Asia and the G20

Peter Drysdale
Australian National University

Asia and the Pacific Public Policy Society Inaugural Conference,
7 September 2012
Background

- G20 summit and change in the global order
- out of the finance ministers meetings post Asian financial crisis to Summit in Nov 2008.
- players account for over 83 % of global output (42 % for G8); 80 % world trade
- new role for the six Asian economies
- Bush administration and Obama follow-through
- nature of the G20 process
Objectives

• global crisis: coordinating the response

• shift in economic power and strategic weight to China, India and emerging economies

• G20 agenda: recovery; fixing the financial system; reducing imbalances to sustain long term growth

• reform of global governance: IMF; World Bank; the G7; WTO?

• broader economic and political agenda
Main Issues now

• recovery at risk in Europe and the United States: the now and the after
• Asia a positive and dynamic element in recovery from global financial crisis: decoupling?
• what Asia can bring to the G20 table
• re-positioning the development agenda.
• Infrastructure as a driver of recovery
Structural Reform and Asia’s Role

- Infrastructure investment and recovery
- Asia’s experience: questions about the future
- Structural reform priority: institutions and incentives for productive and sustainable growth
- Investment and new growth models in exit from global stimulus
- Challenge of connecting to regional agenda
G20’s Future

• entrenching G20 primacy: Australian and Asian interests
• securing legitimacy and reach: regional constituencies and architecture
• operationalizing the mode: APEC model
• troika and the push for a secretariat?
• prioritising the agenda: avoiding the christmas tree approach
• getting the politics right