplier to the COVAX scheme, has made none of its planned shipments since exports were suspended in March to address the pandemic crisis in India. Developing nations led by India and South Africa proposed to the WTO that the patents on vaccinations and other COVID-related items should be waived and while the U.S. has now agreed the EU and UK have not. If this is not formally addressed, it will be the subject of corridor discussion at Carbis Bay.

Building Back Better

'Building back better' has got to be more than just a bumper sticker. Global trade between 1979-2020 grew from 36 to 60 percent of global GDP. After having fallen 5.3 per cent in 2020, the WTO estimates that the volume of world merchandise trade will increase by 8.0 per cent in 2021.

Trade has played a huge role in the vaccine development and the commitment to restoring global trade is important. As the WTO noted, one of the leading COVID-19 vaccines included <u>280 components sourced from 19 different countries</u>. In calling for a trade reboot. The new WTO Director-General Ngozi Okonjo-Iweala <u>stated recently</u>, "the biggest economic stimulus for developing countries is access to COVID vaccines."

The recent <u>Global State of Small Business Report</u> from Facebook reports that of more than 35,000 small business leaders surveyed across 27 countries, almost a quarter reported their businesses were closed. Especially hard hit were women and minorities. The <u>International Trade Centre's (ITC) findings</u> also demonstrates that the smaller the firm, the more negative impact of the pandemic.



Source: UNCTAD

Corporate Tax and the Digital Economy

As Britain's Chancellor of the Exchequer Rishi Sunak put it: "we cannot continue to rely on a tax system that was largely designed in the 1920s." The United States wants an end to the digital services taxes which Britain, France and Italy have levied, and which it considers unfairly target U.S. tech giants like Amazon. G7 Finance ministers agreed (June 5) to a minimum global corporate tax rate of at least 15 per cent, designed as Chancellor Sunak put it "to reform the global tax system to make it fit for the global digital age." Agreement at Carbis Bay would give the proposal momentum for October's G20 summit in Rome.

We live in a digital world but lack agreed standards on data governance. With more than 2.5 quintillion bytes of new data created every day, the global economy is increasingly driven by data, yet there are few globally accepted rules on the collection, processing, and sharing of data. Is it time for an international institution to oversee the digital revolution, as the International Monetary Fund does for global payments, the World Bank for development, the WHO for trade and the International Energy Association aims to do for energy?



Debt relief

External debt repayments from low-income countries are forecast to reach between \$2.6 and \$3.4 trillion next year. The looming debt crisis in the global South is set to become a debt catastrophe. Calling for more ambitious debt relief for poorer countries including private creditors are both World Bank president David Malpass, and IMF Managing Director Kristalina Georgieva. Georgieva noted ahead of the April 2021 IMF/World Bank Annual Meetings: "The global economy is on firmer footing as millions of people benefit from vaccines. But while the recovery is underway, too many countries are falling behind and economic inequality is worsening."

Climate

Can the G7 reach agreement on a collective approach as they prepare for the Glasgow COP summit in November? The UK and Italian governments, which are co-hosting COP26, have set <u>four goals</u> for the 2021 event:

- 1. Agreeing to a step change in commitments to emissions reduction
- 2. Strengthening adaptation to climate change impacts
- 3. Getting finance flowing for climate action
- 4. Enhancing international collaboration on energy transition, clean road transport and nature

COP26 is the latest Conference of the Parties (COP), the group of nations that forged the <u>UN Framework Convention on Climate Change (UNFCCC)</u> in 1992, committing them to collectively stabilize greenhouse gas concentrations "at a level that would prevent dangerous anthropogenic (human induced) interference with the climate system".

The U.S. recommitment to climate opens the door to meaningful action. Biden's executive order, <u>Tackling the Climate Crisis at Home and Abroad</u>, makes it an integral element of his foreign and security policy. The <u>European Climate Law</u> commits the EU to be climate neutral by 2050.

