

Challenges to India from the global economic upheavals

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Challenges to India

“Protection will lead to great prosperity and strength.”

Donald Trump, Inaugural Address, 20th January 2018.

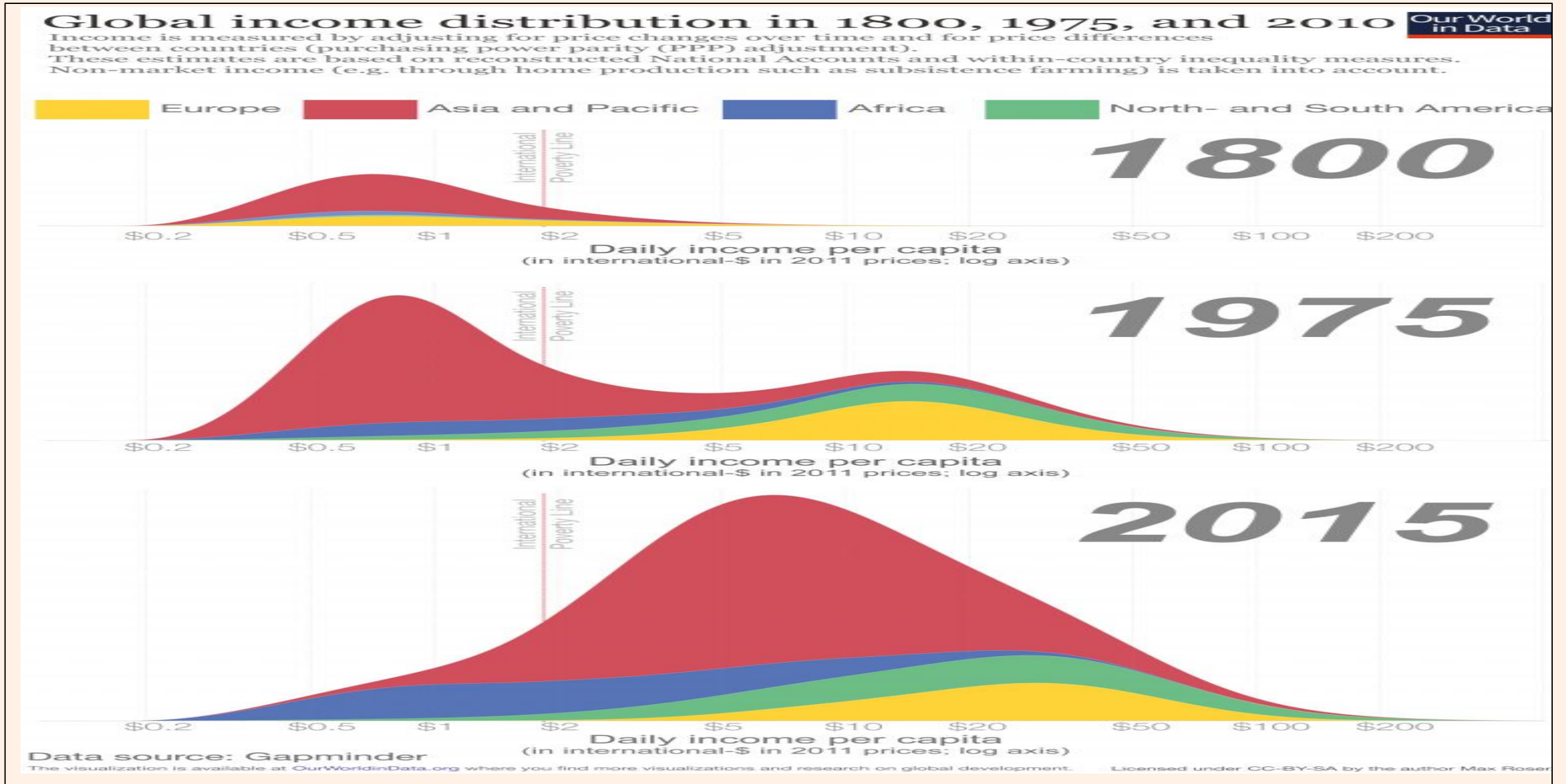
“संरक्षण से महान समृद्धि और शक्ति पैदा होगी।.”

