GLOBAL FORUMS: ARE THEY MUST OR WASTE FOR THE GLOBAL GOVERNANCE?
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The age of globalization has brought about interdependency between the nation-states in all aspects of life while uncovering challenges for the sovereignty of the nations. Therefore, how an integrated world system involving multiple actors can efficiently be governed remain a subject of serious discussions. This study briefly explains the historical background of G7/8 along with its evolution to G20 and discusses their effectiveness and legitimacy in the context of global governance. It is worthy to discuss the issue since these global forums’ legitimacy and effectiveness subject to both critics and praises. Although the lessons from the global financial crisis consolidates the idea of global coherence, integrity and compliance, diverging political and economic conflict of interest of nations still make the international forums’ existence and future position in global governance open to discussions. Additionally, the last part of the study draws conclusion about Turkey and its place in global governance.

Introduction

A large number of planetary problems have been occupying international agenda due to interdependency of the states for the resolutions. Therefore, exploring a way of global governance in order to better manage the world order under the impact of globalization is of utmost importance. Broadly speaking, global governance refers to “systems of rule at all levels of human activity from the family to the international organization in which the pursuit of goals through the exercise of control has transnational repercussion” (Finkelstein, 1995, p.368). For this purpose, a number of international institutions had established in the aftermath of the Second World War forming a new world order based on multilateral system. The prominent of these organizations were United Nations (UN) family of organizations (Bretton Woods Institutions, the UN General Assembly, the Security Council and etc.). Although they are convenient to cope with global challenges, the demise of Bretton Woods system and Oil Crisis in 1973 has revealed the need for the improvement.

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In fact, Bretton Woods institutions had established within somewhat different context. While priorities of the industrialized world were peace and desire for welfare state in the wake of Great Depression and Second World War, the world economy and polity welcomed the newly independent states by heralding the end of colonialism. The economic policy of the industrialized world was mostly based on Keynesian consensus leading the advanced countries to enjoy “golden age of capitalism”. On the other side, underdeveloped countries were targeting to maintain their national sovereignty and to sustain economic development with the guidance of state. The concept of nation state was critical and the governance structure of the new democratic world treated all the nations as equal partners (Nayyar, 2002). Nevertheless, the world welcomed the 1990’s with a different perception for the development issue. The so-called Washington Consensus proposed a new way of thinking about development offering much more integration to the world economy and enhancing the role of the market. However, the financial crisis in Asia led to reexamining the existing belief system which dominates the world economy and global governance. Today, the fact that the center of the world economy has shifted to the Pacific and how the actors of global governance will respond to it, is one of the challenging debates of the international politics.

In a broad sense, this study investigates the attempts to improve the global governance in a globalized world, specifically focusing on the platforms G7/8 and G20, discuss their advantages and drawbacks for the global governance. In the concluding part, inevitable structural change in global governance and its impact on Turkey will be analyzed.

**Brief history of G7/8**

The collapse of Bretton Woods system in the 70’s and the oil crisis in 1973 has brought about economic and financial uncertainty in the global economy while creating distrust towards to Bretton Woods institutions; World Bank (WB) and International Money Fund (IMF). The need for a novel economic coordination was apparent and urgent. On March 25, 1973, first meeting for this purpose was held by the finance ministers of four advanced industrialized countries; United States of America (USA), France, Britain and Germany resulting with the formation of “Library Group”. Shortly after, Japanese finance minister joined into the group and “Group of Five” began to meet at certain times. The group was extended to seven by the inclusion of Italy in 1974 and Canada in 1976. Finally, after the fall of Berlin Wall, Russia has started to participate at the meetings, formally joined into the group in 1997. However, Russia’s membership was indefinitely suspended after the invasion of Ukraine and since then, the group has been performing the summits with its seven members as well as European Union.
Unlike other international organizations that are based on intergovernmental agreements and permanent secretariats, Group of Seven (G7) meetings were proceed by personal relationships of the heads of governments staying relatively informal. The organization had no formal charter, headquarters, budget or a permanent secretariat. However, this informal setting has constituted as an advantage enabling the government leaders to understand each other’s domestic, political and economic circumstances, constraints and priorities all the better.

