

Global Governance at a Crossroads – a Roadmap Towards the G20 Summit in Osaka

By Naoyuki Haraoka



The G20 Summit in 2019 is being hosted by Japan in Osaka in the first year of “Reiwa”, the new name of the era marking the reign of Japanese Emperor Naruhito who ascended the throne on May 1. “Reiwa” can be translated into English as “beautiful harmony”. As this year’s G20 host, Japan should work towards achieving such harmony not only at home but also around the world. It cannot, of course, do this alone. But in light of the decline in US leadership in global governance, in particular in the domain of international trade, the increasing struggle for hegemony in high technology between China and the US, and the spread of anti-globalization sentiment among voters in many countries, this summit is expected to play a pivotal role in restoring order in global governance to achieve economic prosperity and political security. In addition, long-term challenges such as widening income inequality, partly against the background of an aging society, as well as global environmental issues are overshadowing the merits of the Fourth Industrial Revolution, with its unprecedentedly widespread IT innovation. These issues are challenges for developed and developing nations equally, and thus the so-called Sustainable Development Goals (SDGs) are increasingly considered as crucial to realizing global welfare.

The issues that the G20 has to deal with from various perspectives are extremely complex, both domestically and internationally, and so the intellectual assistance of think-tanks worldwide is often required. We have the so-called T20 process prior to the G20 Summit itself in which experts from think-tanks in member nations scrutinize the issues and challenges to be discussed at

the summit and prioritize them for the G20 leaders.

For our May/June 2019 issue, we invited articles for our cover story mostly from authors who are directly involved in the T20 process or in international organizations such as the OECD, and thereby hope to showcase the priorities for the G20 Summit in Osaka.

(Brief Introductions)

COVER STORY 1

Interview with Dr. Laurence Boone, Chief Economist at the Organization for Economic Cooperation & Development (OECD)

Global Economic Outlook Not So Grim as G20 Summit in Osaka Approaches

By Japan SPOTLIGHT

The OECD’s chief economist describes global economic outlook as being not so grim, but suggests coordinated fiscal policy to consolidate economic growth.

COVER STORY 2

Interview with Dr. Dennis J. Snower, President of the Global Solutions Initiative, Senior Professor of Economics at the Hertie School of Governance, Berlin; Senior Research Fellow at the Blavatnik School of Governance, Oxford University; and Non-Resident Fellow, Brookings Institution & former President of the Kiel Institute for the World Economy

Restoring Social Cohesion – a Crucial Issue for the G20 in 2019

By Japan SPOTLIGHT

The former president of the Kiel Institute for the World Economy embraces “social cohesion” in his book *Caring Economics* as central to restoring democracy.

COVER STORY 3

The Global Trading System: What Went Wrong & How to Fix It

By Edward Alden

A senior fellow at the Council on Foreign Relations, and a distinguished trade policy expert, highlights the G20 as a possible venue for starting discussions on bolder proposals to strengthen the role and function of the WTO to fill a leadership vacuum.

COVER STORY 4

Interview with Amar Bhattacharya, Senior Fellow at the Global Economy and Development Program at the Brookings Institution

Quality of Infrastructure Will Be Enhanced with Better Globalization Under the G20

By Japan SPOTLIGHT

A senior fellow at the Brookings Institution, one of the distinguished promoters of “Better Globalization” in the T20 process, discusses the importance of both quantity and quality of infrastructure for developing nations.

COVER STORY 5

Interview with Dr. Tae Suk Lee, Vice President & Director, Department of Public Finance & Social Policy, Korea Development Institute

Aging Populations & Their Economic Impact: Focus on Asia

By Japan SPOTLIGHT

The vice president of the Korea Development Institute, believing the aging of populations to be a highly relevant issue for discussion by the G20, proposes a two-track approach – one for those who are stronger and in good health, encouraging them to work longer, and the other for those who are weaker, trying to improve their work capacity.

COVER STORY 6
Challenges & Proposals for SME Policies in G20 Countries

By Hiroyuki Okamuro

A professor of economics at Hitotsubashi University specializing in SME-related issue, suggests an evidence-based policy-making approach to enhance the efficiency of SME policies.

COVER STORY 7

Interview with Shigeru Ariizumi, Deputy Commissioner for International Affairs, Financial Services Agency, Government of Japan

Digitalization of Financial Services – a New Challenge for the G20

By Japan SPOTLIGHT

A Japanese FSA representative in international governmental negotiations talks about what should be discussed at the G20 concerning digitalization of financial services, a new challenge for the G20.

COVER STORY 8
The G20 & Global Governance

By Sachin Chaturvedi & Priyadarshi Dash

The head of a distinguished Indian think-tank, one of the T20, and his colleague propose that the G20 should proactively advocate for necessary reforms to the existing institutions for global governance.

COVER STORY 9
Strengthening Global Governance & Multilateralism: a Special Mission for the G20 in Osaka

By Anita Prakash

A distinguished ERIA official says that restoration of multilateralism would be a special and important mission for the G20 in Osaka.

COVER STORY 10

Interview with Dr. Frank Rijsberman, Director-General of the Global Green Growth Institute (GGGI)

Searching for Environmentally Sustainable & Socially Inclusive Economic Growth at the G20

By Japan SPOTLIGHT

The director-general of the GGGI, a Seoul-based intergovernmental organization, says that a “green” economy does provide additional employment opportunities, and smart cities and green cities using high technology for energy saving should be considered as positive contributions.

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