

Chongyang Institute for Financial Studies

Renmin University of China (ed.)

# **Who Will Govern the New World— the Present and Future of the G20**



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# Contents

*Li Zhaoxing*  
 All in the Same Boat ..... 7

*Chen Yulu*  
 Building an International “Great Finance, Great Cooperation,  
 Great Governance” Platform..... 9

*Dr. Robert Mundell*  
 China will be the World’s Largest Economy by 2025..... 13

*Carlos Magariños*  
 G20: Innovation of Global Governance in the 21st Century ..... 17

**Part 1 Global Governance in the Post-Financial Crisis Era..... 21**

*He Weixen*  
 Renmin University of China Chongyang Institute  
 for Financial Studies Research Report on G20 Series No. 2..... 23

*Martin Lees*  
 First G20 Think Tank Summit (Beijing, August 21–22, 2013) Beyond Economics  
 and Finance: The Role of the G20 in Promoting a Sustainable and Peaceful World ... 29

*Melanie Hart*  
 Fine-Tuning the Group of Twenty (G20) for a Post-Crisis Era: Fossil Fuel  
 Subsidies as a Case Study for Turning Multilateral Consensus into Multilateral Action .. 41

*Christian Dreger*  
 Managing Globalization through the G20 Forum..... 49

*Du Hyeogn Cha*  
 G20 and the New Horizon of Global Governance:  
 Toward a More Collaborative World..... 55

*Liliana Alvarado*  
 G20 Summit 2013: Future Prospects in Economic and Financial Fields ..... 59

*Gabriel Stein*  
 What is the Point of the G20? ..... 69

*Zsolt Darvas*  
 G20: Quo Vadis? ..... 75

*Sung Jin Kang*  
 G20 from the Perspective of Green Growth and Sustainable Development..... 87

*Heribert Dieter*  
 The G20 and the Dilemma of Asymmetric Sovereignty:  
 Why Multilateralism is Failing in Crisis Prevention ..... 95

<i>Melissa Conley Tyler</i>	
An Australian Perspective on the G20.....	101
<i>Stefano Silvestri</i>	
What about the G20?.....	111
<b>Part 2 The Role of Emerging Economies .....</b>	<b>115</b>
<i>José Luis Chicoma and Ana Dávila</i>	
New Kids on the Block—the Growing Power of Emerging Countries in the G20...117	
<i>Edison Benedito da Silva Filho</i>	
Note on the Recent Progress of the G20 and China’s Future Role in the Multilateral Economic Agenda .....	125
<i>Mohammed Saqib</i>	
G20: Governing Development?.....	133
<i>Jakkie Cilliers</i>	
The Future of the G20 Countires .....	137
<i>Taber Hamdi Kanaan</i>	
“Great Finance, Great Cooperation, Great Governance” Statement to the International Think Tank Conference.....	147
<i>Cafer Sait Okeray</i>	
G20 and Turkey .....	159
<b>Part 3 China’s Development and the G20’s Future.....</b>	<b>163</b>
<i>Wang Wen and Wang Ruijing</i>	
Interest Camps in the Framework of the G20 and Strategic Space of Emerging Countries .....	165
<i>Carlos Magariños</i>	
G20’s Future and China’s Role in the G20.....	171
<i>John Kirton</i>	
G20 Governance for the Future: Performance, Prospects, Possibilities and China’s Role .....	179
<b>Part 4 G20 Think Tanks: <i>Joint Statement</i> .....</b>	<b>193</b>
“Great Finance, Great Cooperation, Great Governance” International Think Tank Conference .....	195
<i>Wang Wen</i>	
Afterword: Think Tanks, Public Diplomacy and the Chinese Dream.....	197

# All in the Same Boat

*Li Zhaoxing*

**Former Foreign Minister of China,  
President of the China Public Diplomacy Association**

I am very pleased to be here at the opening ceremony of the “Great Finance, Great Cooperation, Great Governance” International Think Tank Conference. I want to take this opportunity to say congratulations on a job well done. I would also like to extend my heartfelt gratitude to all of our guests representing G20 think tanks.

Personally, I am very excited to be back at the world famous Renmin University of China. My first visit to Renmin University of China was 54 years ago. As a college freshman in the Peking University chorus, I came to sing for the students and professors here. I have much admiration for this university, especially its motto “to seek truth from facts”. It is also the only Chinese university to have “Chinese People” as its name, and it is the first university established in the People’s Republic of China after China’s liberation in 1949. To see Dean Chen Yulu appear here personally today at this conference pleases me a great deal. As Thomas Jefferson, the third President of the United States once said, being President of the United States did not make him happy, but becoming a university president made him happy.

The world is now in a phase of general peace and development, characterized by a multi-polar world order, increasing economic globalization and increasing technological breakthroughs. But the persistence of financial crises and the re-emergence of new interventionism in global politics present enormous challenges. Governments must listen to their people’s heartfelt words, put the people first and promote a better life for everyone. This is the common purpose and common interest of every single nation. Second, we must face global problems together. When one considers the threats of financial crises, food and energy security, and climate change, it is clear that no country can develop without the international community. Cooperation is necessary. We must abandon the old zero sum thought process of “I win, you lose, I’m rich and you are poor. “The world needs to take initiatives for shared prosperity. Developed countries have the obligation and responsibility to help the poorest countries develop. Developing countries need to be strong and take initiatives for their own development, including openly and actively entering the global marketplace to utilize their comparative advantage.

Third, reform and innovation are the most effective tools to solve international problems. Over the past 20 years the international order has undergone immense changes. The scope of international trade has increased by fivefold and cross border investment has increased by eightfold. The old international system already cannot keep pace with these changes and needs to adapt. The international monetary system

must be reformed, international cooperation must be increased, and the representation and say of developing countries in international financial institutions must be strengthened. In sum, the international financial system must be pushed in the direction of openness and fairness.

Fourth, in order to keep our international promises, we have to cooperate. This will lead to a “win-win” situation in international affairs. Trade protectionism, barriers to trade, restrictions on investment and technology exports, policies that hinder the spread of new technologies, and currency devaluation are all impulses that must be resisted at the international level. The international community must keep its promise to promote sustainable and balanced growth, reject protectionism and move beyond cold war style thinking.

Let’s be perfectly clear. In the world today, every country must more vigorously uphold the U.N. Charter and respect the sovereignty of other nations by not interfering in other countries’ internal affairs. Interventions from the outside will only lead to even more turmoil and pain for the people inside that country.

Ladies and gentlemen, for the past five years developing countries and emerging markets have led the global economic recovery, contributing over three quarters of new growth and maintaining two thirds of the \$10.8 trillion in existing global accumulated foreign exchange reserves. As a developing country, China must remain committed to shrinking the north-south divide by helping other developing countries. Chairman Xi Jinping has said that the Chinese Dream is one of peace, development and mutual gain, the same development dream that is shared by the world. We will continue to push for peaceful development and participate in multilateral affairs, as well as support the role of the G20 and the Shanghai Cooperation Organization.

Congratulations and thanks to you all!