Google translation

Challenges to India from Economic Upheavals

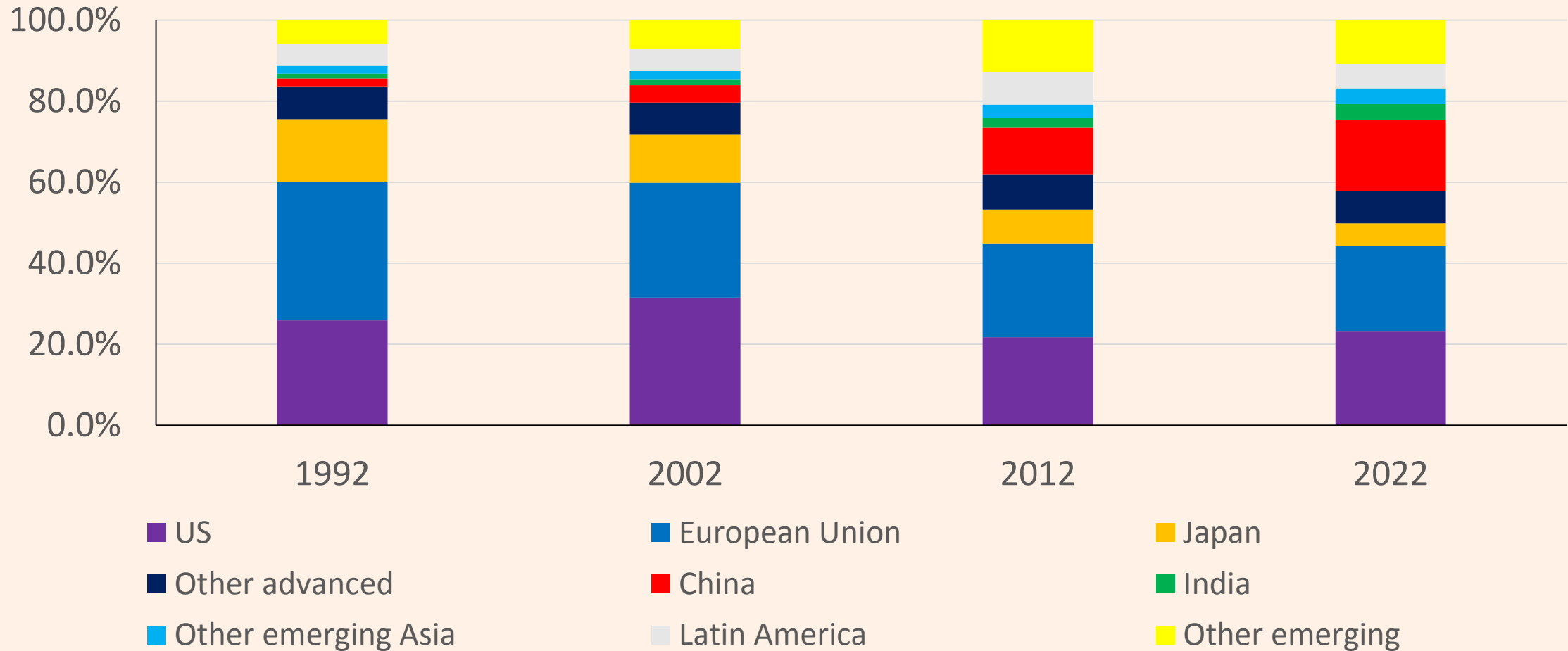
- **Global Economic Upheavals**
 - From Great Divergence to Asian Convergence
 - Transformation of International Relations
 - Erosion of the Liberal International Order
 - Revolution in Artificial Intelligence
 - Looming climate crisis
- **Challenges to India**
 - Meeting Global Challenges
 - Managing Domestic Implications
- **India in a changing world**

1.1. From Great Divergence to Asian Convergence



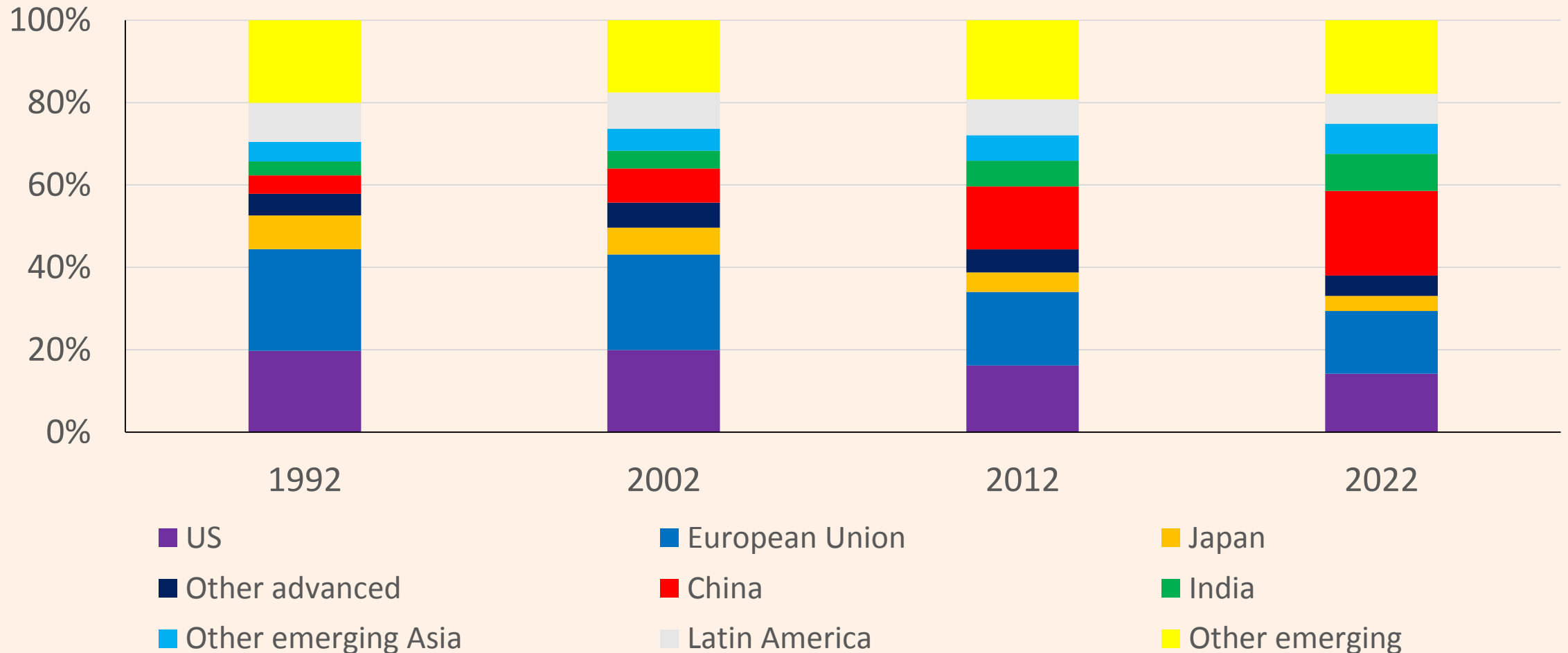
1.1. From Great Divergence to Asian Convergence

