



Global Crisis and the Impact on Emerging Economies

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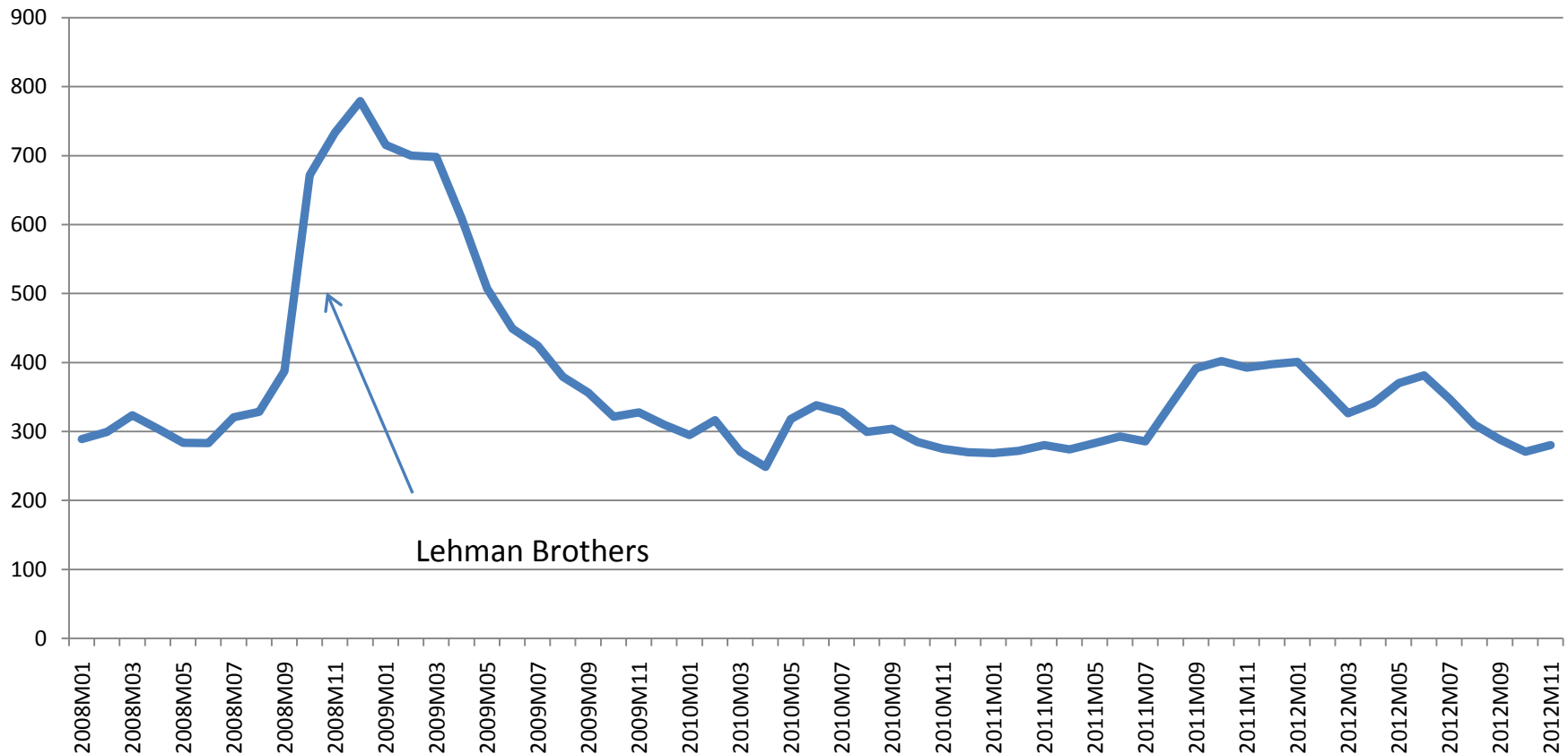
