

Upswing in global growth won't last forever; IMF says world must prepare now for leaner times ahead

While the world economy continues to show [broad-based momentum](#), a new report released Tuesday by the International Monetary Fund (IMF) is warning that there may be choppy seas ahead, caused by increasing protectionism or tit-for-tat trade wars.

“Global growth is projected to soften beyond the next couple of years,” said the report, explaining that: “Once their output gaps close, most advanced economies are poised to return to potential growth rates well below pre-crisis averages – held back by aging populations and lackluster productivity.”

Looking at the largest economies, the [World Economic Outlook](#), the Fund's semiannual report on the health of the international economy, shows growth projections at 2.4 per cent for the euro area, 1.2 per cent for Japan, 6.6 per cent for China and 2.9 per cent for the United States.

“Despite the good near-term news, longer-term prospects are [more sobering](#),” said Maurice Obstfeld, Economic Counsellor and Director of Research at the IMF, the specialized United Nations agency working to ensure stability in the global financial system.

“Advanced economies – facing aging populations, falling rates of labor force participation, and low productivity growth – will likely not regain the per capita growth rates they enjoyed before the global financial crisis,” he continued.

Mr. Obstfeld painted a diverse picture for emerging and developing economies, saying that among non-commodity exporters, some countries can expect longer-term, pre-crisis type growth rates.

However, despite some improvement in the outlook for commodity prices, he pointed out that some exporters will need to diversify their economies to boost future growth and resilience.

The IMF, which is holding its annual Spring Meetings in Washington, D.C., with the World Bank, continued to echo its advice that the current cyclical upswing offers policymakers a good opportunity to make longer-term growth more resilient and inclusive.

“Sound policies can extend the upswing while reducing the risks of a disruptive unwinding,” Mr. Obstfeld stated. “Countries need to rebuild fiscal buffers, enact structural reforms and steer monetary policy cautiously in an environment that is already complex and challenging.”

Trade tensions

While some governments are pursuing substantial economic reforms, trade disputes risk diverting others from the constructive steps they would currently need to take to improve and secure growth prospects, Mr. Obstfeld warned.

Despite widespread economic growth, public optimism has been eroding over time by job and wage polarization trends, raising the threat of political developments that could destabilize various economic policies – even beyond those of trade.

“Governments need to rise to the challenges of strengthening growth, spreading its benefits more widely, broadening economic opportunity through investments in people [...] that could radically transform the nature of work,” underscored Mr. Obstfeld. “Fights over trade distract from this vital agenda, rather than advancing it.”

Trade tensions started in early March when the US announced it would levy steel and aluminum tariffs for national security reasons, provoking China’s announcement of retaliatory tariffs on US imports.

In the present environment, excessive global imbalances should be reduced multilaterally.

“Plurilateral arrangements, if consistent with multilateral rules, can also provide a useful springboard to more open trade,” stated Mr. Obstfeld.

While each Government can do much on its own to promote stronger, resilient and inclusive growth, multilateral cooperation remains essential to address a range of challenges – including climate change, infectious diseases, cyber-security, corporate taxation and corruption.

“Global interdependence will only continue to grow and unless countries face it in a spirit of collaboration, not conflict, the world economy cannot prosper,” Mr. Obstfeld underscored.

[UN and League of Arab States ink pact to partner on counter-terrorism](#)

The United Nations and the League of Arab States on Tuesday signed an agreement on working together to tackle terrorism – previewing the type of partnerships the UN hopes to forge in June at a gathering of counter-terrorism chiefs in New York.

“We have much to learn from each other,” UN Under-Secretary-General for Counter-Terrorism, Vladimir Voronkov, said in Riyadh after the signing of the agreement, known as a Memorandum of Understanding, between his office and the General Secretariat of the Arab Interior Ministers Council.

“In the Memorandum, we declare our wish to coordinate our activities with a view to achieving our shared counter-terrorism goals. We commit each other to enhance consultations, coordination and the sharing of information and skills,” he explained.

The two organizations will develop joint activities, such as seminars, workshops, trainings, projects and other initiatives, to build the capacity of members of the Arab League in the fields of counter-terrorism and prevention of violent extremism.

The signing ceremony took place in the Saudi capital on the margins of an advisory board meeting of the UN Counter-Terrorism Centre (UNCCT), which was attended by UN [Secretary-General António Guterres](#).