**CHART 2: SHARES IN WORLD GDP AT MARKET PRICES
(IMF, WEO Database)**



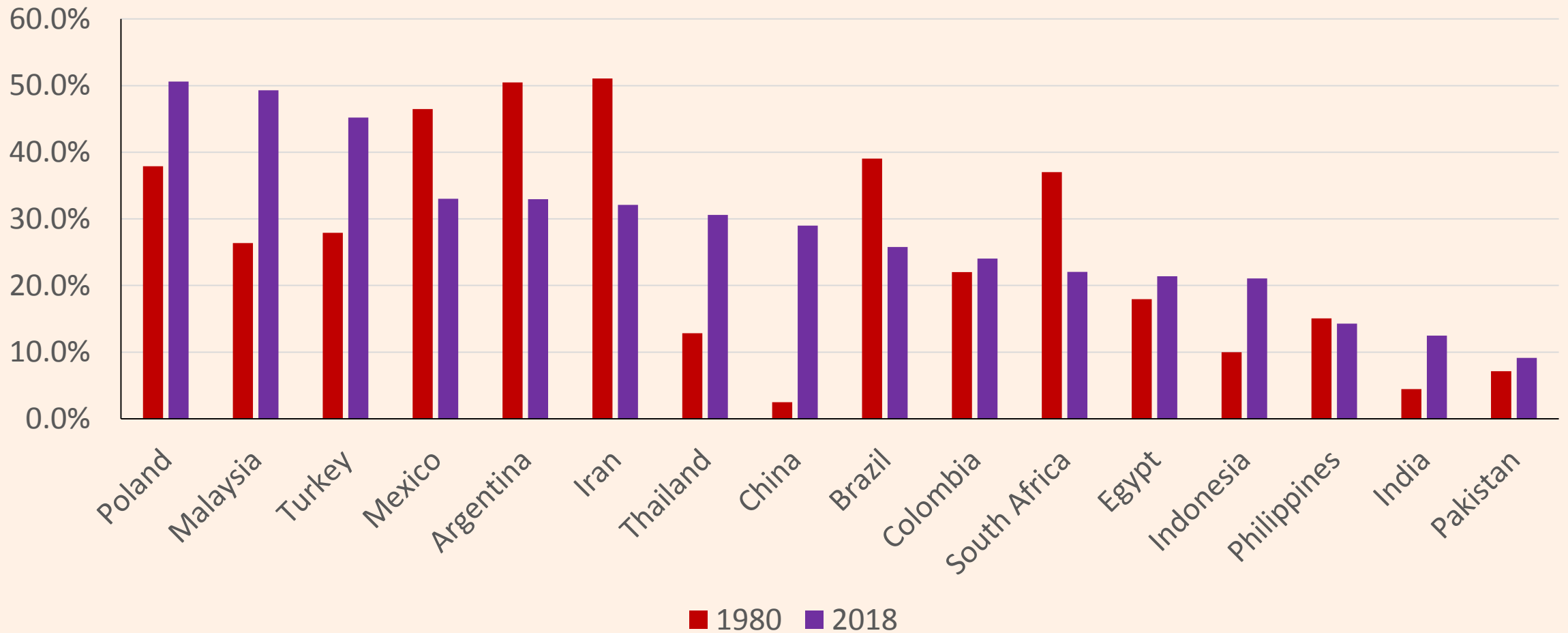
1.1. From Great Divergence to Asian Convergence

CHART 3: SHARES IN WORLD GDP AT PURCHASING POWER PARITY
(Source: IMF, WEO database)



