

Resource Summit Predicts Dangerous Future Trend towards Nationalization

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- World Economic Forum 's Resource Summit is part of an ongoing dialogue on resource issues
- If nationalizations do take place, they will very likely have a negative impact on globalization and world trade
- Rising living standards from emerging economies expected to increase pressure on limited resources
- For more information about the Meeting, please visit: <http://www.weforum.org/newchampions2011>

Dalian, People ' s Republic of China, 15 September 2011+ More than 20 mining and metal industry leaders and cross-industry partners unanimously predicted an inevitable future increase in government nationalization of critical resources over the next two decades as a burgeoning middle class in emerging economies begins to demand higher living standards.

“ The resounding answer was that nationalizations will take place and that this is not a good thing, ” said Richard O ' Brien, President and Chief Executive Officer of Newmont Mining Corporation, USA. The corporate executives were meeting as part of this year ' s Resource Summit, a feature of the World Economic Forum ' s Annual Meeting of the New Champions 2011 in Dalian, People ' s Republic of China. The Summit is part of an ongoing dialogue on resource issues sponsored by the World Economic Forum. If nationalizations do take place, they will very likely have a negative impact on globalization and world trade.

By 2030, the world population will pass the 8 billion mark, and shortages are likely to be felt in water and food as well as petroleum mineral resources. In a panel discussion on resources, Sir Mohammad Jaafar, Chairman and Managing Director of the Kuwaiti Danish Dairy Company, Kuwait, noted that, by 2030, matching European living standards would require three planets of natural resources, and to match US living standards would require at least five. While it may be possible to meet some of the increasing demand with technology and innovation, prices – especially on fuel – will inevitably rise and even populations in the US and Europe will be forced to modify their lifestyles.

Shi Dinghua, Counsellor on the State Council of the People's Republic of China, who worked on the current 5-Year Plan, noted that China can expect to face water shortages and has made increasing the efficient use of water a top priority. Shi also said that China intends to provide at least 15% of its energy from renewable sources, and also plans to continue developing nuclear power resources, although security precautions will be tightened after the recent disaster in Japan.

Scott Thomson, Chief Financial Officer for Talisman Energy, Canada, said that he believes needs will be met through innovation, but that it will almost certainly involve technology that has not yet been developed.

Responding to growing systemic risks, the World Economic Forum launched the Risk Response Network (RRN) at the Annual Meeting 2011 in Davos in January to provide private and public sector leadership with an independent platform to better monitor and mitigate contingencies. The RRN Community will focus on those risks where multistakeholder collaboration can strengthen global, regional and industry-related risk resilience.

The Annual Meeting of the New Champions 2011, also known as the “ Summer Davos ” , is taking place in Dalian, People ' s Republic of China, from 14 to 16 September. The Meeting is held in close collaboration with the

Government of the People ' s Republic of China and with the support of the National Development and Reform Commission (NDRC).

Notes to Editors

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