

Italy's 2009 G8: Plans for the Summit

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Preface	2	Italy's G8 Team	41
Introduction: Italy's 2009 G8	2	Participating Leaders	41
Agenda: The Policy Summit	2	G8 Leaders	41
Climate Change	4	Italy	41
Energy	4	Canada	41
Nuclear Energy	5	France	42
Global Economy	5	United States	42
Derivatives	6	United Kingdom	42
Hedge Funds	6	Russia	42
Financial Crisis	6	Germany	43
Africa	8	Japan	43
Development	8	O5 Leaders	43
Education	9	China	43
Water	9	India	43
Food and Agriculture	9	Brazil	43
Peace Support	10	Mexico	44
Intellectual Property	10	South Africa	44
Terrorism	10	Other Participating Leaders	44
Political Security	11	Australia	44
Middle East	11	Indonesia	44
Afghanistan	12	South Korea	44
Heiligendamm Process	13	Appendices	45
Outreach and Expansion	13	Commitments and Remits Due in 2009	45
Participation	20	Emissions Table	46
Program	20	G8 GDP	47
Process: The Physical Summit	21		
Site	21		
Government Preparations: External	22		
Bilateral Meetings	22		
Other Meetings	24		
Emergency Meeting	24		
Sherpa Meetings	25		
Ministerial Meetings	25		
Overall	25		
G7 Finance Ministers	26		
February 13-14, 2009	26		
10 October	32		
Ministers of Culture	35		
G8 Interior and Justice Ministers	35		
G8 Environment Ministers	35		
G8 Energy Ministers	36		
G8 Health Ministers	36		
G8 Agricultural Ministers	37		
G8 Foreign Ministers	37		
Civil Society	39		
Celebrity Diplomacy	39		
Activities	40		

Preface

This report on “Italy’s 2009 G8: Plans for the Summit” is compiled by the G8 Research Group largely from public sources as an aid to researchers and other stakeholders interested in the 2009 G8 Summit. It will be updated periodically as plans for the 2009 Summit evolve. This report adds material on the physical summit, Italy’s internal preparations and G8 ministerial meetings.

Introduction: Italy’s 2009 G8

Italy will host the G8’s 2009 Summit from July 8 to 10. La Maddalena will serve as the summit site and so far it appears that the issues of world economy, climate change, energy, including nuclear energy, terrorism, Africa, food security, intellectual property and the Heiligendamm process will all be a part of the Italians 2009 G8 agenda. The G5 countries of China, India, Brazil, Mexico and South Africa will be invited to attend part of the summit, as will the additional MEM participants of Australia, Indonesia and South Korea.

Agenda: The Policy Summit

Italy has set five priorities for its 2009 G8. First, the financial and economic crisis and the search for new proposals for stability and growth. According to Italian foreign minister Franco Frattini, these can be identified and adopted together with the G20 in a “spirit of collaboration and not competition.” Second, the battle against climate change, to ensure the success of the Copenhagen conference, which will define the global post-Kyoto guidelines. Frattini stressed the need for the major polluting countries — United States, China and India — to follow the example of the European Union and adopt its climate-energy package. Third, the fight against terrorism and nuclear proliferation, which Frattini said were both “threats to democracy” and thus need to be dealt with through the efforts of all countries. The fourth priority is development in Africa and other less advanced economies, and the fifth is regional and global security, which Frattini said were “two faces of the same coin,” with special attention paid to the Middle East and Afghanistan.¹ (February 4, 2009, *ANSA- English Media Service*)

The fight against terrorism, aid for Africa and developing countries and combating global warming are Italy’s priorities during its term as head of the G8 this year, Italian foreign minister Franco Frattini said. He added that Italy also wanted to focus attention on more “multilateral and flexible” global governance, as shown by Italy’s plans to include other important countries in G8 sessions in a more “structured” way.² (February 4, 2009, *ANSA — English Media Service*)

¹ *ANSA – English Media Service* (February 4, 2009), “G8: Italy to Propose Summit of Regional Organizations.”

² *ANSA – English Media Service* (February 4, 2009), “Frattini on G8 Priorities.”

Italian prime minister Silvio Berlusconi said Italy's priorities for the 2009 G8 summit include the global economy, sustainable development, energy policy and climate change. "The other points on the agenda will be the fight against terrorism, nonproliferation and disarmament and the stabilization of conflict areas," he said.³ (January 9, 2009, *Dow Jones International News*)

The issues at the Italy 2009 summit will remain the same ones as ever: development, the energy crisis, agricultural prices and the fight against poverty, with the mobilization of all the entities (private individuals, public bodies and NGO's).⁴ (January 2, 2009, *BBC Monitoring European*)

Italian foreign minister Frattini has said that terrorism, nuclear disarmament and the situations in Afghanistan, Pakistan and Africa would be on the political agenda, while economic issues to be given priority are reforms to the Bretton Woods system, the development of renewable energy sources, the impact of climate change on the economy and food safety.⁵ (January 1, 2009, *Xinhua News Agency*)

Italy's presidency of the G8 next year will be an occasion for "a new global governance" and to create a more structural relationship between G8 countries and emerging powers, Italian foreign minister Franco Frattini said. Speaking at a joint meeting of Italy's parliamentary foreign committees, he said the G8 model "should enlarge itself in a flexible manner, involving economic and political players and coordinating with the G20 on economic and financial themes in order to have a complete spectrum" of analysis on global issues. Frattini said terrorism, nuclear disarmament and the situations in Afghanistan, Pakistan and Africa would be on the political agenda, while economic issues to be given priority are reforms to the Bretton Woods system of monetary management, the development of renewable energy sources, the impact of climate change on the economy and food safety. He added that a "global task force" dealing with this last issue would be created, basing its structure on that of the Food and Agriculture Organization. For the first time ever, the G8's agriculture ministers will meet to discuss global agricultural resources, he said. Frattini said he planned to meet with foreign ministers from other European Union countries as well as of the remaining G8 countries early next year in order to involve his EU colleagues in setting a common agenda.⁶ (December 5, 2008, *Thai News Service*)

The upcoming summit is expected to discuss topics such as the world financial crisis, climate change, anti-terrorism and energy security, Italian prime minister Berlusconi said.⁷ (December 5, 2008, *Xinhua News Agency*)

³ *Dow Jones International News* (January 9, 2009), "Berlusconi Outlines Italy's G8 Priorities To Japan's Aso."

⁴ *BBC Monitoring European* (January 2, 2009), "Italy to bring "flexible format" to G8."

⁵ *Xinhua News Agency* (January 1, 2009), "Italy takes over G8 presidency."

⁶ *Thai News Service* (December 5, 2008), "Italy: Italian FM voices G8 presidency priority next year."

⁷ *Xinhua News Agency* (December 5, 2008), "Italy to invite more countries to G8 gathering next year: PM."

Climate Change

Italy will take a strong stance in combating climate change. The group will welcome decisions made in Bali as the foundation for reaching a global agreement on the United Nations Framework Convention on Climate Change (UNFCCC) by 2009. The final goal is to establish an effective and ambitious global post-2012 climate regime and all major economies need to commit to meaningful mitigation actions. It will be “a very ambitious project” for the G8 summit, government sources said.⁸ (January 3, 2009, *Xinhua News Agency*)

On climate change, the Italian G8 chair will have the task of paving the way for the conference in Copenhagen for a new accord on the post-Kyoto scenario in 2012.⁹ (January 2, 2009, *BBC Monitoring European*)

Italian prime minister Silvio Berlusconi, whose country will host the 2009 G8 summit meeting, suggested toward the end of the 2008 Major Economies Meeting (MEM) that they should discuss the topic again when Italy hosts.¹⁰ (July 11, 2008, *Daily Yomiuri*)

The G8 reaffirmed their commitment to take strong leadership in combating climate change and welcomed decisions taken in Bali as the foundation for reaching a global agreement in the United Nations Framework Convention on Climate Change (UNFCCC) process by 2009. They stated that they were committed to its successful conclusion. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako summit)

The G8 countries indicated that they need to ensure an effective and ambitious global post-2012 climate regime and that all major economies need to commit to meaningful mitigation actions to be bound in the international agreement to be negotiated by the end of 2009. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako summit)

The MEM nations committed to continue to work constructively together to promote the success of the Copenhagen climate change conference in 2009. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako summit)

Energy

Regarding the issue of energy, Italy plans to honour the commitments made in Japan where the G8 pledged to compile national reports with the help of the International Energy Agency (IEA) and to update them for the summit.¹¹ (January 3, 2009, *Xinhua News Agency*)

⁸ *Xinhua News Agency* (January 3, 2009), “News Analysis: Italian G8 2009 presidency faces tough challenges.”

⁹ *BBC Monitoring European* (January 2, 2009), “Italy to bring “flexible format” to G8.”

¹⁰ *Daily Yomiuri* (July 11, 2008), “Vested interests main post-summit challenge.”

¹¹ *Xinhua News Agency* (January 3, 2009), “News Analysis: Italian G8 2009 presidency faces tough challenges.”

Italy is planning an energy summit for an “enlarged G8” early this year, Italian foreign minister Franco Frattini said. Such as summit is “absolutely new,” he said, saying it was motivated by a “strong need for dialogue between producers and consumers which is the basis for global price stability.” Italy will host the energy summit in the coming months. Italian economic development minister Claudio Scajola will lead the meeting, Frattini said, adding that “Italy’s entire diplomatic and political corps is preparing this event.”¹² (January 2, 2009, *Agence France Presse*)

The G8 pledged to compile national reports with the help of the International Energy Agency (IEA) and to update them for the 2009 summit. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako summit)

Nuclear Energy

Nuclear energy will be at the centre of the G8’s talks in 2009. The G8 countries agree that transfer of enrichment equipment, facilities and technology to any additional state will be subject to conditions that at least guarantee no replication of the facilities will be made.¹³ (January 3, 2009, *Xinhua News Agency*)

The G8 countries agreed that transfers of enrichment equipment, facilities and technology to any additional state in the next year [2009] will be subject to conditions that, at a minimum, do not permit or enable replication of the facilities; and where technically feasible reprocessing transfers to any additional state will be subject to those same conditions. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako summit)

Global Economy

Italy appears to have lowered its ambitions for its presidency of the G8 this year, no longer hoping to be remembered for a rebuilding of global finance. Economy minister Giulio Tremonti has recently stopped promising “a New Bretton Woods.” Instead, Italy’s contribution to tackle market turmoil and recession will be something called a “legal standard.” This would constitute a set of rules, guidelines and conventions mostly drawn up by the Organisation for Economic Co-operation and Development and to which most developed countries already adhere. Details of the legal standard remain undetermined and Tremonti said last week he had still not presented the idea to Italy’s G8 partners. “The Italian G8 presidency plans to put forward a proposal for the establishment of an international ethical legal standard with which all countries will be bound to comply,” the website says. “Such a method will make it possible to establish as convergent a network as possible of legal systems governing financial affairs, in order to safeguard savers and citizens.”¹⁴ (January 20, 2009, *Reuters News*)

¹² *Agence France Presse* (January 2, 2009), “Italy to host energy summit for enlarged G8: FM.”

¹³ *Xinhua News Agency* (January 3, 2009), “News Analysis: Italian G8 2009 presidency faces tough challenges.”

¹⁴ *Reuters News* (January 20, 2009), “Italy scales back G8 ambition to ‘legal standard.’”

Derivatives

Italian prime minister Silvio Berlusconi said there was worldwide concern about the expansion of financial derivatives and he would propose a solution to the G8. “I am already working with the G8 nations, the concern is worldwide, there is concern about the derivatives market. I have my own idea on the matter, which I will put forward, the size of this market isn’t known to anybody,” Berlusconi said. Earlier this month, Italian economy minister Giulio Tremonti said he was in favour of a “moratorium” to separate banks’ toxic assets from their healthy ones.¹⁵ (January 22, 2009, *Reuters News*)

Hedge Funds

Italian finance minister Giulio Tremonti wants to destroy hedge funds — the whole “hellish \$2 trillion industry.” And when Italy takes over the presidency of the G8 nations in January, he’s going to get on the case.¹⁶ (October 17, 2008, *The Daily Telegraph*)

Financial Crisis

Revising market regulations and restoring order on financial markets are pivotal for the Italian presidency of the G8, economy minister Giulio Tremonti said. “There is a fundamental asymmetry between the structure of the market, which is global, and its institutional structure, which is not global.” He explained that the “market has opened up while rules and regulations have progressively fossilised. The market is global while the laws governing it are local and continue to become less uniform.” The G7 and G8 “are limited in respect to the world’s wealth. But the G20, too, is not representative because it leaves out important economies in the Arab, African and Asian worlds.”¹⁷ (February 26, 2009, *ANSA – English Media Service*)

The 2009 G8 summit will focus on the financial tsunami that hit the global economy. Italian finance minister Giulio Tremonti has talked on several occasions about the need to “redesign the Bretton Woods” agreement. The global financial structure established after World War II seemed “out of date facing the current global challenges. The issues will be discussed in this year’s summit. The G8’s global is to strengthen financial institutions, restore confidence in the financial system and provide a sound economic footing for citizens and businesses.”¹⁸ (January 3, 2009, *Xinhua News Agency*)

Italy is planning to host a 14-state summit in March 2009 on the “human dimension” of the world financial crisis,¹⁹ (January 2, 2009, *Agence France Presse*)

¹⁵ *Reuters News* (January 22, 2009), “Berlusconi says to make derivatives proposal to G8.”

¹⁶ *The Daily Telegraph* (October 17, 2008), “Hedge funds don’t need punishing - they are suffering enough.”

¹⁷ *ANSA – English Media Service* (February 25, 2009), “G8: Tremonti Says Regulation Pivotal for Italian Presidency.”

¹⁸ *Xinhua News Agency* (January 3, 2009), “News Analysis: Italian G8 2009 presidency faces tough challenges.”

¹⁹ *Agence France Presse* (January 2, 2009), “Italy to host energy summit for enlarged G8: FM.”