1.1. From Great Divergence to Asian Convergence

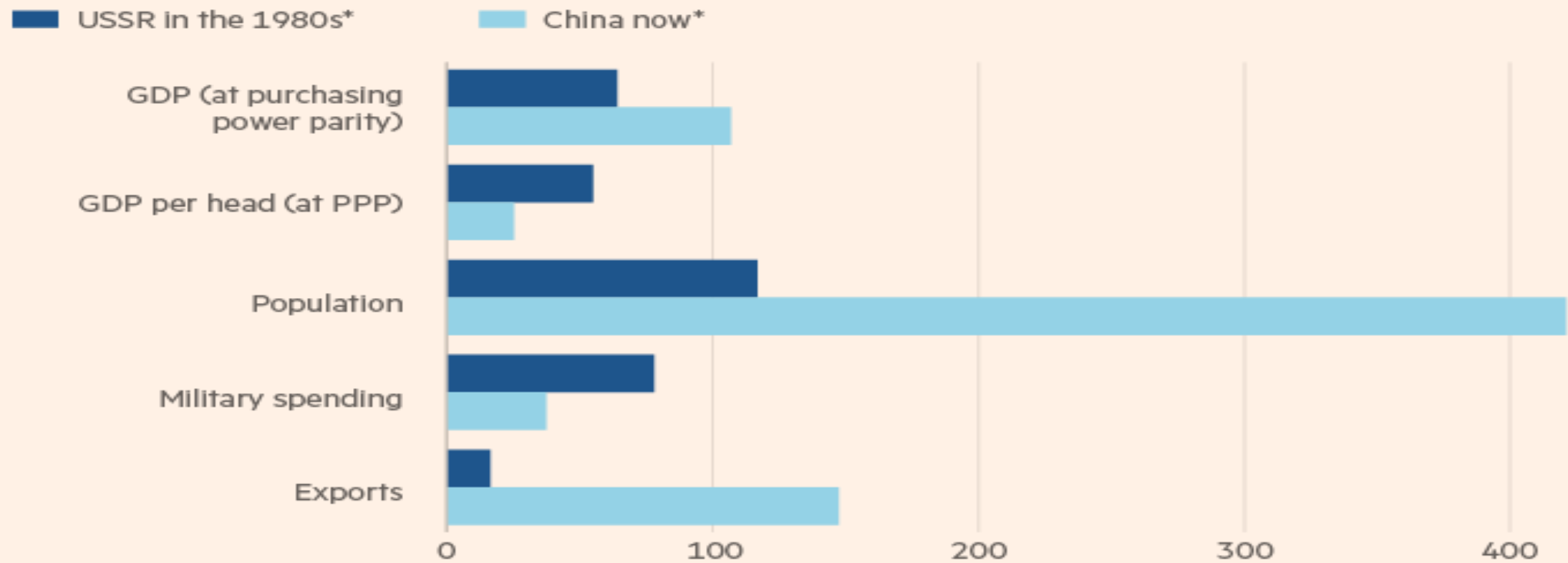
CHART 4: RATIOS OF GDP PER HEAD TO THAT OF THE US, RANKED IN 2018 (at purchasing power parity)



1.2.Transformation of International Relations

Strategic rivals of the US compared

Per cent of US level



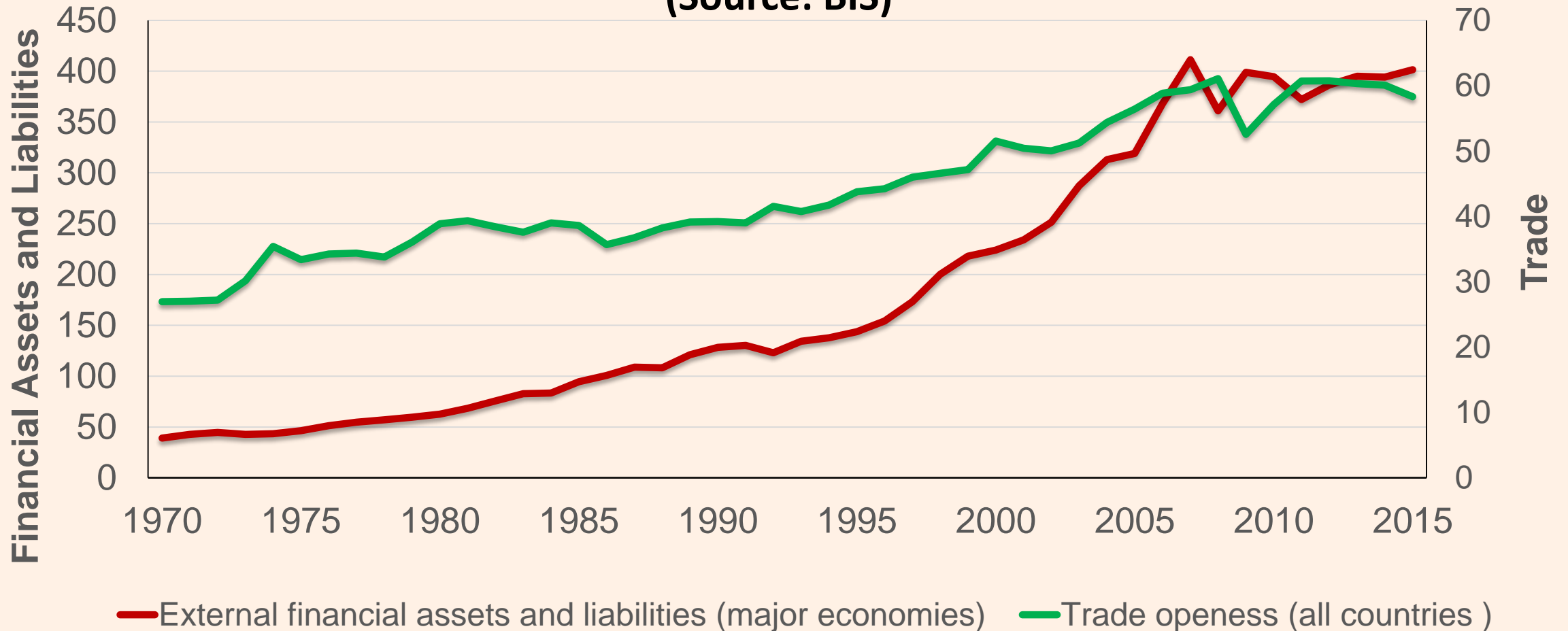
* USSR 1980 except exports (1981) and military spending (1987). China forecast for 2018 except military spending and exports (both 2017)

