

# Group of Twenty (G20)

*Reviewing membership conditions for the Group of  
Twenty*



## ***Research Report***

Leiden Model United Nations 2023

*“let us sing songs of freedom together”*



<b>Forum:</b>	<b>Group of Twenty (G20)</b>
<b>Issue:</b>	<b>Reviewing membership conditions for the G20</b>
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## Introduction

The Group of 20, commonly known as the G-20, is made up of the finance ministers and central bank governors of the European Union and 19 of the largest economies in the world, including several developing countries. The G-20, which was established in 1999, supports international trade, financial market regulation, and overall economic growth. It is one of the most important bodies of the United Nations, where great powers create alliances and focus on world issues. As the name suggests, however, the group is a small one with a high power in world affairs. As such, the membership requirements are also very strict, recruiting members via an invitation-only policy.

Although the G-20 is a forum rather than a legislative body, its actions and agreements do have an impact on national policies and international collaboration between its members and those involved. The economies of the G-20 nations account for more than 80% of the global gross domestic product (GDP), 75% of global trade, and 60% of global population. The G-20 leaders declared that their organization would take the place of the G-8 as the primary economic council of countries following their first leaders' conference in 2008. The key takeaways from the Group of 20 are summarized in the bullet points below:

- Major developed and developing economies are represented in the G-20, a preeminent platform on global financial issues.
- Although it is not a legislative body, its debates influence monetary policy in each of its member nations.
- Trade battles, food security, and cryptocurrencies have all recently been on the G-20 agenda.

## Definition of Key Terms

**Group of Twenty (G20):** The European Union (EU) and 19 other nations make up the Group of Twenty (G20), an international organization of large economies. Its main priorities are financial stability, policy coordination, and global economic cooperation.

Define key terms that help your delegates have a better understanding of the rest of the RR. Add as many terms as you find needed, but at least 3.

**Membership conditions:** The terms and conditions that determine whether a nation is qualified to join the G20 are known as membership conditions. These requirements often include an invitation-based system, economic importance, and regional representation. Remember that the G20 is an invitation-only party, and members must be considered by a separate council rather than opting to join.



**Global governance:** This key term describes how collaboration and coordination between nations and international organizations are used to manage and regulate international affairs and global concerns, but also how nations set global laws and regulations to continue greater cooperation.

**Economic significance:** A country's economic significance is measured on a worldwide scale and is frequently determined by variables like GDP, trade volume, FDIC, and economic stability.

**Regional balance:** The division of G20 participants among several geographical areas to provide diverse representation and prevent the concentration of power.

**Multilateralism:** the idea that many nations or international organizations should work together and reach agreements to conduct international interactions and address global concerns. This is a term similar to global governance, but it does not imply that certain nations must govern the world, rather work together to reach on agreements.

**Economic Policy Coordination:** The method by which G20 members coordinate their economic policies to solve shared issues, avert disputes, and advance world economic stability.

**Sustainable development:** this key term is defined as an all-encompassing strategy for economic growth and development that takes social, environmental, and economic considerations into account in order to guarantee long-term well-being without depleting resources or damaging the environment.

**Geopolitical influence:** : The degree of a nation's political and strategic influence, as well as its capacity to influence international affairs. In other words, how influential a country's current state of affairs are in regards to its geographical location. An example would be Brazil.

**Invitation-based system:** Typically based on consensus and mutual understanding, the invitation-based system is the process through which G20 members send invitations to additional nations or organizations to join the group.

**Policy dialogue:** The discussion of topics affecting the economy and finances among G20 members in order to promote mutual understanding and collaboration.

**Summit diplomacy:** Simply the practice of holding high-level talks, frequently with the participation of heads of state or government, to discuss and bargain over global issues, as witnessed at G20 summits.

**Debt relief:** refers to actions done by G20 nations to lessen the debt loads of severely indebted developing nations, especially during times of economic crisis.



## General Overview

The Group of Twenty (G20) is a key organization for international cooperation and multilateralism, giving its members a forum for policy discussion and the resolution of numerous urgent economic issues. Its establishment in 1999 was a reaction to the demands of the global financial system, displaying a dedication to the ideas of sustainable development and coordinated economic strategy.

### Multilateralism in the world of rising economies

The G20 is distinguished by the economic significance of its member countries, who collectively account for approximately 80% of global GDP and wield considerable geopolitical influence. The principle of regional balance is integral to the G20's ethos, ensuring that the diverse representation of regions around the world is maintained, and that the voices of both established and emerging powers are heard in discussions. At its core, the G20 embodies the tenets of multilateralism, offering a platform for member countries to collaborate on global governance issues. Its summits, represented by summit diplomacy, convene heads of state or government and foster policy coordination. These gatherings facilitate frank discussions on global economic challenges, including trade imbalances, debt relief for developing nations, and the complex interplay of economic, environmental, and social dimensions within the context of sustainable development. Crucially, economic policy coordination within the G20 serves as a hallmark of multilateral governance, ensuring that member countries align their economic policies and responses to mitigate the adverse effects of global economic challenges. This multilateral approach is especially significant in the face of recurrent financial crises, requiring concerted efforts to maintain global economic stability.