France, Britain and Germany have called for an overhaul of the world's financial system. The G8 leaders have agreed that financial architecture reform is necessary and a meeting needs to be held "at an appropriate time in the near future." "The system must be completely overhauled, an overhaul that must be global," French President Sarkozy said, while repeating his call for an international summit before the end of the year, "preferably in New York where everything began." British prime minister Brown said, "I believe a forum to decide on big changes in the international economy can be held in the next few months." He also noted that he expected that the G8 and key countries such as China, India, Brazil and South African would gather in November or December.²⁰ (October 16, 2008, *The Globe and Mail*)

On October 15, 2008, the G8 leaders released a Statement on the Global Economy. They reaffirmed that they will remain united to "resolve the current crisis, strengthen our financial institutions, restore confidence in the financial system, and provide a sound economic footing for our citizens and businesses." They confirmed their support for the recent actions taken by the G7 finance ministers and central bank governors and that they will work to mitigate the "adverse impacts on emerging economies and developing nations." They reiterated their support for the IMF, particularly in its assistance to affected countries. And they underscored the "importance of not turning inward and of continuing efforts to promote trade and investment liberalization, which over the past several decades has significantly raised the global standard of living and lifted millions out of poverty." They also indicated that a leaders' meeting "with key countries" was being planned in the "near future."²¹ (October 15, 2008, *The White House*)

Italian economy minister Giulio Tremonti said Italy would propose that the IMF and the World Bank "can be used for different goals," and given new tasks to complement their current ones. Tremonti has spoken on several occasions of the need to "redesign the Bretton Woods" agreement, which established the post-World War Two global financial structure. The rewriting of financial market rules should target "absolutely crazy bodies, like hedge funds which have nothing to do with capitalism." Asked if he was suggesting that hedge funds should be banned, he said "we have to launch a discussion about this."²² (October 11, 2008, *Reuters News*)

Italy, as the next president of the G8, has drafted a reform of the world's financial institutions intended to present to its partners on October 11, economy minister Giulio Tremonti said. Speaking to reporters after the G7 finance ministerial on October 10, Tremonti said Italy's presidency of the G8, which begins in January, would see a radical shake-up of financial institutions to avoid a repetition of recent market turmoil. "As the next G7 president Italy will propose a reform of the Bretton Woods institutions," Tremonti said. "We already have a draft of our Bretton Woods reform proposals which we will present to the G20 on Saturday," Tremonti said. He added that the plan would also include a reform of the G7. Tremonti, who has often criticized the rapid globalization process since the mid 1990s, said reform must go beyond tinkering with

²⁰ *The Globe and Mail* (October 16, 2008), "European powers urge global overhaul: EU leaders broadly endorse banking rescue plan, while G8 agrees to meet to discuss reforms to financial architecture."

²¹ *The White House* (October 15, 2008), "G8 leaders statement on the global economy."

²² *Reuters News* (October 11, 2008), "Italy proposed broadening G7, changing IMF."

financial market rules. “If the origin of the crisis is financial, maybe the solution for the future must be political and institutional, we need to define new trade rules and new rules for finance,” he said. “Finance has to be a means, it cannot be an end. We have rules that reward finance but we are lacking those that ban speculation, speculative instruments and tax havens. It is time to transform the crisis into an opportunity for everyone.”²³ (October 10, 2008, *Reuters News*)

Italian finance minister Giulio Tremonti said that Italy is going to use its G8 presidency to put forth new rules to avoid financial crisis such as the current one. He singled out **tax havens** and **false accounting** as two areas where tighter regulations were needed.²⁴ (September 28, 2008, *Reuters News*)

According to Italian economy minister Giulio Tremonti, Italy is planning to establish **new rules to avoid financial crises** like the current one when it takes over the G8 presidency in January. “It is not a bank that failed, it’s the whole system,” Tremonti said. He believes the international surveillance mechanisms are inadequate. “We must have new rules, and it is up to the governments to make them,” Tremonti said, adding that Italy would raise that issue when it took over chairing the G8. He said that tax havens and false accounting were two particular areas where tighter rules were necessary.²⁵ (September 16, 2008, *Reuters News*)

Africa

Development

Advocates of the New Partnership for Africa’s Development (NEPAD) are to present a detailed report on the effects of the global financial crisis on Africa to the G8 leading industrialized countries later this year. According to visiting Egyptian deputy international and economic affairs minister Mohamed Alorabi, the founding committee of the NEPAD program, which includes South Africa and Egypt, is concerned that G8 countries are beginning to look internally to focus all their resources and efforts on reducing the negative effects of the financial crisis at home. Alorabi said South Africa and his country wanted to present a united front to the G8 summit in July in La Maddalena to persuade it not to abandon its earlier commitments and plans to invest in the continent. “They know and agree that this will help our continent to stay on course of trading its way out of poverty ... and that it will be in their interest to sustain if not expand the economic growth that Africa has experienced over the last few year,” he said. Alorabi met deputy finance minister Nhlanhla Nene, deputy foreign minister Fatima Hajaig and senior officials of their departments during his two-day visit to South Africa last week. Alorabi said the G8 countries might introduce measures to ensure stability in their own markets. However, both South Africa and Egypt would endeavour to revive the enthusiasm with which the G8 had met the NEPAD proponents under former president

²³ *Reuters News* (October 10, 2008), “Italy ready to present global finance reform plan.”

²⁴ *Reuters News* (September 28, 2008), “Italy aims to expand G8 to include China, Brazil.”

²⁵ *Reuters News* (September 16, 2008), “G8 needs new rules to avoid financial crisis-Italy.”

Thabo Mbeki's leadership. "We need to remind them about the sound NEPAD principles, which are key to this continent's ability to achieving the Millennium Development Goals in particular. Not enough has been done or implemented from the undertakings of the past G8 summits, hence the need to sustain the momentum of keeping Africa on their agenda," Alorabi said.²⁶ (January 19, 2009, *Business Day*)

Education

The G8 have committed to train, including through appropriate multilateral institutions, 100,000 teachers by 2009, with a particular focus on high-quality literacy skills. (Commitment pledged in 2004 at the American Sea Island summit)

The G8 pledged to monitor the Fast Track Initiative (FTI), including meeting shortfalls, through a report to be delivered at the 2009 Summit. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako summit)

Water

The world water forum in Istanbul, planned for March 16-22, 2009, will provide input into this year's G8.²⁷ (January 21, 2009, *ANSA English Media Service*)

The G8 acknowledged the need to accelerate the achievement of the internationally agreed goals on water and sanitation. They pledged to reinvigorate their efforts to implement the Evian Water Action Plan and to review it on the basis of a progress report prepared by our water experts by the 2009 Summit. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako summit)

Food and Agriculture

Italy has said that the subject of food security and in particular hunger in Africa, would be the central focus of the G8 in 2009. Italy's Directorate of Development Cooperation is to donate €10 million through the Food and Agriculture Organization to finance agricultural and rural development programs and improve food security in 2009. The new donation, raising Italy's voluntary, extra-budgetary contributions to a total of some €60 million, has confirmed the country as one of FAO's leading donors.²⁸ (January 19, 2009, *All Africa*)

The Italian government said it will put high on the international political agenda issues such as food safety, with a special focus on Africa, the fight against poverty and sustainable agricultural development.²⁹ (January 3, 2009, *Xinhua News Agency*)

²⁶ *Business Day* (January 19, 2009), "Nepad champions to put Africa's case to the G-8."

²⁷ *ANSA English Media Service* (January 21, 2009), "FAO WORKING ON GLOBAL WATERPLAN."

²⁸ *All Africa* (January 19, 2009), "Italy Donates €10 million for Farm Development."

²⁹ *Xinhua News Agency* (January 3, 2009), "News Analysis: Italian G8 2009 presidency faces tough challenges."

United Nations Food and Agriculture Organization Director General Diouf has already been in contact with Italian authorities about moving forward a plan to create a world network of food and agriculture experts in order to assess future needs and risks globally at next year's G8 summit. Diouf believes that 30 billion dollars per year must be mobilized in order to double food production to feed a world population of 9 billion by 2050. "In this connection, as president of the G8 next year, Italy bears a historic responsibility," Diouf said.³⁰ (September 17, 2008, *ANSA English Media Service*)

At the Food and Agriculture Organization (FAO) summit in June, and at the last G8 meeting in Japan, the Italian Government confirmed it intended to keep issues such as food **security, the fight against poverty and sustainable agricultural development** high on the international political agenda. **Food security, with a special focus on Africa,** will be a priority during the Italian G8 presidency in 2009.³¹ (July 22, 2008, *New Press*)

The G8 has committed to work with governments and other donors to realize the goal of attaining food security for five million chronically food insecure people by 2009. (Commitment pledged in 2004 at the American Sea Island summit)

The G8 promised to review the progress on the food crisis issue at the 2009 summit. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako Summit)

Peace Support

The G8 tasked experts to discuss their efforts for peace support for Africa, in cooperation with the UN and regional organizations, and to submit a progress report prior to the Summit in 2009. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako summit)

Intellectual Property

The G8 committed to take stock of the progress made to strengthen intellectual property rights protection by the time of the 2009 summit. (Commitment pledged in 2007 at the German Heiligendamm summit)

Terrorism

The G8 stressed the urgent need for full implementation of existing standards, including Financial Action Task Force (FATF) Special Recommendations VIII and IX, and asked their experts to take steps to share information, evaluate threats, assess new trends and promote implementation and review these efforts by 2009. (Commitment pledged in 2008 at the Japanese Hokkaido Toyako summit)

³⁰ *ANSA English Media Service* (September 17, 2008), "Italy Key in World Food Crisis Resolution."

³¹ *News Press* (July 22, 2008), "Italy gives euros14 million for food security."

Political Security

After assuming the G8 chairmanship, “we shall have not only personal will, but also authorities for restoring the spirit of the meeting at Pratica di Mare (Italian military base) in relations between Russia and NATO in the issues of non-proliferation of nuclear weapons, fight against terrorism and search for ways out of the international crisis.” Italian prime minister Silvio Berlusconi said. He acknowledged the determinative role Italy and France played in settling the Georgian-South Ossetia conflict. “We managed to avoid not only thousands of new victims, but also the return of the Cold War,” he said.³² (December 21, 2008, *ITAR-TASS World Service*)

Russian deputy foreign minister Sergei Ryabkov met with his Italian counterpart, Sandro De Bernardin, to discuss Italy’s upcoming chairmanship of the G8 to take place in 2009. “The sides discussed interaction in light of Italy’s upcoming chairmanship of the Group of Eight in 2009. Special attention was paid to Iran’s nuclear programme, the construction of a new European security architecture, as well as the situation in Afghanistan and the Trans-Caucasian region,” the Russian foreign ministry reported. At the same time, the diplomats of the two countries called for “continuing an active dialogue on a wide range of international issues.”³³ (December 1, 2008, *ITAR-TASS World Service*)

Middle East

Italy will propose an economic aid plan for the West Bank, including funding for an airport, when it hosts the G8. “We will present a plan of support for the West Bank economy that will include the construction of an international airport capable of attracting a great number of Catholic tourists interested in visiting holy Christian sites from Bethlehem,” said Italian prime minister Silvio Berlusconi. The West Bank initiative will also include “a plan for the construction of hotel infrastructure by the main firms in the sector and a plan for major international groups to set up businesses” in the Palestinian territory.³⁴ (February 23, 2009, *Agence France Presse*)

Italian prime minister Silvio Berlusconi and British prime minister Gordon Brown have reviewed the situation in the Middle East when they met in Rome in February. “We will continue to work for reconciliation within the Palestinian community and for a resumption of the peace process,” Berlusconi said. “The West must do its part through a Marshall Plan for Palestine.” He confirmed that the Middle East is high on the G8 agenda.³⁵ (February 19, 2009, *ANSA – English Media Service*)

³² *ITAR-TASS World Service* (December 21, 2008), “Italy seeks renewal of Russia-NATO dialogue—Berlusconi.”

³³ *ITAR-TASS World Service* (December 1, 2008), “RF. Italy discuss upcoming Italy G8 2009 chairmanship – FM.”

³⁴ *Agence France Presse* (February 23, 2009), “Rome to propose West Bank aid plan at G8: Berlusconi.”

³⁵ *ANSA – English Media Service* (February 19, 2009), “Berlusconi and Brown Focus on G8 and G20 Crisis Coordination.”

In its role as the 2009 chair of the G8, Italy will co-sponsor the March 2 conference in Cairo on the reconstruction of Gaza and aid to the West Bank, Italian foreign minister Franco Frattini said. It will be Italy's task at the conference, he explained, to coordinate aid from the G8 countries.³⁶ (February 4, 2009, *ANSA — English Media Service*)

Italian prime minister Silvio Berlusconi said that Italy is prepared to send troops into the Gaza Strip, devastated by Israel's three-week offensive to help tackle arms smuggling in the enclave. "We have shown our readiness, though there has not yet been a request," he said. "However, I believe that [requests] will follow shortly." Berlusconi also said that Italy is continuing to provide aid to the enclave of 1.5 million where some 50,000 people were left homeless by the Israeli offensive. United Nations Secretary General Ban Ki-moon, Amr Moussa, the Arab League Secretary General and European Union leaders met at Sharm el-Sheikh in an attempt to rally support for a fragile ceasefire in the Gaza Strip announced just hours before the summit. After the summit, Egyptian president Hosni Mubarak said that "today could be the start of the end of the Gaza crisis," adding that a "breakthrough" had been reached. The plans for Egypt to hold a conference were announced at a joint press conference in Cairo with Mubarak and Italian foreign minister Franco Frattini, who had just returned from a visit to Israel. Frattini stated that participants at the Egyptian-hosted conference were expected to include the UN, EU and World Bank representatives. Norway, which is handling donations for the Palestinians, and Italy, currently chairing the G8, were also expected to attend. Frattini also said that "Italy plans to bring other G8 countries" to the conference.³⁷ (January 22, 2009, *RIA Novosti*)

Italy has made the Middle East issue a top priority of its G8 presidency. On January 2, prime minister Silvio Berlusconi had a phone conversation with Israel's prime minister Ehud Olmert regarding the situation in Gaza. Berlusconi will discuss the issues in coming days with other G8 leaders.³⁸ (January 3, 2009, *Xinhua News Agency*)

Afghanistan

Italy wants to involve China, India, Russia and central Asian countries in finding ways of stabilizing Afghanistan during its G8 presidency this year, foreign ministry undersecretary Stefania Craxi said. "Afghanistan is one of the key issues of the Italian presidency and we've been saying for a long time that it's necessary to find a regional approach to stabilizing the country," said Craxi, on the sidelines of a seminar on security in Asia. Craxi recalled that Italy is already working toward a regional conference aimed at stabilizing Afghanistan and Pakistan expected to take place in Trieste. G8 countries, the emerging economies of the G5 and hopefully Egypt have also been invited to attend the conference in June, Italian foreign minister Franco Frattini said. Italy is also keen to

³⁶ *ANSA — English Media Service* (February 4, 2009), "G8: Italy to Co-Sponsor Cairo Conference on Gaza."

³⁷ *RIA Novosti* (January 22, 2009), "Italian leader Berlusconi pledges aid for Gaza Strip."

³⁸ *Xinhua News Agency* (January 3, 2009), "News Analysis: Italian G8 2009 presidency faces tough challenges."

involve Saudi Arabia, the United Arab Emirates and Turkey in a bid to draw up the first road map to defuse the Islamist terrorist threat “which has its roots and bases in Afghanistan and Pakistan.” “This conference represents the model of governance we have in mind,” said Frattini, who has stressed Italy’s main goal for its G8 term will be to foster moves towards a new global governance for economic and security issues.³⁹ (February 4, 2009, *ANSA — English Media Service*)

Italian foreign minister Franco Frattini said Afghanistan will be one of the G8’s main priorities for the Italian hosts in 2009. Afghanistan will be one of the “political priorities” of Italy’s presidency, he said during a Christmas message to Italian troops stationed abroad. “Under the Italian presidency, the world’s largest players will focus on perhaps today’s most important theme of world security,” he said, adding that Italy plans to host a meeting of G8 foreign ministers in June to focus on “stabilising” Afghanistan and neighbouring Pakistan. China, India, Turkey, Saudi Arabia and Egypt may also participate in the meeting expected to be held in Trieste. Earlier this month Italy said it would increase its number of troops in Afghanistan by 500 to 2800 for six months next year in the face of a “delicate operational situation” in western Herat province.⁴⁰ (December 25, 2008, *Agence France Presse*)

Heiligendamm Process

The G8 countries committed to issue a final report on the Heiligendamm process at the 2009 summit. (Commitment pledged in 2007 at the German Heiligendamm summit and reiterated in 2008 at the Japanese Hokkaido Toyako summit)

Outreach and Expansion

Italy thinks Russia should become a full-fledged member of the G8, including the financial G8, Italian foreign minister Franco Frattini said. “As a country holding the rotating presidency of the G8 group of the world’s industrialized nations, we press for the financial G7 to become a full-fledged G8 at last,” he said. “The goal has not been achieved yet, but we hope for an early solution.” Frattini said it remained to be seen whether that could be accomplished this year. However, “it is important that we have started to pave the way.”⁴¹ (February 28, 2009, *ITAR-TASS World Service*)

Italian prime minister Silvio Berlusconi said he would use the G8 to work toward a “more stable and structured” association of the G5 as well as Egypt that “represents the Arab, Muslim and African worlds.” He also noted that it is important to talk about specific issues with groups of countries, such as African ones. Berlusconi said it “would

³⁹ *ANSA — English Media Service* (February 4, 2009), “Afghanistan Key Issue for Italy’s G8 Presidency.”

