

CGP Workshop on April 25, 2022

The implications of the war in Ukraine for global problem solving

Table of Contents

1.	Context	2
2.	Opening by Markus Engels, GSI	2
3.	Inputs by CGP members	2
	Andrés Ortega, Elcano	2
(Cayley Clifford, SAIIA	3
ſ	Munir Khasru, IPAG	3
(Colin Bradford, Brookings	4
١	/ladimir Safatle, University of São Paulo and TNI	4
I	Nicole Deitelhoff, Goethe University Frankfurt and TNI	5
(Creon Butler, Chatham House	5
١	Nang Wen, RDCY (was not able to join)	6
4.	Key insights from the discussion	6

1. Context

The Council for Global Problem-Solving (CGP) is a circle of world-class think tanks and research institutions committed to providing long-term policy advice to the G20 and associated international organizations. And our members are engaged in a wide range of activities to offer policy advice to the G20.

The workshop was framed in the spirit of Global Solutions: What strategies and outcomes are desirable to create the possible chances of global cooperation on global challenges, such as climate change, with the theme of recoupling in mind?

CGP members came together and discussed the implications of the war in Ukraine for global problem solving in the spirit of recoupling:

- Other global issues are still urgent and need attention
- Focus on feasible, actionable proposals
- Act as global citizens, although most power lies in the hands of nation states
- What "flexible geometry" (i.e. which actors and institutions we know and could mobilize through our large network of contacts) can be used to find ways forward?

2. Opening by Markus Engels, GSI

Markus is the Secretary General of the Global Solutions Initiative and has worked as a senior scientific advisor at the German Federal Parliament, the European Parliament and the Executive Board of the Social Democratic Party of Germany.

We need to keep a rules-based international world order and our international institutions working and avoid doing only bilateral or small deals. Preserve multilateralism instead of thinking in terms of a multipolar world.

The G7 should be urged to invite India, Indonesia, China and other important players to spearhead a ceasefire initiative for the Ukraine. The G20 must become active in this context to avoid a new East-West divide and conflict.

3. Inputs by CGP members

Andrés Ortega, Elcano

Andrés is Senior Research Fellow at the Elcano Royal Institute. He has also served as a Director of the Department of Analysis and Studies at the Spanish Prime Minister's Office, and worked as counselor at the Spanish Ministry of Foreign Affairs and Cooperation.

Plans have to be made for a post-war European and global order, that include Russia and avoid a bipolarity that is not felt nor followed anymore by much of "the rest" of the world.

It will take time, and should be part of a peace settlement. While it comes, the EU has to design a reconstruction plan, kind of Marshall Plan, for Ukraine.

The war has a significant impact on governance: as both the UN and the G20 seem paralyzed. The world is becoming less orderly, more multipolar, multi-actors and more divided.

The war has an impact worldwide but especially on the Global South. It exacerbated the food crisis and food price rises and will have long-term effects even if the war stops soon. This applies especially to the MENA region, which is highly dependent on wheat and fertilizers from the Ukraine.

We should develop new ad hoc cooperation between Gulf countries and Europe or the G7 to palliate the effects on food security in the MENA region.

Cayley Clifford, SAIIA

Cayley is a researcher in the African Governance and Diplomacy programme at the South African Institute of International Affairs with a country focus on Botswana, Namibia, Russia, South Africa.

The effects of the war in Ukraine are reverberating across the world's regions, including in Africa. The impact on Africa is higher than expected, with a high dependence for food and energy. With the continent depending heavily on the import of wheat and fertiliser from both Russia and Ukraine, rising food and energy prices are putting pressure on already weak economies, and in turn exacerbating social tensions. The war is an additional setback in the pursuit of already compromised SDG goals

The geopolitical landscape is changing, Africa's response to the war has revealed a continent divided. African countries seem no longer bound by traditional partnerships, they no longer can pick a side depending on their interests.

The unwillingness of several African countries to condemn Russia's actions in Ukraine demonstrate this changing environment and that political, economic and security considerations rule the day. A continent growing closer to Russia has domestic implications for democracy, human rights, and the rule of law, as well as global implications for multilateralism and good governance.

The African response to the war must be seen in the context of growing political, security and to some extensive economic ties Russia as well as its successful use of soft power and media.

