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Reflections on the G20 Foreign Ministers' Meeting in Rio De Janeiro

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Reflections on the G20 Foreign Ministers' Meeting in Rio De Janeiro

The recent G20 meeting in São Paulo, Brazil, convened by Finance Ministers and Central Bank Governors of member countries on February 28 and 29, tackled pressing global economic issues against the backdrop of the Brazilian Presidency's overarching priorities for 2024. These priorities encompassed social inclusion and poverty alleviation, energy transitions and sustainable development, and the reform of global governance institutions.

One of the central themes emphasized in the meeting was the resilience of the global economic recovery, which has outpaced expectations. However, concerns persist regarding the medium-term growth outlook, particularly given the socio-economic and environmental pressures exacerbated by ongoing conflicts, persistent inequalities, and the challenges posed by climate change.

In addressing these challenges, the [G20](#) reaffirmed its commitment to promoting strong, sustainable, balanced, and inclusive growth, aligned with the Sustainable Development Goals (SDGs). Key initiatives included mainstreaming inequality as a policy concern, enhancing the representation of developing countries in decision-making processes, and bolstering Multilateral Development Banks (MDBs). The urgency of finalizing a two-pillar solution for fair and progressive taxation and addressing global debt vulnerabilities was underscored.

Moreover, the G20 recognized the importance of well-calibrated fiscal, monetary, financial, and structural [policies](#) to maintain macroeconomic stability and promote inclusive growth. Policies facilitating structural transformations, innovation, and job creation were highlighted, along with a commitment to resist protectionism and support a rules-based multilateral trading system. The meeting also addressed risks to the global economic outlook, balancing upside potential such as [faster disinflation](#) and technological innovation with downside risks including conflicts, protectionism, and climate change-related costs.

Additionally, the G20 acknowledged the valuable contributions of international organizations and knowledge partners in informing technical debates and welcomed the African Union as a permanent member, enhancing the group's representativeness and commitment to addressing African concerns.

Highlighting Deep Divisions

The G20 finance ministers meeting in Sao Paulo highlighted deep divisions among Western powers regarding the handling of frozen [Russian assets](#), amidst attempts to focus on economic cooperation. Brazilian officials aimed to steer discussions toward economic issues like climate change and poverty, avoiding the direct mention of conflicts in Ukraine and Gaza. However, disagreements emerged, particularly regarding the fate of Russian assets. While US Treasury Secretary Janet Yellen suggested unlocking the value of Russian assets, French Finance Minister Bruno Le Maire argued against seizing them, citing insufficient international legal basis and potential division among G20 members.

These disagreements underscored the challenge of navigating geopolitical tensions within the G20. Brazil, as the host and G20 presidency, sought to emphasize sustainable development and give



voice to developing nations. They proposed initiatives such as a global minimum wealth tax and addressing tax havens for the wealthy. Despite efforts to reach a consensus, deep divisions persisted, leading to the failure to issue a joint statement addressing geopolitical issues like the wars in Ukraine and Gaza. Brazil's presidency acknowledged the lack of consensus but expressed willingness to continue working towards it.

Looking ahead, priorities for the upcoming G20 financial track meeting in April include reforming multilateral development banks and financing climate development. Brazil aims to address climate challenges, especially in the Global South, and plans to hold a side event focusing on the role of rating agencies in evaluating multilateral development banks.

What can we expect from Brazil's presidency moving forward?

Brazil's presidency of the G20 comes up at a critical time given multiple geopolitical crises and growing polarization at both the global affairs and individual state level. Historically, Brazil has fostered close relationships and cooperation with countries from both the Global North and South, particularly within Latin America and the BRICS framework. President Lula's administration aims to reinvigorate these connections, seeking to act as a bridge between various groups and mediate international security conflicts. This strategy aligns with the concept of "[autonomy via active non-alignment](#)" proposed by Jorge Heine, emphasizing the importance of Latin America engaging with emerging powers and regions beyond traditional diplomatic circles.

However, Brazil's recent attempts to mediate crises in Palestine and Ukraine have not yielded positive outcomes. This raises doubts about the viability of President Lula's strategy amidst ongoing ideological polarization and political challenges. That being said, the sideline G20 foreign ministers' meeting did showcase the majority support for a two-state solution to the Israeli-Palestinian conflict, [emphasized](#) by both Brazilian Foreign Minister Mauro Vieira and EU foreign policy chief Josep Borrell.

