



India's G20 Presidency Will Serve to Show Country's Soft Power

Patryk Kugiel

India's G20 presidency in 2023 is a priority for Narendra Modi's government and an opportunity for the country to promote itself internationally. The presidency will present India as a major global power and representative of the countries of the Global South, as well as an economically strong place to invest and as a tourist destination. It will also press for changes in the international order. The main challenges for the G20 will be the internal divisions related to Russia's aggression against Ukraine and the slowdown in the global economy. Western countries in the G20 should diversify their approach and support India in developing solutions to global challenges, but prevent the normalisation of relations with Russia within this format.

India's Presidency Plans. On 1 December 2022, India took over the one-year presidency of the G20 group under the theme "The world is one family" (*Vasudhaiva Kutumbakam*). This is meant to express India's inclusive and ambitious approach to relations and striving for world peace and cooperation between countries in order to improve the economic, political, and ecological situation. The announced objectives of the presidency include combating climate change, a focus on sustainable growth, the technological and digital transformations, progress in the implementation of the Sustainable Development Goals (SDGs), increasing the role of women in development, and "reforming multilateralism".

During its presidency, India plans to hold more than 200 meetings in 50 cities across the country through 32 cooperation formats of the G20. The main event will be the Delhi Leaders' Summit on 9-10 September, which has already registered a record 43 delegations. India took advantage of the host privilege and, in addition to the permanent members of the G20, invited additional guests Bangladesh, Egypt, Mauritius, the Netherlands, Nigeria, Oman, Singapore, Spain, and the UAE, as well as a number of international organisations, including two institutions it created—the International Solar Alliance (ISA) and Coalition for Disaster Resilient Infrastructure (CDRI).

Importance of the Presidency for India. Leading the group of the world's largest economies, which altogether represent 85% of global GDP and 75% of trade, is India's most important international role to date, but also a major challenge. The government of Prime Minister Modi attaches great significance to the conduct of the presidency as it enables the country to shape the agenda of cooperation between the most powerful states in the world and to promote the role of India as a global power. By emphasizing matters important to developing countries (e.g., SDG implementation, climate change, food security), it wants to strengthen its position as their representative. This was the purpose of the virtual conference "Voice of the Global South", attended by over 120 delegations on 12-13 January. The current G20 *troika* (the previous, current, and next presidencies) is made up of emerging economies—Indonesia, India, Brazil—strengthens the position of the Global South in pushing for solutions beneficial to it within the group. India will use this period to increase the pressure to reform international institutions, particularly the UN Security Council (UNSC), where it demands a permanent seat.

Its presidency of the G20 will also be an opportunity to promote India's economy, culture, and tourism. It hopes to increase its attractiveness as a place to locate foreign investments and relocate supply chains, based on the "Self-

Reliant India” programme. It wants to be perceived as a creator of solutions to contemporary challenges and a reformer of international institutions, which is to lead to a more just, equal international order that takes into account the interests of developing countries. Climate issues will be important for India and will include promotion of its L.I.F.E. campaign for a sustainable lifestyle and emphasis on the responsibility of developed countries for climate change. It will want to present some of its own solutions, such as digitisation of administration and economy, as models for other developing countries. The organisation of hundreds of meetings at various levels in various parts of a diverse country will be a global promotional campaign to increase tourist traffic, which during the pandemic has fallen to 1.5 million foreign visitors in 2021 from 11 million in 2019. After all, India’s goal is to popularise Indian values, way of thinking, culture, and traditions around the world.

Challenges. India’s G20 presidency, though, comes at a time of growing crisis in multilateralism and globalisation, and of an intensifying U.S.-China rivalry. However, the biggest challenge for India and the G20 will be the effects of Russia’s aggression against Ukraine and the resulting divisions among the group’s members. Differences on the issue were reflected in the [G20 statement after the November 2022 Bali Summit](#). While maintaining a neutral stance towards the war, India would like to play a role in reaching a peace agreement. In December 2022, Ukrainian President Volodymyr Zelensky had a telephone conversation with Prime Minister Modi, congratulating him on taking over the presidency and appealing for support for his 10-point peace plan presented at the [G20 summit](#).

However, the Ukrainian proposals are diametrically opposed to the Russian position. In a conversation with Zelensky, India’s prime minister only assured his counterpart of his support for dialogue and diplomacy to end the conflict, which is closer to the Russian perspective. This makes Modi’s role as a potential mediator limited. That is why India, offering the G20 as a platform for Russian-Ukrainian talks, will only insist on stopping the hostilities, emphasising the negative effects of the war and sanctions on developing countries and the global economy. With inclusiveness a key part of its approach, India probably will invite Vladimir Putin to the G20 summit in Delhi, creating a dilemma for the leaders of Western countries, whose participation in such a meeting would contradict the policy of Russia’s international isolation.

The second biggest challenge is to rebuild the global economy after the COVID-19 pandemic, further weakened by the effects of the Russian aggression. According to IMF estimates, global GDP growth in 2022 amounted to 3.2%, and in 2023 it will fall to 2.7% (compared to 6% in 2021). Economic recovery will require coordinating the macro-financial policies of the G20 members to contain inflation, primarily by stabilising the energy and food markets. The risk of further bankruptcies of developing countries (after Sri

Lanka) will require action on the part of the G20 to assist with debt relief and financial aid. India will also seek additional funds for the adaptation of developing countries to climate change, support for the green transformation, and the implementation of the SDGs.

Conclusions and Perspectives. The presidency of the G20 will most likely be a reputational and political success for India. It will serve to promote the country’s soft power and convince the world that India has emerged as a global economic and political power. The presidency will increase the pressure to reform international institutions, including the UNSC. Taking on the role of representative of developing countries may, however, make it difficult for India to play the role of a “bridge” between the South and North in working out solutions to international challenges. A successful presidency could help Modi and his BJP party win the 2024 general election.

It is in the interest of the EU to support India in creating solutions within the G20 in key areas that increase the stability of the international system, including the reform of global institutions, environmental protection, and the implementation of the SDGs. To improve the representativeness of the G20, it is worth accepting the African Union as a full member, as well as working out a plan of action for the group to reform the UN and the WTO. The EU should support the G20’s clarification of the shape of the Loss and Damage Fund for developing countries’ costs due to climate change, announced at the [COP27 Summit in Egypt](#). It can also support India’s efforts to boost the global economy through the G20, including by presenting proposals to restructure the debt of the poorest countries, transferring a larger part of Special Drawing Rights (a unit of accounting within the IMF) to them or proposing additional funds to help the poorest countries catch up with the implementation of the SDGs.

The course of the war in Ukraine may determine the success or failure of the Indian presidency. Given the continued aggression, it would be a mistake to take a step towards normalising relations between the West and Russia by inviting Putin to the G20 summit. Therefore, Western countries should continue to push for the group’s unequivocal condemnation of Russia’s attack on Ukraine. The G7 and EU countries could also demand Russia’s exclusion from the G20, suggesting in advance that they might boycott the Delhi summit. This would pose the risk of a serious crisis within the G20 and the marginalisation of the format, but it could also create an opportunity to define the rules of membership and establish a procedure for suspending states violating basic international rules. As a result, this could have a positive impact on the coherence and functioning of the G20, allowing it to focus on key economic challenges. India, as a country interested in the success of its presidency and maintaining good relations with Russia, may be ready in this context to increase the pressure on Russia to end its military operations in Ukraine.