Munir Khasru, IPAG

Munir is Chairman of the international think tank The Institute for Policy, Advocacy, and Governance (IPAG).

Before the COVID-19 pandemic, the SDG Agenda 2030 was already under immense strain with a projected shortfall of USD.1.7 trillion in 2020. Following the pandemic, approximately 124 million people across the world were forced into poverty with an additional increase in people suffering from hunger by 83-132 million in 2021.

Spillovers from the Ukraine war is causing a detrimental ripple-effect across the world's economy as the US, UK, and EU continue to impose severe sanctions against Russia with Russia retaliating spitefully. Subsequently, the disruption of trade routes is compromising global food security as prices of agricultural commodities are set to skyrocket this year, threatening to exacerbate the food shortage across conflict zones such as Yemen and Syria.

Likewise, oil prices are projected to remain around \$100 per barrel until the course of the war whereas price of gas is set to rise by at least 50%. As expected, the economic shockwave of the war has been felt hard among developing and developed economies. If the Ukraine war persists, the rate of global inflation may rise to 6%.

In light of the pandemic and the Ukraine crisis, this would be an opportunity to share insights into the short, medium, and long-term challenges facing the SDG Agenda 2030 which already is hanging by the thread and what policy responses are available to put the agenda on track in the post pandemic era.

The Ukraine war is yet another threat to not meeting the SDGs. Putting the Development Agenda back on track requires to develop short, medium and long term proposals (until 2035 for instance) and give G20 leaders sets of possible solutions

Colin Bradford, Brookings

Colin is a Non-resident Senior Fellow of the Global Economy and Development Program at Brookings and the Lead-Co-Chair of the China West Dialogue. He was a political appointee in the Carter and Clinton administrations for six years and served on the staff of the United States Senate for four years. Colin is also a Global Solutions Fellow.

Potentially link two papers, when published (G7 - G20 and multilateral world order)

Sri Mulyani Indrawati, Chair of the G20 Finance Ministers, "If there is no forum at all, then the world is going to be in a much worse place", with each country setting policy without regard to others. (Reuters , April 22, 2022 Washington)

The G7, under the German presidency, needs to make an internal decision involving all seven G7 members to prioritize the G20 as a unique platform for bringing together the leaders, ministers and senior officials of the major economies throughout the G20 year to make the G20 the premier forum for global problem solving precisely because it embodies, embraces and expresses the global cultural, political and institutional diversity of the 21st century world.

The G20 provides a unique opportunity to bring China and the West together in the context of other major countries for professional exchanges and work on global problem solving. China will respond in kind to a new tone and commitment, which do not need to be made public.

The G7 must realize the stake it has in strengthening the G20 process throughout the year and the G20 platform for bringing together senior officials and society leaders. The G20 is the most promising means for strengthening global governance when serious engagement across the membership of the G20 is threatened not just by the war on Ukraine but by other divisions and divides which must be managed and not be allowed to destroy the G20.

The G7 must signal to Indonesia, India, Brazil and South Africa that the G20 is a priority for the world and for the G7, and that G7 members intend to "showing up in force" with quality senior officials with ambition and preparedness throughout the year and would welcome similar efforts by all G20 members so that the professional exchanges deepen and drive G20 relationships, despite rhetorical divisions.

A central issue is the relationship between the G7 and the G20. The G7 lost importance since the G20 emerged. The G7 should take the G20 more seriously and send a signal to the Global South and China, not just at the G20 summit but in general.

We need to figure out how to make the G20 work; the war and Russian participation are a minor issue for G20 operational matters.

Vladimir Safatle, University of São Paulo and TNI

Vladimir is Professor at the Department of Philosophy and the Department of Psychology at the University of São Paulo. At THE NEW INSTITUTE, he contributes to the programmes "The Foundations of Value and Values" and "The Future of Democracy" as a fellow.

Article in the TNI Ukraine Newsletter: The Path to Peace <u>https://thenew.institute/en/news/the-path-to-peace</u>

We are arguably entering an era of imperial wars and will need to know how to manage such war scenarios. Currently, the space for mediation is lost, as the UN collapsed, the G20 is inefficient and the

G7 only represents a small group of rich countries. It is much needed to understand the causes of the loss of spaces for mediation, looking especially at the UN, and avoid repeating past mistakes.