Early members of the G7 were sharing the characteristic of being democratic, “Atlantic oriented” and “militarily allied to the USA” and its presidents were in personal relationships. Although membership of Russia seemed a little odd, involvement of the country at the day was targeting to encourage it in order to become a free market liberal democracy and to share the same ideals with the members of G7. Despite a little success, Russia has remained different both economically and politically from the others.

The working method of G7/G8 was based on the annual summit meetings held by the head of state or governments. Each government appoints a “Sherpa” who are personal representatives of the leaders and they are in charge of organizing the summits, brokering agenda items, communiqué language and physical arrangements. The main topic of the summit and the meeting site were settled by the leader who is the host chair of that year (Smith, 2011).

The main concern of the early summits is mostly based on economic and financial issues. Specifically, what the leaders were discussing was primarily about “the future of the international monetary order, the enhancement of international economic growth through further liberalization of world trade, macroeconomic policy coordination among the major industrialized countries and measures to alleviate the situation of the poor developing countries and the containment of oil insecurity and instability” (Hajinal, 2007). However, informal setting of the body enables G7/G8 summits evolving gradually to a global governance forum where major foreign policies and development issues are also discussed.

First, in the 1980’s security issues (global environment, international terrorism and drugs) appeared in the G7/G8’s agenda following the subject matters like trade, climate change, and nuclear non-proliferation in 1990’s. Globalization of the world economy not only brings about new challenges (fighting against poverty, climate change, migration management, food safety and environmental issues) but also forced G7/G8 countries to establish a dialogue with the developing world, especially in Africa.
Looking back to the historical evolution of the G7/G8 agenda, the summits can be classified into 7 categories as “reviving economic growth from 1975 to 1978; holding down inflation from 1979 to 1982; gradually adding political issues from 1983 to 1988; responding to the end of the Cold War from 1989 to 1993; scrutinizing and reforming institutions for globalization from 1994 to 1997; tackling the issues and linkages of globalization and development from 1998 to 2000; and fighting against terrorism and its causes starting with 2002” (Bayne, 2005b).

Important summits

Examining the historical evolution of the summits’ agenda in detail gives clues about the world politics during the past four decades. While in almost all the summits, economic issues are the major topics, political and global conjuncture of the day always shape the debates.

In the first summit in Rambouillet in 1975, main topics were exchange rates, inflation, economic growth, oil prices and supplies, unemployment and the Tokyo Round of the General Agreement on Tariffs and Trade (GATT)\(^2\) negotiations. San Juan summit in 1976 included the balance of payment problems in the agenda. Energy-related topics, especially nuclear energy, North-South relations were discussed in the London summit in 1977. Economic growth, energy and trade continue to occupy the agenda in the subsequent summit in Bonn (1978), Tokyo (1979) and Venice (1980). Aircraft hijacking, Indochinese refugees were also introduced into the agenda in the Bonn and Tokyo summits.

Venice summit in 1980 was also important for having the discussions about Soviet Invasion of Afghanistan and the occupation of the US Embassy in Tehran. Besides the usual economic issues, topics like foreign aid in developing countries, east-west economic relations and terrorism were at the center of the debate in Ottowa summit in 1981. What was distinctive for the Versailles (1982) summits was the Israel invasion of Lebanon. In Williamsburg, Virginia summit in 1983, “stationing of US cruise and Pershing II missiles in Europe to counter the threat from Soviet Union” was the main concern in addition to the debt crisis in Latin America. In 1984 London summit, debt crises continue to be the main economic theme along with the emphasis for democratization, anti-terrorism, east-west security relations and Iran-Iraq conflict. 1985 Bonn summit was notable for addressing the environmental issues at the first time, adding the topic of the climate change into the agenda. 1986 Tokyo summit was regarded as one of the most successful one since the leaders decided to start Uruguay Rounds.\(^3\)

\(^2\) GATT is an international trade treaty signed after the World War II with the participation of 23 nations aiming to improve the international trade by reducing or elimination the trade barriers like quotas or tariffs and pave the way for the foundation of World Trade Organization in 1994. (https://www.wto.org/english/tratop_e/gatt_e/gatt_e.htm)

