

Global Policy dialogue

The State of the World Economy in 2012

Jean-Michel Severino

Inspector general, French Ministry of Finance

Martin Wolf

Journalist. Financial Times

Professor David Held

Chair, University College, Durham





















Towards a slow and dirty growth?

Three proposals to reverse the trend

Presentation by Jean-Michel Severino January 23, 2012



- Current macroeconomic policies might not reduce global imbalances, if no change in development policies take place or succeed
- the slow-down in the trend to reduce environment challenges will increase our difficulties
- The reduction in global and domestic social inequalities may not help solving problems, by itself

Our main global risk is a slow and dirty growth (with its social and political consequences)

- Decreasing deficits in OECD countries and increasing domestic consumption in emerging countries might not succeed and could take a lot of time
- Option One/1: can developing countries play the same role vis-à-vis emerging countries as the one the latter have played vis-à-vis OECD countries?
- Option One/2: can a rapid domestic-market oriented rowth take place in developing countries?
- Are our global policies focused on those two challenges?

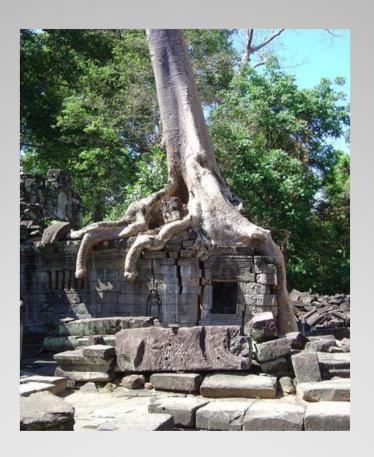
Proposal one: new ways to reduce global imbalances

- The current state of « relative rarities » will continue weighting on growth potentials: a rapid shift in relative prices of man and nature is needed...
- Can a fiscal revolution take place, and how fast?
- Can we weigh on our global demographic growth, and what consequences for global policies?

Proposal two: back to a world of abundant nature and rare man

- The double social challenge (OECD face): forgotten ones as the burden of society vs its opportunity
- The double social challenge (developing countries face): towards the double « bottom billion »...
- Global polices as an opportunity for global growth: climate, security, ethics and growth...

Proposal three: a global social safety net as part of the global recovery



Let's think together...



Global Policy dialogue

The State of the World Economy in 2012

Jean-Michel Severino

Inspector general, French Ministry of Finance

Martin Wolf

Journalist. Financial Times

Professor David Held

Chair, University College, Durham



