Regarding Brazil's expectations for its G20 presidency, there's a recognition of the opportunity for the country to re-engage with the multilateral system and facilitate international cooperation amid global crises and uncertainties. However, it's acknowledged that cooperation within groups like the G20 and BRICS can potentially [exacerbate polarization](#) within the broader multilateral framework. Therefore, Brazil advocates for decision-making guided by multilateral principles, emphasizing the importance of inclusivity and consensus-building.

The evolution of the G20 from a forum primarily focused on economic and financial issues to a more holistic platform stresses the need for Brazil to navigate the conflicting interests of G7 and BRICS countries effectively. While Brazil remains a founding member of BRICS, the dynamics within this group have shifted significantly, influenced by factors such as China's rise, geopolitical events like the Russian invasion in Ukraine, and the expansion of BRICS membership. Brazil aims to leverage its G20 presidency to achieve consensus on key priorities, including combating hunger, poverty, and inequality, promoting sustainable development, and reforming global governance structures.



Saudi Arabia's Role and Stance in the Brazilian G20 Agenda

Saudi Arabia plays a crucial role in supporting the Brazilian G20 agenda by engaging in dialogue, fostering cooperation, and advocating for shared priorities. As a G20 member, Saudi Arabia acknowledges the importance of collective action in addressing global challenges and promoting sustainable development. Economically, Saudi Arabia contributes its expertise and resources to initiatives aimed at fostering inclusive growth, enhancing financial stability, and addressing global inequalities. This includes efforts to stimulate investment, facilitate trade, and promote entrepreneurship, all essential components of Brazil's economic agenda within the G20 framework. Additionally, Saudi Arabia actively participates in discussions on geopolitical issues, such as regional conflicts and security concerns, aiming to promote peace and stability in conflict-affected regions. With leadership in energy and sustainability, the Kingdom complements Brazil's agenda by contributing to discussions on climate change, renewable energy, and environmental conservation. By exchanging best practices and supporting initiatives to mitigate climate change, Saudi Arabia aligns its efforts with Brazil's vision for a more sustainable future.

Amidst the proceedings of the G20 meetings, Saudi Arabia's active participation and distinct stance contributed significantly to the discourse on global economic challenges and international tensions. His Excellency Finance Minister Mohammed Al-Jadaan's [emphasis](#) on equitable trade practices and transparent debt management underscored Saudi Arabia's commitment to fostering inclusive economic growth and sustainable development. He highlighted the imperative of collective cooperation among stakeholders to address debt vulnerabilities in low-income nations, emphasizing the role of creditors, debtor nations, and international financial institutions. Additionally, His Excellency Foreign Minister Prince Faisal bin Farhan's [call](#) for substantive measures to cease the war in Gaza and advance a two-state resolution demonstrated Saudi Arabia's commitment to regional stability and peace. His advocacy for transparent international institutions and decisive action to halt the crisis in Gaza echoed the kingdom's dedication to upholding multilateralism and addressing pressing global challenges. The CEO of SABIC, Eng. Abdulrahman bin Saleh Al-Fageeh's leadership in the Business 20 (B20) group [exemplified](#) Saudi Arabia's proactive engagement in fostering business cooperation and promoting the kingdom as a preferred global investment destination. Al-Fageeh stated that "the Saudi economy is one of the fastest-growing, most dynamic in the world, and its growth is projected to continue for the coming decades." He added, "This growth is fueled by Saudi companies that have substantially expanded over the past decade in line with Saudi Vision 2030." Overall, Saudi Arabia's multifaceted engagement in the G20 meetings exemplified its commitment to advancing collective solutions and promoting economic development.

The G20 meeting in São Paulo reaffirmed the importance of international cooperation in addressing complex global challenges and laid the groundwork for continued dialogue and concrete actions to foster sustainable and inclusive growth. Amidst these aspirations for progress, it's essential to acknowledge the persisting challenges and uncertainties that loom over the global landscape. Economic disparities and deep divisions over the war in Gaza and Ukraine cast a shadow of pessimism, reminding us of the daunting obstacles that lie ahead. Despite these challenges, the G20's commitment to dialogue and cooperation offers a glimmer of hope. The upcoming meeting in Washington, DC, is anticipated to advance continued dialogue and lay concrete actions to foster sustainable growth amidst an uncertain terrain.

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