\(^3\) Uruguay Rounds pave the way for the formation of World Trade Organization embracing 123 countries as “contracting parties”.
Major non-economic issues in this summit were US raid on Libya and Chernobyl nuclear-reactor accident. 1987 Venice summit added important health issues such as AIDS and narcotic drugs into the agenda. In 1988 Toronto summit, leaders agreed on “Toronto Terms”\(^4\) in order to reduce the debt burden of the Latin America countries. In summit of Arch in 1989, important debates were about the Bradly Plan that was another program to relieve the Latin America countries from ongoing financial crisis. Environment, strengthening of GATT, economic efficiency, human rights, China and Tiananmen Square massacre, democratization in Eastern and Central Europe were also discussed.

1990 Houston summit focused on aid to Soviet Union, agricultural trade subsidies and climate change along with usual economics issues, democratization, drug abuse, and non-proliferation. 1991 London summit was like a follow-up summit of previous years having the motto “building world partnership and strengthening the international order”. In 1992 Munich and 1993 Tokyo summits, discussion were mostly dominated by economic issues such as interest rate, unemployment, and trade. Tokyo summit was remarkable that leaders agreed on the market access of manufactured goods. Napier 1994 summit has an important place due to the involvement of Russia in the political deliberations. It also included a call for the establishment of World Trade Organization (WTO) by January 1, 1995.

The primary topics in 1995 Halifax summit were reforming the financial institutions, growth, employment, open markets, economies in transition, nuclear safety, coordination among the WTO, International Money Fund (IMF), World Bank (WB), Organization for Economic Cooperation and Development (OPEC) and trade related United Nations (UN) bodies.

Having the motto “making a success of globalization for the benefit of all”, in 1996 Lyon summit, growth, trade, unemployment, north-south relations, integration of Russia, eastern and central Europe into the world economy were mostly argued. 1997 Denver summit was notable for discussion about globalization and its effects along with problems of aging population. The agenda in 1998 Birmingham summit was centered on sustainable growth, fighting against drugs and transnational crime. Moreover, special focus was given to the financial crisis in Asia and its effect on the poorest. In 1999 Köln summit, leaders tried to find a remedy for the debt problems of poorest countries. Political agenda was dominated by the political issues in Kosovo and the Balkans.

Main subjects in 2000 Okinawa summit were greater prosperity, deeper peace of mind and greater world stability. Genoa 2001 summit introduced new global topics like renewable energy

\(^4\) A form of debt relief for heavily indebted poor countries in which the present value of payments is reduced by up to one-third. (https://financial-dictionary.thefreedictionary.com/Toronto+Terms)
while continue to include the debates for safety and security issues like conflict prevention in the Middle East. In 2002 Kananaskis, main issues discussed were fight against weapons of mass destruction and role of Russia in G8. In 2003 Evan summit, leaders were met with African leaders and discussed problems that Africa was suffering from (debt, corruption, lack of transparency, etc.). 2004 Sea Island summit started with the motto “Broader Middle East and North Africa” emphasizing the various development and security topics.

Terrorist attacks in London that took place in the first morning of the 2005 Gleneagles summit occupied that year’s agenda. In 2006 St. Petersburg and 2007 Heiligendamm, energy security, health diseases, education, intellectual property piracy, corruption, trade, terrorism, post-conflict stabilization, reconstruction continued to be the hot topics. What also important for 2007 summit was that the host of that year, German Chancellor Angela Merkel, got United States to compromise to reduce the greenhouse gas emission in half by 2050.

In 2008 Toyako, aid to Africa and global warming remained as leading issues. Leaders renewed their statement regarding the reduction of carbon emissions that was blamed for global warming. 2009 L’Aquilla summit was notable for enlarging the meetings with emerging economies, Brazil, China, India, Mexico and South Africa. Emphasis was placed on the savings for more balanced and sustainable growth model, reforming the financial regulations to repair the financial system after the global crisis and the determination to resist protectionism in terms of trade. Concerning climate change, 80 percent or more reduction goal in carbon emission by 2050 was decided for developed countries.