Source: The Conference Board (GDP & population), SIPRI (military spending), IMF DOT (exports)

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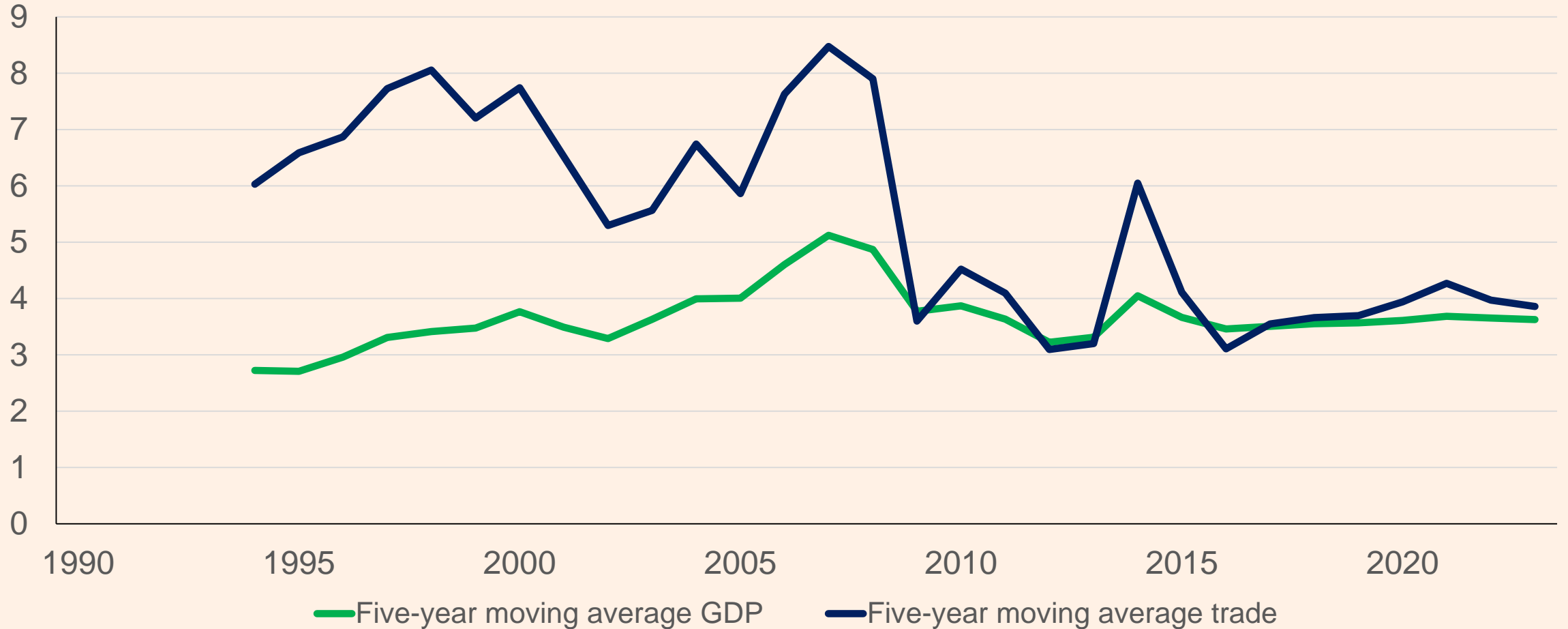
1.3. Erosion of the Liberal International Order

CHART 6: FINANCIAL ASSETS AND TRADE (as a per cent of GDP)
(Source: BIS)



1.3. Erosion of the Liberal International Order

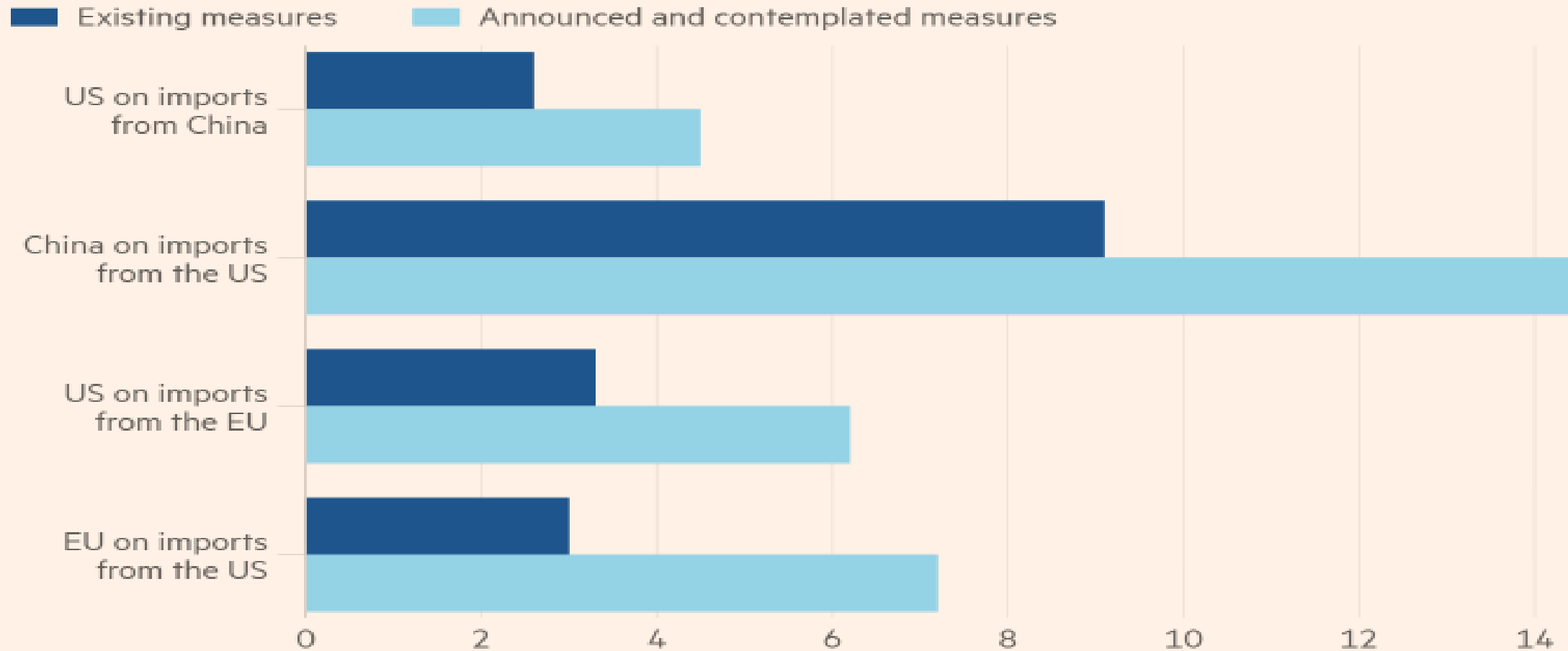
CHART 7: GROWTH OF THE VOLUME OF GLOBAL OUTPUT AND TRADE (previous five-year average)



