

# World Economic Forum

January 28, 2021

**In news** : Prime Minister of India to address the World Economic Forum's Davos Dialogue on 28th January, 2021 via video conferencing

## Key updates

- More than 400 top industry leaders from across the globe will attend the session, wherein the Prime Minister will be speaking on the Fourth Industrial Revolution – using technology for the good of humanity.
- The Davos Dialogues agenda marks the launch of the World Economic Forum's Great Reset Initiative in the post COVID world.

**What is a Great Reset?** It is an initiative by the World Economic Forum. It has been conceptualised by the founder and executive chairman of the WEF, Klaus Schwab, and has evolved over the last few years. It is based on the assessment that the world economy is in deep trouble. Schwab has argued that the situation has been made a lot worse by many factors, including the pandemic's devastating effects on global society, the unfolding technological revolution, and the consequences of climate change.

He demands that “the world must act jointly and swiftly to revamp all aspects of our societies and economies, from education to social contracts and working conditions. Every country, from the United States to China, must participate, and every industry, from oil and gas to tech, must be transformed. In short, we need a ‘Great Reset’ of capitalism.”

## What is WEF?

- The World Economic Forum is the International Organization for **Public-Private Cooperation**.

- The Forum **engages the foremost political, business, cultural and other leaders of society** to shape global, regional and industry agendas.
- The Forum strives in all its efforts to demonstrate entrepreneurship in the global public interest while upholding the highest standards of governance.
- Moral and intellectual integrity is at the heart of everything it does.

## **Origin of WEF**

- It was established in 1971 as a not-for-profit foundation and is headquartered in Geneva, Switzerland. It is independent, impartial and not tied to any special interests.
- Professor Klaus Schwab founded what was originally called the European Management Forum, as a non-profit foundation based in Geneva, Switzerland. It drew business leaders from Europe, and beyond, to Davos for an Annual Meeting each January.
- Initially, Professor Schwab focused the meetings on how European firms could catch up with US management practices.
- He also developed and promoted the 'stakeholder' management approach, which based corporate success on managers taking account of all interests:
  - not merely shareholders, clients and customers, but employees and the communities within which they operate, including government.
- Professor Schwab's vision for what would become the World Economic Forum grew steadily as a result of achieving 'milestones'.
- Events in 1973, namely the collapse of the Bretton Woods fixed exchange rate mechanism and the Arab-Israeli War, saw the Annual Meeting expand its focus from management to economic and social issues.
- Political leaders were invited for the first time to

Davos in January 1974.

- In 1987, the European Management Forum became the World Economic Forum and sought to broaden its vision to include providing a platform for dialogue.
- In 2015, the Forum was formally recognised as an international organization. It is now on the next phase of its journey as the global platform for public-private cooperation

### **Reports released by WEF**

Following are the reports released by WEF:

- Global Risks Report
- Fostering Effective Energy Transition
- Global Social Mobility Report
- The Global Gender Gap Report

### **Meetings of WEF**

- The WEF hosts an annual meeting at the end of January in Davos, a mountain resort in Graubünden, in the eastern Alps region of Switzerland.
- The organization also convenes some six to eight regional meetings each year in locations across Africa, East Asia, Latin America, and India and holds two further annual meetings in China and the United Arab Emirates.