The recent <u>Peoples' Climate Vote</u>, the world's biggest ever survey of public opinion on climate change surveying 50 nations and 1.2 million people revealed that over half see climate change as a "global emergency" requiring action with regional breakdown as follows: Western Europe and North America (72%), Eastern Europe and Central Asia (65%), Arab States (64%), Latin America and Caribbean (63%), Asia and Pacific (63%), and Sub-Saharan Africa (61%).

In its recent report <u>Net Zero by 2050: a Roadmap for the Global Energy Sector</u>, the International Energy Association concluded that to get to net zero emissions by 2050 there must be an epic transformation concluding that "Climate pledges by governments to date – even if fully achieved – would fall well short of what is required." The report provides 400 steps to transform energy production, transportation and use. Fatih Birol, the IEA Executive Director observed that we need to see a "historic surge in clean energy investment...Moving the world onto that pathway requires

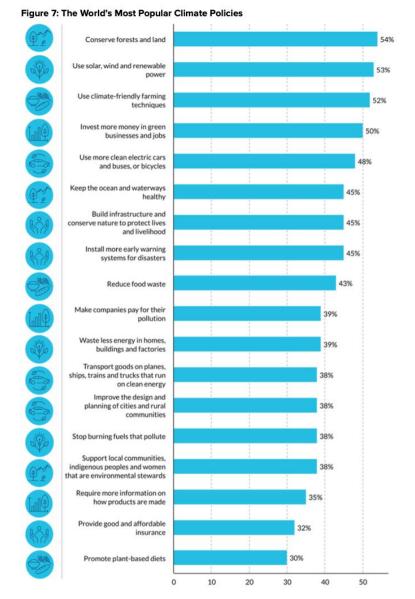


strong and credible policy actions from governments, underpinned by much greater international cooperation."

These are ideas pursued by UN special envoy on climate action and finance Mark Carney in his new book Values that draws on his 2020 Reith Lectures in which he argued that the shift from market economies to market societies helped spawn the crisis of credit, climate and COVID. For Carney a "strategy of relentlessly focusing on decarbonization across the while economy achieving commercial returns for investors" is doable, necessary and will generate <u>new prosperity</u>. customers, shareholders, and the courts weigh in over climate change, business now routinely factors environmental, social and corporate governance (ESG) into their investment calculations.

China and the liberal rulesbased order

Describing the challenge posed by China, Joe Biden said in his <u>first</u> <u>press conference</u>: "this is a battle between the utility of democracies in the twenty-first century and autocracies. We've got to prove



democracy works." From Xi Jinping's perspective the 'East is rising' and the West is in decline. With the United States riven by class, race and identity with its attendant violence, culture wars and political polarization, Xi is convinced that the tide of history is flowing in China's favour.

Joe Biden wants to limit Chinese capacity in high-tech areas like AI and robotics. To diversify and guarantee supply chains and to bring jobs back to North America will mean more decoupling from China. For their part, the Chinese have embraced 'dual circulation' meaning less dependence on foreign investment and exports in favour of domestic consumption and state-generated capital.



Can the G7 leaders unite to restore confidence in the open, rules-based system? The West is at risk of ceding its global economic leadership to a China that is more than ready to bring in its own authoritarian state capitalism practises to replace the market democracy designed by the West.

To meet the challenge posed by China will require joint resolve, reform of institutions and a recommitment to collective security and deterrence that also embraces space and cyber. It will oblige concerted financial and regulatory actions, catapulting technocratic processes to the forefront of national security. The new lexicon of national security now involves trade remedies and tax, export controls, accounting standards and investment screening, and sanctions.

It also means differently through, for example, a G7 backed '<u>Clean Green Initiative</u>' supporting sustainable development and the green transition in developing countries. It would be the West's alternative to China's trillion-dollar Belt and Road initiative that already has projects in over 100 countries.

There will also be discussion of other authoritarian states. Their view of Russia's "negative pattern of <u>irresponsible and destabilising behaviour</u>", as the foreign minister's May communique termed it, will set the tone for the NATO summit the following Monday in Brussels. Leaders will want President Biden's perspective on his June 16 <u>Geneva meeting</u> with President Vladimir Putin.

