

Promoting a New Narrative for Progress and Prosperity: Tapping the Potential of the Brazilian G20 Presidency

Markus Engels

Dennis Snower

Abstract: Brazil can make history with its G20 Presidency. With the main priorities of the Presidency—promoting social inclusion and food security; the clean energy transition and sustainable development; and reform of global governance institutions—the country can tackle major global problems by recoupling economic progress with social and environmental prosperity. This way, Brazil can ensure that people worldwide enjoy economic sufficiency, social cohesion, individual empowerment, and environmental sustainability.

Keywords: G20; economic transformation; recoupling; sustainable development.

Brazil's G20 Presidency, started in December 2023, is good news for the world. The reasons are manifold. First and foremost, Brazil is in an excellent position to address many of the world's "shared problems," such as climate change, biodiversity loss, ocean acidification, financial instabilities, trade restrictions that are detrimental to the environment and society, sovereign debt problems, energy and food insecurity, cybersecurity threats and more. Further shared problems require new international governance systems, such as the reform of multilateral lending and trade institutions. These are problems that no nation can tackle on its own; global cooperation is required. Global cooperation requires experience in thinking beyond the bounds of class, ethnicity, religion, nationality, and other sources of identity. Brazil has ample experience in this regard, derived from its rich history.

In addition to the shared problems, nations often face "common problems," lying in the domain of national governments, such as threats to social inclusion, sustainable development, education and training, social security, and other national problems. Frequently, common problems can only be addressed successfully if they are accompanied by appropriate responses to the shared problems. The problem of climate change, for example, requires policy responses that promote social inclusion in the climate action process. Brazil, as a major developing country that is integrated into the world economy and plays an active role in international politics, has much experience in shaping policy responses to shared problems in consonance with a constructive approach to the common problems.

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Markus Engels is Secretary General of the Global Solutions Initiative. He is a social scientist with a background in politics and international affairs.

Dennis J. Snower is founder and President of the Global Solutions Initiative, Berlin; Professorial Fellow at the Institute for New Economic Thinking, Oxford University, and Non-resident Fellow at Brookings.

All three main priorities of the Brazilian G20 Presidency (Brazil 2023)—social inclusion and food security; clean energy transition and sustainable development; and reform of global governance institutions—address the shared problems, along with the most important common problems that must be tackled simultaneously.

The energy transition must play a central role in reducing carbon emissions to mitigate the impacts of climate change. Reducing reliance on fossil fuels and moving towards full reliance on renewable energy sources, while minimizing dependence on exhaustible and geopolitically sensitive raw materials, are essential in this regard. The transition to sustainable energy sources presents major opportunities for the development of new industries and the creation of green jobs. The transition to cleaner energy sources can improve air and water quality, thereby promoting public health. Investing in innovation and research in these areas can position Brazil at the forefront of the emerging green economy, with important potential repercussions for sustainable development in the rest of the G20.

Many regions around the world face challenges related to hunger, malnutrition, and food insecurity. The G20, as a group of major economies, recognizes the moral imperative to address immediate needs and alleviate suffering in vulnerable populations. Furthermore, food security is closely tied to poverty reduction. By ensuring access to sufficient, safe, and nutritious food, the G20 aims to contribute to the broader goal of sustainable development, which includes lifting people out of poverty. G20 nations play a significant role in global agricultural production. Collaborative efforts to enhance agricultural productivity, transfer agricultural technology, and promote sustainable farming practices contribute to global food security. Brazil has a crucially important role to play in this regard. The G20 acknowledges its role in responding to food crises, whether caused by conflict, natural disasters, or other emergencies. Coordinated efforts are essential to provide timely and effective humanitarian assistance to those in need. Brazil can forge new channels of collaboration for this purpose.

Policies that promote social inclusion are essential for ensuring that the benefits of energy and food security initiatives are distributed equitably across society. By addressing inequalities and empowering marginalized communities, the G20 can contribute to more sustainable and resilient energy and food systems, aligning with broader international goals for inclusive and sustainable development. Social inclusion ensures that marginalized and vulnerable populations have equitable access to energy and food resources. Without inclusive policies, certain groups may face barriers in accessing essential services, leading to disparities in energy and food security. Socially inclusive policies can contribute to poverty alleviation by providing opportunities for marginalized communities to participate in and benefit from the energy

and agricultural sectors. Inclusive policies foster community engagement and ownership of sustainable development initiatives. When communities are involved in the planning and implementation of energy and food security programs, the likelihood of success and sustainability increases.

