



Proposed Expansion of G7

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Why in News

Recently, the USA has suggested the **postponement of the 46th G7 (Group of 7) Summit** which was scheduled to be held in June (2020) at Camp David (USA).

Additionally, the USA President has also proposed the **expansion of the G7 to be called 'G10 or G11'**.

G7

- **Description:**



- The G7 or ‘Group of Seven’ consists of **Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States.**
- It is an **intergovernmental organisation** that was formed in **1975** as an informal forum to discuss pressing world issues.
 - Initially it focussed on economic issues but later it focussed on the several challenges such as the oil crashes of the 1970s, terrorism, arms control, and drug trafficking, etc.
- The group does **not** have a **formal constitution or a fixed headquarters.** The decisions taken by leaders during **annual summits are non-binding.**
- The G7 nations meet at annual summits that are **presided over by leaders** of member countries on a **rotational basis.**
- **Host Country of the Summit:**
 - The host country **not only holds the G7 presidency** but also **sets the agenda for the year.**
 - It also gets a chance to **invite dignitaries from outside the G7** to attend the Summit.
- **Presence of Sherpas:**
 - The groundwork for the Summit, including matters to be discussed and follow-up meetings, is done by the **sherpas.**
 - The sherpas are generally personal representatives or members of diplomatic staff such as ambassadors.

Key Points

- **Expansion of G7:**
 - The proposed expansion has suggested **inclusion of India, Australia, South Korea and Russia** in the grouping of the largest advanced economies.
 - The existing **G7 group** has been called an **outdated group of countries** as it does not include emerging economies of the world and thus it is believed that the group **does not follow** the current world order.
 - It is **unclear** that the proposed expansion will be **permanent or temporary**.
- **Re-inclusion of Russia:**
 - The proposal to re-admit Russia is expected to receive **strong reactions from other G7 member countries**.
Russia is seen as an ally of China.
 - The G7 was known as the **'G8' for several years** after the original seven were **joined by Russia in 1997**.
The Group returned to being called G7 after Russia was expelled as a member in 2014 following the latter's annexation of the Crimea region of Ukraine.
- **India at the G7 Summit:**
 - India had attended the **G7 summit of 2019 at Biarritz in France** as a **special guest of French President**.
 - India has attended the **G8 five times** as special guests by various hosts of the G8 Summit in the past.
- **Attempt to Unite Allies Against China:**
 - **China is not a member of G7** despite being the world's biggest population and second-biggest economy. But, China has relatively low levels of wealth per head of population. Thus it is not considered as an advanced economy like other G7 members.
 - The expansion of G7 has been believed to be a plan to **unite all traditional allies to deal with assertive diplomacy of China**.
 - The proposal comes amid ongoing issues between the US and China which includes **Hong Kong's autonomy to Taiwan, the origins of Covid-19, South China Sea tensions** and **trade issues**.

G7 Vs G20

- **Members:** The **G20** is a **larger group** of countries, which also **includes G7 members**.
Apart from the G7 countries, the G20 comprises Argentina, Australia, Brazil, China, India, Indonesia, Mexico, Russia, Saudi Arabia, South Africa, South Korea, and Turkey.
- **Share in Global Economy:** The G20 countries make up around **80% of the world's economy**. G7's share in global GDP has **fallen to around 40%**.

- **Range of Issues:** As opposed to the G7, the G20 discusses a broad range of issues including those concerning the global economy and financial markets.

Way Forward

- The rise of India, China, and Brazil over the past few decades has reduced the G7's relevance. Thus, inclusion of emerging economies like India, South Korea, etc. may extend the support to establish equal levels for each country at global level.
- The proposed expansion may also help G7 to be a more representative institution than current G7 and subsequently to establish an equal platform at global level.

Source:IE