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## India's G20 Presidency: Challenges and Opportunities

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The G20 Leaders' Summit in Bali is the grand finale of Indonesia's year-long presidency. The baton passes on to India on December 1, 2022.<sup>2</sup> Gavel (Fig 1), the symbol of the G20 administration and presidency, is the image of respect that symbolises the world's foremost financial participatory body. The G20 comprises India, Japan, Australia, the US, the UK, Argentina, Canada, France, China, Germany, South Korea, Italy, Russia, Indonesia, Mexico, Saudi Arabia, South Africa, Brazil, Turkey, and the European Union. Together, the G20 countries account for more than 80 per cent of the world's GDP, about two-thirds of international trade, and about 75 per cent of the global population, making it the most important forum for international economic cooperation. The presidency of the G20 implies accountability and responsibility. It presents a remarkable opportunity for the leadership of India to shape the global response to the existing challenges. It is also the moment for India to take initiative and transition from being a 'rule-taker' to being a 'rule-maker.'

### **Challenges for India's Presidency in G20**

India's presidency has come at a time when the world is facing many challenges, ranging from Chinese aggression towards Taiwan, rising food and energy crisis due to the Russia-Ukraine conflict, ever-increasing belligerence of North Korea, the global economic slowdown, the emerging threats to trade in the Indo-Pacific region, and the concerns for the environment.<sup>3</sup> With geopolitics high on the G20 agenda this year, it seems like a mammoth task for India to steer it out of rocky waters. Significantly, the "incomparable multidimensional crises" behind the summit were already known, and the member nations were eager to know the Indian viewpoint on each of the issues. India acknowledged the impending consequences of economic decline, growing global poverty, and the delay in achieving the "Sustainable Development Goals."<sup>4</sup> The G20 was a divided house, with several leaders abdicating their responsibility to find a way to a peaceful solution in Ukraine. Political leaders must address the root cause of the food, fuel, and fertilizer crises, the Ukraine conflict, and related sanctions. In this regard, the stamp of Indian diplomacy by way of PM Narendra Modi's statement, "Today's era is not of war," resonated well, and a finely balanced outcome by the contending groups saved the Bali summit. The challenge that now faces India is to take the lead and move forward in getting both warring sides on the negotiation table to end the conflict.

With the prime focus of the G20 countries being on securing long-term economic growth, the efforts will have to continue towards the guarantee of food, fertilizer and energy security for all, especially the most disadvantaged households. In particular, the full implementation and continuation of the Black Sea Grain Initiative for the export of Ukrainian goods would be a major challenge for India. On the issue of climate change, the G20 reiterated its commitment to achieving

global zero greenhouse gas emissions or carbon neutrality by the mid of this century. Some gaps could be seen in the health security cooperation between the national ministries of finance and health for the Pandemic Fund to prevent, prepare for, and respond to future pandemics. These three issues would not, by any standard, be easy tasks for the Indian presidency. The additional tasks of adding the value of digital technology in several sectors, capacity development, and inclusive industrialization, especially in developing countries, would have to be addressed in parallel.

### **Way Forward for India's Presidency**


PM Modi has already been acknowledged as the peacemaker by the very fact that the Bali Summit ended on a positive note of acceptance by all nations on his famous statement to Mr Putin that the present era was not that of war. India has also been recognised for its vaccine diplomacy during the post-pandemic recovery period. India is thus in a very strong diplomatic position to use its one-year presidency and leave a mark on the world map.<sup>5</sup> The critical areas that need to be dealt with along with carving out an acceptable solution to the challenges would include:

- *Multilateral Cooperation:* India must not only take the lead in strengthening the G20 group and reducing the differences that have crept in due to the geopolitical situation, but also set the pace for the future of multilateral cooperation in various fields of the group's multidimensional agenda.
- *Inclusive Approach:* In the period of the presidency and as the host for the 2023 G20 summit, India must bring forth the views of countries that are not represented in the G20. India must encourage a comprehensive approach with human-centric arrangements to resolve worldwide issues as a way forward.<sup>6</sup>
- *Elevating the African Union:* Another significant objective should be to end the sidelining of African nations by promoting the African Union's (AU) status from being a perpetual observer to member status of the G20, bringing it to the level of the EU.
- *India-focused view:* India must strive to bring together an Indo-centric vision, expand the area of critical concerns of the Global South, and leverage the diplomatic advantage to share and settle the positions of competing centres of power involving China, the USA-led West Block and the Russian block.
- *Strengthening Systems:* As the President of the G20, India must aim to strengthen its partnership with international organisations such as the IMF, OECD, WHO, World Bank, and WTO and strive to get their focus on stricter norms for controlling funds for states involved in terror-related activities.

- *International Institute for Regulatory Development*: The G20 presidency gives India an opportunity to initiate a transformation of the global regulatory structure by establishing the International Institute for Regulatory Development (IIRD). India can be the torchbearer for a new regulatory framework.

## Conclusion

India, at the G20 summit, has very clearly articulated its vision by stating that, “Without peace and security, our future generations will not be able to benefit from economic growth and technological innovation.”<sup>7</sup> As an established global leader now, the promise PM Modi makes for an action-oriented and ambitious presidency will be closely watched, not only by the members of the G20 but also by international institutions like the UN, think tanks, diplomats across the world, and more importantly, by the neighbouring countries of the Indian Ocean Region (IOR). India has already taken the lead in some aspects, particularly in technology with digital public goods and its governance, self-reliance or *Aatma Nirbhar*, vaccine diplomacy, and asserting its firmness on various geopolitical issues. Therefore, the stage is set now for India to take the lead and work towards global peace, rule-based governance and growth for all on the world canvas.



**NOTES:**

<sup>1</sup> “India Takes Over G-20 Presidency, PM Calls For "Mindset Shift": 10 Points,” *Times of India*, December 01, 2022, <https://www.ndtv.com/india-news/indias-g20-presidency-begins-today-100-monuments-to-be-lit-up-10-points-3568003>. Accessed on December 04, 2022.

<sup>2</sup> “India take G20 presidency”, *Indian Express*, November 30, 2022, <https://indianexpress.com/article/explained/explained-global/as-india-take-g20-presidency-five-takeaways-from-the-summit-in-bali-8272375/>, accessed on December 01, 2022.

<sup>3</sup> Gautam Chikermane, “Under India’s G20 presidency, security will continue to wag the economy”, *ORF*, November 20, 2022, <https://www.orfonline.org/expert-speak/under-indias-g20-presidency-security-will-continue-to-wag-the-economy/>, accessed on December 01, 2022.

<sup>4</sup> “India’s challenges as it takes over the G20 presidency” *Indian Express*, December 01, 2022, <https://indianexpress.com/article/opinion/columns/india-g20-presidency-challenges-8279699/>, accessed on December 01, 2022.

<sup>5</sup> “Modi urges unity on 'greatest challenges.” *Reuters*, December 01, 2022, <https://www.reuters.com/world/india/modi-urges-unity-greatest-challenges-india-assumes-g20-presidency-2022-12-01/>, accessed on December 01, 2022.

<sup>6</sup> “India can play big global role with G20 Presidency,” *The Pioneer*, December 01, 2022, <https://www.dailypioneer.com/2022/columnists/india-can-play-big-global-role-with-g20-presidency.html>, accessed on December 01, 2022.

<sup>7</sup> PIB Press release. “English Translation of Prime Minister Shri Narendra Modi’s remarks at the Closing Session of G-20 Summit in Bali” <https://pib.gov.in/PressReleasePage.aspx?PRID=1876366> accessed on December 01, 2022.