In 2010 Muskoka summit, main concerns were nuclear-proliferation, terrorism and security vulnerabilities. The agenda of 2011 Deauville summit was again occupied with the peace and security governance, economic development and environment, mutual accountability and the Arab Spring. A number of African countries and international institutions participated in the summit as guest invitees. In 2012 Camp David summit, the discussed topics were European sovereign debt crisis, internal conflict in Syria, nuclear program of Iran and North Korea, political transition in Burma and food security. The agenda in 2013 Lough Erne summit was dominated by Syrian war, global tax evasion and transparency. Although 2014 summit was supposed to be hosted by Russia, after Crimean crises and Russian intervention in Crimea, its membership was suspended and summit was held in Brussels. Leaders priorities in this summit were again supporting growth, job creation, particularly focusing on the young unemployed that remain an issue after the financial crisis in 2008. Strengthening the financial institutions, making a safer derivative market and ending “too big to fail” approach was on the agenda. Energy was also an important topic as the leaders were against the use of energy as political coercion addressing the Russia’s attitude towards Crimea.
In the 2015 Schloss Elmau, the leading agenda item was state of global economy; specifically targeting to reduce the unemployment rate and supporting the economics that are below full potential. Women’s entrepreneurship, financial market regulation, tax, trade, responsible supply chains that focused on promoting labor rights, decent working conditions and environmental protection were the further economic topics discussed. The conflict in Ukraine, nuclear safety, maritime security, preventing proliferation, Israel-Palestine conflict, fighting human trafficking, counter terrorism, supporting African partners were the leading political discussions along with health and environmental issues. Beside previous debates, novel topics such as secure cyberspace, gender equality, and anti-corruption were included to the main discussions in Ise Shima summit in 2016. Ending Syria crisis, rescuing Syria from ISIS presence, North Korea’s nuclear proliferation and Russia’s responsibility toward Ukraine were the hot topics in 2017 Taormina summit.

Current situation and the last summit

At the recent summit in Canada, US declaration of tariffs on the products such as steel and aluminum dominated the discussions. According to some, it was like a declaration of an impending trade war between USA and the rest of the G7 economies and European Union. At the first glance, the decision of tariffs seems to be economic sanctions; it is actually seen as a challenge to the global economic and political relations, which was ironically established by the US itself. As the most powerful representative of the neoliberal system and one of its pillars, free trade, the US is now heading to protectionist economic policies thereafter they did well to weather the global recession. On one hand, China and EU are still defending to abolish the trade barriers and strength the capitalist order based on free trade.

Critics

The G8 is widely criticized for not offering remedies to the array of economic, political/security, and transnational issues; showing little leadership in addressing the deepening crisis of global governance and being dominated by the US hegemony.

Economically, despite oft-repeated rhetoric for “ensure increasing, widely shared prosperity” and to “put a human face” on globalization, the G7/G8 have failed to deliver on promises for these concerns. Inability of hindering the global economic recession was also recorded as a failure for the group even if members had realized impending crisis. In the 2007 summit they did not take any action against the unregulated hedge funds that located mostly in United Kingdom and United States and carried huge financial risk globally.

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5 [https://www.globalpolicyjournal.com/blog/08/06/2018/trade-war-tearing-g7-apart](https://www.globalpolicyjournal.com/blog/08/06/2018/trade-war-tearing-g7-apart)
On the development issues for African countries, even though G7/G8 countries offered solutions for debt relief, health and education issues, remedies were conditional upon their commitment to structural adjustment programs that would induce further problems. Other point that G7/G8 is faced with criticism is representation. Having failed to produce a global leadership, many NGO’s and developing countries think that summits are not beyond a symbol of elite global governance. According to Dumisani Nyoni, who is the leader of Zimbabwe’s oldest poverty fighting non-governmental organization, missing representation of poor world in the discussions often produce a wedge between what is discussed and the reality itself. For instance, while what the leaders expecting were cuts in high duties that African exports face in western markets or cut agricultural subsidies pushing world commodity prices down, they got nothing in terms of integrating world trade.6