1.3. Erosion of the Liberal International Order

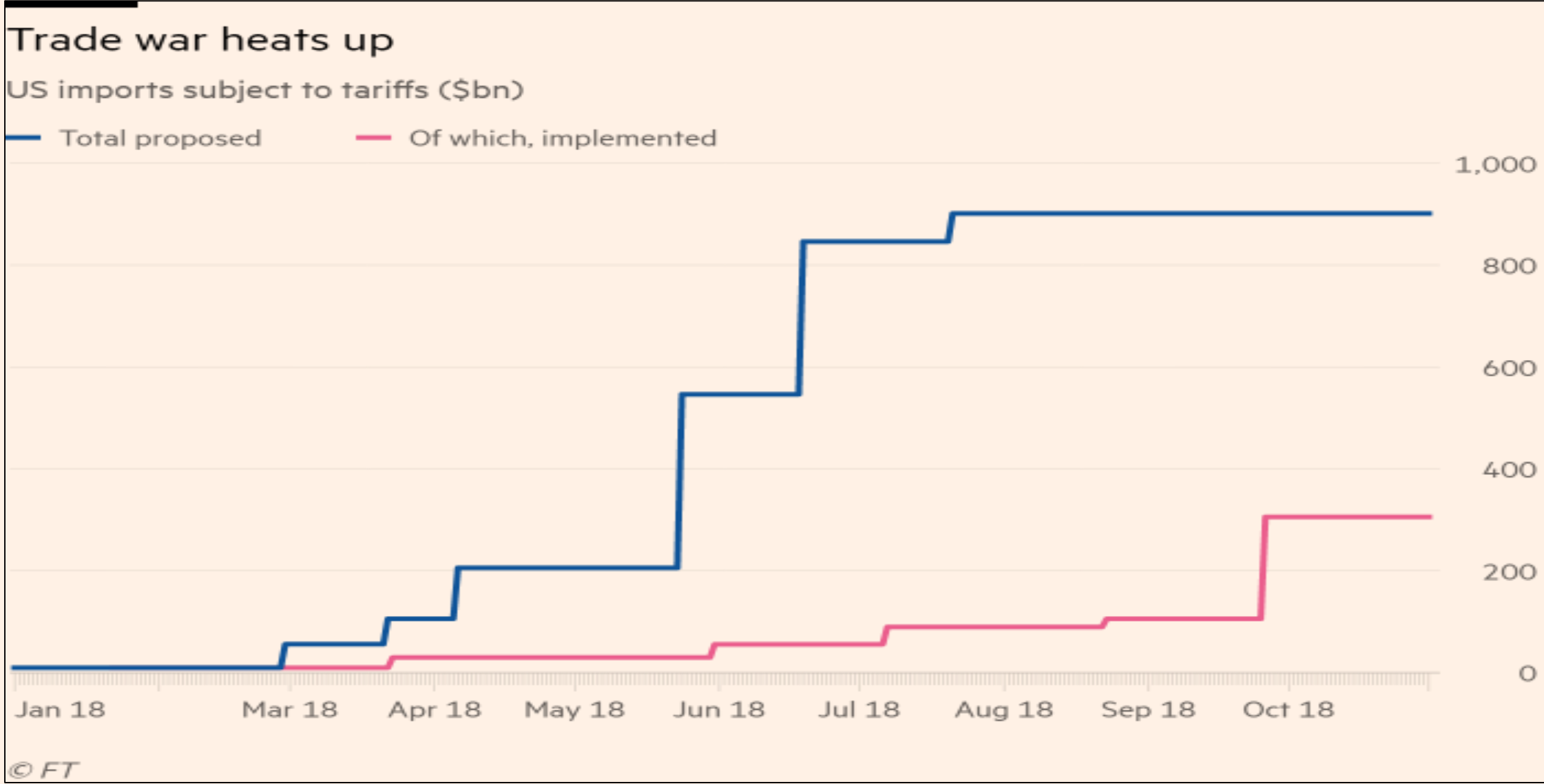
Where the trade war might go

Bilateral tariffs (weighted averages, %)