A way forward could be a "moving hegemony", i.e. that countries acting as mediators should rotate, not always be the same ones.

We need to see beyond the conflict between autocracy and democracy, as we are totally connected economically and as Western firms are active in extractive processes in autocratic countries.

Nicole Deitelhoff, Goethe University Frankfurt and TNI

Nicole is Professor of International Relations and Theories of Global Orders at the Goethe University Frankfurt and a fellow in the programme "The Future of Democracy" at THE NEW INSTITUTE.

Article in the TNI Ukraine Newsletter: The Future of Diplomacy <u>https://thenew.institute/en/news/the-future-of-diplomacy</u>

The war reduces the chances for global cooperation and increases the likelihood of a controlled disentanglement of markets and of political institutions. Universal institutions such as the UN will lose importance and regional or functional ones will rise. Cooperation *within* political camps will be maintained while cooperation *between* camps will sharply decline.

We must recognize interdependences, their weaponization and its consequences. In the short-term, we will see more exploitation of coal and liquid natural gas, more fracking and other non-conventional extraction methods, and more partnerships with Gulf states. These developments will hamper the fight against climate change

Yet, the West is becoming increasingly aware of its problems, and solutions may lie in uniting and using the potential for new cooperation to diminish the overdependence on oil and gas from Russia and on technology from China. The Western "model" has lost traction, but there is potential to increase its support base again. Western countries must step up to make it more attractive again and uphold its ideals of governance

Creon Butler, Chatham House

Creon is Research Director, Trade, Investment and New Governance Models, and Director, Global Economy and Finance Programme at Chatham House. Before he was at UK's Cabinet Office where he served as director for international economic affairs in the National Security Secretariat and G7/G20 'sous sherpa' in the UK.

We are witnessing a worsening of issues requiring international cooperation: climate change and the transition to net zero emissions, pandemics preparedness and response, and international debt for instance.

Concretely, we should focus on the search for solutions to issues related to international sovereign debt. This is a common issue, although it is becoming increasingly problematic for low-income countries and emerging economies. Many international institutions are involved and could be engaged.

The G20 seems broken, and the G7 influence on the G20 is very limited. As long as the conflict continues, Russian participation in international forums will be a problem and likely be met by refusal

to participate by other countries. We might see the rise of smaller international forums to deal with global problems.

Wang Wen, RDCY (was not able to join)

Wang Wen is the Executive Dean of Chongyang Institute for Financial Studies (RDCY), the Deputy Dean and Distinguished Professor of Silk Road School, Renmin University of China, Executive Director of China-US People-to-People Exchange Research Center.

Article in South China Morning Post: <u>http://en.rdcy.org/indexen/index/news_cont/id/693267.html</u>

The conflict between Russia and Ukraine led to the simultaneous outbreak of five major disasters in human history: war, natural disaster, virus, food shortage and inflation. If the conflict continues, things will get worse. The top priority is to give full play to the great power responsibilities of the United States, Europe and China, as well as the role of the United Nations and the G20, so as to stop the war as soon as possible.

In this regard, NATO led by the United States should negotiate with Russia. NATO should no longer support Ukraine. The United States should give up its strategic proposition of weakening Russia and Russia will no longer launch military operations. The war should be stopped before negotiation, so as to avoid the deterioration of the situation. The United Nations and the G20 should still play a role and create more equal opportunities for dialogue between Russia and Ukraine. After all, negotiation is more important than war.

4. Key insights from the discussion

- Need to act in the spirit of global citizens to avoid the separation of camps (Adolf Kloke-Lesch, SDSN)
- Create links between all G20 engagement groups and align them for a common goal. Do not forget multilevel governance (Nicolas Buchoud, GSI)
- Use the G20 and the T20 to address their target issues, which are of economic nature. Avoid paralyzing the important work of the G20 because of the war (Franco Bruni, ISPI; Priyadarshi Dash, RIS)
- Work on aligning the agendas of the G7 and G20 (Colin Bradford, Brookings)
- Use the still functioning gas deliveries from Russia to Europe through Ukraine as a basis for the needed cooperation on food security, especially for the MENA region.
 Use high energy prices as opportunity to push forward climate change policies (José Siaba Serrate, CARI).