

Shout Out for Global Justice! Confronting the G8 and G20

Canada will be centre stage internationally as the Harper government hosts the G8 and G20 summits in Ontario from June 25 to 27, 2010. On one side – and behind steel fences and barricades– are the leaders of the world’s economic powers. On the other is everyone who hasn’t been invited, but who believe that a small group of countries with political and economic power don’t have the right to make decisions that affect everyone in the world. The decisions made behind closed doors over these three days in June by political leaders attending the G8 and the G20 will have wide-ranging impacts on the more than six billion people.



The Council of Canadians will be at the summits to confront the legitimacy of the G8 and the G20 and their unwavering promotion of a failed model of world trade that has led to inaction on climate change, the loss of clean, accessible water, and rising corporate power.

Here is some information to give you a better understanding of the G8 and G20: what will be discussed behind the barricades, why it matters, and what you can do about it.

What are the G8 and G20?

The G8 is an annual forum for the leaders of eight of the richest and most powerful countries in the world to discuss economic and political issues. It is made up of the leaders of **Canada, the United States, the United Kingdom, France, Germany, Italy, Russia and Japan**. First established in 1975, the G8 has appointed itself the central forum for global governance. The decisions made at the annual summits have come to shape key decisions in the management of global political and economic affairs. With their combined economic, military and diplomatic power and influence, the nations of the G8 have tremendous influence over institutions of global governance and economics such as the World Trade Organization (WTO), the International Monetary Fund (IMF), the World Bank, and the Organization for Economic Cooperation and Development (OECD).

Like the G8, the G20 is a self-appointed forum of major developed and developing nations. Formed in 1999 as a forum for finance ministers and central bank governors to discuss economic issues, the first G20 leaders’ summit took place in November 2008 in response to the economic crisis, and has since appointed itself as the main international forum to address global economic issues. Its membership includes G8 nations as well as leaders from **Australia, Brazil, China, India, Mexico, Argentina, Indonesia, South Africa, South Korea, Turkey, Saudi Arabia, and the European Union**.

What will be on the agenda at the June summits?

The discussions that happen at the G8 and G20 summits – most notably at the G8 – are quite broad, and much of the work is done in advance of the actual meetings. As the host country and chair of the meetings, Canada holds much of the responsibility for determining the priorities of both the G8 and G20 meetings in 2010.

Earlier this year Prime Minister Stephen Harper indicated the themes for the G8 Summit would be open markets and free trade, global warming, and freedom, democracy and the rule of law. A year later he added development as a fourth theme. He announced the G20 summit theme will be: “Recovery and New Beginnings” and the meeting will focus on financial sector reform, stimulus programs and global trade and growth.

What’s wrong with the G8/G20?

The G8 and G20 are not legitimate. The G8 and the G20 are both self-selected, exclusive groups of nations that don’t have any right to be making decisions that impact the entire world. Unlike the United Nations (UN), which could be referred to as the G192, neither the G8 nor the G20 are elected bodies that can claim any legitimacy to act or speak for more than 150 other nations that aren’t invited to the meetings.

The G8 has long been criticized as nothing more than a “rich countries” club, one that wields a disproportionate amount of global power through its control of the main international institutions of the IMF, World Bank and WTO, despite representing a small fraction – less than 15 per cent – of the world’s population. Similarly, the G20 is a slightly expanded tent of wealthy and powerful countries that will make decisions in their own self-interest. The small and least-developed countries in the world are excluded from the process; the continent of Africa has just one representative – South Africa – and Central America has none. Unlike the G7, which could at least claim democratic credentials, a number of G20 states are dictatorships and do not meaningfully represent their citizens.

The G8 and G20 have put failed economic policies into action.

For three decades the rich nations of the G8 and later the G20 have pushed the so-called “Washington Consensus” of neoliberalism, deregulated markets and free trade on the rest of the world through the World Bank, the IMF and the World Trade Organization. Much of the blame for the most recent economic crisis – and the ones that came before it – is the direct result of these failed policies. Despite being the cause of the crushing debt crisis of the Global South and the discredited structural



adjustment programs that forced poor nations to privatize, deregulate, focus on exports and open up their markets in return for needed loans, the G20 has handed responsibility for getting the world out of this economic mess largely to the IMF and the World Bank.

The G8 and G20 leave a long line of broken commitments. The G8 and G20 also clearly fail to fulfill the lofty promises they make. In its Plans for the 2010 G8 Muskoka Summit document, the University of Toronto's G8 Research Group identifies 54 commitments dating back to 1997 that are due to be fulfilled in 2010. For example, in 1970 the rich nations pledged increase foreign aid to 0.7 per cent of gross national income (GNI), a promise reiterated many times since, including at the 2005 G8 Summit. Despite the pledge, none of the G8 countries have reached the goal. Pledges to combat climate change have a long history in G8 meetings, but have had no significant impact reducing greenhouse gas emissions amongst the member countries. In fact, G20 countries are responsible for 70-80 per cent of all greenhouse gas emissions. In 2009, the G8 summit made no mention of HIV/AIDS despite pledging just four years previously at the Gleneagles summit to fight for universal access to AIDS treatment by 2010.

The G8 and G20 summits cost more than \$1 billion

Costs for both the G8 and the G20 summits have soared to more than \$1 billion. Over the three days of planned meetings, this means about \$75 million will be spent every hour on security and logistics – money that is desperately needed for the high priority agenda items that will be talked about at the summits including maternal health, access to clean water and sanitation and urgent action on climate change.

How can we do it differently?

The world also desperately needs a transparent and accountable process for reforming and governing the international financial system and institutions. This will require the consultation of all governments, parliaments, trade unions and civil society, with the UN playing a key role.

Business as usual on financial, climate or trade policy is unacceptable given the extent of the economic, social and climate crises affecting the world today. Creating a fair, functioning global economy means rapidly addressing climate change while recognizing different historical responsibility for creating the problem. Building a low carbon economy requires

massive public investment in decent green jobs and public services. A new green deal cannot be financed without significant tax reforms, nationally and internationally – and that includes a financial transaction tax to help redistribute wealth and cool down reckless speculation. Simply put, we need a system change the G20 cannot deliver.

We need a new forum for global trade discussions to replace the World Trade Organization, possibly under the guidance and authority of the UN Conference on Trade and Development (UNCTAD), which would manage global trade in a democratic manner, and in co-operation with least developed countries and civil society. This would happen in the interest of development, equity, human rights, environmental protection and cultural diversity.

It is important to recognize the equality of Northern and Southern voices in the shaping of multilateral economic, climate and trade governance. The self-appointed G20, like the G8 before it, lacks any real democratic legitimacy and cannot be allowed to replace more democratic venues such as the United Nations.

Take action!

With a billion dollar-plus price tag, infringements of basic civil liberties, massive disruptions for those who live in Toronto, and a “business as usual” agenda that serves neither people nor the planet, the Council of Canadians is calling on Prime Minister Stephen Harper to scrap the G8 and G20 summits.

The place for national leaders to meet isn't behind barbed wire fences in small groups of eight or twenty, but rather in the General Assembly at the United Nations. That's what the United Nations was created for, and it has the buildings, infrastructure and appropriate security in place for gatherings of world leaders.

Write to Prime Minister Stephen Harper today and tell him to scrap the summits!

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Join the Council of Canadians

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