



THINK-20 MEETING

Report to G20 Sherpas

March 2012

The challenge for the G20, given the multitude of issues and diverse interests, is to demonstrate collective leadership on key global economic challenges and restore growth and employment. On February 27-29, the Think-20, a network of research institutions from around the world, met in Mexico City to discuss the Los Cabos G20 Summit agenda. We asked how to “green” the G20 agenda without adding new topics, how to make the G20 summit meeting format most productive, and how to build greater G20 credibility. The recommendations below are the meeting’s priorities, suggesting realistic, concrete initiatives likely to produce deliverables.

Stabilize and Reform the Global Economic and Financial System

- While the main responsibility of dealing with the Eurozone crisis must rest with the Eurozone economies themselves, the G20 still has a critical role to play. For example, G20 peer review should play an important role in assuring the quality of the Eurozone policy response. A priority is to insulate the rest of the world from spillovers from the Eurozone crisis by increasing the resources of the International Monetary Fund (IMF) and creating global financial safety nets. The G20 must continue peer pressure and insist that Eurozone members increase their own war chest to deal with risks of sovereign default. The responsibility lies with the EU.
- Begin discussion of a systematic sovereign debt restructuring process to deal with future challenges.
- Accelerate promised governance reforms in international financial institutions, specifically the weighted voting, leadership selection reform and executive board composition at the World Bank (WB) and IMF.
- In balancing short term and long term priorities, emphasize growth in jobs & livelihoods - correct the mistaken policy of “expansionary contraction”.
- Deliver on past commitments on global financial regulation, in particular to harmonize standards and resolve authority to deal with “too big to fail” and the shadow banking sector. Strengthen the powers, governance and resources of the Financial Stability Board (FSB) so that it may provide stronger surveillance, and broaden its inclusiveness.
- Establish working groups to address (a) inadequacies of international financial regulatory reform and (b) management of capital flows, involving the IMF and FSB.

Promote “Green Growth” and Food Security

- Agree on an integrated vision of “Global Green Growth” to be embedded in the Pittsburgh *Framework for Strong, Sustainable and Balanced Growth*, giving primacy to economic policy measures leading to investment-led and innovation driven growth, transforming energy production and use in advanced and developing countries by mobilizing a range of constituencies and instruments in support of synergistic strategies at the community, corporate, national, regional and global levels, that are not just wish lists.
- Mainstream “green growth”. The current G20 agendas for growth, development, energy and food security should emphasize the need to create green jobs and promote investment in greening infrastructure and sustainability. The G20 can maintain a strong focus on the existing agendas and, at the same time, produce a Los Cabos legacy of “Green Growth”.
- Follow through on the commitment to eliminate inefficient fuel subsidies by 2020.
- Feature “Livable Cities” in the G20 Infrastructure Action Plan with an emphasis on mass transit.
- Promote growth in jobs and livelihoods, including in advanced economies, by focusing on “no regrets investments”. To promote efficient, appropriate-scale, low-carbon energy, commission reports on opportunities for “smart grid” measures and international cooperation on open source technology development and transfer.
- Commission an assessment of economic options to reduce greenhouse gas emissions.



- Encourage leaders at Rio +20 to (a) elevate the status of UNEP and streamline the “family” of environmental and food agencies; and (b) develop a consensus on the “Sustainable Energy for All” initiative.
- To ensure food security, phase out agricultural subsidies (e.g., with leadership from advanced countries, such as the U.S.), and ensure access to inputs (credit, land, seeds, fertilizer, water) by smallholders, especially women.
- Expand pre-placement of emergency food stocks, and increase transparency in commodity markets through the development of price discovery mechanisms. Productivity is a long-term challenge; the world needs to double agricultural productivity within the next 40 years in a sustainable way.
- Treat food security, research and development (R&D) and commodity price volatility as cross-cutting issues that require leadership which agricultural ministers alone cannot provide. Leaders must lead in this area, including by appointing a food security “Czar(s)” to focus on policy coherence among WB, OECD, and UN agencies and within national governments.

