



World Economic Forum Annual Meeting 2019

Recently, the five-day World Economic Forum Annual Meeting 2019 ended with discussions on imminent challenges faced by the global economy, including climate change, growing inequality, and US-China trade tensions.

- This year's theme was **Globalization 4.0**, which includes a strong cultural dimension.
 - Globalization is a phenomenon driven by technology and the movement of ideas, people, and goods. While Globalism is an ideology that prioritizes the neoliberal global order over national interests.
- A '**Digital Declaration**', which calls on businesses to respect the privacy of digital citizens; handle personal data securely and transparently; take meaningful steps to mitigate cyber threats, and ensure everyone can participate in the digital economy as it develops whilst combating online harassment, was also signed.

Waves of Globalisation

- **Globalization 1.0** was pre-World War 1 globalization, which was launched by a historic drop in trade costs when steam and other forms of mechanical power made it economical to consume goods made far away.
 - This globalization came with almost no government support.
 - There was no global governance.
- **Globalization 2.0** is the post-World War II phase where trade in goods was combined with complementary domestic policies.
 - The market was in charge of efficiency while the government was in charge of justice.
 - Internationally, Globalization 2.0 saw the establishment of institute-based, rule-based international governance, specifically the UN, IMF, World Bank, GATT/WTO and many specialized agencies like the Food and Agricultural Organisation and International Labour Organisation.
- **Globalization 3.0 or hyperglobalization, as termed by Arvind Subramanian** created a new world of manufacturing in which high-tech was combined with low wages. This meant factories crossing borders.
- **Globalization 4.0** is a new stage of globalization which involves cutting-edge new technologies like artificial intelligence that powers forward with the explosion of information technology.
 - These shrink distances, open up borders and minds and bring people all across the globe closer together.

World Economic Forum (WEF)

- The World Economic Forum (WEF) is a **Swiss nonprofit foundation established in 1971**, based in Geneva, Switzerland.
- Recognized by the Swiss authorities as the international institution for **public-private cooperation**, its mission is cited as, "committed to improving the state of the world by engaging business, political, academic, and other leaders of society to shape global, regional, and industry

agendas".

- Founder and Executive Chairman- **Klaus Schwab**.
- Some major reports published by WEF are:
 - **Global Competitiveness Report**
 - This monitors the performance of countries based on a set of 12 categories called '**pillars of competitiveness**', namely institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business application and innovation.
 - **Global IT Report**
 - WEF along with INSEAD, and Cornell University publishes this report which examines the increasing proliferation of technology and its effects on advancing global prosperity.
 - **Global Gender Gap Report**
 - **Global Risk Report**
 - It enlists the threats which the world will face in future ranging from geopolitical and geo-economic tensions to environmental degradation and **disruptions of the Fourth Industrial Revolution**.
 - **Global Travel and Tourism Report**
 - It measures set of factors and policies that enable sustainable development of travel and tourism sector.

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