

《WEF starts amid upbeat news on global economy》

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The IMF warned that deflation and finance sector risks could still undermine a full recovery. That concern is echoed at this year's Davos forum.

The World Economic Forum is not only not in crisis mode this year, it has even kicked off with the IMF painting a rosier picture of global economic growth. But that doesn't mean it's time for complacency.

The International Monetary Fund has warned that as financial conditions slowly improve in advanced economies, there will be implications for emerging markets.

The same goes for America's quantitative easing policy of pumping money into the economy, which has also pushed the value of the U.S. dollar down boosting exports.

"The quantitative easing has led to a competitive policy. I mean if we look at Abenomics in Japan, which in turn cause a lot of concern for China with the rising RMB," said Hosuk Lee Makiyama, Director of the European Centre for International Political Economy.

Some think it's creating cracks in the system. "The global governance in the international finance structure, if you like, it's starting to fall apart. It's becoming every man for himself," said Makiyama.

At the World Economic Forum there are also questions about whether domestic consumption in China is growing fast enough and of course there's the number one perennial concern - Europe. The Eurozone still suffers from high debt, wobbly banks and combined growth that hovers just above zero as well as low inflation. But there's a feeling Europe's leaders may keep dragging their feet.

"In that case we could end up in a Japanese scenario of two decades of lost growth, so I guess those are the things we need to address in Europe: growth, inflation and the banks," said Stijn Verhelst, analyst from Egmont. "Those things we need to act on and if not we could have a nasty surprise."

Finding solutions to problems like these is what the forum likes to believe it does best. There are no big announcements, just an attempt to digest the year that has passed in order to better plan and prevent those potential future nasty surprises.