Targeting to embrace wider range of nations, even though an initiative was taken in 1999 to form a forum called G20, the attempt was insufficient since the forum was regarded as a mirror for G7/G8’s elite character. Moreover, the existence of G7/G8 even seems to be an obstacle for functioning of formal intergovernmental organizations such as WTO, WB, IMF and UN as the G8 typically serves for the interests of transnational corporations rather than public welfare.7

One step further: G20 as a new global actor

After the outbreak of the Asian financial crisis in 1999, the finance ministers of United States and Canada decided to form a new group. Global financial crisis in 2008 along with the critics of the G7/G8’s lack of inclusiveness has pave the way for a new global organization and the G20 meetings began to hold at the leaders’ level. Other reason of the need for such an inclusive organization was that UN was not focusing to maintain the international economic order but rather targeting to secure international peace and security. Therefore, G20 economies that are advanced and emerging market economics (Australia, Canada, Saudi Arabia, United States, India, Russia, South Africa, Turkey, Argentina, Brazil, Mexico, France, Germany, Italy, United Kingdom, China, Indonesia, Japan, South Korea and European Union) generating almost 85 percent of the world production while accounting for nearly 80 percent of the international trade and holding around 2/3 of the world population started to meet at certain times (G20, 2008).

Organizational structure was similar to G7/G8 with an unofficial platform and rotating presidency having no official decision-mechanism, depending upon reconciliation and publishing declarations at the end of each summit. To some extent, G20 replaced G7/8 as the premier forum discussing international economic and financial order.

6 http://www.globalissues.org/article/720/g8-summits-empty-promises-each-year
7 The countries forming G8 accounting for almost 50% of the votes at the IMF and World Bank.
Basic motivation behind the emergence of G20 was economic. While globalization has brought many benefits it also came at the expense of the interdependency of the economic policies that governments implement. As an instance, one country’s import quota may harm other countries trade deficit resulting a decrease in export volume of those countries. Moreover, fiscal policies conducted to stimulate the economies are more responsive in open economies when implemented all together. At the end, all countries are better off when they are economically coordinated (Nelson, 2018).

Although emerging economies’ irreplaceable and more active position in the international economy was apparent, it was not until the 1997-1998 Asian financial crisis that their significance for international economy and the necessity to include them into the economic discussions were realized. First attempt for this purpose was the invitation of the United Kingdom’s Prime Minister Tony Blair for five emerging economies- China, Brazil, India, Mexico and South Africa- to participate into G8 debates although it was after 2008 financial crisis that they have been invited as full participants. According to some, the shift from G7 to G20 was the reason to balance the US and European dominance.

G20 summits

The agenda of the first G20 summit that was held in Washington D.C, was focusing on the urgent management of the global financial crisis by proposing pledges to fiscal regulatory reforms and expansionary monetary and fiscal policy to stimulate global economy. The participants had also called for refrainment from protectionist trade policies. London summit in April 2009 reinforced the commitments of the earlier summit while adding pledges to increase funding for the IMF (tripling of the IMF’s lending capacity) in order to support the fiscal expansion. Major step was taken by the creation of FSB (Financial Stability Board) with the awareness of global integrity, especially the integration of the emerging markets (Heinbecker, 2011).

2009 Pittsburg summit was remarkable for the announcement that “henceforth G20 would be the premier forum for international economic cooperation”. The agenda had also focused on extending the voting power of emerging economies at the international financial institutions. Five premier areas at the Toronto summit in the following June was growth, correcting global imbalances, financial sector reform, international financial institutions, fighting protectionism while promoting trade and investment. The G20 economies agreed on setting a target of a 50 percent deficit reduction by 2013 and improvement in debt-to-GDP ratio by 2016. However, they would also be stuck to the strategy of global fiscal stimulus. Therefore, the emphasis was put on the fiscal stimulus in the emerging markets in order to rebalance the global demand and offset the slower growth in advanced economies (Heinbecker, 2011).
2010 Seoul summit was notable for being hosted by a country that is not a G7 member and particularly focused on financial regulations. The major topics of the 2011 Cannes summit and 2012 Los Cabos summits were reforming the international monetary system, fostering employment, food price volatility, functioning of energy markets, anticorruption and green growth. The ongoing Eurozone debt crisis particularly shaped the summits’ agendas. In consecutive summit in St. Petersburg in 2013, major discussions were about job creation, growth, multilateral trade, international financial architecture, financial regulation, climate change and potential international responses to chemical weapons attacks against civilians in Syria.

