<u>PRESENTATION</u>

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Networked G20 Governance

This project analyzes how the Group of Twenty's (G20) networked form of global governance increased the influence of actors other than officials from leading wealthy states, especially developing- and non- state actors. This contributed to decentralizing global governance authority, especially since the 2008-09 financial crisis. The research indicates how the G20 subsequently became the principal hub of global economic governance, influencing and engaging with diverse stakeholders on its broad policy agenda, plus how this augmented multilateral cooperation through transversal approaches to issues such as sustainable development. The Investigator utilizes substantial experience of G20 processes for this project, including from his attendance at the G20 Osaka Summit and participation in events linked to its official engagement groups, especially the Civil 20, Think 20, and Women 20 forums. The project builds on recent literature on transnational actor networks and the G20, plus emerging constructivist literature on the normative significance of 'practices'

in international relations.

The G20 has become a global governance hub since its first leaders' summit, in Washington, D.C. in November 2008. The forum subsequently constituted important new networked governance practices, especially for *inclusivity*, the latter sometimes intentionally and at others unintentionally increasing the inclusion of more heterogeneous state, non-state, and intergovernmental actors in policy deliberations and in other global governance fora. This contributed to decentralizing authority across its extensive policy agenda, including decentralizing global 'cognitive' authority (Broome and Seabrooke 2015), which undermined common expert and stakeholder beliefs on key global policy norms and practices.

Recent literature on the G20 has not sufficiently examined its contribution to decentralizing global governance authority, especially through networked governance practices with key normative effects. Global governance literature since the 1990s points to the importance of global governance networks. James Rosenau (1992) noted "in a world where authority is undergoing continuous relocation — both outward toward supranational entities and inward toward subnational groups — it becomes increasingly imperative to probe how governance can occur in the absence of government." The present research proposal responds to Rosenau's observation, indicating how the G20's networked practices influenced global economic governance, by constituting an agency-hub for heterogeneous and transnational governance networks engaged with it. Some G20 literature examines the significance of global governance networks for this forum (Luckhurst 2016a; 2019a; Slaughter 2015; Stone 2015). Further analysis is needed to provide a deeper understanding of the broader normative significance of networked G20 governance,

especially for decentralizing global governance authority and constituting inclusivity practices.

The aforementioned lacuna is unfortunate, because of the G20's crucial importance as a post-2008 hub of global economic governance (Luckhurst 2019b). Lack of research on networked G20 governance and its normative consequences is partly due to the state-centricity of much conventional, especially 'liberal' and 'realist,' international relations and even global governance literature. Shifts in twenty-first century global governance authority and increasing influence from heterogeneous, transnational actor-networks are crucial processes. This heterogeneity contributed to the heightened normative contestation of pre-2008 background knowledge on 'market efficiency' and global policy issues, such as macro- versus micro-prudential financial regulation, fiscal-policy strategies for economic growth, multilateral trade practices, and sustainable development. This normative policy contestation coincided with a growing consensus on the legitimacy of the G20's new inclusivity practices. This had significant consequences, leading to the expansion of the G20 agenda and stakeholders' increased emphasis on inclusive and transversal approaches to global economic governance.

Purpose of the project

The purpose of this project, to examine normative consequences of the G20's new inclusivity practices for networked global governance, would bring key insights. The most significant would be to demonstrate the constitutive and instrumental effects of these inclusivity practices on global economic governance processes, norms, and practices. This analysis would fill a substantial gap in the

G20 literature, though building on the Investigator's existing research on global economic governance and the G20 (Luckhurst 2012; 2016a; 2016b; 2017; 2019a; 2019b; 2019c). The analysis would indicate the validity of the core hypothesis, which is that networked G20 governance constitutes new inclusivity practices with key normative effects on global economic governance, including new legitimizing discourses that reinforce these normative effects (De Ville and Orbie 2014; Luckhurst forthcoming).

This influence of global governance networks undermines arguments from more state-centric approaches, such as realism and liberalism, that non-state actors have little influence on global economic governance. The proposed project would contribute significantly to literature on global governance networks and the G20, especially with insights on the normative effects of international practices (Adler 2019; Cooper and Pouliot 2015). The research would focus on the consequences of global governance networks' influence, analyzing contemporary processes and practices, foregrounded along with social-relational dynamics, rather than focusing either on macro-structures or individual agency. This would augment current conceptual frameworks for analyzing global economic governance, contributing important new empirical evidence on the effects of networked G20 governance.

Background to the project

This project proposal builds on several years of the Investigator's research and publications on the G20 and global economic governance, as indicated in the preceding section. This includes two books, several peer-reviewed journal articles and book chapters,

which the Investigator has used to develop an innovative approach to analyzing the significance of the G20 for post-2008 global economic governance.