Canada and the G7

Carbis Bay will be <u>Prime Minister Trudeau's</u> fifth G7 summit, and from Carbis Bay he will go to Brussels for the NATO summit (June 14) and then the Canada-EU summit (June 15) before returning to Canada to quarantine. After Chancellor Angela Merkel, who steps down this fall, Trudeau is the longest serving member of the G7 leaders' club.

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

Justin Trudeau hosted the 2018 Charlevoix G7 summit where he put the emphasis on gender equality and the empowerment of women, combating the climate crisis, ridding the oceans of plastic, and defending the rules-based international order.

These themes remain on the G7 agenda. Trudeau will continue to press for action. A good example is the <u>Gender Equality Advisory Council</u>, established at <u>Charlevoix</u>. Its work is incremental but continuous like the G7 itself. Another example, is the <u>Oceans Plastics Charter</u>, also discussed at Charlevoix that continues to expand its signatories to global partners like IKEA and Walmart.

Who and What is the G7?

The G7 is the forum through which the leaders of the big liberal democracies talk about their common problems and how, collectively, they can if not fix things at least keep the lid on. The G7 is not an institution, it has no bureaucracy. Hosting passes from nation to nation and the host leader sets the agenda for their year setting in train an ongoing process of top-level meetings by ministers and senior officials culminating in the summit. The summit is a gathering for the leaders to meet in relatively informal and intimate settings to inject dynamism and drive into the pressing issues of our time.

The G7 current leaders are:

- Canada Prime Minister Justin Trudeau
- France President Emmanuel Macron
- Germany Chancellor Angela Merkel
- Italy Prime Minister Mario Draghi
- Japan Prime Minister Yoshihide Suga
- United Kingdom Prime Minister Boris Johnson
- United States President Joe Biden





Also invited:

- Australia Prime Minister Scott Morrison
- European Union Commission President Ursula von der Leyen and Council President Charles Michel
- India Prime Minister Narendra Modi
- South Korea President Moon Jae-In
- South Africa President Cyril Ramaphosa



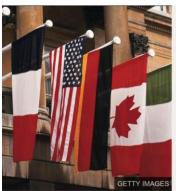
Collectively, the G7 represent 40 per cent of global GDP and 10 per cent of the world's population. The G7 provides over 75 per cent of global development and humanitarian assistance. Through their membership in NATO, the European and North American G7 members provide the backbone of collective security and humanitarian relief. While not a NATO member, Japan is strengthening relations with the Alliance.

The G7 came into being in the wake of the 1973 OPEC oil crisis and the appreciation by then-U.S. secretary of the Treasury George Shultz and former president Richard Nixon that the leading democratic powers needed a forum at which their leaders could meet in sustained but informal discussion over a couple of days. Russia was a member from 1997-2014 but Vladimir Putin was disinvited after the Russian invasion of Crimea and Ukraine.



Do We Need a G7?

At this, their 47th summit, it is easy to be cynical about the G7 and to regard it as <u>"an artifact of a bygone era"</u>. With no members from Africa, Latin America or the southern hemisphere it also faces a challenge from fast-growing emerging economies, like India and Brazil that may <u>will outstrip some of the G7 nations</u> by 2050.



7 member countries
7 member countries
1975 first meeting of the group of six
40% of global GDP
1/10 of world's population
2014 Russia suspended over annexation of Crimea
Source: BBC research

But in turbulent times, there is real value in leaders of the world's largest advanced democracies, who share the values of freedom, democracy, the rule of law, and human rights, getting together to discuss shared concerns. As Canada's long-time Sherpa, and now senator, Peter Boehm, observed: "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 openminded? There's a good possibility of that too."

