

# Global Risk Report 2025

## Why in News?

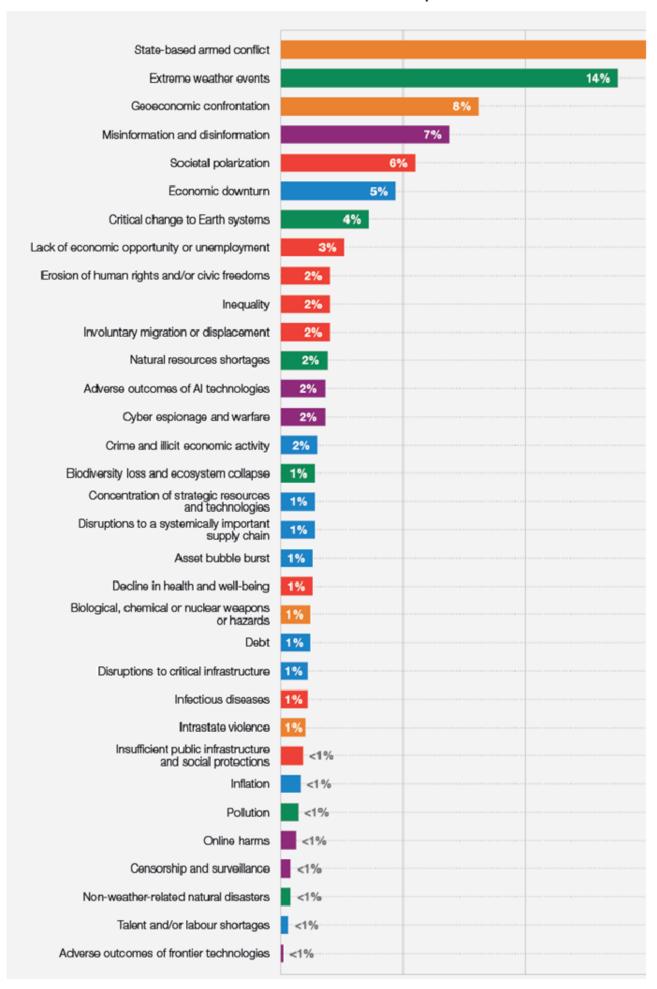
Recently World Economic Forum has released Global Risk Report 2024.

#### What are the current global risks?

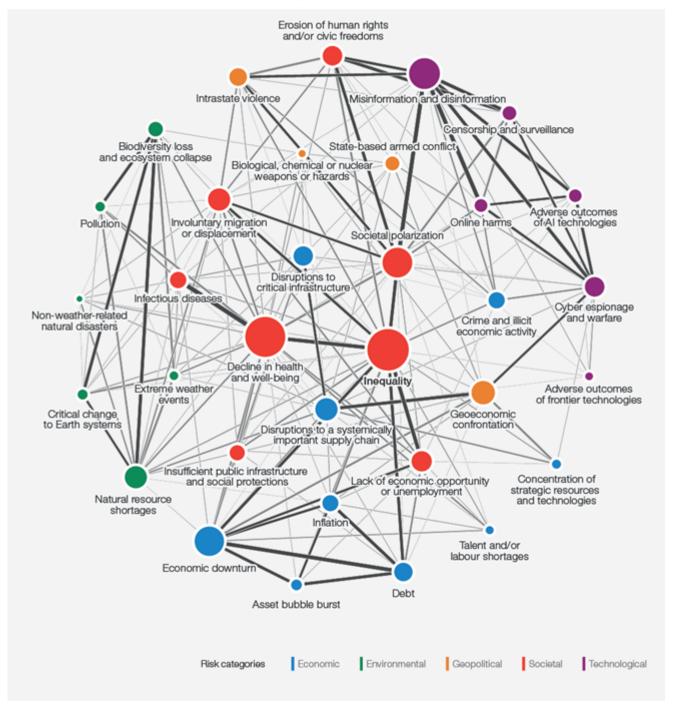
- **Declining optimism** The global outlook is increasingly fractured across geopolitical, environmental, societal, economic and technological domains.
- **Geopolitical tensions** State-based armed conflict, now ranked as the #1 current risk by 23% of respondents ,was overlooked as a leading two-year risk two years ago.
- National security considerations are starting to dominate government agendas.
- **Geopolitical recession** Dangers of unilateralism taking hold in national security considerations and the worsening humanitarian impacts of the ongoing conflicts.
- Destabilizing consequences following Russia's invasion of Ukraine, as well as in the Middle East and in Sudan are amplifying the global risks.
- **Supercharged economic tensions** The rise in the two-year ranking of Geoeconomic confrontation, from #14 last year to #9 today reflects unease about the path ahead for global economic relations.
- **Misinformation and disinformation** False or misleading content is complicating the geopolitical environment, affecting voter intentions.
- It can sow doubt among the general public worldwide about what is happening in conflict zones
- It can be used to tarnish the image of products or services from another country.
- **Societal fragmentation** Inequality in wealth and income is perceived as the most central risk of all, playing a significant role in both triggering and being influenced by other risks.
- It is contributing to weakening trust and diminishing our collective sense of shared values.
- Other societal risks Societal polarization, Involuntary migration or displacement and Erosion of human rights and/ or civic freedoms.
- **Economic downturn and Inflation** Impacts of the cost- of-living crisis since 2022 contributed to Inequality becoming the top interconnected risk this year.
- **Super-ageing societies** Unfavourable demographic trends in Japan, South Korea, Italy or Germany will cause pensions crises and labour shortages in the long-term care sector.
- **Environmental risks** Extreme weather events, biodiversity loss and ecosystem collapse, pollution are expected to become even more of a concern than they already are.
- **Technological risks** The role of Generative AI (GenAI) in producing false or misleading content at scale and the consequent societal polarization.
- $\bullet \ \, \textbf{Biotech challenges} \, \cdot \, \textbf{Intrastate violence from biological terrorism and adverse} \\$

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# Current Global Risk Landscape



#### Global risks landscape: An interconnections map<sup>3</sup>



#### What can be done to manage the risks?

- Strengthen the existing structures to tackle the challenges collectively confronting us.
- Leaders across the public and private sectors, civil society, international organizations and academia must seize the baton to work openly and constructively with each other.
- Deepening honest dialogue and act to mitigate the risks to rebuild trust and create stronger, more resilient economies and societies.
- Expand the role of regional organizations in managing tensions like African Union.
- Diversify supply chains to increase it's resilience.
- Foster multilateralism to address geoeconomic confrontations.
- Develop strategic regional or bilateral ties with countries that offer complementarity in

terms of sectoral strengths, natural resource endowments and skill.

• Strengthen the domestic economy, such as financial sector development or investment in education, health and infrastructure.

## Reference

WEF | Global Risk Report 2025

