

Foreword

In the 1970s, the world economy underwent a radical transformation with the disappearance of the gold standard that had been introduced as part of the monetary system established in the Bretton Woods Agreement. The impact of this economic reconfiguration was intensified with the international recession caused by a hike in oil prices in 1973, resulting in the creation of more agile dialogue mechanisms that transcended traditional post-war multilateralism.

The Group of Seven (G7) emerged in 1975 at the Rambouillet Summit and was comprised of Cold War capitalist economic powers: Germany, Canada, the United States, France, Italy, Japan and the United Kingdom.¹ On the heels of a series of economic crises in the 1990s, the G7 came to realize that increasing economic interdependence driven by globalisation required closer cooperation with developing countries.

The declining economic sway of the G7 and the global fallout of the financial crisis in Thailand in 1997 led to the creation of the Group of Twenty (G20) in Berlin in December 1999. Involving finance ministers and central bank governors, its goal was to broaden dialogue and promote closer

¹ The Federal Republic of Germany or West Germany participated in the G7 from its creation, while Canada joined in 1976 and Russia in 1998, turning it into the G8 until Russia was expelled in 2014.

coordination of economic and financial policies with the main emerging economies, with a view to achieving global financial stability.

G20 members include Germany, Saudi Arabia, Argentina, Australia, Brazil, Canada, Republic of Korea, China, the United States, France, India, Indonesia, Italy, Japan, Mexico, the United Kingdom, Russia, South Africa, Türkiye and the European Union. Together, their economies represent eighty-five percent of global GDP, eighty percent of global investment, seventy-five percent of global trade and sixty-six percent of the world population.

The Group was upgraded to leaders' level when it incorporated heads of state and government in response to the financial crisis of 2008. A collective North-South effort created to respond to the systemic crises that affect the economy and the development of the international community, the mechanism's informal structure—it has no official status, no permanent secretariat and its decisions are not binding—leaves each country free to act on an equal footing and encourages more open, constructive dialogue. The G20 uses summit diplomacy to coordinate the strategies implemented by developed and emerging countries to address global challenges.

The presidency rotates annually among member countries and the current holder is supported by the immediately preceding one and the one chosen for the following period to form what is known as a troika. This system ensures a certain degree of continuity from one leaders' summit to another.

The Group's main working channels are sherpas and finances. In the case of Mexico, the country is represented by the Ministry of Foreign Affairs (sherpas), the Ministry of Finance, and the central bank, Banco de México (finances).

To retain its legitimacy and credibility within the multilateral system, the G20 has gradually incorporated preventive approaches and now shares reports on its decisions with non-member countries, academia, international organisations and civil society. Likewise, it has included non-financial topics of global interest on its agenda, such as development, gender equality, health, culture, climate change, the digital economy, energy, trade and investment, agriculture, anticorruption, disaster risk reduction, education, jobs and tourism, among others.

Mexico has used its participation in the G20 to influence the design of global governance, defend the interests of developing countries

and strengthen its leadership within the international system. In 2012, it became the first country in Latin America to successfully host a G20 summit, in Los Cabos. In its capacity as the world's fourteenth-largest economy, Mexico has proactively contributed to agreements and initiatives within the G20 to shore up diplomacy, combat poverty and inequality, and guarantee sustainable development.

I am extremely gratified to present this 126th issue of the *Revista Mexicana de Política Exterior*, which I trust will invite reflection on the scope of Mexico's participation in this international forum,

I would also like to thank the Matías Romero Institute for coordinating this exceptional publication, which I am convinced will give students, academics, diplomats and Mexican society in general greater insight into the challenges Mexico and the G20 face year-in, year-out as they strive to foster dialogue, cooperation and consensus between our countries. The G20 has and will continue to be a premier forum for Mexican foreign policy.

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