



Chief Economists Outlook June 2021

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Introduction

The latest quarterly policy brief of the Chief Economist Outlook summarizes the current economic environment and recommends policymakers and leaders with responses to deal with the economic crisis caused by the COVID-19 pandemic.



Key Highlights

- The consensus amongst the economic community is that the average global growth rate is expected to be in the range of 5.5% to 6% in 2021 (or possibly higher) and a recovery of global GDP to pre-COVID levels within the first half of 2022.
- The first 15 months of the pandemic were sustained with generous emergency packages. Now, the need is to phase out the measures without triggering any bankruptcy causing a financial crisis.
- The pandemic saw a 2.8 per cent drop in the female labour force in the US due to burn-out or lack of childcare options. On the other hand, men go back to work more quickly.
- The economic crisis has disproportionately affected the countries or groups that are historically disadvantaged due to their race, ethnicity, gender, socioeconomic status.
- The younger generation has been severely affected due to the pandemic. 78 per cent of the age group of 18-24 saw their professional life affected and 39 per cent lost their jobs.
- Upskilling and reskilling is the most important way to counter labour market polarisation through close coordination among governments, businesses and educational institutes. There is a scope of a dollar 5 million level shift in GDP globally with the improvement of quality of work and worker satisfaction
- The shift from carbon-intensive activities and to a green economy needs very targeted intervention by the government as these regions are the ones with the lowest living standards.
- There is a consensus to move up net-zero targets from 2050 to 2035 and make climate action an immediate priority.

Read more: http://www3.weforum.org/docs/WEF_Chief_Economists_Outlook_June_2021.pdf

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