This research trajectory brought useful opportunities to become integrated in a community of G20 and global governance scholars, as well as communicating with global governance practitioners from international organizations and G20 member-state officials. The Investigator's research for his monograph *G20 Since the Global Crisis*, published by Palgrave Macmillan in 2016, was crucial for building these relations with fellow scholars and G20-engaged officials. Research for the 2016 monograph included conducting several semi-structured élite interviews, with G20 government negotiators ('sherpas') and representatives from the official G20 engagement groups. This research subsequently opened additional opportunities for the Investigator to communicate with many G20-engaged officials and stakeholders.

The Investigator's other publications, including published commentary pieces, brought further opportunities for engaging with G20 governance networks. This included participating in events of the official engagement forums, especially the Civil 20, Think 20, and Women 20. The Investigator's ability to research G20 governance networks has been augmented by these experiences, and by his role in the Think 20's 2030 Sustainable Development Agenda Task Force. He has also accepted invitations to join select groups of scholars, experts, diplomats, officials, and politicians in participating in G20-focused workshops, at think-tanks and research institutes such as Chatham House in London, the German Development Institute in Bonn, the Griffith Asia Institute at Griffith University in Brisbane, and the Russian Presidential Academy of National Economy and

Public Administration in Moscow. This growing integration in G20 governance networks provides the Investigator with useful opportunities for participant-observation field work at such meetings. These connections also were instrumental in the Investigator receiving official accreditation to attend the G20 Osaka Summit in June 2019, another very useful opportunity for empirical field work, gaining behind-the-scenes insights into policy, political, and diplomatic issues at the G20 summit.

This research proposal is a direct consequence of these experiences, while integrating the Investigator's theoretical focus on normative effects of international practices and the influence of global governance networks in G20 policy deliberations. The Investigator has developed this theoretical approach in several publications, including the aforementioned monograph G20 Since the Global Crisis, the monograph *The Shifting Global Economic Architecture: Decentralizing Authority in Contemporary Global Governance* (2017), the book chapter 'A Constructivist Approach to the G20,' and other recent articles and chapters (see Luckhurst 2019a; 2019b; 2019c; forthcoming a).

The empirical field-work for this project would be viable, due to the Investigator's prior field work and involvement with G20 expert and governance networks, as well as his increasing theoretical focus on key aspects of the proposal. The project would further advance this line of investigation, by innovatively combining key theoretical insights from the three literatures noted earlier, namely on global governance, international practices, and global governance networks, in analyzing the empirical evidence. The latter would be collated through participant-observation field work, documentary analysis, and semi-structured interviews. This would demonstrate the

normative consequences of networked G20 governance for global economic governance.

Core argument on networked G20 governance

The G20's networked global governance could become one of its most enduring influences on the twenty-first century. The forum's inclusion of more developing-state representatives and non-state actors in global governance networks and processes, contributing to recent international authority shifts, is key to assessing contestation about its legitimacy and efficiency.

G20 'hub' for policy diffusion and decentralizing authority

The G20 continues to be influential, despite growing skepticism about its policymaking and leadership capacities. It has become, at best, an imperfect multilateral steering committee, some would argue more of a focal point; however, it remains a crucial hub for policy diffusion and decentralizing authority in global economic governance. New G20 inclusivity practices augmented the global-governance status of leading developing states and increased the influence of civil society stakeholders (Luckhurst 2019a), which should not be forgotten amid growing skepticism about the forum. Examples of these normative and practical shifts included the integration of G20 developing-state members in global financial governance bodies, such as the Basel Committee for Banking Supervision and the Financial Stability Board since 2009; and the creation of its currently-eight official engagement forums for non-state actors. These G20 effects were beneficial, even though there are legitimate criticisms of

its lack of progress on economic growth and phasing out fossil-fuel subsidies, and on the need to accelerate G20 efforts to achieve the United Nations' 2030 Sustainable Development Goals.

The Japanese G20 presidency arguably was a partial success. There was sufficient consensus to produce the Osaka Summit leaders' declaration. This contrasted favorably with the Group of Seven's (G7) failure to publish a comprehensive document, with just a brief communiqué released from its Biarritz Summit, perhaps indicative that the G20 currently is in better shape than the G7. There were agreements on a range of policy issues in Osaka, covering the usual G20 agenda topics, including infrastructure, sustainable development, financial regulation, and tax and transparency; as well as issues brought to the agenda by the Japanese G20 presidency, such as the challenges of aging populations and marine plastic waste. There was also a continuance of the political dissensus on trade and climate issues that marked the 2018 Buenos Aires G20 Summit, especially between the Trump Administration and several other G20 members. This was evident from disagreements between the Trump and Macron delegations in Osaka, which undermined prospects for a leaders' communiqué at the subsequent G7 summit.

