

# WORLD ECONOMIC FORUM 2024

## KEY INSIGHTS

*Clarity*

January 2024

# Executive Summary

The 54th Annual Meeting of the World Economic Forum (WEF) at Davos marked the event's first return to its traditional gathering schedule, after years of disruption due to COVID-19.

As in previous years, delegates and attendees headed into the snow-capped Swiss Alpine town with a series of burning questions and talking points around global economic policy, guided by the theme of **Rebuilding Trust**. Key focal points included:

*Can we move beyond managing crisis after crisis, towards building a more promising future?*

*How do we prepare for, and manage, artificial intelligence's impact on almost everything?*

*Is the West's 'multilateral consensus' coming to an end?*

**In this document, Clarity has compiled summaries of the key insights to come out of Davos 2024, alongside sharing our views on the debates that we believe need to come next.**

# Big Ticket Outtakes



## The global economy will likely avoid recession

Economic experts were largely optimistic about the health of the global economy, citing [likely US interest rate cuts in Q2 2024](#) and growing consumer confidence.



## AI's impact on humanity remains TBC

Many remain wary of how AI could radically transform how we live and work. Yet OpenAI CEO Sam Altman remains convinced that it will change the world "*much less than we think*"—even if former OpenAI board members [still disagree](#). In line with this, the [WEF Jobs Report](#) claimed job losses and creation will net out roughly the same.



## Managing climate change requires a new way of life

Businesses need to [reform their practices](#) to be less vulnerable to the risks posed by climate change. The WEF's MD posted the question: "*Can companies continue to grow, can they continue to generate profits, while cutting emissions and stopping depleting natural resources?*" CEOs and politicians alike will need to build new economic models, new businesses, and possibly new lifestyles.

# KEY INSIGHTS

# Insight #1. The Rise of 'Intentional AI'

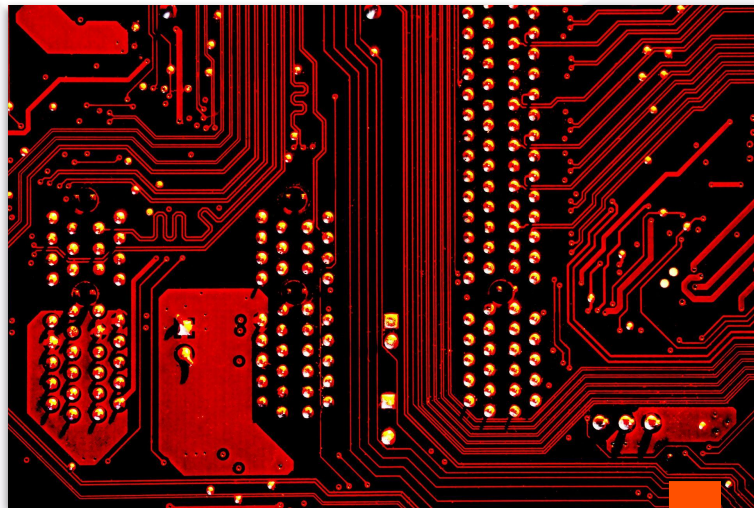
*Focus: How can organizations strategically and responsibly implement AI from within?*

Following the generative AI 'revolution' that took place in 2023 due to the popularization of ChatGPT, the WEF considered how it's poised to further impact global economies and societies.

Heralding a shift towards 'intentional' AI, leaders turned their focus to how we make the transition from ad hoc to deliberate and thoughtful [AI strategies](#).

Rather than being seen as an 'add-on', how can AI's vast capabilities be woven into the foundational structures of businesses and government operations?

And alongside automating more manual work, can it also reshape leadership roles within organizations?



# Insight #2. Democracy or Technocracy?

*Focus: With the year ahead full of pivotal elections, how will global politics be affected?*

Leaders at this year's WEF convened during one of the most intricate and delicate global geopolitical environments in recent memory.

Against the backdrop of 40 elections scheduled worldwide, and a start to the year punctuated by conflict across numerous regions, technology-driven approaches to government policy emerged as a potential alternative.

Leaders spoke of the fragility of multilateral diplomacy amid growing nationalism and rivalries between global powers. Some posited that a 'technocracy', governed by technical experts, could in fact be a dark horse to take the lead amid shifting political and economic climates.



# Insight #3. Tackling Global Inequality

*Focus: Can we develop an economic framework in pursuit of profit **and** people?*

Multiple economic [inequality reports](#) were released during the WEF, ensuring that the issue of resource division was firmly on the agenda of Davos' attendees.

Keeping with the event's key themes, much discussion revolved around restoring trust. Yet a contrasting narrative emerged on social and news media, highlighting an intense and growing clamor for systemic change.

This triggered fresh calls for policies driving equality to be prioritized, like: adequate funding of public services, the cancellation of oppressive debts, and the provision of fair employment opportunities for all.



# Insight #4. Ensuring Sustainable Development

*Focus: Organizations that don't build sustainability into long-term strategies should not succeed*

It was highly unlikely that the most pressing existential issue of the day—the increasing fragility of our climate—would not be discussed at this year's WEF.

Corporate sustainability has become indispensable to business-as-usual. Companies all over the globe are preparing to meet growing demands for transparency from customers, alongside a heightened regulatory environment.

Yet, rather than a treating this as a compliance hurdle, the forum made clear that the most forward-thinking companies recognize sustainability, namely 'regeneration', as integral to long-term cost-efficiency and innovation.





# Insight #5. Global Conflict Heightens

*Focus: “The most complex geopolitical and geoeconomic background in decades”*

Devastating conflicts in Gaza, Sudan, the Suez Canal, and Ukraine have so far characterized 2024 from the outset. Alongside massive casualties and destruction within affected countries, global repercussions include an increase in refugees, and food and energy crises.

