



The G-20 and Africa: A Critical Assessment

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RECOMMENDATIONS

- In its official outputs the G-20 has at least implicitly addressed aspects of each of the five factors in the assessment framework used in this briefing, and should continue to do so.
- Although the G-20 outputs contain few explicit references to Africa, there is evidence to suggest that the G-20 has been somewhat responsive to a number of African concerns. Special attention should be paid to African concerns that may be shared by countries in other regions and that seem to correlate with improved G-20 responsiveness.
- Over time the scope of the issues considered by the G-20 has become broader and the issues more complex. It needs to be made clearer why this is happening, and the process must be managed to avoid jeopardising the ability of the G-20 to address African concerns effectively.
- G-20 statements tend to be quite general and lack clear implementation schedules. Statements should be easier to effect, to improve accountability.
- Although G-20 statements may be difficult to put into effect, the issues they highlight should be used by interested stakeholders to advocate action.

EXECUTIVE SUMMARY

Against the background of an increasingly complex structure of global economic governance, this briefing seeks to assess how well G-20 member countries have responded to the concerns of sub-Saharan Africa. The assessment is made in the context of the possible failure by the G-20 to take into account the legitimate interests of sub-Saharan African countries, among which only South Africa is a G-20 member. It evaluates G-20 performance in five critical areas. They are, respectively, identifying aims, respect for applicable principles of international law, good administrative practice, comprehensive coverage and co-ordinated specialisation. After closely examining G-20 summit outcomes against each of these criteria, the briefing lists a series of recommendations on how G-20 member states might become more responsive to sub-Saharan Africa's concerns, and how African countries might influence in their favour G-20 policies in the areas under review.

INTRODUCTION

Global economic governance has become more complex over the past 20 years. As new issues and actors have emerged, global economic governance directly affects a broader range of state and non-state interests, many of which were previously only indirectly affected. Unfortunately, most of those stakeholders are unable to participate effectively in decision-making on such economic governance issues. Currently, South Africa is the only African G-20 member-country. The limited number of assured African participants in the G-20 increases the risk of the latter's members paying insufficient attention to issues of concern to Africa, or to the potentially adverse effects on Africa of their decisions and actions.

This briefing applies a methodology first proposed in an earlier paper on the G-20 and Africa.² It assesses how well G-20 decision-makers have

served African interests in five areas. These are first, goals (identifying the purpose of the global governance forum or entity); second, respect for applicable principles of international law (sovereignty, non-discrimination – which includes human rights and national treatment – good faith and environmental impact assessment); third, good administrative practice (which includes transparency, participation, accountability, and timely and reasoned decision-making); fourth, comprehensive coverage; and finally, co-ordinated specialisation. A full summit-by-summit analysis is also available.³

APPLYING THE FRAMEWORK TO G20 SUMMITS

Factor 1: What is the goal?

As the acute phase of the 2008 Western financial crisis passed, G-20 leaders were able to start paying attention to the reforms needed to avoid future crises, and to the kind of goals that should inform the building of a post-recovery economic system. In this regard G-20 leaders have begun, at least implicitly, to articulate a goal for global economic governance. Their objective, based on the outputs of the seven G-20 summits, is to construct a more inclusive and sustainable global economy. They have provided a limited amount of detail on their understanding of this goal: specifically 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, it does at this stage seem compatible with the concerns and interests of African countries. It is, however, still at too general a level to be useful as a basis for assessing the efforts of the G-20 in working towards its attainment, and for holding G-20 leaders to account for the way in which they have worked to reach their objective.

Factor 2: Respect for applicable international law

It is clear that what few applicable international legal principles there are, have played only 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 states preserve some policy space that can be used to promote policies helpful to their specific country conditions.

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

The principle has also manifested itself in the call to G-20 member states to promote decent work, and to respect fully rights at work as set out in the 1990 International Labour Organisation (ILO) Declaration and in core ILO worker rights conventions. This issue is of relevance to South Africa which has adopted some of the ILO conventions,⁴ and where there is lively debate about the meaning of 'decent work'. It is also relevant to African countries that, like South Africa, are dealing with the challenge of high unemployment.

The G-20 has paid some attention to the principle of good faith; attention that has also been applied to the question of compliance with international treaty obligations relating to labour rights, corruption, protectionism in international trade, and environmental protection. It should be noted that while the empirical record might suggest less than full respect for this principle, G-20 leaders' statements appear to have had two salutary effects. One is the apparent constraint on members' ability to evade their freely assumed obligations. For example, while many if not all G-20 countries took protectionist steps in the wake of the financial crisis, they made a serious effort to adopt measures consistent

with the provisions of the various World Trade Organization (WTO) agreements to which they are 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 commitments.

