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Book Review: The Group of Twenty (G20)

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concept insofar as it evades the use of hard power resources. The whole idea of soft power is a battle in the realm of ideas which is to be won by persuasion and attraction. The problematique for Nye is to make American values being loved and venerated by the rest of the world. In simple terms, it is an effort to establish the hegemony of USA using its ideational resources. However, what Nye completely misses in his narrative is the problem that such ideological domination may also lead to naked exploitation. Nye, therefore, is not very sensitive to the issue of end results of soft power but only with its aggrandisement.

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Cooper, Andrew F. and Thakur, Ramesh, *The Group of Twenty (G20)* (New York: Routledge, 2012). Pp. 200, Price US\$28.

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The Group of Twenty (G20) is the most crucial international institution of our times, which has been clouded by global economic crisis and gloom since 2008. From a basement existence as a low-profile gathering of finance ministers and central bank governors of major economies, it has grown into a hub for high political leadership to govern planetary economics. So pivotal is the world leaders' level G20 for the future of the international system that the value of a full-length book on it cannot be overemphasised.

Forming a scholarly judgement about a recently revamped multilateral institution which is still evolving is no mean task. But two academic specialists with real-world experience of international organisations—Andrew Cooper of the University of Waterloo and Ramesh Thakur of the Australian National University—have done just that in a concise but densely argumentative new book on the

G20 as the kernel of global governance. It is both a primer into the history and current trajectory of the G20 as well as a spirited defence of its relevance in a world where trans-border problems are multiplying but effective international institutions to tackle them are scarce.

The G20 has captured international attention in a period where all the old formal intergovernmental organisations at the apex of global governance have been found wanting in legitimacy and responsiveness. Charges of elitism and obsolescence stick to the UN Security Council, the International Monetary Fund (IMF), the World Bank and the World Trade Organization (WTO), particularly on the basis of their failure to be fair and inclusive towards the Global South. Cooper and Thakur juxtapose these bureaucratized institutions with a flexible, pragmatic and hybrid G20 that has a 'potential to bridge the North-South international divide' (p. 3).

The G20's loose structure and informal meeting style, coupled with ideological plurality among its member states, convey hopes of soothing key fault lines in world affairs. While the US does exercise some diplomatic convening and selection power in the G20, the authors show that this unique institution rests on 'many shoulders' (p. 14) and distributes functions with 'a sense of equality' (p. 77) among its core member states. In the absence of a typical 'Big 3, 4 or 5' who are in the driver's seat, the G20 allows even second-tier middle powers like South Korea, Indonesia and Australia to exert influence. Fragmented power and the absence of a single hegemonic steward give a feeling of ownership in the G20, unlike say the WTO, where the 'quads' of big players have always generated resentment among weaker member states.

Cooper and Thakur praise the innovative institutional design of the G20 and compliment the air of improvisation and candour that surrounds its summit meetings. They do acknowledge criticism of the G20 as another self-selected club of major economies that exclude the 'G-173' (all the other members of the UN), but insist that a broader outreach process that networks the G20 with the rest is a better remedy than expanding membership into an unmanageable size. A group size of 20 is indeed optimal from the standpoint of inclusiveness and efficacy.

Despite lacking ideological clarity or unanimity, the G20 is portrayed by the authors as a body that counters the neoliberal model of rising corporate power over governance. The G20 phrases like 'shaping globalisation in the interests of society' and 'Development Consensus' are indeed evidence of post-Washington Consensus moorings for the global economy.

Yet, the G20 is itself a liberal status quo preserver because it is saving a shaken capitalist world order by humanising or softening its rough edges that have badly hurt ordinary people since the Wall Street crash of 2008. The authors' depiction of the G20 as a preventative against a 'risk that anti-system or anti-globalisation forces would be ascendant' (p. 30) shows that more radical ideas (for example, breaking up big banks and subjecting them to strict social supervision) have no takers in its portals. While Cooper and Thakur celebrate the G20's 'transformative reform' mission (p. 135), their liberal institutionalist lenses block imagining a G20 that promotes a world economy which reverses the presently unequal exchanges and unjust division of labour and resources.

