

## India at G20 Osaka Summit

**By Saira Banu,**

The G20 Osaka summit held on June 28–29 saw leaders from 19 countries and the European Union, representing 80 per cent of the global GDP and 64 per cent of the world's population (4.7 billion), come together to promote efforts towards achieving global economic growth. This year's G20 summit focused on the following themes: Global Economy; Trade and Investment; Innovation; Environment and Energy; Employment; Women's empowerment; Development; and Health. While these themes were intended to streamline discussions amongst the 20 participants, the largest economies of the world, numerous standoffs and looming trade-wars dominated the conversation in the bylines.

The G20 summit was initiated in 1999 by Japan to address the repercussions of the Asian financial crisis, and consisted of Finance ministers and Presidents of the Central banks of key emerging economies. The Global financial crisis in 2008 sparked the need to instate Presidents and Heads of states into the G20, as it was made the primary mechanism to address the debacle. In the current scenario, the relevance of Finance ministers in the G20 is ambiguous. Impulsive changes are made in a country's economic policy over Twitter, and this has reduced the earlier substantial role of a Finance minister in the G20 to a merely performative figure. While predominantly discussing economic and financial issues, the G20 often deals with a broad theme.

Given the diminishing stability of the global economy supplemented by the recent trade wars, the central task is to establish a framework for strong and sustainable growth. The G20 Osaka Leaders Statement is on "Preventing exploitation of the internet for terrorism and violent extremism conducive to terrorism". This has strayed from the G20's initial mandate of catering to economic emergencies, thus leading to its fading relevance. Another factor in its waning relevance is the constant domination of the Global powers China, Russia and the United States, which in turn is reflected in the lack of consensus achieved at numerous G20 summits earlier.

Indian interests were represented by Suresh Prabhu, India's Sherpa to the G20 summit, who pitched strongly for stricter action against economic offences and ensuing fugitives, as well as tax evasion. A Global Financial Integrity report estimates that \$462 billion in illicit money has been taken out of India in the last six years. Issues of financial transparency are crucial

for India's national and economic security, but these concerns are lost to the Western narrative that revolves mainly around trade, artificial intelligence and sustainability. India's efforts towards climate change mitigation and expanding renewable energy rapidly were also discussed. India is a main contributor to the "greening efforts" across the world, and constituted 6.8 per cent net increase in Green Leaf Area. Further, India's exploration of solar power solutions under the International Solar Alliance comes at a time when the US – the world's largest economy – is set to pull out of the Paris Climate Change Agreement of 2016.

During the summit, Prime Minister Narendra Modi held nine bilateral meetings, two plurilateral meetings JAI (Japan-America-India) and RIC (Russia-India-China), and one multilateral meeting of BRICS. PM Modi's meeting with President Donald Trump was in the wake of the US ending the General System of Preferences and India retaliating by hiking tariffs on 28 items. The meeting resulted in attempts to resolve these trade-related issues. The need to maintain peace in the Gulf region was stressed upon by Modi, in response to mounting pressure from the Trump administration for stopping oil imports from Iran. Iran is a key supplier of crude oil to India (2.57 MT in 2019), and is also home to the Chabahar port where India has invested heavily in. Defence ties between the states were reaffirmed by the US President and no further mention of India purchasing S-400 missile systems from Russia was made.

At the Russia-India-China trilateral meeting, Chinese President Xi Jinping urged the three countries to expand cooperation in 5G network, claiming it as the heart of the "fourth industrial revolution". During the trilateral meeting, President Xi also mentioned that the three countries should become guardians of "global and regional peace and stability", in order to promote a multi-polar world, and to make international relations more democratic.

The G20 summit saw the adoption of the Osaka Track, an overarching framework that creates a set of international rules enabling the free movement of data across borders. The "Data free flow with trust" concept introduced by Japan seeks to standardise rules in the global movement of data flows with better protection for personal information, intellectual property and cybersecurity. The Osaka Track is intended to supplement and add momentum to e-commerce negotiations at the World Trade Organization (WTO). The Osaka Track was adopted by 24 signatories, with India being the only nation that did not participate in the session, while Egypt, Indonesia and South Africa abstained. India boycotted the Osaka Track, claiming that it undermined the core WTO principles for arriving at consensus-based

decisions. Foreign Secretary Vijay Gokhale stated that India believes in discussions and negotiations pertaining to data should be held within the context of the WTO.

This follows and contradicts Suresh Prabhu's statement that the infusion of technology created economic opportunities which in turn help to bridge the digital divide and improve the quality of life. Commerce Minister Piyush Goyal had earlier relayed India's concerns over playing catch-up in the technological frontier, stressing upon the digital divide that serves as impediment to developing countries benefiting from digital trade. PM Modi has however participated in trilateral talks with Russia and China that focus on 5G technology imports and interlink mobile internet with manufacturing. In such circumstances, with multiple statements that border on contradicting each other, it is an inevitable conclusion that India should not have boycotted the Osaka Track. Instead, it should have collaborated with the declaration as it is, and further encouraged its validation in the WTO.

The president of the G20 also serves as the host nation and is chosen through a system of rotation, where countries are divided into groups based on regions. Intra-group negotiations also determine which country serves as the host. The next G20 summit to be held in Saudi Arabia will take place on November 21–22 in 2020. It was announced at the end of the G20 summit in Hamburg in 2017. This has led to a lot of debate surrounding alleged reports linking the Saudi Crown Prince Mohammed Bin Salman to the murder of journalist Jamal Kashoggi in the Saudi consulate in Istanbul. However, the G20 Riyadh is of strategic importance, due to its literal strategic position in terms of accessibility, and increasing relations between Saudi Arabia and the United States in different spheres. G20 Riyadh occurs at a crucial juncture where the Middle East is dealing with the crisis in Yemen, looming Iran-US tensions and some states are still recuperating from the aftermath of the Arab spring. Saudi Arabia's \$500 billion mega-city 'Neom' is set to complete its construction in 2020. Powered entirely by renewable energy, and served by driver-less vehicles and vertical farms, Neom city serves as a symbol of Saudi's rapid development and modernisation.

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