### Reviewing membership requirements

Considering aforementioned information, it is crucial that conversations about the requirements for G20 participation continue. These debates cover the topic of membership expansion to include countries not on the present list, which calls for a reevaluation of the requirements for membership. This reevaluation considers not only economic importance but also elements like geopolitical influence, pledges to sustainable development, and regional representation.

Additionally, there are calls to reevaluate the G20's invitation-based approach in order to promote transparency, diversity, and fairness. These discussions address key issues in global economic governance and highlight the complexity of 21st-century economic challenges, which go beyond conventional economic worries to include issues like debt relief, sustainable development, and the complex web of international governance.

In essence, the G20's role in addressing global economic challenges through policy dialogue, multilateralism, and economic policy coordination underscores its significance in the contemporary international landscape. The discussions surrounding membership conditions are emblematic of the evolving nature of global governance and the imperative to adapt to a changing world order while upholding the principles of regional balance and sustainable development.

### Issues at hand

Moving from a general overview of the G20, its roles and the reason from its creation, we must ensure its values, goals and aims are kept uplifted for generations to come. Therefore, a



more specific discussion of the issues pertaining to the membership conditions have been put forward, for this committee to discuss and rebut them. Firstly, the main question surrounding the G20 membership requirements is whether or not these requirements should be examined and maybe amended. The following are some of the major issues and topics under debate with reference to G20 membership requirements:

- **Membership Expansion:** Whether the G20 should add more nations to its membership is a crucial question. Currently, the G20 consists of the European Union (EU) and 19 different nations. There are continuous discussions regarding whether other economically significant countries, particularly those from underrepresented regions, should be asked to join.
- **Membership Criteria:** There is debate over whether the G20 membership requirements should change. Economic size, measured by a nation's GDP, has historically been the main factor. However, there are calls to take into account additional elements, including as a nation's governance, geopolitical sway, dedication to sustainable development, and contributions to resolving international problems like public health and climate change.
- **Regional Representation:** It's important to keep the G20's regional balance in check. To reflect the range of global interests, some contend that it is essential to provide participation from various regions. However, choosing which states from a certain region should be included can be difficult because different countries within a region may have diverse economic importance and impact.
- **Invitation Procedure:** Another sensitive topic is how new members are invited to join. There are concerns regarding the selection process for invitations, including whether it should rely on the agreement of current G20 members or adopt a more formalized and open process.
- **Impact on Effectiveness:** There is also discussion on how potential adjustments to the G20's membership requirements may affect the G20's effectiveness and efficiency. While some contend that growing the group could make decision-making more difficult, others think it might increase the G20's legitimacy and significance.
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- **Global Challenges:** There are talks over whether the G20's membership requirements should be modified to better meet modern difficulties, such as cybersecurity, the digital economy, and international health crises like pandemics. This is because global challenges are dynamic and always changing.
- **Role of Non-Members:** How non-members, in particular those nations that may be economically significant but are not G20 members, might interact with the group and contribute to talks on international economic issues is taken into consideration.

The current debates over the G20's membership requirements highlight how dynamic global governance is and how important it is to be flexible in response to shifting geopolitical and economic realities. The goal of these discussions is to make sure that the G20 continues to be a useful and productive forum for addressing the most important economic issues facing the globe.



## Major Parties Involved

Numerous significant parties and organizations, each with varying functions and duties, are involved in the G20 and its membership process as well as upholding its processes. Undeniably, the main 19 countries part of committee are all equally important, plus the European Union. A more detailed list of some of the major parties engaged is provided below:

### The 19 member nations

The G20's core participants are its member countries, which include 19 different countries and the European Union. The G20's decision-making and policy coordination revolve around these nations. They participate in G20 gatherings, negotiate, and take positions on world economic matters. They portray their respective socio-political situations in resolving world tension/problems.

### India -host country of the G20 in 2023 and president of the G20

A different member nation serves as the G20 presidency host each year. In 2023, India was chosen as the host country for the conference. The annual summit and other G20 gatherings are organized and presided over by the host nation. During its G20 presidency, the host is essential in shaping the debate agenda, and leads other member nations into debate and the issues pertinent to India's state of diplomatic affairs. G20 Presidency: Member nations alternate holding the G20 presidency. The G20 presidency is in charge of setting priorities, planning meetings, and fostering consensus among the participating nations. Throughout its term, the presidency frequently launches certain topics and activities.

### United States

The United States' (USA's) role in reassessing G20 membership requirements spans numerous aspects. Given that it has one of the biggest economies and greatest influence among the G20 members, the USA frequently takes the lead in setting the agenda and leading talks about membership requirements. The opinions and suggestions of the USA may be given a lot of consideration. The USA may make policy recommendations and ideas regarding the examination and future amendment of G20 membership requirements. This can entail making suggestions for modifications to the standards, procedures, or principles that govern the choice of member nations. The USA's role in reevaluating G20 membership conditions is part of its broader commitment to multilateralism and international cooperation. It can engage in discussions with other G20 members to find common ground and consensus on potential changes.