The war in Gaza dominated conversations, but so too did debate around alternative supply routes to the Red Sea.

Meanwhile, Ukraine’s [President Zelensky held meetings with Jamie Dimon](#), CEO of Chase, and other global banking leaders about financing Ukraine's reconstruction.

The WEF summed up leaders’ sentiment to these issues in various reports, [calling](#) 2024 *“the most complex geopolitical and geoeconomic backdrop in decades”*.

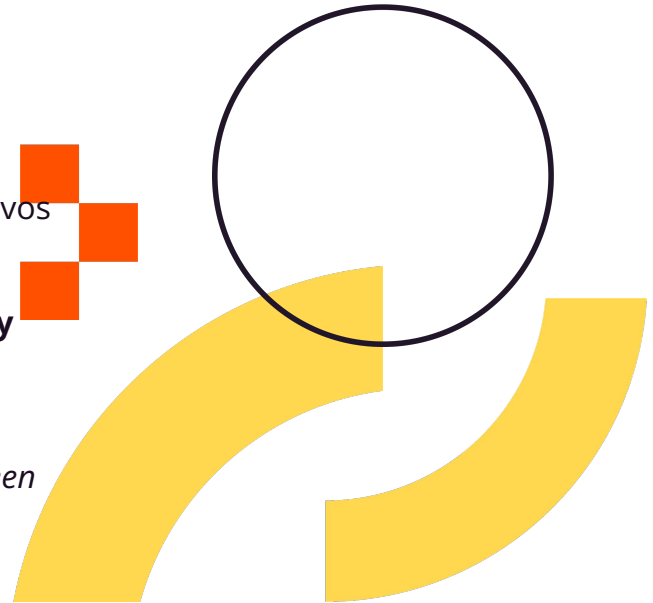


# **OUR TAKE**

*What We Think Must Come Next*

# Geopolitics and the Future of AI

- The various wars and conflicts around the globe were discussed, but there were no clear resolutions. Still, Davos showcased that global leaders are under significant pressure to produce the details.
- **It's vital that we now see practical pathways to prevent global food, energy and refugee crises spiralling out of control.**
- One of the biggest topics of discussion that stretches far beyond Davos is the future of AI. The conversation circled around value and regulation, and we must prioritise this focus.
- **Governments and corporations must take action independently and collaboratively, starting by addressing more fundamental questions:**
  - ◆ *How do organizations best derive value and ROI from AI?*
  - ◆ *How will it be regulated globally to strike the right balance between protection and innovation?*



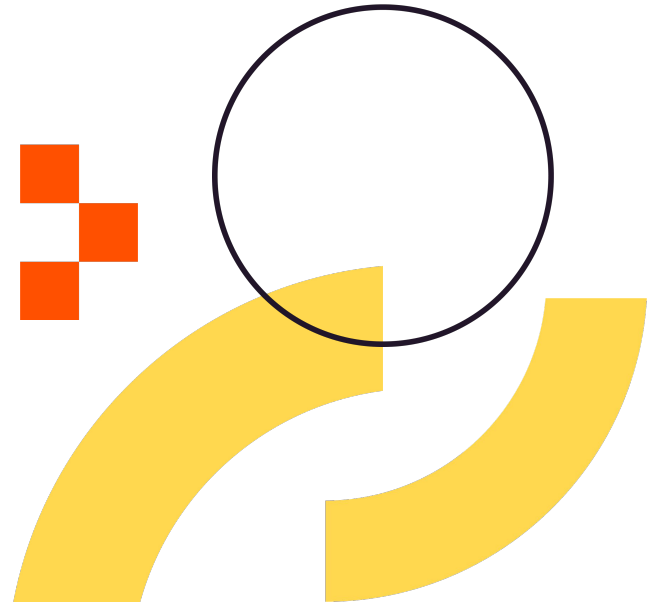
# Sustainable Growth and Democratic Health

- Another unanswered question was how organizations can grow, create jobs, and stimulate the economy against the background of a global economic crisis, i.e., without continuing to harm the planet.
- **It's therefore clear that new business and tech models are vital. We need fresh ideas about trade, governance and business regulations to ensure sustainable growth and output.**
- Meanwhile, ahead of numerous significant elections, disinformation is a huge concern. Reflecting this, technology's role in ensuring a democratic society will be in the spotlight during elections—particularly in the US.
- **Governments and corporations need to show that they have a plan to preserve democratic norms in the digital age. Leaders in each sphere must work to ensure that people are empowered to make decisions based on what they truly believe, rather than what is being fed to them.**
  - ◆ This can begin by identifying the demographics most vulnerable to misinformation.



# Addressing Socio-Economic Inequality

- The WEF has paid attention to socio-economic inequality, stating that “...*societal polarization and economic downturn are seen as the most interconnected—and therefore influential—risks in the global risks network.*”
- Therein lies why reducing inequalities is such a mammoth task: **Both the fabric of society and economic health need to be managed on a global level, where disparity is significant.**
- **Tech developments, particularly in AI, must focus on providing reskilling opportunities to close the gap between the haves and have nots.**
- This area is potentially where technology’s strength could be the most impactful. New tech has the ability to break down barriers between economic demographics, the powerful and the powerless.
- **Tech leaders in these spaces should make it clear how fast these remedies can be introduced—as in a period marked by crises, we need them more urgently than ever.**



# THANK YOU

Please contact Michael Gonzalez ([gonz@clarity.global](mailto:gonz@clarity.global)) with any questions or feedback.

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