The reform of global governance institutions is a key agenda item for the G20 because it reflects the recognition that a more inclusive, representative, and adaptable international system is necessary to effectively address the challenges and opportunities of the 21st century. The G20 represents a platform for major economies to coordinate on global economic issues. Reforming global governance institutions is essential to ensure that these institutions are representative and capable of addressing the challenges and opportunities in the rapidly evolving global economy. The reform of global governance institutions aims to enhance their legitimacy and representation. This involves ensuring that the decision-making processes and structures of international organizations reflect the diversity of the global community, including emerging economies. Reform efforts seek to promote inclusivity by giving a voice to a broader range of nations. This is important for fostering a sense of ownership and participation in the international system, ensuring that the benefits of global governance are distributed more equitably. The international community faces new and complex challenges that may not have been anticipated when many global governance institutions were established. Reform allows for the incorporation of new issues and the development of innovative approaches to address emerging global concerns. The reform of global governance institutions is crucial for maintaining and strengthening the multilateral approach to addressing global issues, emphasizing the importance of cooperation over unilateral actions. In all these respects, Brazil can make major contributions in the development of a new multilateralism in which the Global South plays its rightfully important role.

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Brazil is rich in resources. It is not only a regional power in South America, but exercises global influence due to its important role in the G20 and the BRICS.

Furthermore, in light of the nation's diversity, Brazil has both experience and competence in seeking a fair dialogue in national and international arena in which all relevant voices are heard. Brazil's stance in favor of fair and effective multilateralism is known worldwide and plays an important role internationally.

At the same time, Brazil is strongly affected by social inequality and therefore knows from its own experience that justice is often a prerequisite for finding sustainable solutions to problems. Justice can be seen directly and obviously in terms of equal opportunities for all and fairness in the distribution of the gains from market activities. In the 21st century, however, justice requirements for climate, gender and intergenerational issues will also be decisive for sustainable solutions.

Due to its past, Brazil also has the bitter experience of colonialism. This is another reason why this South American country is often accepted internationally as a mediator. In short, these aspects mean that the world can expect a lot from Brazil's upcoming G20 Presidency.

In the coming years, the G20 will have to tackle a mammoth task: in addition to the substantive challenges mentioned above, such as the climate crisis and the fight against social inequality, the international system has changed in such a way that multilateralism and the institutions associated with it have fallen into crisis. Although the Indian G20 Presidency can point to the success of having achieved better representation by including the African Union in the G20, the international governance system has not yet adequately taken into account the increasing prominence of China and India in geopolitics—as well as the resulting concomitant conflicts with the U.S.—and the ambitious plans of the BRICS. This means that, in addition to the substantive challenges, we would argue that we currently lack the proper institutional framework and international procedures required to contend with the shared problems described above.

At the same time, it is becoming increasingly obvious that the still prevailing economic model, which not only allows but, in some cases, even promotes the profits of the few at the expense of the many, is unsustainable. The consumption of resources and the emission of greenhouse gases, predominantly by the rich, is leading humanity to an environmental abyss, while more than 700 million people live in poverty, according to the latest estimates by the World Bank (nd). This is clearly not a system that works in the broad public interest (Engels 2023). A change of system is therefore necessary. Progress must no longer be viewed purely in economic terms but must also consider its environmental and social impact. In concrete terms, this means that the G20 should agree to establish a more comprehensive measurement of prosperity that takes into account the ecological and

social effects of economic growth. Such comprehensive measurement could end the dispute about green-growth or no-growth.

Such a new understanding of the economy would automatically have an impact on the mandate of international financial institutions, because it would immediately become clear that their work must also serve the social and ecological good. The same applies to the private sector: the economy does not serve its own purposes, in the narrow sense of profit maximization, but rather the economy must serve society. This means making companies responsible for the common good, alongside the government and civil society.

All of the above points to a new narrative for the G20. Prosperity can be achieved only when people worldwide enjoy economic sufficiency, social cohesion, individual empowerment, and environmental sustainability. We call this the “recoupling paradigm,” because its aim is to recouple economic prosperity with social and environmental prosperity. Furthermore, we can speak of progress only if it occurs on all four levels. In short, economic growth at the expense of the environment or social cohesion is not progress. This “beyond GDP” approach has important implications for reporting and assessment of

business performance as well as government performance. Global corporate and government accounting in the spirit of recoupling is also an urgent task that the G20 must take on. If the Brazilian G20 Presidency embraces this on its agenda, its Presidency will make a major impact for this reason alone.

In the so-called Think20 process, important preliminary work has already been done to develop a new paradigm or narrative (Snower 2022). It would be a historic success if the Brazilian G20 Presidency succeeded not only in making progress on the world’s shared problems, but also in achieving a fundamentally new understanding of our social and economic system in terms of recoupling. That would be good news for the world! Brazil’s wealth of experience gives us hope that this could be achieved during its G20 Presidency. ■

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