



On India and G-7

Context:

- U.S. President Donald Trump announced that he would like to expand G-7 to a G-11, by adding India, Russia, South Korea and Australia.
- US President followed up his announcement with invitations to these four country's leaders, to attend the 2020's G-7 summit in the U.S.



What is G-7?

- G7 is a forum of the world's seven largest developed economies whose government leaders meet annually to discuss international economic and monetary issues.
- It is an **informal gathering**.
- G-7 has its roots in an informal meeting of the finance ministers of France, West Germany, the U.S, Great Britain, and Japan (the Group of Five) in the wake of the **1973 oil crisis**.
- With addition of Canada & Italy, first G7 was held in 1976
- In 1998, Russia was added to form G8. However, **in 2014, Russia was suspended** from the group after the annexation of Crimea and tensions in Ukraine.
- Since then, meetings have continued within the G7 process
- It does **not** have a **permanent headquarter**.
- The decisions taken by leaders during annual summits are **non-binding**.
- In 2019, the 45th G-7 summit held at France was unable to issue a joint communiqué due to differences on various issues— a first in its history.
- The G20 was formed in 1999, so as to bring more countries on board to address global economic concerns. India is a member and is slated to host G20 summit in 2022.

Reaction of countries on G-11 plan:

- **India** has welcomed the decision and commended Trump for his “creative and far-sighted” decision to expand the format of the grouping to keep up with the new realities of the “post-COVID world”.

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- **Australia and South Korea** have also welcomed the invitation,
- **Russia**, that lost its membership of the grouping in 2014 over its annexation of Crimea, has stated it would attend “if treated as an equal”.

What are the consequences of G-11 plan for India?

- The proposed G-11 grouping would recognise India’s place amongst the world’s richest nations. Membership will **acknowledge India’s global voice**.
- It will **provide a platform** for India to address its concerns like terrorism and ensure that world work towards it.
- It helps increase the **soft power** of India.
- **Exclusion of China** from G-11 means possible strengthening of India’s alliance against China.
- This is step in **democratization** of international institutions which are facing the criticism of being biased in favour of developed countries.

Critical Analysis:

- Expansion is needed to improve the groupings effectiveness as a multilateral forum to arrive at consensus on issues like climate change, security contributions, Iran, etc.
- China, India, Brazil, Mexico and South Africa, were invited regularly to G-8 summits as an outreach by the developed world to the five emerging economies. The G-11 plan leaves out all these members except India.
- The summit appears aimed at fuelling a new Cold War between the U.S. and China.
- US and China are fighting each other over trade, IPR, 5G Technology, Hong Kong, South China Sea, Climate issues and recently over origins of Coronavirus. This action by US will further widen their rift.
- As host, Mr. Trump can invite any country as a G-7 special invitee, but changing its composition will require the approval of the other members.
- There are some concerns by European countries over Russia joining the group, which could derail the entire G-11 plan.
- It is unclear when the summit will actually be held, given the November polls in the U.S. This might derail the plan in initial stages itself.

Conclusion:

- India deserves its place on the global stage, but on G-11 which excludes China, it must be clear about its aims given that the plan further polarise the world into two camps.