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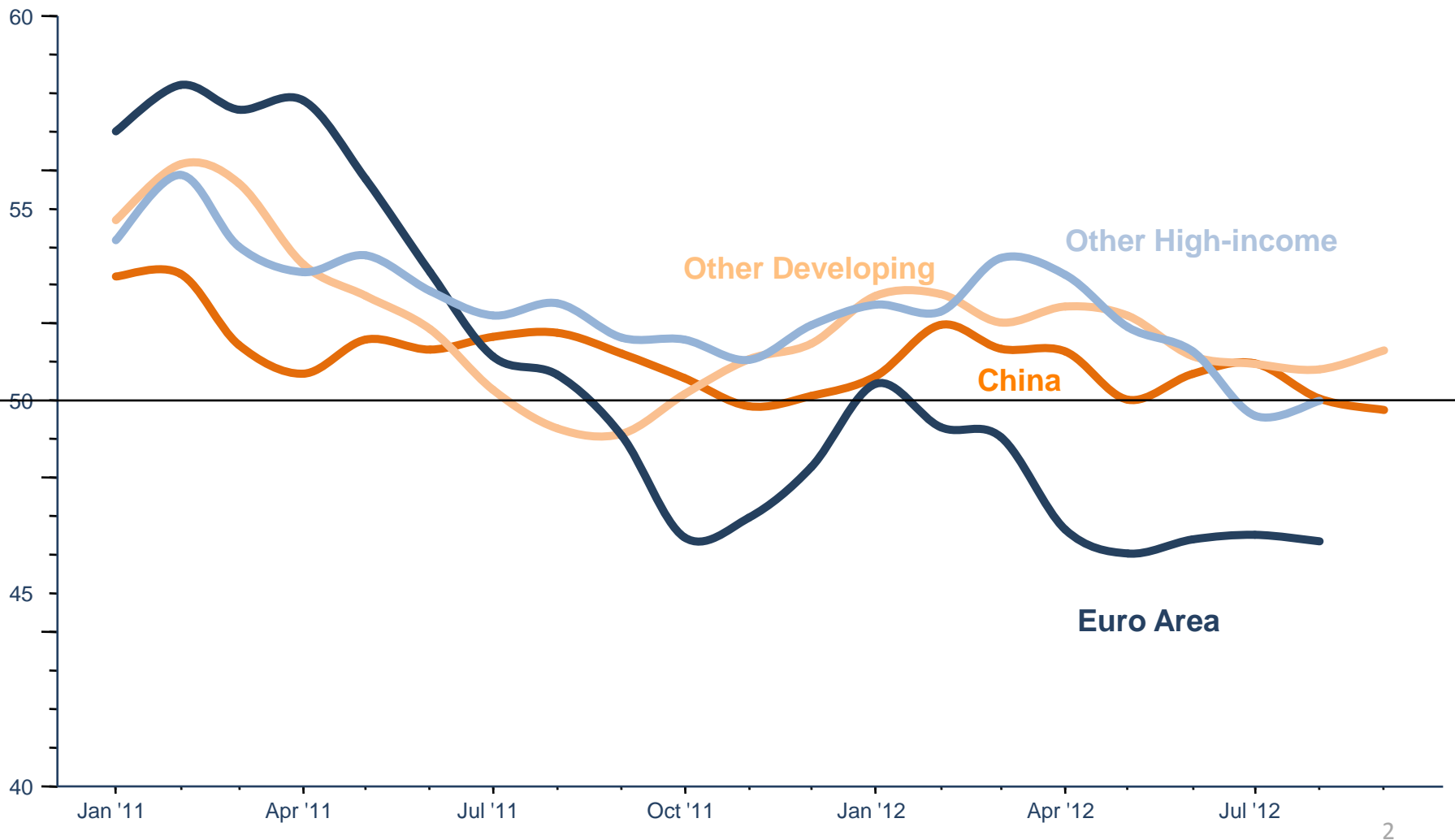
Financial market jitters have eased → lower borrowing costs for emerging markets