⁴⁰ *Agence France Presse* (December 25, 2008), “G8 to focus on Afghanistan under Italian presidency: minister.”

⁴¹ *ITAR-TASS World Service* (February 28, 2009), “Italy hopes Russia will become full-fledged member of G8 – FM.”

not be easy to organise a G8 summit with these aims, but I'm sure we'll succeed."⁴²
(February 23, 2009, *ANSA – English Media Service*)

The G8 has to involve emerging market economies more in fighting the global crisis, said Italian prime minister Silvio Berlusconi said. "To be successful in tackling the global economic crisis, we must involve the main emerging economies." He added that "the G20 process started in Washington does already fully involve them, and the Italian presidency wants to reinforce the dialogue already started with Brazil, China, India, Mexico and South Africa, through a stable and structured partnership." Italy also plans on including Egypt in the G8 summit. Berlusconi said he was committed to including African leaders and others.⁴³ (February 19, 2009, *Reuters News*)

Russia will become a full member of the G8, including the financial G8, in 2009, deputy prime minister and finance minister Alexei Kudrin said. Italy favours Russia becoming a full member. Kudrin said that Russia was ready to expand its cooperation with international financial organizations in efforts to fight the crisis.⁴⁴ (February 16, 2009, *Prime-TASS News*)

Italian foreign minister Franco Frattini said that during its term at the G8 helm Italy will seek to institutionalize a more structural relationship between the G8 and key countries outside the group including China, India, South Africa, Egypt, Brazil and Mexico.⁴⁵
(February 4, 2009, *ANSA- English Media Service*)

Host Italy will consider expanding July's G8 leaders' meeting into a G20, if a follow-up is needed to the April G20 London Summit. "If after the G20 summit in London there is a need to talk about financial matters in the same format, we don't exclude making space for it at La Maddalena," Italy's G8 sherpa Giampiero Massolo said. "We are not asking for this but we are prepared to dedicate part of the summit to such a meeting," he said. As sherpa, he prepares for G8 summits for the Italian government. "It depends how London goes and how the crisis develops between April and July," Massolo said. The remit of the G8 is to tackle global challenges from the economy to the environment. "There is no competition between the formats," said Massolo. "The G8 has the advantage of being a like-minded group but it is today less representative. The G20 summit is a promising format for resolving the global financial crisis." Italian prime minister Silvio Berlusconi wants to make his mark on the G8 by speeding up its very slow expansion. Italy argues that while a decade ago the G7 (before Russia joined) represented 80 percent of world economic output, it now represents only half and must expand to include the likes of China, India and Brazil to remain relevant. But Massolo said there is "no consensus yet" to transform the G8 into a G13 or G14, with some countries cautious, others such as Italy "more flexible" and the new U.S. administration's position still a "factor of uncertainty." In the meantime Italy hopes to "make dialogue between the G8 and the G5 [China, India, Brazil, South Africa and Mexico] more structural, permanent and on an equal footing"

⁴² *ANSA – English Media Service* (February 23, 2009), "'Stronger and More Concrete,' Berlusconi."

⁴³ *Reuters News* (February 19, 2009), "G8 must work closer with emerging states-Italy, UK."

⁴⁴ *Prime-TASS News* (February 16, 2009), "Kudrin says Russia to become full member of G8 in 2009."

⁴⁵ *ANSA – English Media Service* (February 4, 2009), "G8: Italy to Propose Summit of Regional Organizations."

and include Egypt to give a higher profile to Africa, Muslims and the Arab world.⁴⁶ (January 28, 2009, *Reuters News*)

The new feature of the G8 will be the “flexible format.” According to Giampiero Massolo, the secretary general of the foreign ministry and G8 sherpa, “the issue of the format has taken on the standing of a true issue of our chairmanship; it is not a case of reiterating mechanisms which have already been tried out in the past, such as outreach, but liaising in a permanent and structured way with the emerging economies, combining representatives and efficiency. From now on there will no longer be a single format for managing all the global challenges.” The Italians will try and create a better balance; for example, between the G8 and the G20. “There is no competition between the two formats. In fact, there is a spirit of great coordination, although we believe that the structured relationship between the G8 and emerging countries is to be defended, because, unlike other formats, it allows real discussion among leaders,” Massolo said. The traditional G8 will be held on day one, discussion on day two, particularly on development, growth and energy will be expanded to include the G5 as well as Egypt. On the last day, talks will involve Indonesia, Australia and South Korea who are members of the Major Economies Meeting (MEM). In short, the G8 will gather as an initial circle, a G14 as the second one, and a G17 as a third one.⁴⁷ (January 2, 2009, *BBC Monitoring European*)

Italy plans to step up involvement of the G5 and other important non-G8 countries during its presidency of the G8, Italian prime minister Silvio Berlusconi said. The G8 will meet on the first day and the G5 as well as Egypt will be brought in on the second day, he said. Italy has pressed hard for an Egyptian role because of Egypt’s status in the Middle East and Africa where it is “widely heard,” Berlusconi said. Italy’s presidency will be an occasion for “a new global governance” and to create a more structural relationship between the G8 and emerging powers, Italian foreign minister Frattini said.⁴⁸ (January 1, 2009, *Xinhua News Agency*)

Italy, which is due to take over the rotating G8 presidency next year, is going to invite the leaders of Brazil, India, China, South Africa, Mexico, Egypt, Indonesia, Australia and African Union to the event, Italian prime minister Silvio Berlusconi said. Leaders of the G8 will hold talks on the first day. They will meet with their counterparts from China, India, Brazil, Mexico, South Africa and Egypt on the second day, Berlusconi said. The third day will include a meeting that gathers leaders of the above 14 countries and also delegates from Australia, Indonesia and other major African countries, he said. Italy has pressed hard for an Egyptian involvement because of Egypt’s status in the Middle East and Africa, Berlusconi said. The upcoming summit is expected to discuss such topics as the world financial crisis, climate change, anti-terrorism and energy security, he said.⁴⁹ (December 5, 2008, *Xinhua News Agency*)

⁴⁶ *Reuters News* (January 28, 2009), “Italy may expand G8 summit to G20 crisis talks.”

⁴⁷ *BBC Monitoring European* (January 2, 2009), “Italy to bring “flexible format” to G8.”

⁴⁸ *Xinhua News Agency* (January 1, 2009), “Italy takes over G8 presidency.”

⁴⁹ *Xinhua News Agency* (December 5, 2008), “Italy to invite more countries to G8 gathering next year: PM.”

Italian prime minister Silvio Berlusconi said rapidly growing emerging economies such as China and India would be fully involved during Italy's 2009 presidency of the G8. He said the main meeting would see the original G8 countries meet the first day. From day two, Berlusconi said, leaders will be joined by counterparts from China, India, South Africa, Mexico, Brazil and Egypt, which Berlusconi has dubbed the G14. On the third and final day, the meeting will be extended to the G20, which met in Washington Nov. 15 to discuss measures to counter the global financial crisis.⁵⁰ (December 4, 2008, *Dow Jones International News*)

British prime minister Gordon Brown will chair the next G20 summit at the end of April. However, Berlusconi, despite intending to preserve the "hard core" of the G8 format, has already announced that at the next summit he intends to give more space to the "outreach" countries by adding Egypt — the first Arab and Muslim country admitted to the "club" — to the emerging economies of China, India, South Africa, Mexico and Brazil. The seriousness of the international economic situation makes it advisable that there be integration rather than sterile competition between the G8 and G20 formats. Changing the "governance model" is a priority for Franco Frattini, the man in charge of the Italian foreign ministry. He chaired the first meeting of the foreign ministry's Strategic Forum for Analysis and Forecasts. Frattini intends to translate thoughts into actions soon: "As early as at the beginning of spring we must be working at how to harmonize the economic G8 [as published] with the G20," Frattini noted.⁵¹ (November 23, 2008, *BBC Monitoring European*)

Italian prime minister Silvio Berlusconi, who takes over the G8's rotating presidency next year, insisted that the G8 remains relevant despite the rise of the G20. Berlusconi defended the G8 after leaders from the G20 met at a summit in Washington aimed at tackling the global financial turmoil. "From January 1, we will have the presidency of the G8, which was not eclipsed by the G20," Berlusconi, who attended the G20 summit, said. "In reality, certain problems must be discussed by countries that have full-fledged democracies as other countries, which are part of the G20, are still on the path to democracy," he said.⁵² (November 16, 2008, *Agence France Presse*)

Italian prime minister Silvio Berlusconi said he would seek to expand the G8 to include rapidly growing emerging economies when he takes over the presidency in 2009. After meeting with Brazil's president Luiz Inacio Lula da Silva, Berlusconi said he wants China, India, South Africa, Mexico and Brazil to join the G8, in what would become a G13. He said Italy was also in favour of including Egypt, in what would be dubbed a G14. The G13 or G14 would represent about 80% of the global economy, and a vast majority of the world's population, Berlusconi said.⁵³ (November 11, 2008, *Dow Jones Chinese Financial Wire*)

⁵⁰ *Dow Jones International News* (December 4, 2008), "Berlusconi: Emerging Econs To Be Involved in 09 Italy G8."

⁵¹ *BBC Monitoring European* (November 23, 2008), "UK minister says 2009 British-led G-20 "not in competition" with Italian-led G-8."

⁵² *Agence France Presse* (November 16, 2008), "Berlusconi defends G8 in face of rising G20."

⁵³ *Dow Jones Chinese Financial Wire* (November 11, 2008), "DJ Italy Aims To Extend G8 To G13-G14 During '09 Presidency-PM."

Turkey's participation in G8 activities will be discussed in the Turkish-Italian intergovernmental summit which is to take place in the western province of Izmir on November 12, said Carlo Marsili, Italy's ambassador to Turkey. Marsili said the Turkish-Italian intergovernmental summit, which would be held for the first time, showed that Turkey had a significant place in Italy's foreign policy. Turkish prime minister Recep Tayyip Erdogan and Italian prime minister Silvio Berlusconi are to co-chair the summit and several Italian and Turkish ministers will participate as well, Marsili said. An agreement on establishment of a Turkish-Italian university in Istanbul will be signed in the summit. Marsili said Italy's assistance to Turkey's EU accession process would be confirmed and the ways of boosting Turkish-Italian cooperation would be taken up in the summit. The Turkish-Italian summit will take place ahead of the G20 summit to be held in Washington, DC on November 15 and the prime ministers of Turkey and Italy will both be attending. Italy will take over the presidency of G8 as of January 1, 2009, and participation of Turkey and some G20 countries in the G8 activities will be discussed during the summit.⁵⁴ (November 10, 2008, *Anadolu Agency*)

A key role must be played by **China**: "China must make its contribution to solving the crisis. This is the spirit with which today I invited President Hu Jintao to take part in next year's G8 in Italy," said Berlusconi, who added: "In January or February I shall return to Beijing in order to coordinate China's participation in the summit." EU Commission president Jose Manuel Barroso was on the same wavelength: "I really hope that China can offer an important contribution to resolving the crisis. It is a great opportunity to show a sense of responsibility."⁵⁵ (October 26, 2008, *BBC Monitoring European*)

Fourteen countries will meet regularly to try to give new direction to the world economy during Italy's presidency of the G8 next year, prime minister Silvio Berlusconi said. "As we have responsibility for the G8, and considering the economic crisis involving the whole world, I confirm the will of the G8 to create a G14 (that meets) in a continuous way," Berlusconi said during an international meeting in China. The comments were posted on the Italian government's official website. Berlusconi said last week an enlarged grouping would include Egypt, India, China, South Africa, Mexico and Brazil. "In this way we will be representing 80 percent of the world economy and we will be able to take decisions, as there is the common intention to make this Super-G an institute of governance of the world economy," Berlusconi said. The prime minister said all the other members of the G8 "are all very happy with this proposal of mine."⁵⁶ (October 24, 2008, *AFX Asia*)

The G8 should be expanded to a G14 to deal with the current global economic crisis, Italian prime minister Berlusconi said on October 24, 2008. Berlusconi recently arrived in Beijing for the 7th Asian-European Meeting (ASEM), which brings together the heads of the 10 Association of Southeast Asian Nations (ASEAN) members and the 27 countries

⁵⁴ *Anadolu Agency* (November 10, 2008), "TURKEY'S PARTICIPATION IN G8 ACTIVITIES TO BE DISCUSSED IN TURKISH-ITALIAN SUMMIT."

⁵⁵ *BBC Monitoring European* (October 25, 2008), "Enlarged G8 the only body able to control world economy - Italian premier."

⁵⁶ *AFX Asia* (October 24, 2008), "Italy promised 'Super-G14' to manage world economy."

of the European Union, as well as the leaders of China, Japan, South Korea, India, Pakistan and Mongolia. “Acknowledging the responsibility Italy will have after assuming the next G8 presidency and facing the challenges of the global economic crisis which affects the interests of all countries, I confirm the G8 proposal to create the G14,” Berlusconi said. Germany, Italy and France have in the past urged expanding the G8 by including China, India, South Africa, Mexico, Egypt and Brazil. “As a result, the G14 would represent 80% of world’s economy and we will be able to adopt decisions assuming that this ‘super group’ will serve as a management body for the global economy,” Berlusconi said.⁵⁷ (October 24, 2008, *RIA Novosti*)

Berlusconi has called for an enlargement of the G8 to include emerging economic giants. Germany however is opposed to the idea. Discussions about enlarging the G8 to include emerging powerhouses in Asia and Latin America are hardly new. Yet they’ve taken on a new urgency due to the global financial crisis as western governments scramble to enlist the support of major emerging powers to contain the economic fallout. Earlier this week, Italian Prime Minister Silvio Berlusconi said it’s “very likely” that the G8 would invite some of the major emerging economies such as India, China, Egypt, South Africa, Mexico and Brazil to join. A “super G8” could become a forum which can deal better with the world’s current economic problems, Berlusconi said. Traditionally, G8 nations Canada, Britain and Italy have pressed the case to open the door to emerging economies. Fellow members France, Germany, Russia and in particular Japan and the United States have been hesitant. Support for enlargement is growing. Yet there has been a fluctuation regarding this issue recently. Katharina Gnath of the German Council on Foreign Relations said the shift wasn’t just on the financial crisis but also on issues like resources, and food prices that were discussed at this year’s G8 summit. “The G8 was not really capable of solving these issues. There is an increasing number of problems that are difficult to deal with in the present forum,” she added. Germany’s position on whether or not to enlarge the G8 has shifted somewhat over the years, said Kristina Gnath. While previous Chancellor Gerhard Schroeder was in favor of widening the structure, Angela Merkel has been more hesitant since taking office in 2005. On October 22, 2008, Merkel’s spokesman confirmed the chancellor opposes an expansion of the G8 to embrace nations such as India and China. “[Merkel] doesn’t see an institutional expansion into a G9, a G12, a G15 and so on as the philosopher’s stone,” Thomas Steg said. But she was “open” to expanding the group at certain times on certain topics so that all the relevant nations or regional organizations were part of the discussion, he added. So even with countries like Italy pushing for expansion, it is something all countries will have to agree on — something that is not likely to happen.⁵⁸ (October 23, 2008, *Deutsche Welle*)

Italy has said it will propose broadening the G7 nations and give new tasks to the IMF and World Bank, when it assumes the rotating presidency of the G8 in January 2009.⁵⁹ (October 13, 2008, *Reuters News*)

⁵⁷ *RIA Novosti* (October 24, 2008), “Italy supports G8 expansion proposal.”