The UN chief is seeking to forge new partnerships during a high-level conference of heads of counter-terrorism agencies he will convene in June at the UN’s New York Headquarters.

Addressing the advisory board meeting, Mr. Guterres stressed the [importance of preventing terrorism](#) by addressing the root causes that turn grievances into destructive action, as well as the need to sustain the world body’s funding to help countries develop their counter-terrorism capacities.

“First, we need a sustained focus on prevention,” said Mr. Guterres. “No one is born a terrorist, and nothing justifies terrorism, but we know that factors such as prolonged unresolved conflicts, lack of the rule of law and socioeconomic marginalization can all play a role in transforming grievances into destructive action.”

Second, Mr. Guterres said, UNCCT should continue to meet the changing needs of Member States for counter-terrorism capacity-building support.

UNCCT is the capacity-building part of the UN Office of Counter Terrorism (UNOCT), which is headed by Mr. Voronkov, who is also UNCCT’s Executive Director.



King Salman Humanitarian Centre

Secretary-General António Guterres (right) is greeted upon arrival at the King Salman Humanitarian Centre in Riyadh, Saudi Arabia.

UNCCT was established in 2011. Saudi Arabia, with a donation of \$110 million, is the largest contributor to the UN Trust Fund for Counter-Terrorism, which resources UNCCT.

Since April 2012, UNCCT has implemented more than 60 capacity-building projects at global, regional and national levels. It focuses its activities on countries and regions where the threat of terrorism is most acute, particularly in Africa, the Middle East, and Central and South Asia.

While in the Saudi capital, the UN Secretary-General met with King Salman bin Abdulaziz al Saud, Custodian of the Two Holy Mosques and King of the Kingdom of Saudi Arabia and discussed several issues of mutual concern, including the Middle East peace process.

In that connection, he thanked the King for the country's contribution to support the UN Relief and Works Agency for Palestine Refugees in the Near East ([UNRWA](#)), and also for his contribution to Yemen's Humanitarian Response Plan.

The Secretary-General also thanked Saudi Arabia for its financial and political support for United Nations counter-terrorism efforts, and for hosting the UNCCT advisory board meeting.

UN agency launches appeal to reach over 340,000 with assistance in crisis-struck Ukraine

Amid critical humanitarian needs in eastern Ukraine, the United Nations migration agency on Tuesday launched a \$38 million funding appeal to reach more than 340,000 people with assistance this year – a sharp increase over the number reached to date.

“We note that the 340,000 people in critical need this year is an increase on the 215,000 the organization has assisted over the four years since the start of the conflict,” Joel Millman, a spokesperson for the UN [International Organization for Migration](#) (IOM), said at a regular media briefing in Geneva.

“[Acute humanitarian needs persist](#), these include the basics: food, healthcare and water, and of course, employment,” he added.

Latest IOM data indicates that more than 10,000 people have been killed in the fighting, over 200,000 injured, and over 1.4 million displaced from their homes. Food security has also significantly worsened and so has the water, health and sanitation situation.

Nearly four years of ongoing conflict in eastern Ukraine has had a significant impact on all aspects of life for the communities residing in the region and severely reduced their coping capacities.

Against the backdrop of the protracted crisis, [2018 will be a critical year](#) for the transition from humanitarian assistance to longer-term recovery effort, IOM said.

“Bridging the gap between humanitarian and development interventions is critical to simultaneously address the urgent and longer-term needs of conflict affected communities,” it urged.

Protect indigenous people’s land rights and the whole world will benefit, UN forum declares

Protecting the land and resource rights of indigenous peoples will not only provide security for historically exploited groups but also help the global

fight against climate change and biodiversity loss, said speakers on Monday at the annual [United Nations Permanent Forum on Indigenous Issues](#).

In her opening remarks to the Forum in New York, the chairperson, Mariam Wallet Aboubakrine, a medical doctor from Timbuktu, Mali, called the land husbandry of Aboriginal peoples “part of our history and heritage.”

But few countries have acted to defend these peoples’ collective rights, she added.

“Law enforcement is inadequate or non-existent, and other elements of Legislation goes against these rights,” she said. Measures necessary to give meaning to land rights, such as tenure delimitation and allocating title deeds, are often not implemented.

Moreover, she continued, those who defend indigenous rights continue to be targeted when they raise their voices – particularly when States or private actors seek their resources for aggressive development such as logging.