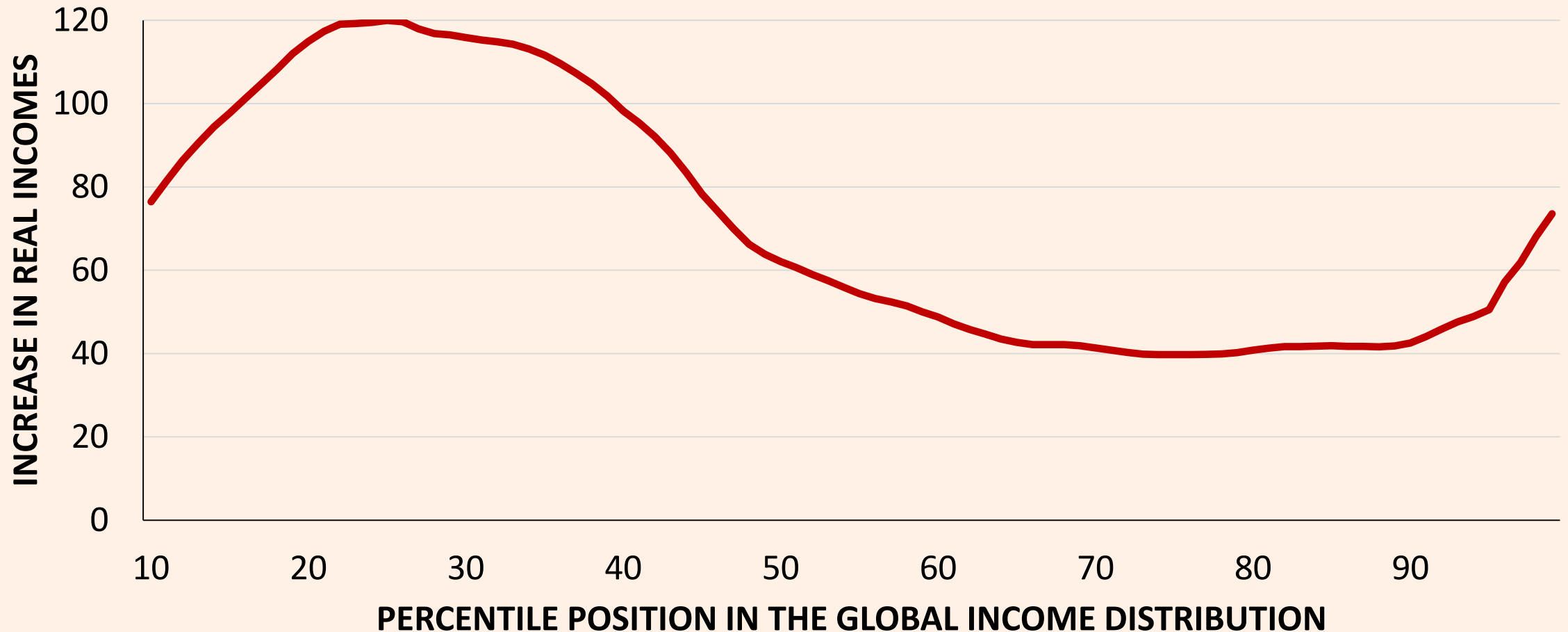
Source: Bank of England
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1.3. Erosion of the Liberal International Order