The G20's broad agenda is indicative of how the range of issues has expanded, especially since the Korean G20 presidency added economic development to the agenda in 2010, with its 'Seoul Development Consensus.' This was influenced by epistemic and normative shifts constituted through a global development governance network, similar to the global financial governance network that influenced the G20's endorsement of macroprudential financial regulation during the global financial crisis. Despite the common perception that G20 cooperation declined after the crisis,

the forum subsequently expanded its areas of cooperation, especially through transversal approaches to sustainable development and other important policy issues.

How global governance networks influence the G20

Global governance networks have influenced the G20's post-crisis policy contestation and broader international practices. One example is the gender-equality global governance network, which influenced the Australian G20 presidency's decision to incorporate the goal of reducing the gender labor-participation gap, by 25 percent by the year 2025, in its Brisbane Summit leaders' declaration. The Australian G20 presidency was influenced by civil society gender-equality advocates, as well as officials from multilateral organizations, whose combined efforts contributed to achieving the inclusion of this target. The recent Osaka G20 Summit declaration similarly indicated the influence of the gender-equality global governance network, by incorporating core commitments advocated by five of the official engagement groups, namely the Civil 20, Labour 20, Think 20, Women 20, and Youth 20, on the labor-participation gap and on eliminating violence and harassment against women.

G20 engagement forums augmented the heterogeneity of global governance networks, contributing to their growing diversity and cooperation through linked professional 'ecologies.' The latter indicates linkages between networks of professionals working in distinct fields or contexts, yet cooperating on particular issues. The potential for these governance networks to influence G20 policymaking is evident from the Think 20's engagement, especially as many of the think-tanks and research institutes involved provide

policy analysis to governments. Hence policy convergence between G20-engaged think-tanks, through their Think 20 collaboration, could significantly influence multilateral cooperation. Scholarly literature already noted this shifting context of international cooperation in the 1990s, when James Rosenau (2005) and others began to emphasize the broader complexity of global governance actors and relations, rather than the more issue-specific and intergovernmentally-focused notion of international regimes. Many governments' increasing emphasis on public diplomacy is indicative of this stress on broader societal engagement, through new diplomatic 'outreach' practices.

Decentralizing authority and G20 agenda expansion

The G20 was crucial for decentralizing authority away from leading wealthy states since the global financial crisis, especially in global economic governance. This has often occurred through contingencies, processes, and practices beyond the control of individual actors, or even states. This is indicated by the debate among experts and officials on whether the G20 agenda should be narrowed, for perceived efficiency purposes; or whether its broad agenda should continue due to perceived legitimacy gains. The agenda has substantially expanded since the Korean G20 presidency initiated this broadening process, partly due to the 'Christmas-tree effect' of each G20 Chair opting to adorn the agenda with new topics. This builds further momentum for agenda expansion, even if some policymakers and experts advocate refocusing on macroeconomic and financial policy issues. The Australian G20 presidency of 2014 was a good example, as it advocated the narrow-agenda approach while incorporating new agenda items, especially the gender labor-

participation gap and a greater focus on infrastructure. It is still possible that future contingencies, particularly another serious financial crisis, might again lead to a narrower, crisis-driven agenda.

One consequence of this agenda expansion is that it implicitly contributes to decentralizing global governance authority and augmenting the heterogeneity of G20 governance networks. This is because the broader contexts of policy engagement engage more actors and actor-networks, while constituting new G20-influenced policymaking processes. Importantly, the broader-agenda approach also incorporates more of the priorities of the G20's developing-state members, further indicating a process of decentralizing global governance authority.

Networked G20 governance

The G20's political and diplomatic constraints have often been exposed by dissensus on macroeconomic policies, also on climate and trade issues since Donald Trump's 2016 election victory. This does not diminish the significance of the G20's influence on global governance, especially by constituting inclusivity practices that augmented the status and role of developing-state representatives and non-state actors, while increasing the forum's perceived legitimacy and, potentially, its efficiency. G20 influence on increasingly heterogeneous global governance networks arguably decreases negative effects from the type of groupthink that led to the global financial crisis. The latter occurred due to the collective failure of pre-crisis, G7-led global governance networks to prevent it, partly because the appropriate lessons from the earlier Asian financial crisis were not learnt.

Networked G20 governance influences political and normative contestation on global economic governance, across the forum's expansive and transversally-linked policy agenda. This significantly contributed to decentralizing global governance authority and processes since 2008. The G20 will likely remain more important for global economic governance than the G7, due to post-2008 political and normative shifts to embedding legitimacy- and inclusivity-practices. These processes of adjustment were reinforced by strategic authority shifts, as leading developing states became more significant for the world economy. The G20's contemporary importance, plus its significance as a future crisis committee-in-waiting, are consequences of its role in decentralizing global authority and networked governance processes.

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