

CRITICAL QUESTIONS

Gordon Brown Needs G-20 Summit Success

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Q1: Why is the G-20 summit so important to Prime Minister Gordon Brown, who will chair the meeting in London on April 2?

A1: Brown needs an outcome he can convincingly describe as a step toward resolving the world economic and financial crisis for at least three interrelated reasons:

- He wants to enhance his credibility as a national and international leader, especially as he likes to claim that his considerable knowledge of international economics ideally suits him for the task of saving the world economy.
- He has frequently said—and sincerely believes—that the world faces a global crisis that requires global solutions, of the kind to be addressed at the London summit.
- With the British economy in serious trouble, Brown wants to show skeptical voters that he is capable of competent economic crisis management.

The last of the three is in many ways the most pressing for Brown, who badly trails the opposition Conservatives in opinion polls and must face elections by June 2010 at the latest. Many Britons blame him for the country's problems, given that he was in charge of the economy as chancellor of the exchequer for 10 years before taking over the tenancy of 10 Downing Street from Tony Blair in June 2007. Brown has insisted that Britain's troubles are mainly due to global conditions, making it all the more important for him to show that he is playing a key role in dealing with the upheavals at the world level.

If he can do that, he hopes he will be able to persuade the British electorate that he is the leader best qualified to steer his own country through the treacherous economic shoals ahead. A *Guardian*/ICM opinion survey published March 17 suggested that Brown still has a slim chance of pulling off a surprise victory at the polls if he can show that the economy is improving by election day, expected to be in May 2010. These faint hopes are based on indications that at least some proportion of those supporting other parties might switch to Labour, the party led by Brown, if there were clear signs of economic recovery. But that is not much comfort, given that the Conservatives led by David Cameron are consistently outpolling Labour by around 12 percent, with the latest results showing a 45 percent to 24 percent preference for Cameron over Brown as prime minister. And while Brown's supporters see the G-20 meeting as one of his last best chances to start a political comeback, the average Briton may not pay much attention to, or long remember, the machinations at the London summit.

Q2: What does Brown hope to achieve at the summit?

A2: Before visiting Washington in early March, Brown said he was seeking a “global new deal,” language clearly intended to appeal to President Barack Obama and his team, who have compared Obama's initial burst of policy activism to that of Franklin Delano Roosevelt in the 1930s. Brown's attempt to draw a parallel with FDR's policies was not strictly speaking accurate, in that his global new deal did not call for worldwide social welfare programs akin to those introduced by Roosevelt in the United States. The initiative was more a list of actions intended to get the world economy moving again, reform the international financial institutions, close “gaps” in international regulations, and prevent an outbreak of protectionism. The global new deal has not received so much attention recently as many of the leading G-20 participants have scaled back expectations for the meeting. British officials are warning that the world will not change overnight after the summit, while their U.S. counterparts have said the meeting will make “no specific recommendations” for a coordinated new round of global stimulus packages—even though measures to reactivate the world economy remain Washington's top priority. On different occasions in the past month, Brown has said that the summit's top priority will be boosting growth, creating a new framework for international financial regulations, and pledging abstinence from protectionism.

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Q3: What are Brown's chances of success?

A3: Washington understands that it will not succeed in persuading reluctant European countries, most notably Germany, to do more to stimulate their economies, while the Europeans appreciate that the United States will not want to submit its financial system to strict new mandatory global rules, the priority of the European Union. Brown is also concerned that other EU countries will try to restrict the hitherto freewheeling city of London in order to gain competitive advantages for their own financial centers. The Obama administration has concluded it would be counterproductive to make demands on its allies that they are bound to reject—both at the G-20 meeting and the NATO summit that follows.

So the outcome is likely to be a compromise in which all parties agree to pursue both the stimulatory and the regulatory objectives, but not to the extent originally advocated by their most ardent proponents. Preparations have been complicated by the lack of senior officials at the U.S. Treasury, about which both London and Paris have complained, and Brown, during his Washington trip, failed to win Obama's backing for a proactive joint Anglo-American drive to reform the world economy. Obama will have some public relations repair work to do in London, following the near-unanimous verdict of the British media that he "disse" Brown in Washington by failing to rise to the occasion of such an important visit by a British leader—even one as unpopular as Brown—in terms of both protocol and substance.

There will not be time at the one-day meeting for the 22 government leaders (Spain and the Netherlands have managed to add themselves to the original 20) to take matters much further than the groundwork already laid by their officials. If they each speak for only 15 minutes, it will take 5 ½ hours, and that does not include the numerous representatives of international organizations attending the talks. The widely disparate natures of the developed and emerging countries around the table, as well as the substantial needs for interpretation and translation, will also add to the unwieldiness of the discussions. Still, Brown is likely to get most of his list of objectives into the final communiqué. The main task will be to sell the outcome as serious medicine that will have early remedial effects on the world economy. Politically, Brown will want to show that he really is good friends with Obama, despite the earlier appearances to the contrary. And Obama will have his first chance to show that he can actually help the citizens of the world, rather than just promising to do so.

Q4: Where will the summit be held?

A4: The meeting will be in ExCeL exhibition center, which opened in November 2000, and occupies 100 waterfront acres in East London's renovated Docklands, close to the new Canary Wharf international financial center. ExCeL will help to host the 2012 London Olympics, providing the setting for boxing, fencing, taekwondo, table tennis, weightlifting, and wrestling. The G-20 talks may provide a glimpse of the diplomatic versions of some of these events.

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