When the French hosted the Biarritz summit, they identified these G7 <u>achievements</u>:

If diseases are losing ground, it is (in part) thanks to the action of the <u>Global Fund</u> to <u>Fight AIDS</u>, <u>Tuberculosis and Malaria</u> saving <u>27 million lives</u>. If maternal and infant mortality is down, it is (in part) thanks to the <u>Muskoka programme</u>. If we are fighting climate change, it is (in part) through the implementation of the <u>Paris Climate Agreement</u>. If women's rights are progressing worldwide, it is (in part) thanks to the commitment to girls' education in Africa.

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 socio-economic 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 they need to talk. Frank discussions and informality characterize the G7 summits.

Costs for G7 summits run into the hundreds of millions of dollars but we need to look at the price as an insurance premium for democratic wellbeing. Most of it is for security (there will be more than 5500 police at Carbis Bay) but, again, the right to demonstration is integral to democracy.

The UN Security Council and the G20 are the other top-table global management forum. 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 Myanmar, Syria, North Korea and other recent getting the Security crises. Council to act constructively is very difficult. Reforming the Security Council is an exercise in futility.



Figure 1: A graphic outlining how individual countries break into the G7, G8, and G20. (Source: Foreign Policy in Focus/Bloomberg)

The G20, founded in 1999 through <u>Canadian and U.S. leadership</u>, 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 – the meetings of Sherpas and ministers throughout the year and the working groups examining issues like climate, energy, health and disease, non-proliferation, development, food safety, gender, empowerment of women and minorities and support for the UN's peacekeeping and peace-consolidating operations.

Multilateralism needs constant reinvigoration and through its multiple ministerial tracks, the annual G7 process does this. In a <u>report</u> (2019) for the Center for Innovative Governance Institutions, David Malone and Rohinton Medhora observed:

"What can be asserted with some confidence...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."

Further References:

The <u>UK G7 site</u> contains much useful background. The best Canadian source for G7/8 documentation, with a chronology of past summits, is the University of Toronto's <u>G7 Information Centre</u>. Listen to a <u>Global Exchange podcast</u> discussion with former Canadian Sherpas Peter Boehm, Jonathan Fried and Peter Harder.

▶ About the Author

A former Canadian diplomat, **Colin Robertson** is Vice-President and Fellow at the <u>Canadian</u> Global Affairs Institute and hosts its regular Global Exchange podcast. He is an Executive Fellow at the University of Calgary's <u>School of Public Policy</u> and a Distinguished Senior Fellow at the Norman Paterson School of International Affairs at Carleton University. A member of the Department of National Defence's Defence Advisory Board, Robertson is an honorary captain (Royal Canadian Navy) assigned to the Strategic Communications Directorate. Robertson sits on the advisory councils of the Alphen Group, Johnson-Shoyama School of Public Policy, North American Research Partnership, the Sir Winston Churchill Society of Ottawa and the <u>Conference of Defence Associations Institute.</u> During his foreign service career, he served as first head of the Advocacy Secretariat and minister at the Canadian embassy in Washington, consul general in Los Angeles, as consul in Hong Kong, and in New York at the UN and Consulate General. A member of the teams that negotiated the Canada-U.S. FTA and then NAFTA, he is a member of the Deputy Minister of International Trade's Trade Advisory Council and the North American Forum. He writes on foreign affairs for the Globe and Mail and he is a frequent contributor to other media. The Hill Times has named him as one of those who influence Canadian foreign policy.

Canadian Global Affairs Institute

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The Institute was created to bridge the gap between what Canadians need to know about Canadian international activities and what they do know. Historically Canadians have tended to look abroad out of a search for markets because Canada depends heavily on foreign trade. In the modern post-Cold War world, however, global security and stability have become the bedrocks of global commerce and the free movement of people, goods and ideas across international boundaries. Canada has striven to open the world since the 1930s and was a driving factor behind the adoption of the main structures which underpin globalization such as the International Monetary Fund, the World Bank, the World Trade Organization and emerging free trade networks connecting dozens of international economies. The Canadian Global Affairs Institute recognizes Canada's contribution to a globalized world and aims to inform Canadians about Canada's role in that process and the connection between globalization and security.

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