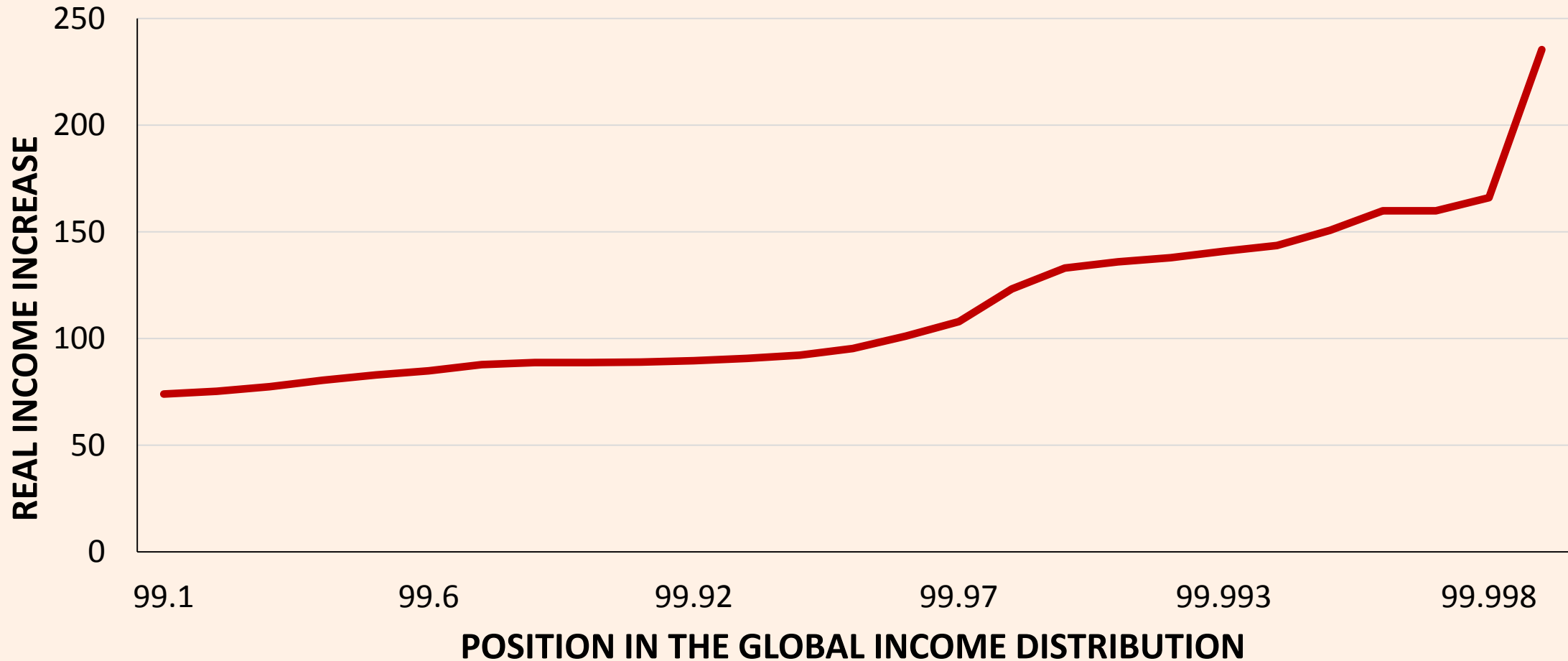
1.3. Erosion of the Liberal International Order

CHART 10: THE BOTTOM 99 PER CENT: GLOBAL INEQUALITY AND GROWTH, 1980-2016 (Source: World Inequality Report)



1.3. Erosion of the Liberal International Order

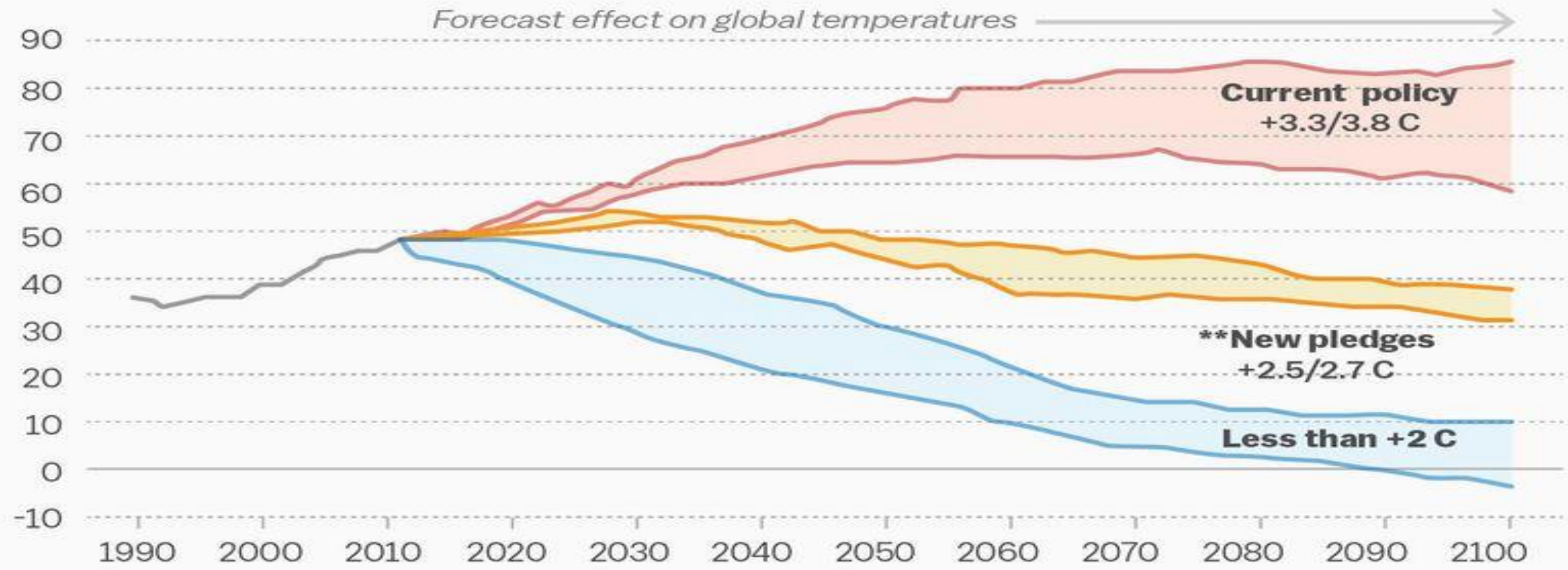
CHART 11: TRIUMPH OF THE PLUTOCRATS: GLOBAL INEQUALITY AND GROWTH, 1980-2016 (Source: World Inequality Report)



1.5. Looming climate crisis

Estimated global greenhouse gas emissions

In gigatons, CO2 equivalent



*Expected temperature change by 2100, versus period before Industrial Revolution
** Based on intended nationally determined contributions submitted to UNFCCC by Oct. 1

SOURCE: Climate Action Tracker

