

Testwale Current Affairs PDF

Current Affairs search results for: "world economic report"

1. IMF cuts India's growth rate to 6.8% for 2022 , India will still remain the fastest growing major economy in the world (Oct. 11, 2022)

The International Monetary Fund (IMF) in its annual **World Economic Outlook** released on 11 October 2022 has cut the expected growth rate of India to **6.8% in 2022**, but still it will be the fastest growing major economy in the world. In July 2022, the IMF had said that India would grow at 7.4% in the present fiscal. IMF is the latest [international agency](#) which has cut the Indian growth rate. IMF expects the Indian economy to grow by **6.1% in 2023**.

However, the IMF still expects the Indian economic growth to be highest amongst the major economies in the world ahead of China (4.4%), Saudi Arabia (3.7%), and Nigeria (3%).

World Economic Growth prospects

According to the IMF the world economy is likely to grow by **3.2 %** in 2022 with the United State economy expected to grow by 1.6%.

The IMF said global GDP growth in 2023 will slow to **2.7%**, as higher interest rates slow the U.S. economy, Europe struggles with spiking gas prices and China contends with continued COVID-19 lockdowns and a weakening property sector.

The three largest economies, the United States, China and the euro area will continue to stall," IMF **chief economist Pierre-Olivier Gourinchas** said in a statement. "In short, the worst is yet to come, and for many people, 2023 will feel like a recession."

IMF World Bank annual meeting 2022

The report was released on the eve of the Annual meeting of the IMF and World Bank which is going to be held in Washington D.C from 10 -16 October 2022.

This is the first in person meeting to be held after the three years due to covid related restriction.

Indian Finance Minister **Nirmala Sitharaman** is leading the Indian delegation to the meeting.

International Monetary Fund

- It is an International financial institution which was set up after the Bretton Woods conference held in the United States from July 1 to 22, 1944.
- It was set up in July 1944.
- It was set up to provide loans to the member countries which were facing a balance of payment crisis.
- A country which is a member of the IMF automatically becomes a member of the World Bank.

Total member of IMF: **189**

Headquarters: **Washington D. C, United States of America**

Managing Director: **Kristalina Georgieva**

Accounting Unit of IMF: **Special Drawing Rights (SDR)**

2. The World Bank reduces India's growth forecast to 6.5% in 2022-23 (Oct. 6, 2022)

The World Bank in its latest report on South Asia released on 6 October 2022 has reduced the expected Indian economy growth rate in 2022-23 to **6.5%** from an earlier estimate of 7.5% it forecasted in June 2022.

Growth estimates for the South Asian region - comprising India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan and the Maldives were revised down **to 5.8%** from 6.8% forecast in June 2022.

The bank cited the impact of war in Ukraine, which has caused a rise in commodity prices, and the uneven recovery from the impact of the COVID-19 pandemic in the region.

In a recent report the [United Nations Conference on Trade and Development \(UNCTAD\)](#) also revised the Indian economic growth in 2022 to 5.7%.

This is the **third time** the World Bank has revised its GDP growth forecast for India in 2022-23. In June, it had slashed its GDP growth forecast for India to 7.5%. Earlier in April, it had trimmed the forecast from 8.7% to 8%.

The Reserve Bank of India (RBI) has recently cut the economic growth projection for the current fiscal to **7%** from 7.2% estimated earlier on account of extended geopolitical tensions and aggressive monetary policy tightening globally.

Important for Exam

World Bank headquarters: Washington D.C, United States of America

World Bank President: David Malpass

The report published by World Bank are

- World Development Report
- Global Economic Prospect
- Ease of Doing Business (it has been suspended now)

3. WTO reduces its forecast for world trade to 3 % in 2022 (Oct. 6, 2022)

The World Trade Organization (WTO) in a press release released on 5 October 2022 has reduced its global trade growth forecast for 2022 to **3%** from its earlier forecast of 3.5%. It said that high commodity prices and rising interest rates would curb import demand, and warned of a likely contraction in world trade if the conflict in Ukraine escalates.