Developing Country Sovereign Bond Spread,
basis points



Purchasing manager's indexes point to continued weak activity (recession in Europe)

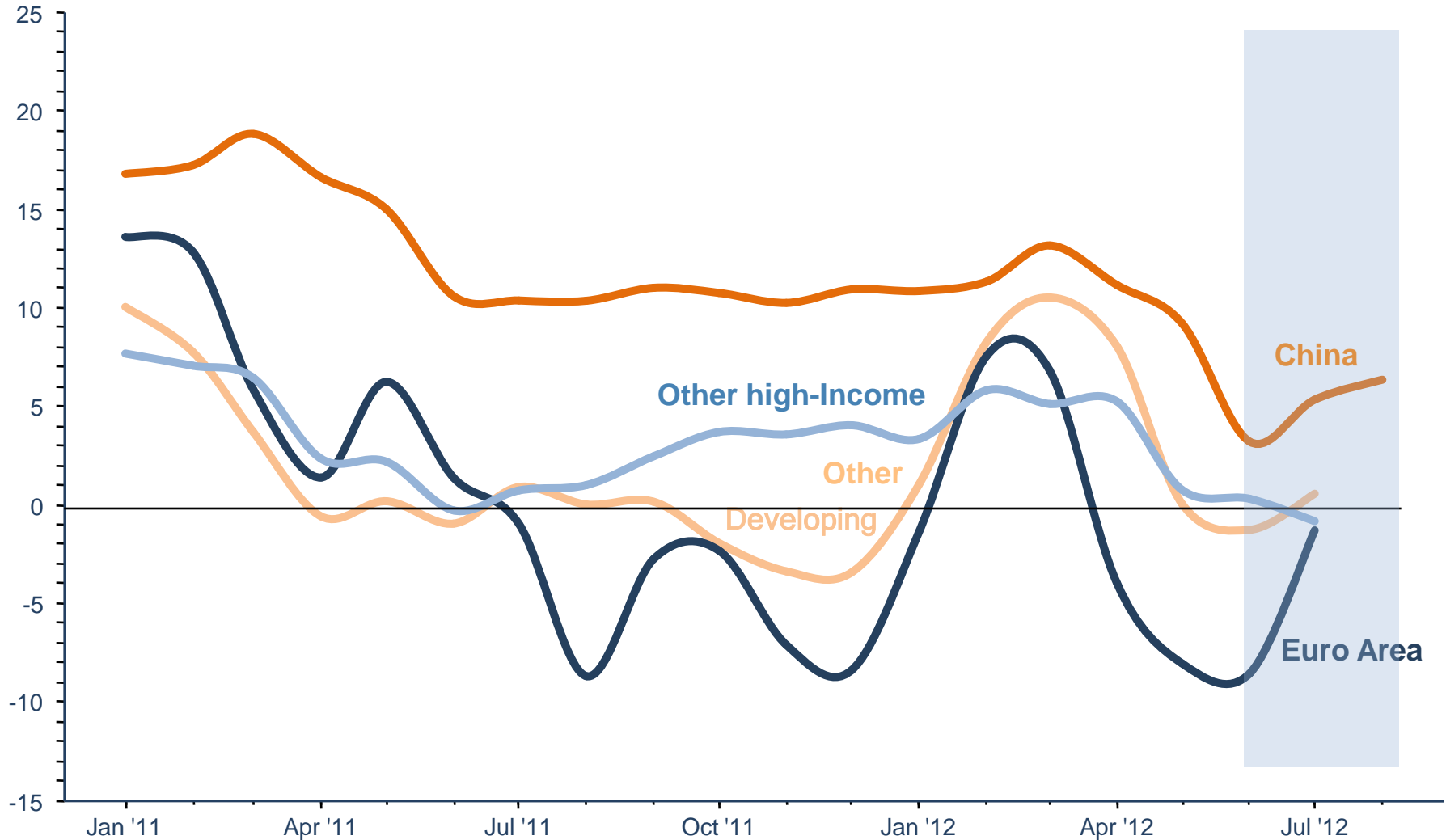
Manufacturing purchasing managers index (PMI), points



Source: World Bank, Markit/Haver Analytics.

