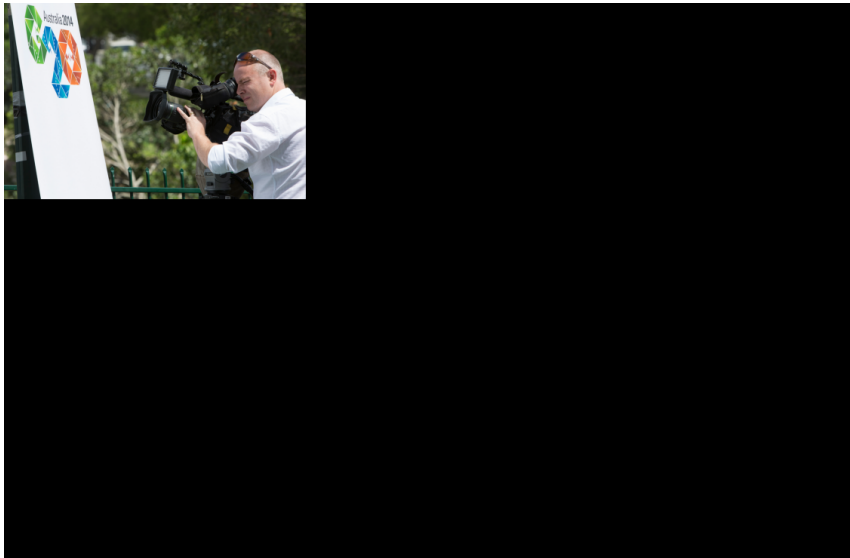


Australia learns how to be a good multilateralist

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On 1 December 2013, Australia took over the 2014 presidency of the G20, succeeding Russia and preceding Turkey.



Under the troika arrangement, the immediate past, present and subsequent chairs are expected to coordinate closely in providing continuity to the G20 process. Australia, Russia and Turkey are faced with a lot of unfinished business. Most importantly, the IMF is still awaiting the doubling of its capital; with most of its resources tied up in the euro zone, there would not be adequate resources to respond to a potential major financial crisis elsewhere. Furthermore, IMF governance reforms agreed to at the G20 London summit in April 2009 will not be implemented until the US Congress approves them. New momentum is needed to push governance reforms to a successful conclusion. In a nutshell, Australian diplomacy is challenged to demonstrate that it is able and willing to cooperate with emerging powers inside and outside the G20 troika.

Australia needs to learn the new rules of the 21st-century multilateralist game in order to master the [tall agenda of the G20](#) ^[1]. This will be a litmus test for its relevance in global and regional governance. If the G20 wanes, Australia will lose its primary permanent multilateral forum for the exercise of global influence.

Canberra's diplomatic approach to recent crises — for example, its handling of revelations that Australian intelligence services tapped the phone of the Indonesian president and his inner circle, as well as its handling of China's declaration of an East China Sea air defence identification zone — suggests that there is significant room for improvement in engaging major non-Western countries. At the heart of the problem are assumptions about the continuity of an Anglo Saxon-led Western liberal order that seem to inform Australian approaches to diplomacy.

However, with global power and production shifting to the East, it is important to appreciate that multilateralism and transnational diplomacy are no longer exclusively centred on and underwritten by US hegemony.

Especially after the 2008 global financial crisis, shifts in the distribution of power have not only led to a diffusion of power but also to a diffusion of principles, preferences, ideas and values. Post-World War II-style multilateralism is now heavily contested. Contestation is part and parcel of collective action. A good multilateralist must therefore have a strategy to win the discourse that champions one path of collective action over another, that generates authority to enforce a particular collective action outcome and makes the outcome acceptable to a wider audience. There is a strong tendency among Western powers to engage in self-centred collective action, driven by the expectation that liberal rules and standards will ultimately prevail.

The BRICS countries are extremely concerned about the delay in implementing G20 decisions to strengthen the representativeness of the IMF. Although Brazil, China, Russia and India agreed to become key contributors to the Fund's emergency loan pool (the New Arrangements to Borrow, or NAB) after the global financial crisis and now provide 15.5 per cent of NAB resources, the promises of greater voice and voting power have not been delivered. Emerging countries have three basic choices. First, they can directly confront Western liberal ordering, which they haven't done thus far. Second, they can contest liberal ordering by constructing governance signposts outside the Western liberal institutional architecture, which can be transformed into real institutional alternatives, if needed. The BRICS's decision to establish a development bank points in this direction. And third, the BRICS can assume the role of 'responsible stakeholders', as frequently demanded by leading Western countries. Yet, this would require that countries agree on the terms and conditions of 'responsibility'. Looked at from the perspective of the BRICS countries, the 2008 global financial meltdown is a clear indication of the ideological crisis of *Western* capitalism within which non-Western countries have had only limited stakes. Hence, 'responsibility' for collective action constitutes a two-way track, and must be based upon a shared vision and a new bargain between Western liberal powers and emerging countries.

In sum, [the G20](#) ^[2] needs to begin a new quest for authority in achieving effective multilateralism, addressing three central questions. What are the sources of power necessary to effectively address collective action problems? How can compliance with collective action outcomes be accomplished? Which processes are necessary to make those outcomes acceptable to a wider audience? There is no one-size-fits-all strategy for effective multilateralism. As it stands, Western G20 diplomacy operates on terms that seem to resemble 19th-century American poet Walt Whitman's *Song of Myself*: 'I celebrate myself, and sing myself, / And what I assume you shall assume ...' Multilateralism clearly needs a change of tune. Western terms and conditions cannot simply be extended to and imposed upon emerging powers. Australia's geography and heritage put the country in a [unique position](#) ^[3] to build bridges between Western countries and emerging powers. Learning alternative forms of multilateralism in order to manage shifts in the distribution of power and production is the key challenge of peaceful order transition in the early 21st century.

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[1] tall agenda of the G20:

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[2] the G20: <http://www.eastasiaforum.org/g20-asia-forum/>

[3] unique position:

<http://www.eastasiaforum.org/2013/12/02/australia-takes-over-the-g20-presidency/>

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