

**8th FES-SWP North-South Dialogue****Global Governance for Global Markets:  
Moving Beyond G8?****Berlin****June 17, 2009**

---

**THE FES-SWP NORTH-SOUTH DIALOGUE**

The FES-SWP Dialogue invites scholars from think tanks and academia in industrialized and developing countries to discuss key global governance issues. Since 2000, various issues have been addressed in this format, including security, climate change, global trade and financial questions.

**GLOBAL MARKETS: THE NEED FOR NEW FORMS OF GOVERNANCE**

In recent years, global markets have experienced a series of alarming developments. As regards trade, both the stalemate in the Doha Round and the underlying lack of trust in the WTO have led to the flourishing of bilateral trade agreements which threaten to undermine the multilateral trade regime. The international financial architecture has failed to prevent the serious aberrations that led to the current economic and financial crisis, resulting in the most serious crisis of confidence since the 1930s. Global energy markets have equally been in turmoil, struggling to accommodate the rising energy demand of emerging markets like China and India.

At the same time, the international system is witnessing the emergence of new economic and political powers. These actors become increasingly involved in shaping regional and global order, by actively asserting leadership, in some cases concentrating on specific policy areas. In fact, the G8 has officially acknowledged that some of the most pressing issues of our time cannot be solved without the cooperation of these new powers – namely Brazil, China, Mexico, India and South Africa. In the WTO, for example, Brazil and India have advanced into the core negotiation group. In the realm of finance, emerging markets, especially China, have accumulated enormous international reserves and are hence demanding more influence on the functioning of the international financial architecture. On that background it has become more obvious that a new multilateral architecture needs to be built. Signaling this much overdue shift was the enlargement of participation of the world financial summit on November 15 from a 'G8' to a 'G20' format.

In view of the fragile condition global markets are in today, this year's FES-SWP North-South Dialogue will focus on the central question of how the G8 and emerging powers can cooperate in order to improve the existent governance structures or to even invent new ones.

## TOPICS FOR DISCUSSION

The conference will address the issue by first looking into the fundamental causes and consequences of the current crisis of multilateralism (session 1). Subsequently, there will be two sessions on specific markets in which new cooperative forms of governance could be conceived: finance (session 2) and energy (session 3). A final session 4 will conclude with a discussion of the prospects for global governance in view of evolving forms of North-South- and South-South-cooperation, laying special emphasis on the pros and cons of "club governance".

The discussions will revolve around the following core questions:

1. Regarding the fragile status quo of global markets:
  - Which are the most important issues of common concern for the G8 and emerging powers?
  - What perceptions and interests are associated with these issues?
2. Regarding possible cooperative solutions:
  - Which formats and instruments are suitable for putting cooperation between industrialized and emerging economies into practice? What are the prospects for an emerging G20-format?
  - What are the potential stumbling blocks of such cooperation and how can they be avoided?
  - What are the benefits and the shortcomings of such an extended form of "club governance"?

## AGENDA

### Tuesday, June 16

Arrival of Participants

19:00 Welcome Dinner at FES "Politischer Club" (Hiroshimastr. 17)

### Wednesday, June 17

09:15 **Welcome Address**

**Volker Perthes**, Director, German Institute for International and Security Affairs  
**Jürgen Stetten**, Head, Global Policy and Development, Friedrich-Ebert-Stiftung

09:30 **Session I – Multilateralism in Crisis: Causes and Consequences**

Chair: **Ulrich Schneckener**, German Institute for International and Security Affairs

*Keynote speeches*

**Andrew Cooper**, Center for International Governance Innovation (CIGI), Canada  
**Ummu Salma Bava**, Centre for European Studies, Jawaharlal Nehru University, India

*Topics for discussion:*

- *What role for emerging powers in the multilateral system?*
- *What are the effects of unilateral steps and selective multilateralism, used by the US, Russia and/or other major players?*
- *What are the internal problems of established international formats, in particular the United Nations?*
- *How to deal with the dilemma of legitimacy and effectiveness?*

10:45 Coffee break

11:15 **Session II – Financial Markets: Opportunities and Limits of G20**

Chair: **Thomas Manz**, Friedrich-Ebert-Stiftung

**Paola Subacchi**, Research Director, International Economics, Chatham House, United Kingdom  
**Wang Haifeng**, Director, Institute for International Economic Research, National Development and Reform Commission, China  
**Ariel Buira**, former Director, Intergovernmental Group of 24, Mexico

*Topics for discussion:*

- *Do we need more regulation in global financial markets?*
- *If so: how can financial markets be regulated in a stricter manner without compromising their efficiency?*
- *Which institutions are apt to carry out the task of implementing possible new measures?*

13:00 Lunch Break

14:00

### **Session III – Energy Markets: Opportunities and Limits of Club Governance**

Chair: **Dietmar Dirmoser**, Friedrich-Ebert-Stiftung

**Kirsten Westphal**, German Institute for International and Security Affairs  
**Sergey Afontsev**, Institute for World Economy and International Relations,  
Moscow, Russia  
**Mesut Hakki Casin**, Yeditepe University Istanbul, Turkey

*Topics for discussion:*

- *Can the multitude of existing rules and agreements governing the energy market be unified under the aegis of a more universal and transparent governance structure?*
- *What institutions can serve as a facilitator for future initiatives addressing both producers and consumers?*
- *Does the IEA need to be reformed and/or enlarged? If so: in what way?*
- *How does global energy governance take account of climate change, efforts to reduce CO<sub>2</sub>-emissions and questions of energy security? How to address the issue of the “energy-poor”?*

15:30

Coffee break

16:00

### **Session IV: Global Governance or Global “Clubbing”? Strategies and Options**

Chair: **Günther Maihold**, German Institute for International and Security Affairs

**Yulius Purwadi Hermawan**, Head of Department on International Relations,  
University of Parayhangan, Indonesia  
**Ulrich Kelber**, MoP, Deputy Chairman of Social Democratic Parliamentary  
Group, Germany  
**Jason Milton**, G20 Unit, South African Reserve Bank  
**Jorge Carrera**, Head, Economic Research, Central Bank of Argentina

*Topics for discussion:*

- *Can “club governance” be seen as a viable alternative?*
- *What are possible conceptual and practical inputs of emerging powers to global and regional market governance?*
- *What does “effective multilateralism” imply? Which norms and principles need to be addressed and respected?*
- *What is the role of North-South fora (e.g. G 20) and of emerging South-South alliances?*

18:00

Final words of the organizers

18:30

Reception

---

**For further information on the organizers**

**kindly visit**

[www.fes-globalization.org](http://www.fes-globalization.org)

[www.swp-berlin.org](http://www.swp-berlin.org)