



PRESS RELEASE

While the global economy seems to be back to the goldilocks era with all the key economic regions enjoying moderate but steady and seemingly sustainable growth, a number of disruptive forces and factors are at play in the geopolitical, technology, structural domains - that could at any given moment render obsolete the rosy forecasts of the IMF and the World Bank and bring an abrupt end to the overall mood of confidence and optimism prevailing in the global business community. What are these forces and factors? How could they come into play in a kind of “overdrive” manner? What could this mean for a country like India?

New Delhi, 6th December, 2017

Ananta Aspen Centre organized a session on “**The world economy: Watch out for the resilience tests**” to discuss the above issues. **Mr. Claude Smadja**, *President, Smadja & Smadja Strategic Advisory* spoke at the session which was chaired by **Mr. Ashok K Bhattacharya**, *Editorial Director, Business Standard*.

According to **Mr Claude Smadja**, we may have entered a new phase in the global economy. There are reasons for optimism but caution is also needed. This phase can be termed as the ‘Resilience Test’. This happens after an expansion cycle which is approximately 5 to 6 years phase. The US economy is still in the ‘recovery mode’. And now, their financial institutions are very cautious.

Mr Smadja further stated that “some countries have done an extremely bad job in handling globalization. The big losers of globalization have been the traditional middle-class. Although there is a new emerging middle-class but the relative loss of traditional middle class has been higher”. It was also understood that if Indian companies don’t go for ‘smart manufacturing’ using high-end technologies like Artificial Intelligence, there is a risk of them being sidelined. However if they go for smart manufacturing, the problem of job creation will not be addressed. Hence, there needs to be a balance in this regard.

About Ananta Aspen Centre:

Ananta Aspen Centre is an educational and policy studies organisation based in New Delhi. It focusses on values based leadership and open dialogue on challenges facing Indian society to help foster its transformation. The Centre engages civil society, business, governments and other key stakeholders to share ideas and bring a wide range of perspectives on issues important to India’s development, foreign policy, strategic affairs and national security. Ananta Aspen Centre is an independent non-profit organization registered under the Indian Trusts Act and under 12A and 80G of the Income Tax Act.

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