In the factual narrative of the G20 summits, the authors credit the G20 for passing the initial tests of coordinating macroeconomic stimulus measures and avoiding a descent into trade protectionism after the global economic crisis began in 2008. But regulating the transnational financial oligarchy has been a Sisyphean ordeal for the G20. Institutions like the Basel Committee on Banking Supervision, which receives delegated authority from the G20 to implement financial regulatory standards, are prone to caving in into pressures of well-heeled financial lobbyists.

Cooper and Thakur describe how the G20 is an informal congregator of high level political leaders, who pass on the nitty-gritty of their lofty principles to subsidiary institutions for actual implementation. But what if these ancillaries are captured by the same interest groups which caused the economic crash? Can the G20 develop the sagacity and means to not only hold its own member states to their commitments but also erode the privileged class bias in fellow international institutions like the IMF, which are now working under the G20's overall political direction?

The authors correctly identify a drift into narrow self-interested behaviour of G20 members as a major obstacle to consensus and reform. However, what is missing in this book is an analysis as to why long economic depressions create what Ian Bremmer calls a world where 'every nation is for itself' (Bremmer 2012) and no state wants to work for the larger welfare of the international community. Has the G20 evolved a new norm of collective selflessness to overcome the domestic constraints which are impinging on consensus and stymieing the institution? Is the spirit of global governance alive and kicking or passé? If it is the latter, then how can the G20 revive it? Such normative questions are left unaddressed in this book.

Cooper and Thakur urge emerging economies like India to take on rule-making and visionary leadership at the G20 instead of remaining 'reluctant followers of the rules made by the G7 club inside the G20 shell' (p. 132). They remind the reader that exemplary leadership by heads of governments of G20 member states is required to 'make globalisation work for people and not markets' (p. 128). This book can be interpreted as a mild call to the BRICS (Brazil, Russia, India, China and South Africa) and other rising powers to step up to the plate and fill the leadership vacuum that haunts the G20.

For systemic transformation of the international economic order, the G20 will need a new and steady supply of forward-thinking leaders. The institution also has to reflect the will of the world's people who are bearing the brunt of the economic depression. It is misleading to regurgitate statistics about the G20 nations representing two-thirds of the world's populations when the economic crisis has revealed serious flaws in the working of the basic social contract between governments and their people.

Cooper and Thakur stay at the 'global' level of analysis throughout the book and miss out on the interpenetration of local and international political phenomena which make the G20 so necessary and yet so frustrating. Just extending invitations to civil society organisations to be observers or participants at G20 summits is grossly inadequate to address the representation dilemma that bedevils all intergovernmental institutions, even the relatively legitimate ones like the G20.

The authors rightly defend the G20 for its great quality of breaking deadlocks along North–South and East–West lines, but what does this institution do to the even more fundamental struggle between aggrieved social movements and a rapacious transnational corporate elite, which is emerging as a global megatrend? The former US Vice President Al Gore argues that the struggle for humanity's future will be determined by a huge contest between the 'Global Mind' and 'Earth Inc' (Gore 2013), that is, by the push of multinational capitalism to expand limitlessly and the push-back of socially conscious citizens. Where does the state-centric G20 stand in this face off?

Despite leaving many crucial threads unexplored, this book fills a lacuna in the International Relations literature on a pivotal 'steering committee' of global economic governance. From the intricate diplomatic behind-the-scenes processes to the stellar roles of personalities like former Canadian Prime Minister Paul Martin, who was instrumental in germinating the idea of the G20, Cooper and Thakur cover a lot of ground in this volume. Students, scholars and practitioners of multilateral diplomacy

cannot afford to miss this first comprehensive take on the institution which came like a messiah when the global economy was desperate for a saviour in 2008.

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