In 2014 Brisbane summit, main issues discussed were global economic growth, specifically targeting 2.1 percent GDP growth within the next five years. The summit had also involved controversies for the Russia’s participation since the major G20 countries were imposing economic sanctions on Russia responding to the conflict in Ukraine. Beside the ordinary topics, current events like terrorist attack in Paris dominated the discussions in 2015 Antalya summit. In 2016 Hangzhou summit, the host country China emphasized “innovative”, “invigorated”, “interconnected” and “inclusive” economic growth (Nelson, 2018).

2017 summit in Hamburg, Germany focused on the disputes between Trump following the shift in foreign policy of Trump administration with the motto “America First” and other G20 countries over some major topics, specifically trade and climate change. President Trump’s withdrawal from the Trans-Pacific Partnership (TPP) which was a free trade agreement between US and 11 Asia-Pacific countries in January 2017 and his declaration regarding the withdraw from the Paris Agreement which aims international cooperation on climate change provided basis for the dispute. It was an unusual summit in the sense that prior summits generally resulted in consensus regarding support for free trade and cooperation for climate change. Despite the resistance of Trump, 2017 communiqué highlights the importance of “reciprocal and mutually advantageous trade and investment frameworks”. The participants had also agreed upon many areas such as reducing steel excess capacity, enhancing cooperation on the refugee crisis, strengthening the global financial system.

The host of 2018 summit was Argentina with the motto “building a consensus for fair and sustainable development” focusing mainly on three issues; the future of work, infrastructure for development and food security. Further topics discussed included empowering women, fighting corruption, strengthening financial governance, building a strong and sustainable financial system, improving the fairness of the global tax system, cooperating on trade and investment, taking responsibility on climate change and transition to more transparent energy system.
As the outcomes of the 10th anniversary of G20 summits, on November 30, Canada, Mexico and United States signed an agreement that is seen as the successor treaty to the 1994 North American Free Trade Agreement (NAFTA). Moreover, G20 leaders confirmed their support to reform the World Trade Organization (WTO) in order to develop its effectiveness while reinforcing their commitment to the Paris Agreement (Nelson, 2018).

**Effectiveness of G20**

Different ideas questioning the future and effectiveness of G20 have emerged. According to the first view, G20 will be an effective forum since it embraces all the major economies that are enough for shaping the international economic order and also small enough to easily negotiate. Secondly, G20 commitments are relatively easier to put into practice since national leaders are also included into the summits. Lastly, the multifaceted feature of the G20 agenda facilitate cooperation by providing trade-off between principal issues such as climate change and trade that is more difficult to cope with in “issue-specific forums” (Nelson, 2018). In other words; G20’s instrumental advantage in bringing together the established North and rising South, its function that reflects the regional and global realities and its transformed structure in regard to being a summit of leaders give the forum a superior position comparing to G7/8 (Cooper, 2010).

On the contrary, some believe that G20 will be ineffective for a number of reasons. First of all, most of the countries in the organization are not sharing similar economic and political philosophies. Secondly, Europeans are overrepresented while some emerging economies that are crucial for world trade are not represented. Lastly, there exists no official enforcement mechanism (Nelson, 2018). Similarly, Cooper (2010) points out the G20’s structure as self-selected forum just as G7/8 and “bias towards big members at the expense of the other countries” (p.742) as drawbacks.

The other stance on the issue is in between two extremes. According to this view, G20 is an effective platform at the time of crisis when countries need more cooperation but in the good times its efficiency is skeptical (Nelson, 2018). The existence of so many potential topics to discuss and so many countries and institutions with different agendas is also regarded as a drawback for G20’s effectiveness as it is difficult to take a step for major global discussions. For example, in 2017 summit, UK Prime Minister Theresa May was not willing to develop an attitude toward climate change since her priority is to struggle terrorism financing.8

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8 https://medium.com/society-matters/is-the-g20-summit-an-effective-force-for-international-policy-development-b68b606a1e57
Future of the global governance

Common belief regarding the future of G20 is that the organization is at a “crossroad” either will be pursuing nationalist ideas and any other form of political fragmentation or a novel way of multilateralism embracing “primacy of social prosperity” and the “principle of subsidiarity”.