The growth in world trade is expected to slow down to one per cent in 2023, due to global uncertainties.

Elaborating the area of concern for world trade WTO director-general Ngozi Okonjo-Iweala said in Geneva that "If the war in Ukraine worsens, rather than gets better, that's going to have a huge impact,".

Trade and economic output will be weighed down by several shocks, including the war in Ukraine, high energy prices, inflation, and monetary tightening,

WTO said that demand in Europe will decline and the cost of manufacturing will increase due to high energy prices stemming from the Russia-Ukraine war.

According to the WTO ,in the United States of America monetary policy tightening will hit interest-sensitive spending in areas such as housing, motor vehicles and fixed investment," .

WTO expects the World GDP to grow **by 2.8% in 2022** and by **2.3%** in 2023 (revised down from 3.2%).

World Trade Organisation (WTO)

- It was set up on 1st January 1995 replacing the General Agreement on Tariff and Trade (GATT).
- Its main purpose is to promote rule based trading systems in the world and it also settles trade related disputes between the member countries.
- The headquarters of WTO is in **Geneva, Switzerland**.
- There are **164 member countries**.
- Director General of WTO : **Dr Ngozi -Okonjo-Iweala of Nigeria**
- Report released by WTO : World Trade Report

4. India's economic growth to decline to 5.7% in 2022: UNCTAD (Oct. 4, 2022)

According to the United Nations Conference on Trade and Development (UNCTAD) **Trade and Development Report 2022**, the Indian economy growth rate is expected to decline to 5.7% in 2022(January-December period). The report was released on 3 October 2022.

It also expects the Indian economy growth rate to reduce to 4.7 % in 2023.

The Indian economy grew by **8.7%** in 2021-22. In the first quarter (April-June) of the current financial year (2022-23) it **grew by 13.5%**.

The Reserve Bank of India also reduced the expected growth rate of the Indian economy for 2022-23 to **7%** in its latest monetary policy review on 30 September 2022.

The main reason cited by the UNCTAD report for reducing the economic growth rate of India is the expected reduction in the capital expenditure of the government due to adverse global economic situations.

UNCTAD said it expects the **South Asia** region to expand at a pace of **4.9 per cent** in 2022

UNCTAD projects that the US economy will grow at **1.9 per cent in 2022** will further slow down to 0.9 per cent in 2023.

Meanwhile, China's economic growth is projected to be **3.9 per cent in 2022** and 5.3 per cent growth in 2023.

Forecast for Indian Economy Growth Rate by various agencies (till 3rd October 2022)

Agency /Institutions	Forecast for 2022-23
RBI	7.0%
World Bank	7.5%
International Monetary Fund	7.4%
Asian Development Bank	7.2%
SBI	6.8%
Moody Investor Service	7.70%
India Rating	6.9%
Standard and Poor Rating	7.3%
UNCTAD	5.7 %
OECD	6.9%
Fitch rating	7%

UNCTAD (United Nation Conference on Trade and Development)

UNCTAD is a permanent intergovernmental body established by the United Nations General Assembly in 1964.

It was set up to promote the interests of developing countries in world trade.

It also releases the **World Investment Report**.

Headquarters of UNCTAD: Geneva, Switzerland

Offices of UNCTAD: New York in the United States and Addis Ababa in Ethiopia.

Secretary-General: Mrs. Rebeca Grynspan of Costa Rica

5. Surging cost of inflation makes Global Recession most likely: World Economic Forum (Sept. 29, 2022)

In a report released on 28 September 2022, the **World Economic Forum (WEF)** said that due to persistently high inflation and fall in real wages continuing to fall, a global recession is becoming increasingly likely.

According to the WEF Chief Economists Outlook report, real wages are expected to continue falling across the world in 2022-2023 and the cost of living crisis is threatening social unrest, though inflationary pressures are expected to ease in the next year.

The survey of over 50 economists from the finance, insurance, professional services and technology industries, as well as international organizations and regional development banks, found that they expect reduced growth, stubbornly high inflation and continuing fall in real wages for the remainder of 2022 and 2023.

