

# The G7 Summit: Building Back Better

Blog post by Practice Lead Jon Garvie, 14 June 2021

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Summits are high-stakes affairs, particularly for their hosts. The format of relatively free and unsupported interaction between leaders leaves more to chance than the final, carefully drafted communiqués suggest. The strength or weakness of relationships comes to the fore. The ability of the chair to forge a path through the competing egos and interests matters.

Sometimes this results in unexpected progress. At the Gleneagles G8 summit in 2005, leaders agreed to double aid to Africa and write off the debt of the 18 poorest African nations. Responding to the financial crisis in 2009, G20 leaders committed over \$1.1 trn to restore credit, growth and jobs. The G7 meeting in Cornwall over the past weekend faced the aftermath of the worst global crisis since 1945 and hopes that it could deliver similar breakthroughs in cooperation.

The most important policy question of the summit was the response to covid-19 and, in particular, the provision of vaccines to poorer countries. The pre-summit announcement that one billion vaccine doses would be provided to the developing world misfired, given that the final commitment was for 870 million. More importantly, the World Health Organisation line that 11 bn doses will be required to end the pandemic shifted the narrative on the scale of the challenge.

Ongoing differences between France and the US on one side and the rest of the G7 and the EU on the other meant that the proposal to waive intellectual property rights on vaccines did not make it into the communiqué. In the press conference closing the summit, British prime minister, Boris Johnson, singled out the “generosity” displayed by AstraZeneca in making their vaccine available at cost. The debate on whether government-backed increases in production can meet the shortfall, absent a waiver, will continue.

The premise of the G7 (then G6) when it met in the 1970s was to bring together the world’s richest countries. Much discussion this time centred on the world’s second largest economy, China. The summit invitation extended to South Korea, India, Australia and South Africa reflected Johnson and Biden’s intention to fashion a new club of open societies and democracies, committed to multilateralism.

The final communiqué highlighted human rights issues in Hong Kong and Xinjiang and called for stability in the Taiwan strait (the point which the Chinese will find most offensive). But while the section on free and fair trade promises a strategy to deal with non-market policies, including forced labour, China is not cited specifically. The policy effect is therefore little more than a restatement of the status quo ante, reflecting the fact that on the big global issues - particularly health and climate - Chinese money and cooperation remain necessary. There remains no G7 (or EU) consensus on how to hive off those areas within a broader China strategy, or indeed whether it is possible.

A promise that a ‘Build Back Better World’ (B3W) initiative will mobilise private sector capital to narrow the \$40 trn infrastructure gap in the developing world provided the summit’s most eye-catching announcement. The pledge was however delivered via a White House press release, rather than the official communique. Aimed at “like-minded” countries, the intention is to provide a Western alternative to China’s belt and road initiative. This is the kind of grand strategy that supporters of a more muscular Western liberalism have long called for, but there are few details on how the idea might develop.

In sum, the G7 revealed more unity than its detractors alleged, but no new capacity to deliver. There was little concrete progress on climate and the COP26 summit in November will provide a more profound test. Brexit threatened briefly to become the main story of the summit. Johnson will be relieved that it did not. But, away from the cameras, pressure from the US to find a solution on the Northern Ireland Protocol remains and positions have not shifted on either the UK or EU side ahead of the deadline for the UK to provide further checks on chilled meats at the end of June. As the WTO Director General Ngozi Okonjo-Iweala warned this weekend, a resulting trade war is “not what the world needs right now”. Biden is the most committed multilateralist to occupy the White House in a generation. But the unsettled nature of UK - EU relations impedes a more unified, and activist, West.