Improve the G20’s Performance

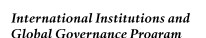
The role of the G20 should shift from a crisis committee to a global steering group. Ideas were suggested to improve the effectiveness of the preparatory process and to increase the value of Leaders meetings.

Preparatory Process

- Reassess the Troika. At present, it is not working, despite the Cannes decision. Consider a “Bureau” to support the Troika.
- Continue G20 foreign ministers’ meetings, so the G20 can evolve into a more general purpose global steering body. The need that applies to financial issues—bring the world’s most important developed and developing countries at the table—also applies to a wide array of issues, from transnational organized crime to governance to nuclear proliferation.
- Strengthen the links between the G20 and other international bodies, such as the UN. Provide recommendations (not mandates) to their executive bodies. Ensure transparency and consultative processes with regard to new initiatives and delegation of work.
- Institutionalize the Think-20 to serve as idea “banks,” monitoring and accountability mechanisms, and help deliver feedback and buy -in from sceptical publics to accept correct, but painful, policies. The Think-20 can also be asked to craft assessments of potential agenda items.
- Reinforce the Presidency with an informal “non-secretariat” of temporary secondments.

Leaders’ Summits

- Lengthen summits to allow for more time for informal unscripted exchanges among leaders.
- Promote informality by setting new norms against prepared statements, limiting the number of people in the room, and providing expert, simultaneous translation.





Individual participants prepared briefing memos that were circulated to the Think-20 members. These documents and this report can be consulted at:

COMEXI website: http://think20.consejomexicano.org/?page_id=74 (Briefing Memos)
http://think20.consejomexicano.org/?page_id=69 (Think-20 Report)

CIGI website: <http://www.cigionline.org/events/think20-consultation-mexican-g20-sherpa-team>

LIST OF CONTRIBUTORS

NAME	THINK TANK
AUSTRALIA	
Mark Thirlwell	Lowy Institute for International Policy
BRAZIL	
Rogério Sobreira	Fundação Getulio Vargas (FGV)
CANADA	
Paul Martin	Council of the Coalition for Dialogue on Africa (CoDA)
Barry Carin	Centre for International Governance Innovation (CIGI)
Thomas Bernes	Centre for International Governance Innovation (CIGI)
CHINA	
Liwei Qian	China Institutes of Contemporary International Relations (CICIR)
GERMANY	
Nancy Alexander	Heinrich Boell Foundation of North America
Thomas Fues	German Development Institute (DIE)
INDIA	
Parthasarathi Shome	Indian Council for Research on International Economic Relations (ICRIER)
Rakesh Mohan	Jackson Institute for Global Affairs at Yale University
INDONESIA	
Maria Monica Wihardja	Centre for Strategic and International Studies (CSIS)
JAPAN	
Shinichi Kitajima	The Japan Institute of International Affairs (JIIA)
MEXICO	
Andrés Rozental	Mexican Council on Foreign Relations (COMEXI)
Enrique Berruga	Mexican Council on Foreign Relations (COMEXI)
Carlos A. Heredia	Mexican Council on Foreign Relations (COMEXI)
RUSSIA	
Vladislav Inozemtsev	Centre for Post-Industrial Studies
RWANDA	
Antonia Mutoro	Institute of Policy Analysis and Research, Rwanda
SINGAPORE	
Barry Desker	S. Rajaratnam School of International Studies (RSIS)
SOUTH KOREA	
Wonhyuk Lim	Korea Development Institute (KDI)
SPAIN	
Giovanni Grevi	Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE)
TURKEY	
Sarp Kalkan	Economic Policy Research Foundation of Turkey (TEPAV)
UNITED STATES	
Stewart Patrick	Council on Foreign Relations (CFR)
David Shorr	The Stanley Foundation
Colin Bradford	Brookings Institution
Stephen John Stedman	Spogli Institute for International Studies, Stanford University