An average of seven out of ten economists consider a global recession to be at least "somewhat likely".

World Economic Forum (WEF)

The World Economic Forum was founded by German engineer, economist Professor **Klaus Schwab** as the European Management Forum, in Geneva, Switzerland.

In 1987 its name was changed to World Economic Forum.

The WEF engages the top political, business leaders of the world to influence and set the global, regional and Industry agenda.

It organises an annual meeting at Davos, Switzerland where world political and business leaders gathers to discuss international issues

It releases following reports;

- Global Gender Report;
- Chief Economist Outlook;
- Global Risk Report;
- Environmental Performance Report;
- Global Competitive Index

Headquarters of WEF: **Geneva, Switzerland**

6. OECD expects India's growth rate at 6.9% in 2022-23 (Sept. 27, 2022)

Organisation for Economic Co-operation and Development (OECD) has retained its projection of **6.9%** growth in India's GDP for the current financial year 2022-23.

OECD expects the Indian growth rate to be at **5.7%** in the next fiscal year 2023-24.

The global rating agency **Standard and Poor(S&P)** has also maintained its forecast of a 7.3% growth rate of the Indian economy for the financial year 2022-23.

In its report titled Economic Outlook Asia-Pacific Q3 2022 report, has forecasted India's growth rate to be 6.5% in 2023-24.

Earlier in a report released in September the **Asian Development Bank** had reduced the growth rate forecast for India to 7% for 2022-23.

RBI has forecasted a growth rate of **7.2%** for the Indian economy in 2022-23.

The Indian economy grew by **8.7% in 2021-22** and in the first quarter of the current financial year (April-June 2022) it grew by **13.5%**.

Organisation of Economic Cooperation and Development (OECD)

It was set upon 16 December 1960 by 18 European countries and the United States, Canada. It is a think tank which support free market economy.

The OECD publishes economic reports, statistical databases, analyses, and forecasts on the outlook for economic growth worldwide.

At present it has 38 member countries from Europe, South America, Asia and North America.

India, China are not members of OECD.

Headquarters: **Paris, France.**

7. India Discrimination Report 2022 (Sept. 17, 2022)

Oxfam India recently released the 'India Discrimination Report 2022'. The report highlights that women and marginalized communities face discrimination in the job market.

IMPORTANT FACTS -

Key Highlights of the report :

Labour force participation rate (LFPR) :-

- The labor force participation rate (LFPR) of women in India was just 25 per cent in 2021.
- It is considerably lower than Brazil, Russia, China and South Africa.
- Low participation was mainly due to gender discrimination in wages and opportunities.

Wage Gap :-

- Self-employed urban men earn 2.5 times more than their female counterparts.
- 83 percent of this pay gap is attributable to gender-based discrimination.
- In rural areas, the income gap between men and women is 93 percent due to gender discrimination.

Discrimination with Educational Qualification :-

- The employment status of women does not depend on their educational qualifications.

Social Norms :-

- A large section of qualified women is not available in the labor market due to family responsibilities.
- Women from well-educated and economically well-off households often withdraw from the labor force due to socio-cultural reasons.
- Women do not enter the labor market due to insecurities during travel and the need to go to office on time and due to family reasons.

Lack of salaried jobs :-

- 60 percent of urban men are engaged in salaried jobs or are self-employed, while among women this figure has come down to just 19 percent.

Status in SC, ST communities :-

- SC and ST women start working at an early age without any formal education due to poor socio-economic conditions.
- This means that more than educational qualification or age, social factors are the determinant factor for rural women to opt out or stay away from work.
- Individuals belonging to SC and ST communities earn Rs 5,000 less than the national average.

Oxfam India :-

- It is a organisation of people working to end discrimination and create a free and just society.
- It is a part of the Oxfam Global Confederation in which 21 countries are working together as partners to build a better world.

8. International Day of Democracy (Sept. 15, 2022)

Every year 15 September is observed as the International Day of Democracy. The International Day of Democracy provides an opportunity to review the state of democracy in the world.