On one hand, “Me first” strategies and the shift in discourse (national leaders’ declarations such as “give me my country back”, “America First”, “China First” or “Russia First”) exhibits a total denial of the fact that integration of the world economy is accompanied with the integration of global problems such as climate change, cyber threat and financial crisis. As an instance, Trump’s appreciation of the breaking up of European Union and declaring the North Atlantic Treaty Organization (NATO) as “obsolete” support this view and show the US leader’s discontent toward major multilateral organizations.

On the other hand, G20’s future might be shaped by a renewed multilateral approach to global issues embracing two considerations “the primacy of social prosperity” and “principle of subsidiarity”. The first consideration calls for social prosperity as the ultimate goal of G20 by extending its agenda beyond the macroeconomic policy coordination and focusing the citizens’ wellbeing and attaining a role to the economic prosperity as an effective mean but not the unique target. As the second consideration, “principle of subsidiarity” follows the idea that problems should be solved by means of local organizations and only vital problems should be included into the G20’s agenda. Apparently, this new way of organizing the global forum will restrict the G20’s agenda and be seen as a kind of “division of labor” between G20, national governments and the local/regional authorities.

Why is important for Turkey?

Despite the fragility of the present economic outlook due to the poor macroeconomic conditions including economic growth below the potential, high inflation and debt ratio, volatility of the country’s currency, lack of independency of Central Bank and structural reforms, according to IMF estimates, Turkey is the 13th largest country in the world by Gross Domestic Product. Despite the economic contraction in the previous year (0.4 percent annual growth rate), Turkey’s position in the world economy as an “emerging middle power” is salient.

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9 https://www.g20-insights.org/policy_briefs/the-g20-at-a-crossroads-the-future-of-global-governance/
10 https://www.cfr.org/blog/president-trump-and-future-global-governance
11 https://www.g20-insights.org/policy_briefs/the-g20-at-a-crossroads-the-future-of-global-governance/
12 IMF estimate for 2018 based on purchasing power parity
13 https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD/TUR
14 Öniş and Kutlay (2017) mention Turkey as “emerging middle power” and discusses its place in future global governance by distinguishing it from the “established middle powers” whose members are BRICS economies.
A middle power is defined as “a state whose leaders consider that it cannot act alone effectively, but may be able to have a systemic impact in a small group or through an international institution” (Keohane, 1969, p.296). For this purpose, middle powers should fulfill a number of requirements in order to play a role in influencing the global environment. These conditions can be identified as “the ability to serve as a role model based on their soft-power resources”, “the capability to build effective coalitions”, “the governance capacity based on a recognition of the limits of middle-power influence and avoiding a mismatch of expectations and capabilities” and “the capacity to identify niche areas in regional and global governance where they can make a distinct and unique contribution” (Oniş and Kutluay, 2017).

Moreover, the evolving structure of global governance is encouraging Turkey to establish strong and effective local coalitions. Initiated by emerging economies, there have already existed and is proceeding to be formed a number of non-western led institutions. For instance, China has formed new organizations like the Asian Infrastructure Investment Bank (AIIB) and the Shanghai Cooperation Organization and Russia has its Eurasian Economic Union, all of which established to pursue their own economics and political interests. Likewise, the BRICS (Brazil, Russia, India, China, and South Africa) was formed carrying the same target. In a similar vein, MIKTA (Mexico, Indonesia, South Korea, Turkey and Australia) in which Turkey is also a member state, is regarded as constructive power in orienting global governance as long as the member states allocate their resources to conduct more effective public diplomacy both individually and as a group and to actively participate in major international organizations while also enhancing cooperation through non-state actors (Schiavon and Domínguez, 2016).

Recent global shift in international domain in favor of emerging economies provides Turkey the opportunity to play a more constructive role in global affairs. To this end, Turkey should develop further alliances with alternate partners by conducting an effective foreign policy management. Moreover, it should be aware of its capabilities and need to create a balance between its abilities and pledges.
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