

India@Risk 2008 - World Economic Forum Report highlights risks facing India despite continuing economic growth

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- World Economic Forum's new India @ Risk 2008 report underlines global risks most linked to India
- Download full report [here](#) and for further information visit <http://www.weforum.org/globalrisks>
- For more about the World Economic Forum's India Economic Summit, go to <http://www.weforum.org/India>

Geneva, Switzerland, 13 November 2008 – The World Economic Forum's Global Risk Network launched today the India @ Risk 2008 report, in the lead-up to the India Economic Summit in New Delhi, India, 16-18 November 2008. The report, prepared in conjunction with the Confederation of Indian Industry (CII), presents the latest insights into trends, potential consequences and mitigation strategies relevant to key risk areas facing India:

- **Economic Security:** how the global financial crisis is likely to affect India and how the country will manage the current financial turmoil
- **Energy Security:** considering means by which India can improve its energy supply network and become a low carbon economy
- **Agriculture and Food Security:** improving agricultural productivity, addressing the problem of malnutrition and managing water resources
- **National Security:** how India can establish itself as a force for stability in the region and contain and address internal sources of instability

In preparing this report, experts and policy-makers from business, academia and non-governmental organizations were interviewed about what they consider to be the keys to India's future growth, which risks might pose threats to progress, and how those risks might be mitigated.

At the time the interviews were conducted, the global economy was experiencing events on a scale that some say has not been seen since the Great Depression of the 1930s. Following the collapse and, in some cases, subsequent bail-out of several major financial institutions in both the US and Europe, the world's financial markets suffered huge losses, dropping to levels below those of 2003 or 2001. Volatility hit record levels, and key indicators of confidence in the banking system showed the depth of the crisis. The ensuing negative news about the outlook for growth, the likelihood of a recession in several key economies, rising unemployment and declining orders only compounded the situation as credit markets froze and concerns about liquidity and further write-downs mounted.

"India's own markets and growth outlook will be affected by the turmoil affecting the global economy," noted Irene Casanova, Associate Director of the Forum's Global Risk Network and co-author of the report, "particularly if a deeper retrenchment from globalization follows, which could manifest itself not only through decreased trade but also through countries taking tougher stances on global issues such as climate change, resource management and the role and reform of international organizations."

The report finds that many of the issues facing India in the four highlighted areas will require

considerable investment on the part of India's public and private sectors over the long term. Decision-makers in government and business will be forced to make trade-offs as to where spending and investments are allocated. However, a tighter environment may also help speed reforms and encourage greater efficiency. A great deal of political will and dialogue with different stakeholders will be required, but India's growth is still strong relative to other economies, and its growth will continue to unfold over decades rather than years.

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