There is some (modest) indication of a pick up in economic activity: Industrial production

Industrial production, percent growth, 3m/3m saar

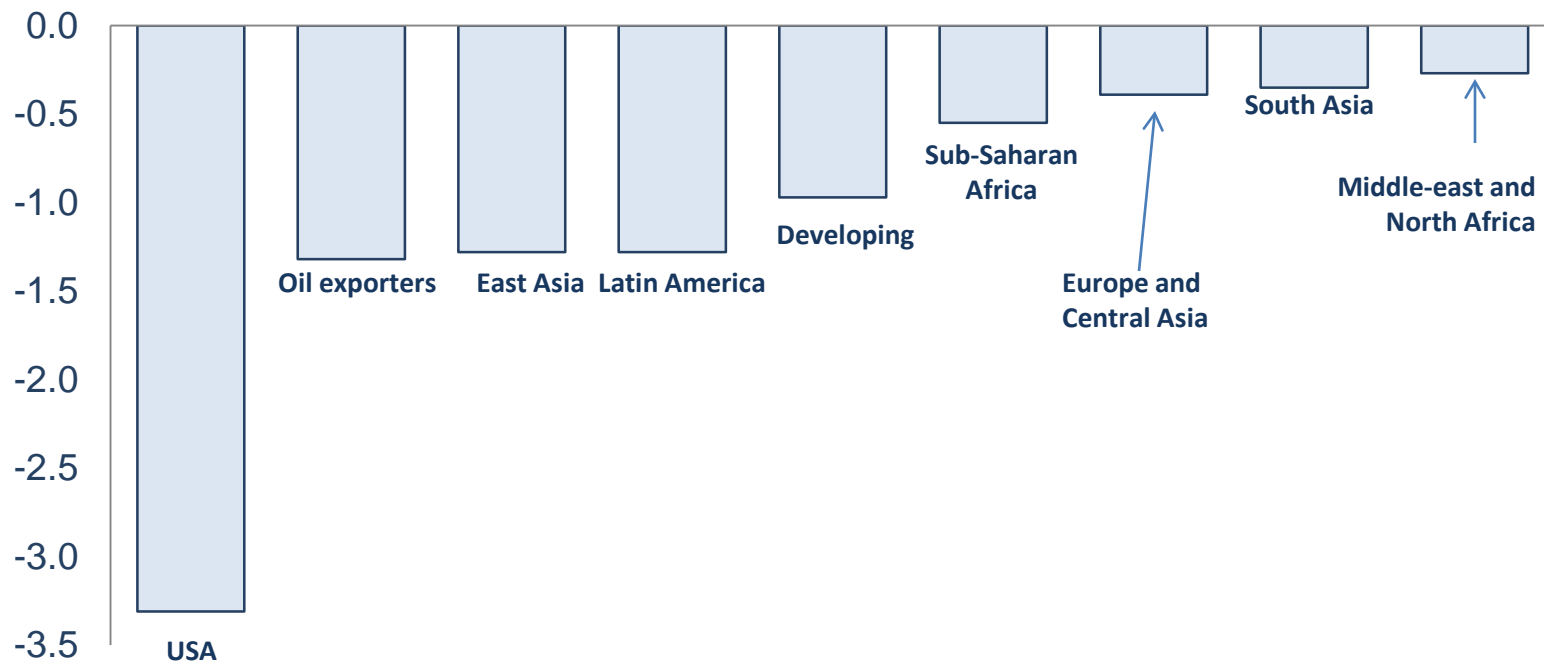


Source: World Bank Prospects Group.

Precarious: Developing countries remain vulnerable to US “Fiscal Cliff”

Impact of full US fiscal cliff on selected economies

(percentage point decline in GDP from 2013 baseline projections)



Source : World Bank DEC Prospects

Note: Preliminary estimates subject to revision.

Resurgence of internationally-traded food prices threatens poverty ahead