⁵⁸ *Deutsche Welle* (October 23, 2008), “Italy Leads Calls for Expanding Group of Eight Club.”

⁵⁹ *Reuters News* (October 13, 2008), “UK’s Brown calls for new Bretton Woods meeting.”

Italy has proposed to expand the G8 when it takes over the presidency in January 2009. The plan, which is still being finalized, would see the current G8 maintained as a political body and would help ensure the prevention of another global financial crisis like the current one. Italy's proposal for political matters would broaden the G8 to include emerging countries such as China, India, Brazil and South Africa. These countries would form part of a broader group that would cover topics such as trade and foreign exchange, an official said.⁶⁰ (October 12, 2008, *Dow Jones International News*)

Italy will propose broadening the G7 nations and giving new and different tasks to the International Monetary Fund and World Bank, Italian economy minister Giulio Tremonti said. "We propose to go beyond the G7 framework to adopt a larger structure," he said. He did not suggest which or how many new countries should enter the exclusive rich nations group, saying that for now he was calling it the Gx.⁶¹ (October 11, 2008, *Reuters News*)

Italy will push for expansion to include countries such as China, India and Brazil when it assumes the G8 presidency in 2009, according to finance minister Giulio Tremonti. "We can no longer wait ... to transform the G8 into the G14, to let China enter, to let India enter, to let South Africa, Mexico and Brazil enter," he said.⁶² (September 28, 2008, *Reuters News*)

Italy will seek closer engagement with **China** on global issues when Italy hosts the G8 next year, Italian foreign minister Franco Frattini said. "I intend to closely engage with China on key topics on the G8's agenda such as climate change, sustainable energy policy, global terrorism and poverty." Italy will attach particular importance to consulting China on stabilizing the border between Pakistan and Afghanistan.⁶³ (August 10, 2008, *China Daily*)

Italian prime minister Berlusconi has "confirmed support for **Egypt's** aspirations to be associated with the G8 outreach process." Italy has a say on the matter, since it is due to hold the presidency of the G8 in 2009, with a format which Berlusconi agreed upon at the recent summit at Hokkaido in Japan, and which makes provision for more space for emerging economies and for 'outreach' projects.⁶⁴ (July 23, 2008, *BBC Monitoring European*)

There is debate within the G8 about whether to go the next step and absorb the G5 fully into the G8, creating a G13. There has been talk that a decision may be made at next year's summit in Italy.⁶⁵ (July 11, 2008, *The Star*)

⁶⁰ *Dow Jones International News* (October 12, 2008), "Italy Will Propose Enlarging G8; Stronger IMF—Source."

⁶¹ *Reuters News* (October 11, 2008), "Italy proposed broadening G7, changing IMF."

⁶² *Reuters News* (September 28, 2008), "Italy aims to expand G8 to include China, Brazil."

⁶³ *China Daily* (August 10, 2008), "Italy Seeks Closer Ties with China."

⁶⁴ *BBC Monitoring European* (July 23, 2008), "Italy's Berlusconi holds talks with Mubarak, backs Egypt over G8 outreach."

⁶⁵ *The Star* (July 11, 2008), "G13 would tackle all the major world issues."

The 2009 summit will include an expanded session which will see the participation of the Group of Five (G5) of China, India, South Africa, Mexico and Brazil. However, it is unlikely that the issue of expansion will come up as Italian prime minister Berlusconi opposed discussing the topic at the 2008 summit.⁶⁶ (July 9, 2008, *ANSA-English Media Service*)

Participation

Libyan leader Muammar Gaddafi will attend the G8 summit, said Italian prime minister Silvio Berlusconi. Gaddafi, as chair of the African Union, will attend the part of the summit due to include African leaders. A group of African leaders, not yet named, will participate in the summit on the third day.⁶⁷ (February 19, 2009, *Reuters News*)

Italian Prime Minister Berlusconi has said that **Russia will participate** in the 2009 G8 summit. “Doubts over Moscow taking part in the next G8 summit? There are no doubts whatsoever,” he said. Berlusconi also said that relations between Italy and the United States had not been damaged over his close relationship with former Russian President and now Prime Minister Putin. He said that relations with Washington were ‘warm and friendly’ and that there were ‘absolutely no problems.’⁶⁸ (September 10, 2008, *ANSA English Media Service*)

European diplomats say that Bush administration hawks are suspicious of Italian prime minister Berlusconi’s personal ties to Putin and are worried about Italy’s G8 presidency, which will begin in January. Berlusconi is apparently **planning to invite Putin** to the G8 summit in Sardinia, while the U.S. was happy that the G7 (which excludes Russia) united to rebuke Russia’s recognition of Abkhazia and South Ossetia. Italian officials deny that Berlusconi has turned his back on the Bush administration and insist that he still enjoys a close relationship with the president.⁶⁹ (September 10, 2008, *Financial Times Europe*)

Program

Italy plans to involve the G5 (China, India, Brazil, Mexico and South Africa) and other important non-G8 countries from the second day of next year’s G8 summit. The first day of talks at La Maddalena will involve the G8 only, who will discuss the global credit crisis. The G5 as well as Egypt will be brought in on the second day, when the agenda will widen to include climate change, terrorism, the fight against poverty and energy security. Italian prime minister Silvio Berlusconi said earlier that Italy has pressed hard for a role for Egypt because of its status in the Middle East and Africa, where it is “widely heard.” The third day of talks will include representatives from the African Union, Indonesia and Australia. Berlusconi has stressed that countries that “have

⁶⁶ *ANSA-English Media Service* (July 9, 2008), “G8: Berlusconi Rates Summit Colleagues.”

⁶⁷ *Reuters News* (February 19, 2009), “Gaddafi to attend G8 in Italy-Berlusconi.”

⁶⁸ *ANSA-English Media Service* (September 10, 2008), “Berlusconi Confirms Russia Will Be At G8 Summit.”

⁶⁹ *Financial Times Europe* (September 10, 2008), “US and Italy ties strained.”

emerged and are no longer emerging” will have a full say in sessions and will not be restricted to working lunches.”⁷⁰ (December 22, 2008, *ANSA — English Media Service*)

Day 1: G8 leaders meet alone.

Day 2: Discussion between G8 and Heiligendamm Process partners (also known as the G5 countries: Brazil, China, India, Mexico and South Africa) plus Egypt.

Day 3: G17 — the G8, including the European Union, plus Australia, Brazil, China, Egypt, India, Indonesia, Mexico, South Africa and South Korea. African leaders, including Libyan leader Muammar Gaddafi, chair of the African Union, will participate on this day as well.

Process: The Physical Summit

Site

A plan by Italian prime minister Silvio Berlusconi to adorn the G8 summit with ancient bronze warriors currently held in a museum hundreds of kilometers away from the summit site is worrying art officials and angering citizens. Officials in Reggio Calabria said that Berlusconi wants to move the fifth century BC Riace Bronzes from the National Museum of Greater Greece so that world can marvel at them during the summit in July. Since Berlusconi’s plan was floated, polls have shown most Italians oppose it. Giuseppe Scopelliti, mayor of Reggio Calabria, was considering the proposal but will ultimately follow popular sentiment.⁷¹ (February 16, 2009, *Associated Press Newswires*)

Italy will become a more visible target for terrorists when it takes over the G8 presidency next year, foreign minister Franco Frattini said. Frattini said that Italian intelligence showed “unequivocal signs” of a “fresh upsurge of activity by the al Qaeda network against the West” but added that Italy was not singled out “in a targeted way’.” The minister reiterated his plans to include non-G8 countries in the G8 discussions “from time to time” and “for a series of big issues’.” He asked, “How can we deal with international terrorism without the presence of Saudi Arabia, the United Arab Emirates and Turkey?” Frattini warned that Italy can no longer be considered only a “logistical base” for terrorists after two Moroccans were arrested on charges of planning attacks on targets in Milan and towns in the Lombardy region. Arrests of suspected terrorists in Italy in the past have largely been connected with the recruitment of suicide bombers to be sent to Afghanistan and Iraq.⁷² (December 4, 2008, *ANSA — English Media Service*)

Prime minister Silvio Berlusconi says Italy will host the G8 leaders in July next year at a secluded island venue that he hopes will guarantee security. He says the three-day summit will take place in July on a small island off Sardinia. The island is La Maddalena, which housed a U.S. Navy support base until February. Berlusconi says Italy wants to

⁷⁰ *ANSA — English Media Service* (December 22, 2008), “G8 Summit to Involve G5 from Second Day.”

⁷¹ *Associated Press Newswires* (February 16, 2009), “Italian PM’s plan to adorn G-8 meeting in Sardinia with 2500-year-old bronzes is criticized.”

⁷² *ANSA — English Media Service* (December 4, 2008), “G8 Presidency Will Increase Italian Terror Threat.”

prevent the type of violence that marred the last G8 meeting it hosted — in Genoa in 2001 — when a protestor was killed by police. Berlusconi added that security was an issue, “having gone through the traumatic experience in Genoa.”⁷³ (December 4, 2008, *Associated Press Newswire*)

Italian foreign minister Franco Frattini has confirmed that the Italian summit will take place at La Maddalena from July 8 to 10, 2009.⁷⁴ (October 8, 2009, *ANSA News*).

Italian prime minister Silvio Berlusconi has hinted that next year’s G8 summit may not take place on the small island of La Maddalena as planned. Berlusconi said it is “possible” that Italy may change the venue of next year’s G8 summit to a different place if the country finds it difficult to set up necessary facilities there, according to Italian reporters, who attended his news conference in Japan. Berlusconi, however, did not specify an alternative candidate site for the 35th summit at the news conference. This is the first time the Italian leader has floated the idea of changing the site of next year’s G8 summit from La Maddalena. They said there are rumors that the annual meeting may instead take place in the premier’s luxurious villa ‘La Certosa’ in Sardinia, where Berlusconi hosted a meeting in April with Russian prime minister Vladimir Putin, who was president of the country at that time. In 2007, Italy officially announced that the next summit would be held on the tiny island off northern Sardinia, where the United States had a naval base until recently. The chair’s summary of the Heiligendamm summit last year stated that the 34th summit would be held in Toyako, but this year’s summary only said the next one would be held in Italy, without further specifying the location.⁷⁵ (July 9, 2008, *Kyodo News*)

Berlusconi confirmed that Italy intended to host the 2009 summit on the island of La Maddalena, off the northeast Sardinian coast, but said an alternative site existed if the reconversion of the former U.S. Navy base there could not be completed in time.⁷⁶ (July 9, 2008, *ANSA-English Media Service*)

Government Preparations: External

Bilateral Meetings

U.S. president Barack Obama and Libyan leader Muammar Gaddafi could meet in July at the G8 summit in Sardinia where, according to diplomats from the host country Italy, Mr. Gaddafi will represent the African Union. If Obama and Gaddafi’s presence were confirmed at the part of the summit that is due to include African leaders, it would be the first meeting between Gaddafi and a U. S. president. But it was unclear how keen the U.S. and other G8 members are on Gaddafi’s presence. Some G8 diplomats said they

⁷³ *Associated Press Newswires* (December 4, 2008), “Italy hosts G8 July 7-9 on island off Sardinia.”

⁷⁴ *ANSA News* (October 8, 2008). “G8: Frattini, Al Momento Non Napolo, Si Fara’ A Maddalena.”

⁷⁵ *Kyodo News* (July 9, 2008), “Berlusconi hints at hosting next year’s G-8 summit at a different site.”

⁷⁶ *ANSA-English Media Service* (July 9, 2008), “G8: Berlusconi Rates Summit Colleagues.”

were unaware a final list of participants had been discussed.⁷⁷ (February 11, 2009, *National Post*)

Japan and Italy agreed in foreign ministerial phone talks that they need to cooperate in calling for a truce in Gaza and coordinate humanitarian assistance efforts among the G8. They also agreed to continue close cooperation on other issues such as the world economy and climate change. Both ministers expressed support for efforts in the UN Security Council to broker a solution and reaffirmed their pledges to provide humanitarian assistance to Palestinians.⁷⁸ (January 7, 2009, *BBC Monitoring Asia Pacific*)

Italian prime minister Silvio Berlusconi said that he had begun working on a meeting between U.S. president-elect Barack Obama and Russian president Dmitry Medvedev. “We have started to work ... on a possible meeting,” he said. Since his return to power last May Berlusconi has repeatedly expressed his wish to draw on his strong links with Russian prime minister Vladimir Putin in order to play the role of intermediary between Washington and Moscow.⁷⁹ (December 20, 2008, *Agence France Presse*)

Russian and Brazilian presidents Dmitry Medvedev and Luiz Lula da Silva support the idea of holding the first Brazil, Russia, India and China (BRIC) summit in Russia in 2009, to be attended by the leaders of the four countries, the two presidents said in a joint statement. The Russian and Brazilian presidents welcome the dialog within the framework of BRIC, and underscore the importance of this forum for the joint search for ways to resolve global problems, the statement says. “The presidents spoke in favor of holding the first BRIC summit in Russia in 2009.” They advocate “deeper cooperation between the Group of Eight industrialized nations and the G5 fastest-growing counties, among them Brazil,” the statement says. The financial crisis “that hit the world in 2008 made it clear that a new international financial system should be formed,” the presidents stated. This system must be “more transparent and have stronger solidarity ties, and have clearer rules and control instruments for the sake of stability, growth and development in global directions,” they said.⁸⁰ (November 26, 2008, *Russia & CIS General Newswire*)

Italy is planning to cooperate particularly closely with Japan as the country is set to take over the G8 presidency from the Asian country in 2009, Italian prime minister Berlusconi said.⁸¹ (October 25, 2008, *Jiji Press English News Service*)

Italian prime minister Berlusconi is planning to meet with Angela Merkel on November 18 in Trieste.⁸² (July 9, 2008, *ANSA-English Media Service*)

⁷⁷ *National Post* (February 11, 2009), “Obama, Gaddafi might meet at G8.”

