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G20 after the New Delhi Summit: India, Developing Countries Claim Success

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The G20 summit on 9-10 September brought, among others, expansion of the group to include the African Union. The leaders, despite divisions, also adopted a joint declaration. This was a diplomatic success for India and confirms the growing role of developing countries in international politics. Compromise on the declaration was possible because Western countries did not want paralysis of the G20, and for that reason they agreed to ease criticism of Russia in the text for its aggression against Ukraine. Little progress on other issues and the growing divisions point to a further decline in the effectiveness of the G20.

Results of the New Delhi Summit. The summit, as well as India's presidency of the group, took place in the shadow of the war in Ukraine and huge divisions between G20 members on this issue. For this reason, none of about 20 ministerial meetings under the presidency ended with the adoption of a joint statement. Russia and China announced that they would block the final document at the summit if it did not take into account their position on the war. This meant a hardening of their position in relation to the Bali declaration from last year, which included criticism of Russia and called on it to end its aggression. The West insisted on condemning Russia, which was included in the existing documents of the Indian presidency from the work of the G20 this year. The summit was not attended by Russian leader Vladimir Putin or Chinese President Xi Jinping. Contrary to fears, the leaders' joint declaration was adopted without any reservations from any country, which can be considered a diplomatic success for India. The most important decision is the admission of the African Union (AU), representing 55 countries, to the group. Thus, the G20 becomes the "G21", with the AU the second regional organisation among the membership, after the EU. On the sidelines of the summit, India, the U.S., Brazil and others announced the establishment of the Global Biofuels Alliance, which is intended to increase use of these fuels in countering the climate crisis. In addition, new economic initiatives were

announced, including the India-Middle East-Europe Economic Corridor, supported by, among others, the EU and the U.S., as a means to improve transport, energy, and digital connections between these regions.

G20 and Global Challenges. The Indian presidency of the group identified key issues important for developing countries, including increasing financing of the fight against climate change, implementation of the Sustainable Development Goals (SDGs), reform of international financial institutions, digitalisation of economies, as well as ensuring food and energy security. At the summit, leaders also discussed the rising cost of living and the global economic slowdown. However, they did not make new commitments to solve existing problems, but only indicated general goals, commitments, and "voluntary action plans" and "principles" in various areas.

To increase food security, the G20 calls for the resumption of the <u>Black Sea grain agreement</u>, from which Russia withdrew in July this year. It supports the free trade of food and fertilisers, which can be interpreted as a signal from the West to the Global South that the sanctions against Russia are not blocking such exports. The leaders also announced the acceleration of activities to implement the SDGs (currently only 12% of the targets are on track), including by investing in digitalisation and increasing access to financing. The group supports the recapitalisation of international

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development institutions so they can finance the ambitious plans of developing countries. However, it did not indicate specific amounts or implementation deadlines. The G20 recognises that developing countries should also have greater influence on decisions made in international financial institutions, backing reform of the World Bank and the IMF. Hence, among others, it supports changing the voting power of IMF members (this process is expected to be completed in December this year). The G20 also announced actions to reduce the debt of developing countries, but did not propose a specific plan.

The leaders devoted a lot of attention to the issue of climate change, including commitments to achieving the goals of the Paris Climate Agreement, as well as the commitments of developed countries to support the poorest countries with the amount of \$100 billion annually (in 2023, this level may be achieved for the first time). In the declaration, the leaders also indicated the need to mobilise about \$4 trillion annually for the purpose of energy transformation in the world; however, they did not indicate the sources of the funding. They also did not adopt new climate goals or a commitment to phase out fossil fuels. They called for tripling the amount of energy obtained from renewable sources by 2030, but "through existing targets and policies".

Marginalisation of the War in Ukraine. During its presidency, India consistently tried to focus on economic and development issues that are crucial for developing countries. They also took the position (like Russia and China) that the G20 was not a forum for dealing with issues of war and peace. That is why they did not invite Ukrainian President Volodymyr Zelensky to the summit. They also did not give him the opportunity to speak to the participants via video link, as was the case at the G20 summit in Indonesia last year. India also did not use the role of chairman to undertake mediation or present a peace plan, probably considering that at the current stage of the war there is little chance of success of such initiatives. The absence of the Russian president also calmed the disputes over Ukraine.

India's approach made compromise easier but it also meant greater concessions on the part of the West than on Russia and China. The leaders' declaration does not identify Russia as an aggressor, nor does it condemn it in any way or call for the withdrawal of troops. The West contented itself with general statements about respect for territorial integrity, emphasising the suffering of civilians in conflicts, the negative effects of war on food and energy security, and, more broadly, on the world economic situation. This was an easing of Russia criticism compared to the Bali summit and a step back for the U.S. and the EU. Moreover, the position of Russia, China, and India that the G20 "is not the platform to resolve geopolitical and security issues" was confirmed in the declaration, effectively closing the G20 from playing a greater role in ending the war.

Ukraine criticised this approach to the war, claiming that the declaration is "nothing to be proud of". The declaration

makes it harder for the G20 to exert strong pressure on Russia in the future and recognises the war in Ukraine as just one of many conflicts in the world. It also illustrates the pragmatism of the West, which on Russia was not consistent and accepted concessions regarding the war for fear of paralysis of the G20 and deterioration of relations with host India, as well as other developing countries, especially in the context of recent <u>BRICS</u> enlargement.

Conclusions and Perspectives. The summit primarily was a diplomatic success for India, as it led to a compromise between conflicted G20 members, confirming the host's role as an effective negotiator connecting the West with developing countries. It also strengthened its position as the leader of Global South countries, making the G20 more representative (through the adoption of the AU) and emphasising issues important to developing states. The summit and the group presidency were skilfully used by India for economic, tourist, investment, and cultural selfpromotion, increasing the "soft power" of the state. India also strengthened relations with the West without worsening relations with Russia. In the absence of China's leader and ongoing <u>India-China</u> tensions, India has emerged as the West's main partner in balancing China's influence in the world. The successful G20 presidency has boosted India as a major power and increases the chances that Prime Minister Modi and his BJP party will win next year's parliamentary elections.

The summit in New Delhi does not end the divisions within the "G21" and the challenges the group faces. The very fact that the main measure of success was whether a common document would be adopted, rather than its content, indicates a crisis in this format. Admitting another member will make reaching consensus on key issues even more difficult. In order for the group to become more effective and able to implement specific solutions, members should rethink the principles of its functioning and move away from unanimity in decision-making. Without this, its usefulness will be limited to a leaders meeting and announcing additional initiatives, rather than as a mechanism for solving global problems.

The course of the summit shows that the West is taking into greater account the demands and aspirations of developing countries. The expansion of the G20 is the right step to increase the role of the Global South in the international system. The fact that the next annual presidencies will be held by Global South countries—Brazil in 2024 and South Africa in 2025—will ensure that issues important to this group remain high in the G20 agenda. In addition to the current dividing line in the group between West and East (democracies vs. authoritarian systems), the one between the North and the South (developed vs. developing countries) is taking centre stage. The U.S. and the EU will be under increasing pressure to fulfil promises to increase financing to combat climate change, reform development banks, and relieve the debt of the poorest countries.