

in 1975 of a new institution, the Economic Summit, at the initiative of Valéry Giscard d'Estaing, President of France, and Helmut Schmidt, Chancellor of Germany. Both Giscard d'Estaing and Schmidt were former finance ministers and they were very much influenced by participation in the meetings of the so-called Library Group of finance ministers from the U.S., the U.K., France and Germany, and later Japan. These meetings — held in the Library of the White House — were small, informal and secret. The intent of the Summit's founders was to replicate this template as much as possible and to prevent any bureaucratization of the institution. The objectives were also limited — to foster global financial stability by providing a forum for building cooperation in macro-economic policy. Political or security issues were not part of the agenda. These were the domain of NATO. Most important, the Cold War ensured Western cohesion on all major issues, both political and economic.

Finally, though the Summit was conceived as a non-institutional institution, it was in fact intended to create and implement a set of basic norms and principles which were implicit rather than explicit so as to maximize flexibility and adaptability. This fits into the accepted definition of an institution in the discipline of political science.

Are there any lessons to be drawn from the creation of the G7? One could argue that it was a unique event dictated by the circumstances of the 1970's, which allowed two middle powers, led by former Finance Ministers, both highly experienced and forceful personalities, to undertake a major initiative at a time when the U.S. was mired in Viet Nam and aware of the erosion of its lead in economic performance. None the less, the launch of the G7 does challenge the realist school's view that hegemony is a necessary — if not always sufficient — requirement for the establishment of international regimes. But it's also important to stress that personalities and circumstances matter. The Summit, at the outset, was episodic in nature and that continued to be a defining characteristic.

### **Evolution of the G7/G8**

In highlighting the evolution of the summit over the past nearly three decades there are continuing if increasingly faint echoes of its Library Group vision. One could describe it as minimalist chic. No bureaucratization; collegial, informal discussion among Heads of Government designed to