⁷⁸ *BBC Monitoring Asia Pacific* (January 7, 2009), “Japan, Italy agree to coordinate G8 Gaza efforts.”

⁷⁹ *Agence France Presse* (December 20, 2008), “Berlusconi says working no Obama-Medvedev meeting.”

⁸⁰ *Russia & CIS General Newswire* (November 26, 2008), “Russia, Brazil want first BRIC summit to be held in Russia in 2009.”

⁸¹ *Jiji Press English News Service* (October 25, 2008), “Japan, France Agree on New Financial Regulations.”

⁸² *ANSA-English Media Service* (July 9, 2008), “G8: Berlusconi Rates Summit Colleagues.”

Other Meetings

During its current term at the helm of the G8, Italy intends to propose a summit of regional organizations to discuss new rules for a system of global governance, Italian foreign minister Franco Frattini said. A summit of this kind, he explained, would be in line with “the spirit of inclusion and co-responsibility” with which Italy intends to guide the G8 in 2009, also in collaboration with the United Nations. The African Union and the Arab League were among the regional organizations that Frattini said could play a key role in a future summit.⁸³ (February 4, 2009, *ANSA English Media Service*)

An international grain summit will take place in St. Petersburg in early June, Russian agriculture minister Alexei Gordeyev said. During the G8 summit in Japan, Russian president Medvedev proposed holding an international grain summit.⁸⁴ (December 24, 2008, *Prime-TASS News*)

Ukrainian president Viktor Rushechenko will meet ambassadors from the G7 and a representative of the European Commission on December 24, 2008. The attendees are scheduled to touch upon issues of international life, global security and further direction of Ukraine’s cooperation with other states on the international arena.⁸⁵ (December 22, 2008, *Ukrainian National News Agency*)

Italy is in support of Russia’s proposal to hold a **European security conference**, which Russia believes could avert the re-emergence of dividing lines on the continent, the Italian president said. Russian President Dmitry Medvedev has proposed bringing together European states, Russia, the United States and Canada to work out a new regional security code to replace Cold War-era deals. “I listened with great interest to Dmitry Medvedev’s proposals concerning the new idea of ensuring security in the Euro-Atlantic space,” President Giorgio Napolitano said. “Italy will support giving special attention to discussing this theme within the European Union,” he added.⁸⁶ (July 16, 2008, *Reuters News*)

Emergency Meeting

Italy is due to host a 14-state summit in March to discuss the “human dimension” of the world financial crisis. The meeting will convene the leaders from the G8, plus the G5 and Egypt.⁸⁷ (December 20, 2008, *Agence France Presse*)

Italy, which takes up the G8 presidency in January, will host a 14-state summit in March to discuss the “human dimension” of the world financial crisis, according to labour

⁸³ *ANSA – English Media Service* (February 4, 2009), “G8: Italy to Propose Summit of Regional Organizations.”

⁸⁴ *Prime-TASS News* (December 24, 2008), “Minister says Russia to host grain summit in early June.”

⁸⁵ *Ukrainian National News Agency* (December 22, 2008), “President to meet G7 ambassadors and EC representative on Wednesday.”

⁸⁶ *Reuters News* (July 16, 2008), “Italy back Russian call for security conference.”

⁸⁷ *Agence France Presse* (December 20, 2008), “Berlusconi says working no Obama-Medvedev meeting.”

minister Maurizio Sacconi. The meeting will bring together G8 leaders and six emerging nations to discuss “the human dimension of the crisis, unemployment and measures that the international community can adopt in a more coordinated way,” Sacconi said. “I am sure that on a topic that has so much consensus, such a meeting will be a success,” he said. Several countries, notably France and Germany, have supported the idea that the G8, should regularly consult with the world’s largest emerging economies, (China, India, South Africa, Mexico and Brazil). Italian prime minister Silvio Berlusconi said in late October that the G8 countries had “taken a decision” to enlarge the group with these five countries plus Egypt.⁸⁸ (December 3, 2008, *Dow Jones Newswires*)

Sherpa Meetings

The G8 political directors met in Venice on February 2-3 to discuss preparations for a meeting of the group’s foreign ministers in Trieste on June 25-27 and a political agenda for a G8 summit, due to take place in Italy’s Maddalena Island on July 8-10, the Russian foreign ministry said. “The parties confirmed the need to strengthen the nonproliferation regimes in light of an upcoming NPT [Nonproliferation Treaty] review conference. They also agreed that it is advisable to adopt an individual statement on the fight against terrorism at the summit that would outline measures to counter the radicalization, recruitment and financing of terrorism,” the ministry said. The G8 political directors also underscored the importance of further efforts aimed at building a new world order, including measures to enhance peacekeeping potential in developing countries, primarily African countries, it said. “The regional agenda was dominated by the Middle East settlement process and the situation in Afghanistan. One of the key conditions for normalizing the situation in this country is the need to take effective measures to stabilize the Afghan-Pakistani border area. They also offered support for the Italian presidency’s initiative to hold an individual session on Afghanistan involving leading regional players on the sidelines of the G8 foreign ministers’ meeting,” the ministry said. The Venice meeting also addressed certain conflicts in Africa and a number of key issues on the European agenda.⁸⁹ (February 4, 2009, *Interfax: Russia & CIS Military Newswire*)

Ministerial Meetings

Overall

- G7 Finance Ministers and Central Bank Governors, Rome, February 13-14
- G8 Labour and Social Policy Ministers, Rome, March 29-31
- G8 Agriculture Ministers, Cison di Valmarino, April 19-20
- G8 Environment Ministers, Siracusa, April 22-24
- G8 Development Ministers, Pescara, May 21-23
- G8 Energy Ministers, Rome, May 24-25

⁸⁸ *Dow Jones Newswires* (December 3, 2008), “Italy Calls Crisis Summit of G-8 Plus 8 Emerging Economies.”

⁸⁹ *Interfax: Russia & CIS Military Newswire* (February 4, 2009), “G8 summit in Italy to adopt statement on fight against terror – Russian ministry.”

- G8 Justice and Home Affairs Ministers, Lampedusa, May 28-29
- G8 Science and Technology Ministers, Lucca, June 11-14
- G8 Finance Ministers, Venice, June 12-13
- G8 Foreign Ministers, Trieste, June 26⁹⁰ (January 14, 2009, *2009 G8 Summit*)

Special meetings dedicated to agriculture and development aid will be held for the first time ever on the sidelines on the G8 summit this year, Italian foreign minister Frattini said. Frattini said he would preside over the two meetings, which will be held in Pescara in May. Other sideline meetings on welfare, the environment and the economy are scheduled to take place in March.⁹¹ (January 9, 2009, *Thai News Service*)

In addition to the G8 summit will be a series of ministerial meetings in Italian cities including a conference of environment ministers in Naples. Foreign minister Franco Frattini earlier this month announced a “regional conference” on the sidelines of the G8 summit that will focus on the stabilization of Pakistan and Afghanistan and will probably take place in Trieste.⁹² (December 22, 2008, *ANSA — English Media Service*)

G7 Finance Ministers

February 13-14, 2009

G8 finance ministers are looking at new ways to finance aid for poorer countries, including tax changes, Italian finance minister Giulio Tremonti said. “The hypothesis is to exclude a tiny part of taxes ... which for us in Europe would be VAT [value added tax],” to help poorer countries. Finding a way to bring medical cures to poor countries has near universal support, but rich governments had been reluctant to foot the bill to provide vaccines available to poor nations.⁹³ (February 26, 2009, *Dow Jones International News*)

The International Monetary Fund and the G7 are worried about growing financing gaps in emerging markets that may send more countries to seek cash from the IMF. “There will be a lot of maturing short term debt in 2009 and it’s not clear there will be rollovers,” said IMF managing director Dominique Strauss-Kahn. “Fewer resources from current account surpluses, increasing need to renew short-term credit; the financing gap for emerging market countries is going to become very large in 2009.” Hungary, Iceland and Pakistan have fallen victim to the crisis in recent months, forcing them to tap into IMF funds. Strauss-Kahn is trying to double its resources to US\$500 billion for short-term needs. “If there are difficulties,” he said, “it will have an impact in developed countries

⁹⁰ *2009 G8 Summit*, “Ministerial Meetings.” Accessed 14 January 2009. Available from: <http://www.g8italia2009.it/G8/Home/VersoIlVerticeG8/G8-G8_Layout_locale-1199882116809_IncontriMinisteriali.htm>

⁹¹ *Thai News Service* (January 9, 2008), “Italy: Italy prepares for G8 aid and agriculture meetings.”

⁹² *ANSA – English Media Service* (December 22, 2008), “G8 Summit to Involve G5 from Second Day.”

⁹³ *Dow Jones International News* (February 26, 2009), “Italy Min: G8 Mulls New Ways To Aid Poorer Countries.”

and it also raises the question in a more concrete way of the Fund.”⁹⁴ (February 15, 2009, *Reuters News*)

The G7 renewed its pledge to fight the global recession as members expect the ongoing slump to persist through 2009. They warned against a possible rise in protectionism in global trade and underlined their readiness to make further fiscal spending and tax cuts to boost domestic demand and create jobs in their respective countries. At their February meeting G7 finance ministers issued a statement that said “the stabilization of the global economy and financial markets remains our highest priority ... We reaffirm our commitment to act together using the full range of policy tools to support growth and employment and strengthen the financial sector.” The G7 kept a united front ahead of the G20 summit. In line with their stance against protectionism, the G7 countries also maintained their commitment to concluding the Doha round at an “early time.” They said their fiscal policies will be “frontloaded and quickly executed” and consistent with medium-term fiscal sustainability and will mostly rely on temporary measures. Mario Draghi, Italy’s central bank governor, said, “Now all action has to be taken in a timely matter, and we need an appropriate mix ... which will include [public] spending and fiscal and tax measures.” On currency markets, the ministers said “excess volatility and disorderly movements in exchange rates have adverse implications for economic and financial stability.”⁹⁵ (February 15, 2009, *Kyodo News*)

The G7 reiterated their readiness to fight “excess volatility” in currency markets. However, the phrase opted not to single out any specific currency.⁹⁶ (February 15, 2009, *Kyodo News*)

G7 finance minister have urged bold reformed to the world financial system while leaving little doubt that the global economic turmoil is far from over. Italy’s finance minister Tremonti called for a “new world economic order” as he wrapped up the meeting. In a joint declaration, the G7 called for “urgent reforms” of the international financial system and reiterated a bleak outlook for the world economy, after fresh data showed the eurozone recession deepening. The G7 delegates vowed to avoid protectionism as they seek to stabilize the tottering world economy and financial markets and said stabilization of the world economy was their “highest priority.” “We need to begin the process of comprehensive reform of our financial system and the international financial system, so the world never again faces a crisis this sever,” Geithner said. “The key elements are to make sure that we’re making banks strong enough that they can be supportive of recovery.” “It will require ways to bring in private capital, provide public capital when that’s necessary and it’s going to require direct action to try to get credit markets working again.” Strauss-Kahn said restructuring banks damaged by the credit crunch was the main problem facing governments. The G7 reiterated the view of several top delegates that protectionism was a threat to stability.⁹⁷ (February 14, 2009, *Agence France Presse*)

⁹⁴ *Reuters News* (February 15, 2009), “G7, IMF fret about emerging market finance gaps.”

⁹⁵ *Kyodo News* (February 15, 2009), “G-7 vows united efforts to combat global recession, avoid protectionism.”

⁹⁶ *Kyodo News* (February 15, 2009), “G-7 platitude on currency may worsen headache for Japan firms.”

⁹⁷ *Agence France Presse* (February 14, 2009), “G7 urges bold action, but future uncertain.”

G7 finance ministers are expected to renew commitments to better regulate and supervise banks and financial markets when they meet in Rome, but renewed promises may be as far as it goes. Information gleaned from officials in recent days indicates that stopping the rot of recession is the top, and perhaps sole, priority right now, even if reformers keep working away at rule changes to make markets less crisis-prone in future. Some officials, however, say negotiators are getting close to agreeing on expanded membership of the Financial Stability Forum (FSF). South Korea hopes it will be among those allowed to join the expanded FSF, and is awaiting news as early as the end of this week at the G7, Choongsoo Kim, South Korea's ambassador to the Organisation for Economic Co-operation and Development (OECD) said. Others are less sure the names will come so fast, and big as that news may be for any new entrants, other outstanding issues are whether and to what extent the FSF, for now a moving circus of regulators and supervisors with a small secretariat, is turned into a more global rule-making institution. That, officials say, is still a work in progress, even if the state of play in those negotiations is broached by FSF head and Italy central bank governor Mario Draghi in talks with ministers and central bankers in Rome. What to do, concretely, about supervising crossborder banks better controlling derivatives trading, or being more vigilant about tax havens and the role of credit rating agencies is all still under debate. Some officials suggest it will be hard to conclude even when the G20 meet on April 2 for a summit British prime minister Gordon Brown is billing as the time to deliver on reform pledges G20 leaders made in November at a first summit on the financial crisis. So far the G7 and G20 are working on setting up "colleges of supervisors" to enhance supervision of banks with operations in numerous countries, with a self-set end-March deadline to do so. Some officials familiar with negotiations on that issue say the devil is in the detail and that proper supervision requires a more even balance of power within such collegiate groups — between supervisors from a bank's home country and supervisors in the many host countries where the bank operates.⁹⁸ (February 11, 2009, *Reuters News*)

G7 finance ministers agreed during a conference call that they must "act promptly" to repair the battered global economy and markets, setting the tone for their meeting, according to a Japanese finance ministry official. Germany, France and host Italy have been pushing for a comprehensive overhaul of the world financial regulatory system. That might enhance the powers of international bodies such as the International Monetary Fund and the Financial Stability Forum to enforce tighter regulation and supervision. This meeting is seen as a warm-up for the G-20 summit in London in early April. That will include China, as well as other big developing economies. Measuring the Obama administration's support for international financial initiatives won't be easy. Geithner is familiar to the G7 through his previous role as the head of the federal reserve bank of New York and his work in the Clinton treasury. But finance ministers are uncertain about how much power he wields. The Japanese official said the G-7 officials are expected to

⁹⁸ *Reuters News* (February 11, 2009), "Financial reform to get backseat ride at Rome G7."

discuss the economic policy of the Obama administration and worrying signs of protectionism seen across the globe.⁹⁹ (February 11, 2009, *The Wall Street Journal Asia*)

The G7 finance ministers and central bank governors will agree on the need for them to respond “rapidly” to fight the ongoing global financial turmoil when they meet in Italy later this week, a senior Japanese finance ministry official said. The official also said it would be better if the G7 can make it clear that they oppose protectionism in global trade. The Japanese official added that some of the member countries may focus on recent developments in the currency market as part of their discussions on the macro economy.¹⁰⁰ (February 11, 2009, *Thai News Service*)

No matter the record-breaking levels in foreign exchange markets recently, currencies won't be at the top of the agenda at the G7 meeting on Friday. Banking sector weaknesses are the prime concern, along with developing strategies to produce economic growth, and will take up the majority of the agenda. “Other issues beyond foreign exchange would have more impact on growth and investor confidence, so are higher priority,” said John Normand, head of global foreign exchange strategy at J.P. Morgan in London. “Given their limited time and resources, policymakers will discuss stimulus and banking sector rehabilitation more than exchange rates.”¹⁰¹ (February 9, 2009, *Dow Jones Capital Markets Report*)

Finance minister and central bank governors representing the G7 are expected to agree on the need to swiftly implement fiscal stimulus plans and further ease credit conditions when they meet in Rome. The leaders will likely argue that such policies are needed to resolve the negative feedback loop between financial instability and deteriorating economic conditions. Tax cuts and public works spending would be expected to boost demand and facilitate a recovery. The attendees are also likely to voice concern over rising protectionist sentiment and the possibility of trade wars. The participants will likely renew their commitments to recapitalizing banks, improving financial market oversight and providing massive amounts of funds through central banks, policies that were agreed upon at the emergency G7 summit held in November. They will also discuss the need for additional steps, such as helping financial institutions remove bad assets from their books.¹⁰² (February 8, 2009, *Nikkei Report*)

This month's meeting of G7 finance ministers in Rome will start with a dinner to discuss “market integrity and transparency,” while the next day's events will be kicked off by new U.S. Treasury Secretary Timothy Geithner, an agenda for the event shows. The G7 will be joined by Russia at the meeting on February 13-14, but they have not invited representatives of the main emerging economies such as China, India or Brazil. The meeting will also be attended by the central bank governors of the eight nations and by the heads of bodies such as the International Monetary Fund and the Organisation for

⁹⁹ *The Wall Street Journal Asia* (February 11, 2009), “G-7 meeting to offer look at Obama's policy views -- Finance ministers to measure support for global initiatives.”