Finally, the G-20 has paid some attention to the environmental principle of impact assessments manifested in the 2012 Los Cabos G-20 summit's focus on environmental safeguards in the context of infrastructure development. This is particularly relevant to African countries, including South Africa, because of their urgent need for infrastructure and their vulnerability to climate change and other environmental challenges.

Factor 3: Good administrative practice

The issue of good administrative practices and procedures in the leading international organisations in global economic governance, particularly the International Monetary Fund (IMF) and the World Bank, appears to have been of interest to the G-20 in its early summits. As the political challenges in implementing proposed reforms became clearer, however, and the prospects for significant reform receded, the G-20 seems to have paid less attention to these issues. There are two important exceptions to this. The first is the governance and legal form of the Financial Stability Board. The second is the organisational practices of the G-20 itself, subsequent to the formalisation of the 'troika' and the regional rotation system for the chairmanship.

From this record it is clear that the G-20 has demonstrated inconsistencies in its concern with the application of the principles of good administrative practice to the key institutional participants in global economic governance. 'Participation' is the administrative principle that has received most attention. The focus of the 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; it is the only African state that is a full member of the G-20 and was the first holder of the new African chair on the executive board of the World Bank.

Besides these changes, administrative reform has not resulted – and indeed was 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. It should be noted that the institutions of global economic governance comply reasonably well with all those other elements, except accountability. They are reasonably transparent (at least for state actors), and usually provide reasoned decisions for their actions. Nevertheless, 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 – a group that includes most African states – can hold to account decision-makers in that institution. The situation is even less favourable for non-state entities. It is important to acknowledge the (not insubstantial) challenges involved in holding an informal group of countries such as the G-20 accountable for their decisions and actions.

Factor 4: Comprehensive coverage

It is clear that over the course of the seven G-20 summits held so far, greater attention has been paid to the issue of inclusion. Usually the increased focus has been on the poor and vulnerable in general. There are, however, specific issues and initiatives that explicitly address African concerns. The attention given to inclusion is to be welcomed, but it should be recognised that it is unclear whether or not this will translate into meaningful action. This caution follows from the fact that statements relating to inclusion usually are not linked to specific actions or time-bound commitments. Consequently expressions of concern, and commitments being made, are difficult to monitor and form a weak basis on which to hold G-20 states to account.

The evolution in the G-20's consideration of the issue of inclusion raises two possible avenues for future action. First, African representatives in the G-20 process can seek to make G-20 promises and commitments on inclusion more

precise and time-bound. Second, there is a need for more research on the reasons for the G-20's growing consideration of this matter. It is not self-evident that the issue's direct relevance to G-20 member states has increased; or that particular participating states, or their invited international organisational and state guests, have been soliciting more attention to the issue of inclusion. Understanding why the G-20 is looking more closely at the issue therefore may provide some insights on how South Africa, as a G-20 member, and African countries in general can lobby more effectively within the G-20 and other global economic governance entities for more attention to be given to the question of inclusion.

Factor 5: Co-ordinated specialisation

Over the four-year history of the G-20, its 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 specific responsibilities to particular international organisations or entities and are encouraging more of them to collaborate with each other. The scope of G-20 interests and actions has also expanded. Whereas initially they addressed only the international bodies concerned with global 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 is that the G-20 has become more directly relevant to African state and private interests. In addition, given the co-ordinating role that the G-20 plays in regard to the issues in which it is interested, its impact on the policies, procedures and programmes of the international organisations and entities with which it collaborates should be of concern to African states and private interests.

This in turn suggests that one, indirect, way in which African countries can try to ensure that the G-20 adequately responds to their concerns and interests is by working through such international organisations and structures. It is useful to note that African countries are members of many of these bodies and so can attempt to influence their interactions with the G-20.

CONCLUSION

The purpose of this briefing is to evaluate how responsive the G-20 has been to the concerns and interests of sub-Saharan Africa, based on the results of the G-20 summits from 2008–2012. The method used assesses the outputs of 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 critiques by experts.

ENDNOTES

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- 2 Bradlow D, 'The G-20 and Africa: A Critical Assessment', Occasional Paper, 145. Johannesburg: South African Institute of International Affairs, 2013.
- 3 See <http://www.gegafica.org/g20-and-africa-monitor/assessments>.
- 4 South Africa has ratified 23 ILO conventions, of which 20 are currently in force. Eleven of these have been ratified since the advent of South Africa's universal suffrage in 1994. For a full list of the ILO conventions ratified by South Africa, see <http://webfusion.ilo.org/public/applis/appl-byCtry.cfm?lang=EN&CTYCHOICE=0650&hdroff=1>.

The Economic Diplomacy Programme is funded by the UK Department for International Development. SAIIA gratefully acknowledges this support.

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