According to the United Nations, democracy is a universally recognized ideal and is one of the core values and principles of the United Nations. Democracy provides an environment for the protection and effective realization of human rights.

IMPORTANT FACTS -***Background of the Day :***

- In 2007 the United Nations general Assembly passed a resolution to observe 15 September as International Day of Democracy.

- The **first** International Day of Democracy was observed on **15 September 2008**.

Theme 2022 :

- The theme of the International Day of Democracy 2022: **Protecting Press Freedom for Democracy**
- The theme focuses on the importance of media freedom to democracy, peace, and delivering on the Sustainable Development Goals. According to the Democracy Index 2021 report of the Economic Intelligence Unit, **India was ranked as 46th amongst 167 countries**. Norway was at the top and it was considered as the most democratic country in the world.
- The American President Abraham Lincoln said, "**Democracy is a rule of the people, for the people and by the people**".

9. IMF cuts global growth forecasts, warns high inflation threatens recession (July 27, 2022)

The International Monetary Fund (IMF) cut global growth forecasts again on July 26.

Important facts

- The IMF warned that high inflation and Ukraine's war could lead to a downward spiral in economic growth and the world economy could be on the verge of recession if left unchecked.
- The IMF said that global real GDP growth will slow to 3.2% in 2022 from a forecast of 3.6% issued in April.
- The report said the world's GDP actually shrank in the second quarter due to slowdowns in China and Russia.
- The IMF cut its 2023 growth forecast to 2.9% from the April estimate of 3.6%, citing the impact of tighter monetary policy.
- Global growth has fallen below 2% only five times since 1970.
- In 1973, 1981 and 1982, 2009 and 2020, global growth fell below 2% due to the COVID-19 pandemic and caused a recession.
- India's growth forecast for the financial year 2023-24 has also been lowered by 0.8 percentage points to 6.1% due to rising economic risks.

India's growth forecast by other institutions

- Reserve Bank of India's (RBI) estimation of India's growth in 2022-23 - 7.2%
- Asian Development Bank's India's Growth Forecast for 2022-23 - 7.2%

About International Monetary Fund (IMF)

- The International Monetary Fund (IMF), a United Nations (UN) specialised agency, was established in 1944 at the Bretton Woods Conference to secure international monetary policies.
- The International Monetary Fund is an organisation with 189 member countries.
- First Deputy Managing Director- Geeta Gopinath
- Headquarters- Washington, D.C., U.S.
- Managing Director- Kristalina Georgieva
- Chief Economist - Pierre Olivier Gourinchas

10. "Cost of Living Crisis in Developing Countries" report (July 15, 2022)

On July 14, 2022, the United Nations Development Program (UNDP) published its "Cost of Living Crisis in Developing Countries" report.

About the report

- Title - Addressing the crisis of cost of living in developing countries: Poverty and vulnerability estimates and policy responses.

Objectives of the report

- It estimates the potential impacts of food and energy inflation on global poverty and vulnerability.
- According to this report, the global livelihood crisis is pushing another 71 million people into extreme poverty in the world's poorest countries.
- An analysis of more than 159 developing countries showed that rising prices of key commodities in 2022 are already troubling parts of sub-Saharan Africa, Asia and the Balkans.
- The report warns that the cost of living crisis is pushing millions of people into poverty and hunger at an alarming pace.

UNDP recommendation

- According to the UNDP, targeted cash transfers by governments will prove to be more "equitable and cost-effective" than broad subsidies on energy and food prices.
- UNDP has called for corresponding action. It has asked to provide direct cash transfer to vulnerable people. It also asked wealthy nations to further expand the Debt Service Suspension Initiative (DSSI), which they set out to help poor countries during the COVID-19 pandemic.

About United Nations Development Program (UNDP)

- UNDP is a United Nations body, which helps countries to eliminate poverty and achieve sustainable economic growth and human development.
- It is headquartered in New York City, and has offices in 170 countries.
- UNDP is the largest development aid agency of the United Nations.