¹⁰⁰ *Thai News Service* (February 11, 2009), “Japan: G7 to agree on rapid response to crisis, says Japanese official.”

¹⁰¹ *Dow Jones Capital Markets Report* (February 9, 2009), “G7 To Stress Other Issues Than Currencies.”

¹⁰² *Nikkei Report* (February 8, 2009), “G-7 Seen Advocating Fiscal, Monetary Boosts at Rome Meeting.”

Economic Co-operation and Development. The agenda, issued to the participants says the dinner on February 13 will discuss how to set up what Italian economy minister Giulio Tremonti calls a “legal standard,” meaning as convergent a network as possible for legal systems governing financial affairs. The document, prepared by the Italian treasury, also shows the main day’s events on February 14, will start with addresses by Geithner and federal reserve chairman Ben Bernanke on the World Economic Outlook. Other lead speakers on the same subject will be Japanese finance minister Shoichi Nakagawa, European central bank president Jean-Claude Trichet and German finance minister Peer Steinbrueck. The next topic on the agenda is Financial Markets, Including an Update of G20 Work. Here the lead speakers are slated as British finance minister Alistair Darling, IMF managing director Dominique Strauss-Kahn and Mario Draghi, the head of the Financial Stability Forum. French economy and finance Minister Christine Lagarde will then be lead speaker for a half-hour discussion of Reform of International Financial Institutions, before two hours are devoted to a broad debate of Global Issues involving all participants. These will include climate change, food security and development issues. There will then be a working lunch during which the G7 final communique will be drafted, followed by closing press conferences. A G7 source said the Rome gathering was likely to produce little if anything in terms of concrete decisions. “It will mainly be an occasion to discuss progress made in addressing the global economic and financial crisis ahead of the G20,” the source said.¹⁰³ (February 5, 2009, *Reuters News*)

The idea of an international agency to validate different countries’ banking systems is likely to be attractive to the Obama administration as well as to other G7 nations, Canada’s finance minister said. Jim Flaherty made the comments a day after speaking with U.S. Treasury Secretary Timothy Geithner about the upcoming meeting of G7 finance ministers in Rome, February 13-14. He said Canada’s position at the meeting will be that each country must get its own financial system in order but, in addition, an international surveillance body should be assigned this year in order to restore confidence in banks. That body should be the International Monetary Fund, Flaherty said.¹⁰⁴ (February 4, 2009, *Reuters News*)

Financial leaders from the G7 are likely to reassure markets next week that they stand ready to act to prevent more trouble for the economy, but are unlikely to launch any new major initiatives, a G7 source said. The source said the meeting would aim more at getting everybody on a level playing field in terms of information and getting a feel for what the new Obama administration is about. “So I don’t have very high hopes about the messages that will be sent out, except that I am pretty sure that the G7 will try to send some reassuring messages about the general economic situation,” the source said. “The messages will be along the lines that we are aware that there is a fire and that we are aware that fires could start in other places and if that happens we stand ready to act,” the source said. “I am sure that is the determination of the G7 and that they will be wanting to convey this message to the outside world, but I don’t think that we should look to the G7 this time for any big new initiatives. I think this is more a get-to-know each other meeting,” the source said.” I think everybody will be pushing very hard on messages

¹⁰³ *Reuters News* (February 5, 2009), “Italy carves out Rome G7 financial crisis agenda.”

¹⁰⁴ *Reuters News* (February 4, 2009), “Canada says U.S. warms to int’l banking body.”

regarding protectionism, free trade, etc, because there are conflicting messages coming out from various parts of the world.” The source said the G7 were likely to again call on China to let its currency appreciate more. “Maybe the easiest bit to agree on in the G7 is the rhetoric on the Chinese, because they are not at the table,” the source said.¹⁰⁵ (February 4, 2009, *Reuters News*)

The euro zone wants the new U.S. administration to cooperate more on foreign exchange policy in the G7, sending a signal of unity that could help to reduce exchange rate volatility which is badly hurting firms, Eurogroup sources said. G7 finance ministers and central bankers will discuss foreign exchange issues in mid February, including currency volatility, said the sources involved in the meeting preparations. “This will warrant a good discussion at the G7 because everyone is concerned about this — about the volatility,” said one source. The former Bush administration favoured a hands-off approach to currencies, insisting markets should take the lead. But citing hopes of a shift in stance under U.S. president Barack Obama, the source added: “There is one big change — there will be a new U.S. treasury secretary [Timothy Geithner] and hopefully a new philosophy and a new approach to coordination.” According to a Euro-zone source, “our concern is to avoid strong fluctuations and to maintain calm on the foreign exchange market in a time of crisis.” Exchange rate volatility would not be the main concern of the G7 during the recession in the United States and Europe, a global financial crisis and fears of deflation, but it still deserved attention, sources said. “The fundamental problem now with foreign exchange is that companies that rely on those variables to determine their business strategy have absolutely now clue how to hedge their bets,” the first source said. A separate G7 source said last week that the group would tackle the fall in the value of the British pound at the Rome meeting. “More readiness to accept that coordination is the name of the game and that coordination is what the G7 should do, and not that the Americans tell the others what they will do and that the others should adjust accordingly,” the first source said. “If the right signals come from the G7, markets will pick up those signals and interpret them as they should be interpreted,” the first source said. Any intervention was unlikely. “I am not sure that’s on the cards at the moment; there are indicators that are worrying policymakers more than the exchange rate,” said the source. But the very fact that there could be more cooperation between the U.S. and the euro zone could help reduce volatility, the sources said.¹⁰⁶ (January 30, 2009, *Reuters News*)

A G7 source said the fall in value of the UK pound is a problem for mainland Europe and, because of that, will be discussed at regular talks on exchange rate issues at the G7 finance ministers meeting on February 14. “The pound is depreciating. It is obviously a problem for Europe,” said the source, who was described as having first-hand knowledge of preparations for the meeting. “It’s an economic problem. For the moment this does not affect us financially.” The source said the situation on currency markets in general has not reached crisis levels, and that there is no need yet for verbal intervention to try to influence exchange rates.¹⁰⁷ (January 21, 2009, *Dow Jones International News*)

¹⁰⁵ *Reuters News* (February 4, 2009), “G7 to reassure, not start big initiatives-G7 source.”

¹⁰⁶ *Reuters News* (January 30, 2009), “Eurozone seeks more US FX cooperation in G7-sources.”

¹⁰⁷ *Dow Jones International News* (January 21, 2009), “Pound’s Fall To Be Discussed At G7 Fin Min Mtg In Feb-Reuters.”

The mid-February finance meeting is likely to focus on measures to bolster financial system transparency. “The main focus will be on boosting transparency, in the financial system, but also from a legal and tax point of view,” an Italian official said. Russia’s finance minister and central bank governor will almost certainly attend, while it remains to be decided whether other countries will be represented at the meeting.¹⁰⁸ (January 9, 2009, *Dow Jones International News*)

Finance ministers and central bank governors from the G7 are expected to meet in Rome on February 13-14, 2009.¹⁰⁹ (January 8, 2009, *Dow Jones International News*)

In a statement released October 27, 2008, the G7 finance ministers and central bank governors stated, “We reaffirm our shared interest in a strong and stable international financial system. We are concerned about the recent excessive volatility in the exchange rate of the yen and its possible adverse implications for economic and financial stability. We continue to monitor markets closely, and cooperate as appropriate.”¹¹⁰ (October 27, 2008, *Financial Post*)

10 October

The world’s seven leading economies agreed to take “all necessary steps” to tackle a financial crisis that threatens to plunge the world into recession, and promised to provide banks the money they need to stay afloat, according to a joint statement by the G7 finance ministers and central bankers on October 10. They called for “urgent and exceptional action” to stabilize the financial system and unblock credit markets that have come to a virtual halt in the United States and Europe. The seven countries promised to “ensure that our banks ... can raise capital from public as well as private sources in sufficient amounts to re-establish confidence and permit them to continue lending to households and businesses.” They also promised “robust” guarantees for the savings deposits of consumers. There were no specific joint moves announced in the statement.¹¹¹ (October 11, 2008, *Trend News Agency*)

Before the G7 finance ministers and central bankers met, Italy said it would not sign the G7 statement as it stands because it does not contain strong enough commitments to address the global financial crisis, economy minister Giulio Tremonti said. “We see a text that is written in the old style, as if nothing has happened. We are not going to sign that text,” Tremonti said. “Or there is a new text with stronger commitments (otherwise Italy won’t sign). We will try to convince them.”¹¹² (October 10, 2008, *Reuters News*)

¹⁰⁸ *Dow Jones International News* (January 9, 2009), “G7 Finance Chiefs Feb Mtg Set To Focus On Transparency-Source.”

¹⁰⁹ *Dow Jones International News* (January 8, 2009), “G7 Finance Heads, Ctrl Bankers Due To Meet In Rome Feb 13-14.”

¹¹⁰ *Financial Post* (October 27, 2008), “G7 Statement on Sunday.”

¹¹¹ *Trend News Agency* (October 11, 2008), “G7 seek ‘urgent and exceptional’ action on financial crisis.”

¹¹² *Reuters News* (October 10, 2008), “Italy won’t sign G7 draft statement as stands.”

Russia was unlikely to be invited to the G7 finance ministers meeting being held on October 10, U.S. officials said. “The president will have the opportunity to hear directly from the finance ministers about how the financial crisis is affecting their respective economies and the steps they are taking to deal with these challenges, both individually and collectively,” said a White House spokesperson. The talks will come after the G7 finance ministers and central bank governors meet in Washington. President George W. Bush also spoke to German chancellor Merkel, Brazil’s president Lula, British prime minister Gordon Brown, French president Nicolas Sarkozy and Italian prime minister Silvio Berlusconi earlier in the week.¹¹³ (October 10, 2008, *SBS World News Headline Stories*)

On October 10 Australian treasurer Wayne Swan said, “To date, the global solution has been in the hands of the G7 and the G7 does not necessarily include any of the developing countries around the world that are very important to the future of the world economy ... The key challenge is to restore confidence, to restore confidence on a global basis and, of course, that requires global solutions.”¹¹⁴ (October 10, 2008, *Asia Pulse*)

The G7 finance ministers and central bank governors will meet in Washington on October 10. The ministers will go the White House the next morning to talk with U.S. President George Bush and heads of the International Monetary Fund and the World Bank. British prime minister Gordon Brown said he hoped these meetings would culminate in a “leaders meeting in which we must lay down the principles and the new policies for restructuring our banking and financial system all around the globe.” He called on governments to adopt new international rules for transparency and codes of conduct to guard against “irresponsible risk taking,” as well as a new system of cross-border supervisors to cope with international cash flows.¹¹⁵ (October 9, 2008, *Agence France Presse*)

U.S. treasury secretary Henry Paulson said that the G7 meeting taking place on October 10 would be a forum “to discuss the steps that each of us are taking to confront this crisis and ways to further enhance our collective efforts.”¹¹⁶ (October 9, 2008, *Agence France Presse*)

“There is a need for urgent action. The policy response needs to be decisive. It needs to be global. The stakes could not be higher,” a prominent group of economists said about the upcoming G7 finance ministers taking place in Washington on October 10. They also agreed that the G7 plan should include the recapitalization of banks, with many also arguing for government guarantees, and some calling for additional economic stimulus. “With these two priority measures — a blanket guarantee bank liabilities and quick recapitalization, both coordinated internationally — there is a hope that governments can

¹¹³ *SBS World News Headline Stories* (October 10, 2008), “Bush, G7 to hold crisis talks.”

¹¹⁴ *Asia Pulse* (October 10, 2008), “Australian Tres Hopes G20 Can Achieve Something Where G7 Failed.”

¹¹⁵ *Agence France Presse* (October 9, 2008), “Brown urges world to follow Britain ahead of finance meeting.”

¹¹⁶ *Agence France Presse* (October 9, 2008), “Dollar gains against euro ahead of G7 meeting,”

finally get a handle on the problem,” the economists said. “It is of the utmost urgency that they do so this weekend.”¹¹⁷ (October 9, 2008, *Dow Jones Chinese Financial Wire*)

Japan is expected to propose to other G7 countries at their meeting on October 10 that public funds be injected into troubled financial institutions to ensure financial sector stability. Japanese finance minister Shoichi Nakagawa is expected to make the proposal at the Washington. Japanese Prime minister Taro Aso instructed Nakagawa to tell the G7 meeting about Japan’s experiences in providing taxpayer money to troubled financial firms.¹¹⁸ (October 8, 2008, *Dow Jones Chinese Financial Wire*)

Ahead of a meeting of the G7 countries in Washington this week, treasury secretary Henry Paulson called for a special gathering of the G20: “I am calling for a special meeting of the G20 that will include senior finance officials, central bankers, and regulators from key emerging economies to discuss how we might coordinate to lessen the effects of global market turmoil and the economic slowdown on all of our countries.” Paulson said that he and President George W. Bush had been in “regular contact” with their international counterparts in the past 12 months, “and we have collaborated in a variety of ways.” He said he would be meeting with the finance chiefs of the G7 major economies this weekend “to discuss the steps that each of us are taking to confront this crisis and ways to further enhance our collective efforts.” Officials from the G20 group of industrialized and developing nations met in Rio de Janeiro in late August to prepare for the annual meeting of G20 economy ministers and central bank chiefs scheduled in Sao Paulo in November, with representatives from the International Monetary Fund and the World Bank. Paulson gave no suggestions for when a meeting of the G20 should take place.¹¹⁹ (October 8, 2008, *Agence France Presse*)

Russia has been invited to attend a dinner with the G7 finance ministers on October 10, 2008. “The outreach dinner will be the G7 countries, and Russia will be a participant as well,” said Treasury Under Secretary David McCormick. “It is an opportunity for the ministers and central bankers to meet, talk about some of the situations in their own countries, potentially learn from the experiences of others.” McCormick also confirmed that the U.S. has been in regular contact with their Chinese counterparts.¹²⁰ (October 8, 2008, *Reuters News*)

There is a G7 finance ministers meeting scheduled for October 10, 2008.¹²¹ (October 6, 2008, *Agence France Presse*)

¹¹⁷ *Dow Jones Chinese Financial Wire* (October 9, 2008), “DJ Leading Economist Urge Concrete G7 Action on Financial Crisis.”