### Russia

Russia may work to include developing nations and emerging superpowers in the G20 and promote a multipolar world order. It can contend that a more diversified membership more accurately depicts the altering nature of the world. With engagement with BRICS Partners, Russia maintains a strong presence and portrays its ideas very defiantly in annual summits: South Africa, Brazil, Russia, India, and China (or BRICS) are the nations that make up this alliance. To increase the collective power of the BRICS nations, it might coordinate its position on the requirements for G20 participation. As a significant Eurasian nation, Russia is interested in debates about regional representation in the G20. It might promote the inclusion of nations from its region and stress the value of having a diverse regional representation. Finally, Russia may play a role that goes beyond simple economic logic. It might utilize



negotiations over membership requirements to advance its geopolitical objectives, notably by forging tighter ties with nations applying to join the G20.

### European Union

With 27 members, the EU makes up a sizable economic and political group within the G20. It promotes a group decision-making process and could stress the value of cohesion among its members when talking about membership requirements. The EU frequently participates in debates about preserving regional balance within the G20. To ensure fair representation from Europe, it can argue for the inclusion of more EU members. Discussions on membership requirements may be used by the EU to advance its economic policies, such as those concerning trade, the single market, and the eurozone. It might aim to bring EU economic ideas into line with G20 standards.

### United Nations

The UN may collaborate with the G20 on a range of global concerns, such as the SDGs, climate change, and peace and security. At G20 gatherings, the UN Secretary-General may take part in discussions about issues of shared interest. Often, models of procedure are taken from laws applicable in the UN and applied in the G20.

## Timeline of Events

- 26/09/2023** In reaction to the financial crisis of the late 1990s, the G20 was established in 1999. A meeting of central bank governors and finance ministers from the European Union and 19 other nations took place in Berlin to examine methods to improve global financial stability.
- 2008** During the global financial crisis of 2008, the G20 rose to prominence. G20 leaders met in a series of meetings to discuss the crisis, which resulted in decisions on financial sector reforms and fiscal stimulus measures.
- 2010** At the Seoul Summit, topics like trade imbalances and currency exchange rates were discussed. It emphasized the G20's function in coordinating monetary policy.
- 2020** In 2020, Saudi Arabia presided over the G20. Discussions were dominated by the COVID-19 pandemic, which resulted with agreements on global health, economic recovery, and debt relief for developing nations.



## Possible Solutions

There exist many different phenomena and solutions to consider when re-evaluating the membership conditions of being part of the G20. The solutions have been listed below:

- Membership expansion:

**Gradual Inclusion:** Take into consideration a gradual strategy to membership expansion, introducing a small number of new members at a time. This strategy keeps the group's efficacy while allowing for manageable development.

- Membership requirements:

**Broadened Criteria:** Review and expand the membership requirements to take into account qualities other than economic status. Take into account factors including governance, adherence to sustainable development objectives, and contributions to resolving global issues.

- Specialist committees:

Create working groups or expert committees to evaluate potential members' qualifications in light of the enlarged criteria. Existing G20 members may receive recommendations from these committees. These expert committees should preferably be represented geopolitically – implementing a rotating system that extends invitations to regions that might be globally underrepresented. This means that these expert committees can be fairly represented by a multitude of views over time. Create consultative mechanisms to engage non-member countries from underrepresented regions in G20 discussions, even if they are not full members.

- Enhancing a well communicated invitation process

**Transparent instructions for the Invitation Process:** Create transparent instructions for the invitation process that include precise requirements and steps for sending invitations. The legitimacy of the decision-making process is increased by transparency.

**Accord and Majority vote:** To decide whether to extend invitations, use a combination of majority vote and consensus among current members. This ensures inclusion while preserving flexibility.

- Impacted efficiency:

**Better Coordination** To accommodate a growing membership, strengthen the G20's coordinating processes. Create working groups or subcommittees to concentrate on particular issues, which can help decision-making be more effective. Defining the goals of G20 summits and meetings in detail entails conversations on the most pressing issues facing the world economy.

- Role of Non-Members:

**Observer Status:** Grant observer status to non-member countries that have a significant stake in global economic issues. This allows them to participate in discussions and contribute their expertise without full membership.

**Engagement Platforms:** Establish interest platforms, such as regional media or forums, where non-member countries can engage with the G20 on specific topics.

- Conflict Resolution Mechanism:

Develop a transparent conflict resolution mechanism within the G20 for addressing disputes or disagreements related to membership, criteria, or any other issues that may arise.





#### Public Engagement and Consultation:

Involve civil society organizations, academia and research institutions, in discussions about membership conditions. Seeking public input through consultations and surveys to ensure transparency and accountability, for a democratized world view of the G20 and the augmented credibility of its missions.

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