“As long as our rights over our lands, territories and resources are not recognized,” she added, indigenous people risk falling far short of the UN’s [Sustainable Development Goals](#).

“In the same way,” she said, “the world risks losing the fight against climate change and the destruction of the environment.”



UN Photo/Evan Schneider

Participants of the seventeenth session of the UN Permanent Forum on Indigenous Issues.

UN for all peoples

General Assembly President Miroslav Lajčák reminded everyone “The United

Nations is [here for people](#). And that includes indigenous people.”

“But we cannot yet say that this Organization has opened its doors wide enough,” he said. “And so, we need to be more ambitious.”

Mr. Lajčák, of Slovakia painted a grim picture of the situation facing indigenous people today, pointing out that while they make up only five per cent of the world’s population, they comprise 15 per cent of the world’s poorest people.

“That is shocking,” he said, adding that their human rights are being violated, they are being excluded and marginalized and face violence for asserting their basic rights.

Focusing on the theme of indigenous land, territories and resources, he said: “Indigenous people are being dispossessed. They are losing the lands their ancestors called home.”

But with global attention to indigenous rights on the rise, Mr. Lajčák saw reasons for hope, as well.

“The signs do look positive,” he said, noting that the UN teams on the ground are developing stronger partnerships, determined to make these communities stronger.

“We should be hopeful. But we cannot ignore the very real, and very serious, challenges. They cast a shadow over the future of many indigenous communities. And they demand our urgent attention,” he said.

When Evo Morales Ayma, President of the Plurinational State of Bolivia, spoke, he explained how for 500 years the indigenous people of America have waged a resistance campaign to defend their dignity and identity.

“We are all descendants of Mother Earth, so we are all brothers and sisters,” he underscored.

The annual Forum, the seventeenth, opened to a ceremonial cultural performance and a traditional welcome by Todadaho Sid Hill, Chief of the Onondaga Nation, located in New York.

Established in 2000, the forum provides expert advice and recommendations on indigenous issues to the UN’s Economic and Social Council as well as to specialized agencies that work on issues like development, agriculture, environmental protection and human rights.

[Global anxiety deepens over online](#)

data and privacy protection – UN agency

Internet users worldwide are becoming more worried about their privacy online and many question the protections offered by Internet and social media companies, a new United Nations survey has found.

This waning of confidence could imperil the spread of online shopping even as newcomers to the Internet may be especially vulnerable to abuses because they are unaware of the risks.

[“Trust is essential for the successful expansion and use of e-commerce platforms](#) and mobile payment systems in developing nations,” said Fen Osler Hampson, Director of Global Security and Politics at Centre for International Governance Innovation (CIGI), a think tank that helped conduct the study.

The [survey](#) was carried out by CIGI and Ipsos, in collaboration with the UN Conference for Trade and Development (UNCTAD) and the Internet Society.

Users in large emerging economies expressed the most “trust” in Internet firms with nine in ten expressing such faith in China, India and Indonesia and more than eight in ten doing so in Pakistan and Mexico.

To the contrary, fewer than 60 percent of consumers in Japan and Tunisia expressed such “trust.”

Privacy concerns

The evidence of mounting privacy concerns coincides with sharper public scrutiny of the protection policies of major Internet firms – over concerns fuelled by the revelation that a political data firm gained access to millions of Facebook users’ personal data without their consent.

“The survey underlines the importance of adopting and adapting policies to cope with the evolving digital economy” said Shamika Sirimanne, the Director of Technology and Logistics Division at the UN agency, which deals with the economics of globalization.

“The challenge for policymakers is to deal holistically with a number of areas – from connectivity and payment solutions to skills and regulations,” she explained.

Is technology worth the cost? *Yes and No*

As e-commerce soars, there is also a general increase in the number of people using mobile payments and non-traditional means of paying for services, such as tapping one’s smart phone to board trains or scanning it to pay for a cup of coffee.

The use of smart phones to make cashless purchases is in fact far higher in many developing countries than it is in the United States and much of Europe, the study noted.

In addition, many people, especially in the developing world, expressed the view that new technology is “worth what it costs.”

At the same time, some users in developed countries expressed views to the contrary. Their main worry, the survey found, is that technology will result in the loss of employment.

The launch of the survey coincides with UNCTAD’s [E-Commerce Week](#) – the leading forum for Governments, private sector, development banks, academia and the civil society to discuss development opportunities and challenges before the evolving digital economy.