¹¹⁸ *Dow Jones Chinese Financial Wire* (October 8, 2008), “DJ Japan To Propose At G7 Public Funds For Financial Cos.”

¹¹⁹ *Agence France Presse* (October 8, 2008), “US calls for financial crisis finance talks with emerging nations.”

¹²⁰ *Reuters News* (October 8, 2008), “G7 to hold outreach dinner with Russia Friday.”

¹²¹ *Agence France Presse* (October 6, 2008), “G7 finance chiefs to meet Friday in Washington: Treasury.”

Ministers of Culture

Art thefts and the protection of artistic heritage will be one of the issues discussed at the G8 foreign ministers meeting hosted by Italy, said Italian foreign minister Franco Frattini. Flanked by culture minister Sandro Bondi, he said Italy will ask participants to agree on a series of global regulations aimed at thwarting art thefts. Bondi will chair the special session on art and illustrate the work of Italy's special unit police force in preserving its art heritage. The Cultural Heritage Protection Unit of the Carabinieri has gained a worldwide reputation for its work in recovering stolen works and stopping trading. Its research has also led to landmark antiquity returns from foreign institutions such as the Metropolitan Museum in New York and the Getty Museum in California. The special unit recovered stolen archaeological treasures and artworks worth €183 million in 2008, more than double the previous year.¹²² (February 25, 2009, *ANSA – English Media Service*)

G8 Interior and Justice Ministers

Italy is determining whether or not it should have a meeting of justice ministers during its G8 presidency. “We’re thinking of a meeting of G8 justice ministers and we’re weighing whether it’s time to address the issue of international justice,” foreign minister Franco Frattini said.¹²³ (February 2, 2009, *ANSA – English Media Service*)

A meeting of G8 interior and justice ministers will take place in May on Lampedusa, a tiny island off of Sicily. “This will give others an idea of the problems we face with the emergency of illegal immigration,” Italian interior minister Roberto Maroni said. “Europe is too weak and [member] states are left to deal with the problem on their own.” The minister announced he would hold talks with colleagues from Malta, Cyprus and Greece to discuss the problem.¹²⁴ (January 9, 2009, *ANSA – English Media Service*)

G8 Environment Ministers

Japan will propose international cooperation on studies on the impacts of chemical substances on the growth of children at a G8 environment ministers meeting. At the G8 meeting in Italy, Japan will underscore the need for the international community to share data on studies on certain substances, including dioxin, government sources said. At the G8 ministerial, Japan will likely propose analyses of the maternal blood and umbilical cord blood to identify chemical substances that fetuses are exposed to and determine the densities of such substances. At a meeting in the United States in 1997, G8 environment

¹²² *ANSA – English Media Service* (February 25, 2009), “G8: Bondi to Host Meeting on Art Heritage and Thefts.”

¹²³ *ANSA – English Media Service* (February 2, 2009), “G8: Italy Mulls Justice Summit.”

¹²⁴ *ANSA – English Media Service* (January 9, 2009), “G8 Ministers to Discuss Immigration Issue on Lampedusa.”

ministers adopted a joint declaration calling for further efforts to protect children from harmful substances.¹²⁵ (February 3, 2009, *Jiji Press English News Service*)

G8 Energy Ministers

Italian foreign minister Franco Frattini said that Italy will hold a G8 meeting in April, which will focus on the energy issue and promote dialogues between producers and consumers with the objective of reaching a stable price scheme.¹²⁶ (January 3, 2009, *Xinhua News Agency*)

G8 Health Ministers

Three key decisions were taken by the G7 health ministers and the World Health Organization, which held the 9th ministerial meeting of the Global Health Security Initiative (GHSI) hosted by the European Commission, in Brussels on December 5. During the meeting, the ministers from the G7 agreed that the closure of national borders is not the preferable choice in preventing the spread of the influenza virus during a pandemic flu. They also agreed on forging strong global collaboration on developing medical countermeasures to ensure that there are enough vaccines, medicines and interventions available and accessible during public health crisis situations. They agreed on actions needed for developing effective and timely risk and crisis communication to assure consistency of public health measures taken.¹²⁷ (December 8, 2008, *Europolitics*)

Health ministers from the G7 vowed to continue to take concerted action to improve preparedness for and response to global health threats. The ministers from Britain, Canada, France, Germany, Italy, Japan and the United States plus Mexico attended a ministerial meeting of the Global Health Security Initiative (GHSI) organized by the European Commission. They agreed on research and development of drugs and vaccines against health threats, on border management measures and virus sample sharing for influenza pandemic preparedness, and on crisis communication mechanisms among their countries. The GHSI was established in 2001 in the wake of the September 11 terrorist attacks against the United States. Its aim is to forge stronger global collaboration on health security by addressing health threats from chemical, biological and radio/nuclear agents and by developing preparedness and response on pandemic influenza.¹²⁸ (December 5, 2008, *Xinhua News Agency*)

¹²⁵ *Jiji Press English News Service* (February 3, 2009), "Japan to Seek Int'l Cooperation on Chemical Studies at G-8 Meeting."

¹²⁶ *Xinhua News Agency* (January 3, 2009), "News Analysis: Italian G8 2009 presidency faces tough challenges."

¹²⁷ *Europolitics* (December 8, 2008), "G7 Discusses Pandemic Outbreaks."

¹²⁸ *Xinhua News Agency* (December 5, 2008), "G7 ministers agree to continue work on global health security."

G8 Agricultural Ministers

Italy announced plans to hold a G8 agriculture summit with six emerging economies in April to find ways of beating the global food crisis. “The Italian government proposes to hold a big G8 meeting on agriculture and farm output at a time when the world experiences a serious food crisis with nearly one billion people suffering from hunger,” agriculture minister Luca Zaia said. Italy took over the rotating presidency of the G8 this month. The summit will be held in the northern region of Treviso and be attended by the agriculture ministers of the G8 members. The emerging economies to be invited are Brazil, China, Egypt, India, Mexico and South Africa. Others attending will include the agriculture minister of the Czech Republic, which currently heads the European Union, EU agriculture commissioner Marianne Fischer Boel as well as representatives from the United Nations and the World Bank. The aim of the meeting will be to “minimize” the impact of the food shortages and ways to “increase productivity in developing countries and reinforce rural areas,” according to a government document. Zaia also said he would take steps to protect Italian farm produce. “Nowadays, out of 10 ‘Made in Italy’ products bought on the international market, only one is made in the peninsula,” he said, citing cases of “fake” Parmesan cheese and Prosecco, a dry sparkling wine made from grapes grown mainly in the Veneto region.¹²⁹ (January 23, 2009, *Agence France Presse*)

The first G8 agricultural meeting is to take place in Pescara in May. Italian foreign minister Franco Frattini, who will preside over the event, said food security would be the main topic at the meeting.¹³⁰ (January 9, 2009, *Thai News Service*)

For the first time ever, the G8’s agriculture ministers will meet to discuss global agricultural resources, Italian foreign minister Franco Frattini said.¹³¹ (December 5, 2008, *Thai News Service*)

Japan has given up a plan to host a meeting of agricultural ministers from the G8 by the end of the year to discuss steps to assuage rises in global food prices, a senior farm ministry official said. Given the ongoing financial crisis in the world, “the farm ministers have no time to gather at one place,” Michio Ide, Japanese vice minister of agriculture, forestry and fisheries, said. The need for such a meeting has also weakened due to a recent downturn in international grain prices, analysts said. Leaders of the G8 agreed during their summit meeting in Hokkaido in July to arrange a meeting of their farm ministers before next year’s summit.¹³² (November 10, 2008, *Kyodo News*)

G8 Foreign Ministers

The U.S. has given an initial green light to Italy’s plans to invite Iran to a regional conference on Afghanistan and Pakistan in Trieste at the end of June, Italian foreign minister Franco Frattini said. He said he received the go-ahead from Richard Holbrooke.

¹²⁹ *Agence France Presse* (January 23, 2009), “Italy to hold G8 farm summit with developing nations.”

¹³⁰ *Thai News Service* (January 9, 2008), “Italy: Italy prepares for G8 aid and agriculture meetings.”

¹³¹ *Thai News Service* (December 5, 2008), “Italy: Italian FM voices G8 presidency priority next year.”

¹³² *Kyodo News* (November 10, 2008), “Japan drops plan to host G-8 farm ministers’ meeting by year-end.”

“Iran could play a positive role and with the Americans we are discussing how to involve them, not whether to involve them,” Frattini said. Aside from Iran, Italy also wants to invite India, Turkey, China, the Gulf states and the Asian republics.¹³³ (February 27, 2009, *ANSA – English Media Service*)

Italy said it was considering inviting Iran to an international meeting on Afghanistan. The conference would discuss securing the borders of Afghanistan and Pakistan to fight the “spillover” of terrorism, drugs and organized crime. The talks will be hosted by Italy in Trieste on June 27, a day after the G8 foreign ministers meet.¹³⁴ (February 23, 2009, *Reuters News*)

Iran said Tehran was considering an invitation by Italy to participate in a meeting on Afghanistan.¹³⁵ (February 23, 2009, *BBC Monitoring Middle East*)

Italian foreign minister Franco Frattini said he wants to invite Iran to the G8 foreign ministers’ meeting on Afghanistan. He plans to invite all nearby countries that have an influence in Afghanistan, including Pakistan, China, India, Saudi Arabia and the United Arab Emirates. He added that a way must be found to involve Iran, which is one of Afghanistan’s largest neighbours. “We want to consider how to involve Iran, not whether to involve Iran,” he said. “I’m convinced we will have to find somehow, a way to get Iran involved.” He added, “I don’t know whether Iran is ready to accept or whether all the partners that take part in G8 are in agreement with my idea. But we will be exploring further their support in trying to involve in a positive way Tehran.”¹³⁶ (February 18, 2009, *Financial Times*)

In June, Italian authorities are organizing an international conference on the stabilization of Afghanistan and Pakistan. Apart from the G8, India, China, Saudi Arabia and the United Arab Emirates, will be involved. Special attention will be paid to anti-terrorism, a new plan on the Iraqi issue following the end of the Bush presidency in the U.S., and to Iran’s nuclear program and the construction of a new European security structure.¹³⁷ (January 3, 2009, *Xinhua News Agency*)

G8 foreign ministers will meet on June 26 in Trieste.¹³⁸ (January 2, 2009, *BBC Monitoring European*)

The first meeting of Russian foreign minister Sergei Lavrov and new U.S. secretary of state Hillary Clinton will most likely take place in March in Italy, during a G8 foreign ministerial meeting. “Most probably, a meeting of G8 foreign ministers will be the first international event in which the heads of the American and Russian diplomatic agencies

¹³³ *ANSA – English Media Service* (February 27, 2009), “G8: US Green Light to Iran at Afghan Conference, Frattini.”

¹³⁴ *Reuters News* (February 23, 2009), “Italy says considering Iran invite to Afghanistan talks.”

¹³⁵ *BBC Monitoring Middle East* (February 23, 2009), “G8 invitation to Iran’s constructive role in Afghanistan-official.”

¹³⁶ *Financial Times* (February 18, 2009), “Italy seeks to involve Iran in G8 talks.”

¹³⁷ *Xinhua News Agency* (January 3, 2009), “News Analysis: Italian G8 2009 presidency faces tough challenges.”

¹³⁸ *BBC Monitoring European* (January 2, 2009), “Italy to bring “flexible format” to G8.”

will take part after the inauguration of President Elect Barack Obama.”¹³⁹ (December 29, 2008, *ITAR-TASS World Service*)

“Under the Italian presidency, the world’s largest players will focus on perhaps today’s most important theme of world security,” he said, adding that Italy plans to host a meeting of G8 foreign ministers in June to focus on “stabilising” Afghanistan and neighbouring Pakistan. China, India, Turkey, Saudi Arabia and Egypt may also participate in the meeting expected to be held in Trieste. Earlier this month Italy said it would increase its number of troops in Afghanistan by 500 to 2800 for six months next year in the face of a “delicate operational situation” in western Herat province.¹⁴⁰ (December 25, 2008, *Agence France Presse*)

Italian foreign minister Franco Frattini said he planned to meet with foreign ministers from other European Union countries as well as of the remaining G8 countries early next year in order to involve his European Union colleagues in setting a common agenda.¹⁴¹ (December 5, 2008, *Thai News Service*)

“In 2009 we’ll see an exceptional diplomatic effort. We are preparing the international conference on the stabilisation of Afghanistan and Pakistan that will be taking place in Trieste in June. Included are all the members of the G8, and the participation — a crucial point — of India, China, Saudi Arabia and the Arab emirates. In other words, all the countries that can take action on the situation in that region. To put it more clearly, Pakistan and Afghanistan. I have already been in touch with them all and they’re willing to sit down around the same table. Nearly all of them — I can’t speak to Hillary Clinton until the inauguration, so I’ll just phone her to wish her all the best in her new job. Trieste will be an extremely high-profile political exercise,” Italian foreign minister Frattini said.¹⁴² (December 5, 2008, *Italian Ministry of Foreign Affairs*)

Civil Society

Celebrity Diplomacy

Former United Nations Secretary General Kofi Annan and musician Bob Geldof urged Italy to keep up efforts to cut poverty in Africa despite the global economic crisis. “In richer countries this crisis is resulting in bankruptcy, unemployment, personal misery and fear for the future,” Annan said. “But for many in Africa, the effects are life-threatening ... The impact is profound and deepening.” He cited decreasing trade and foreign

¹³⁹ *ITAR-TASS World Service* (December 29, 2008), “Lavrov, Hillary Clinton likely to meet in March in Italy.”

¹⁴⁰ *Agence France Presse* (December 25, 2008), “G8 to focus on Afghanistan under Italian presidency: minister.”

¹⁴¹ *Thai News Service* (December 5, 2008), “Italy: Italian FM voices G8 presidency priority next year.”

¹⁴² *Italian Ministry of Foreign Affairs* (December 5, 2008), “Interview with Minister Frattini (Il Foglio).”

Accessed 8 December 2008. Available from:

<http://www.esteri.it/MAE/EN/Stampa/Sala_Stampa/Interviste/2008/12/20081205_IntervistaMinistro_IlFoKofiAnnanandBobGeldofurgedItalytoekglio>

investment, diminishing credit and slumping revenues. Annan said hunger will likely increase, school attendance will drop, and women and children will be the hardest hit. Geldof challenged Italian prime minister and G8 host Silvio Berlusconi to prove his leadership by leading efforts to halve extreme poverty around the world by 2015. “Don’t talk to me about the financial crisis,” Geldof said. “Whatever financial crisis we meet, it is life or death” for people in Africa. “This money does not go into some black hole, it goes into an empty stomach.”¹⁴³ (February 20, 2009, *Associated Press Newswires*)

The world’s wealthiest countries must maintain their foreign aid in the face of the current economic crisis or risk creating a “human crisis,” musician and activist Bob Geldof said. Before accepting an international humanitarian award from a Winnipeg hospital foundation, the former lead singer of the Boomtown Rats and the founder of Live Aid said, “Governments are always looking for an opportunity to cut the little bit that they give anyway towards the poor part of the world but that’s very short-termist ... The issue at hand is not to turn the financial crisis into a human crisis.” International aid is such a tiny part of any national budget, Geldof added. Countries such as Canada have promised to dedicate less than 1 percent of their national budgets before 2010, he said. “That means that for all their domestic travails, they’ve only got 99.95 left to deal with their domestic problems,” Geldof said. “Is that not enough? If it isn’t enough, then that government is a failure.” Although Geldof praised Canada for initially proposing G8 nations dedicate a small portion of their national budgets to help alleviate poverty in Africa, he said Canada now seems to be the “most reluctant” of all the G8 countries to hand over that small percentage of their federal budget. “Canada is suffering as a result of the decline in the commodity’s boom, so is Australia. But Africa is devastated because the vast repository of the world’s commodities are in that continent,” he said. “I don’t believe that when Canadians say something, they don’t mean it. Ultimately, the promise of the powerful to the weak is the most sacred promise you can make. When the rich make a promise to the poor, it’s critical because when you break it, you kill them.”¹⁴⁴ (December 4, 2008, *Waterloo Region Record*)

Activities

The **Model G8 Youth Summit** will take place from March 15-19, 2009, in Milan, Italy. It simulates the work of the real G8 summit. The Italian youth ministry has agreed to sponsor the 2009 event. This 2009 youth summit will be the fourth of its kind. The first was held in Russia in 2006. The second and third took place in Germany and Japan, respectively. According to their website, “The Mission and Vision of the Summit is to be recognized as a panel representing the Voice of the Youth to the Leaders of the G8.” The G8 Youth Summit is organized by young volunteers from the host country with the help of national student teams in the other G8 countries. It receives support from public and private organisations, universities and government agencies, yet the complete format and content is decided upon by the young people themselves. The national teams are responsible for recruiting their national delegation to the summit, raising funds and

¹⁴³ *Associated Press Newswires* (February 20, 2009), “Annan, Geldof urge Italy to keep Africa on the map.”

¹⁴⁴ *Waterloo Region Record*, (December 4, 2008), “Geldof: economic crisis no excuse to cut foreign aid.”

establishing contacts to public and private sponsors. The host team is responsible for organizing the summit, accommodation, communication and preparation of the summit.¹⁴⁵ (November 12, 2008, *G8 Youth Summit*)

Italy's G8 Team

Silvio Berlusconi, Prime Minister
Giampiero Massolo, Sherpa
Franco Frattini, Minister of Foreign Affairs
Giulio Tremonti, Minister of Economy and Finance
Stefania Prestigiacomo, Minister of Environment
Ignazio La Russ, Minister of Defence
Angelino Alfano, Minister of Justice
Luca Zaia, Minister of Agriculture
Mariastella Gelmini, Minister of Education, University and Research
Maurizio Sacconi, Minister of Labour, Health and Social Affairs
Roberto Maroni, Minister of the Interior
Sandro Bondi, Minister of Culture

Participating Leaders

G8 Leaders

Italy

Silvio Berlusconi was born in Milan, Italy, on September 29, 1936. In 1961, he received his degree in law from the University of Milan. Before entering into politics he worked in business and was quite the entrepreneur—building construction businesses, establishing cable networks, and forming media groups. Berlusconi was first elected prime minister in 1994. He served a second term as prime minister from 2001 to 2006. On April 29, 2008, Berlusconi became prime minister for a third time. This will be Berlusconi's eighth G8 summit and his third as host (Naples 1994, Genoa 2001). Giampiero Massolo is his G8 sherpa.

Canada

Stephen Harper was born in Toronto, Ontario, Canada, on April 30, 1959. After attending the University of Toronto, in 1985, he received his bachelor's degree in Economics from the University of Calgary. In 1991, he returned to the University of Calgary and received his master's degree in economics. Harper was first elected to the House of Commons in

¹⁴⁵ *G8 Youth Summit*, "G8 Youth Summit 2009," Accessed 12 November 2008, Available from: <<http://www.g8youthsummit.org/page.aspx?Id=4>>.

1993. On February 6, 2006, Harper became prime minister after his Conservative party won the January 2006 election. This will be Prime Minister Harper's fourth G8 summit. Leonard Edwards is his G8 sherpa. Canada is scheduled to host the 2010 G8 summit.

France

Nicolas Sarkozy was born in Paris, France, on January 28, 1955. In 1978, he received his degree in law from the University of Paris. Sarkozy worked as a lawyer while he pursued politics. From 1983 to 2002, he was mayor of Neuilly-sur-Seine. He has been president of the Union pour un Mouvement Populaire (UMP), France's major right-wing party, since 2004. Sarkozy became president on May 16, 2007. This will be his third G8 summit. Jean-David Levitte is his G8 sherpa. France is due to host the G8 in 2011.

United States

Barack Obama became president-elect on November 4, 2008. On January 20, 2009, he replaced George W. Bush as president of the United States. Obama was elected to the U.S. Senate in 2005. He worked as a community organizer, a civil rights lawyer and a state legislator for Illinois. The first black president, he was born on August 4, 1961, in Honolulu, Hawaii, to a Kenyan father and an American mother. He received his bachelor's degree from Columbia University in 1983 and law degree from Harvard University in 1991. He is married to Michelle Obama and they have two children.

United Kingdom

Gordon Brown was born in Govan, Glasgow, Scotland, on February 20, 1951. He studied history at the University of Edinburgh and completed his PhD in 1982. Before entering politics he worked as a lecturer and journalist. Brown was first elected to parliament in 1983. He served as chancellor of the exchequer (finance minister) under Tony Blair from 1997 to 2007. He assumed the office of prime minister on June 27, 2007. This will be his second G8 summit as leader of the United Kingdom. He accompanied Blair to summits in his ministry of finance position. Jonathan Cunliffe is his sherpa. The United Kingdom is due to host the G8 summit in 2013.

Russia

Dmitry Medvedev was born in Leningrad (now St. Petersburg) of the former Soviet Union on September 14, 1965. He earned a degree in law in 1987 and a PhD in private law in 1990 from Leningrad State University. Before entering politics, he worked as a lawyer. This will be his second G8 summit. Arkady Dvorkovich is his sherpa. Russia is due to host the G8 summit in 2014.

Germany

Angela Merkel was born in Hamburg, Germany, on July 17, 1956. In 1978, she received her doctorate in physics from the University of Leipzig. Before entering politics she worked as a physicist. Merkel was first elected to the Bundestag in 1990. She became chancellor on November 22, 2005. This will be her fourth G8 summit. Bernd Pfaffenbach is her sherpa. Germany is due to host the 2015 G8 summit.

Japan

Taro Aso was born in Iizuka in Fukuoka prefecture on September 20, 1940. He studied politics and economics at Gakushuin University and went on to Stanford University and the London School of Economics. Before entering politics he worked in mining. He was also a member of the Japanese shooting team that competed at the 1976 Olympics. Aso was first elected to the House of Representatives in 1979 and has been re-elected eight times. He served in a variety of positions in government including minister of foreign affairs and minister of international affairs and communications. He was elected prime minister of Japan on September 24, 2008. This will be his second G8 summit. Japan is due to host the 2016 summit.

O5 Leaders

China

Hu Jintao was born in Jiangyan, Jiangsu, China, on December 21, 1942. In 1965 he received his engineering degree from Tsinghua University. Before entering into politics Hu worked as an engineer. He assumed the office of the presidency on March 15, 2003. This will be his sixth G8 summit.

India

Manmohan Singh was born in Gah, Punjab (now known as Chakwal district, Pakistan), on September 26, 1932. He received his master's degree from Punjab University in 1954, an additional undergraduate degree from Cambridge University in 1957 and a DPhil from Oxford University in 1962. Before entering into politics, Singh worked as an economist, including for the International Monetary Fund. He served as finance minister of India from 1991 to 1996. He became prime minister on May 22, 2004. This will be his fifth G8 summit.

Brazil

Luiz Inácio Lula da Silva was born in Caetés, Pernambuco, Brazil, on October 27, 1945. He received no formal education and began working in a copper pressing factory at the

age of 14. He became heavily involved in the Workers Unions at a young age. Lula was first elected to Congress in 1986. He assumed the office of the president on January 1, 2003. This will be his sixth G8 summit.

Mexico

Felipe de Jesús Calderón Hinojosa was born in Morelia, Michoacán, Mexico, on August 18, 1962. He received his bachelor's degree in law from Escuela Libre de Derecho in Mexico City. Later, he received a master's degree in economics from the Instituto Tecnológico Autónomo de México as well as a master's in public administration from Harvard University. He served as secretary of energy from 2003 to 2004. He became President of Mexico on December 1, 2006. This will be Calderón's third G8 summit.

South Africa

Petrus Kgalema Motlanthe was born on July 19, 1949. In the 1970s he worked for the Johannesburg city council and later served as secretary general of the National Union of Mineworkers. He became secretary general of the African National Congress in 1997 and president of South Africa on September 25, 2008. This will be his first G8 summit.

Other Participating Leaders

Australia

Kevin Rudd was born in Nambour, Queensland, Australia on September 21, 1957. He received his degree in Asian studies from Australian National University. Before entering into politics, he worked for the Department of Foreign Affairs where he held posts in Stockholm, Sweden and China. Rudd was first elected to Parliament in 1998. He became Prime Minister of Australia on December 3, 2007. This will be his second G8 summit.

Indonesia

Susilo Bambang Yudhoyono was born on September 9, 1949, in Pacitan, East Java, Indonesia. He received his PhD in agricultural economics from the Bogor Institute of Agriculture in 2004. Before entering into politics, he served as a military general. He was elected on October 5, 2004. This will be his second G8 summit.

South Korea

Lee Myung-bak was born in Kirano, Osaka, Japan on December 19, 1941. He received a degree in business administration from Korea University in 1965. He worked in the business sector before entering into politics. He became president on February 25, 2008. This will be his second G8 summit.

Appendices

Commitments and Remits Due in 2009

2004 (G8 Plan of Support for Reform)-12. Working to train, including through appropriate multilateral institutions, 100,000 teachers by 2009, with a particular focus on high-quality literacy skills;

2004 (Breaking the Cycle of Famine in the Horn of Africa)-2. We will work with the New Coalition for Food Security to offer unified support for the Government's reform program to realize the Government's goal of attaining food security for five million chronically food insecure people by 2009.

2004 (Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting Rural Development in Food Insecure Countries: A G8 Action Plan)-12. We will work with the Government and other donors to realize the Government's goal of attaining food security for five million chronically food insecure people by 2009.

2007-23. [Fully respecting the mandate, function and role of the competent multilateral organizations, in particular the WTO and the World Intellectual Property Organization (WIPO), participants in the dialogue may also discuss initiatives aimed at strengthening intellectual property rights protection which should then be addressed in the appropriate international forums.] The G8 Summit 2009 will take stock of the progress made by that date.

2007-141. The G8 Summit in Japan in 2008 will receive an interim report on the progress made and at the G8 Summit in Italy in 2009 a final report on the outcomes of the Dialogue Process will be presented. [Heiligendamm Process]

2008-21: We therefore compiled national reports, with the assistance of the International Energy Agency (IEA), evaluating our efforts to adhere to those principles and welcome the corresponding overview provided by the IEA. We are committed to updating our reports for 2009 Summit.

2008-49: We reiterate our commitment to the Process and look forward to receiving a comprehensive concluding report at the G8 Summit in 2009. [Heiligendamm Process]

2008-50: We reaffirm our commitment to take strong leadership in combating climate change and in this respect, welcome decisions taken in Bali as the foundation for reaching a global agreement in the United Nations Framework Convention on Climate Change (UNFCCC) process by 2009. We are committed to its successful conclusion.

2008-57: At the same time, in order to ensure an effective and ambitious global post-2012 climate regime, all major economies will need to commit to meaningful mitigation actions to be bound in the international agreement to be negotiated by the end of 2009.

2008-129: In this regard, acknowledging the need to accelerate the achievement of the internationally agreed goals on water and sanitation, we will reinvigorate our efforts to implement the Evian Water Action Plan and will review it on the basis of a progress report prepared by our water experts by the next Summit.

2008-144: G8 progress to support FTI, including meeting shortfalls, will be monitored through a report to be delivered at the 2009 Summit.

2008-190: Additionally, we agree that transfers of enrichment equipment, facilities and technology to any additional state in the next year will be subject to conditions that, at a minimum, do not permit or enable replication of the facilities; and where technically feasible reprocessing transfers to any additional state will be subject to those same conditions.

2008-206: We task our experts to discuss G8 efforts including the implementation of the initiatives above, in cooperation with the UN and regional organizations, and to submit a progress report prior to the Summit in 2009.

2008-235: We will review the progress on this issue at our next Summit. [food crisis]

2008-246: We stress the urgent need for full implementation of existing standards, including Financial Action Task Force (FATF) Special Recommendations VIII and IX, and ask our experts to take steps to share information, evaluate threats, assess new trends and promote implementation and review these efforts next year.

2008-280: Our nations will continue to work constructively together to promote the success of the Copenhagen climate change conference in 2009.

Emissions Table

(million tonnes CO₂ equivalent)

Country	2006	2005	2000	1990	% Change 2006/2005	% Change 2006/1990
United States	7,017.3	7,106.6	7,002.6	6,135.2	-1.3	+14.4
Russia	2,190.4	2,123.5	2,038.4	3,326.4	+3.1	-34.2
Japan	1,340.1	1,658.1	1,348.3	1,272.1	-1.3	+5.3
Germany	1,004.8	1,005.0	1,019.5	1,227.7	-0.02	-18.2
Canada	721.0	734.0	718.0	592.0	-1.9	+22.0
Britain	655.8	658.7	673.8	772.0	-0.4	-15.0
France	541.3	555.1	555.6	563.3	-2.5	+3.9
Italy	567.9	577.9	552.3	516.9	-1.7	+9.9
Total	14,038.6	14,118.9	13,908.5	14,408.7	-0.6	-2.6

¹⁴⁶(May 23, 2008, *Reuters News*)

Sources: national submission to UN Climate Change Secretariat, except for Canada, for which the data come from Environment Canada

G8 GDP

Country	PPP in US\$ (2007 est.)
United States	13,840,000,000,000
Japan	4,290,000,000,000
Germany	2,810,000,000,000
United Kingdom	2,137,000,000,000
France	2,047,000,000,000
Italy	1,786,000,000,000
Canada	1,266,000,000,000
Russia	2,088,000,000,000
European Union	14,380,000,000,000
World	65,610,000,000,000
G8 % of World	46.1271148%
G8 + EU % of World	54.662399%

Source: CIA World Factbook.

Note: G8 + EU does not double count Germany, the United Kingdom, France and Italy.

¹⁴⁶ *Reuters News* (May 23, 2008), "TABLE-Greenhouse gas emission in G8 members.