

# Future Global Risk Report 2021 Special: India

\*Mr. Roman Retzbach



## Introduction - Foresight

Like other large nations, India will be particularly affected by a major restart, a reset, a paradigm shift, a transformation, and a new beginning after Covid-19. Up until 2030 we will be looking for new models for the economy, the environment, the climate, and our social issues since our current ones are not future-proofed. In 2030, the goal for India to transform into an industrialized country will finally be achieved.

In the long term, the democratic order will be a great advantage over neighbouring Asian countries. Until then the free-market economy will be able to reorient itself with more strength towards a global economy. Freedom of expression and choice will positively support critical social change. The list of necessary reforms is long and ranges from women's equality and the abolition of caste to secularization. By 2030, the Indian system will be more humane and successful than the Russian people's surveillance mentality and the Chinese social credit system censorship. While those two anti-democratic models are giving control over to Big Brother, India is going its own way towards more personal responsibility and

participation. India is going towards a soft integration of the people into political processes instead of instituting harsh punishments through its systems.

India, China, the USA, and Russia will become more economically autonomous by 2030. Nevertheless, mutual competitive pressure and global tensions between them are growing. These are burdening the world economy through repeated threats of trade embargoes and protectionist geopolitics. India will be the winner of globalization because it is open to the outside world more than the other great powers and thus may become the world champion of exports by 2050.

By 2030, India will become even more economically stable economically. This is only overshadowed and impaired by internal outdated structures. This socio-political weakness results from the excessive bureaucracy and the lack of emphasis on infrastructure development. The socio-economic imbalance as well as the socio-political discrepancy is caused by the great rich-poor division. These problems will worsen by 2030, and deregulation, market liberalization and de-bureaucratization are making slow progress. Only around 2030 can a

government be expected to implement these urgently needed reforms.

The solution to the Indian future dilemma can also be expected by 2030. India wants to modernize but the social system is lagging behind. The emancipation of women and social feminine justice are India's only upward and forward path towards the future. The current model of having a quota of women in politics and in management is not sufficient measures. Germany has also had this experience with executive board women quotas – it led down a terrible path. Only a female head of government in Germany brought the big change. The middle or golden path to the future was and is to give power to women worldwide to better handle future world crisis.

India should learn from the mistakes of Japan and China. Japan was the premium candidate, China had taken over the sceptre, but India can reach for the crown of the world's best location for production and remain ahead of Africa at least until 2040. Greater engagement in African countries can be expected starting in 2030. China has stopped promoting itself as the workbench of the world and is on the technological service

path, so the way has been cleared for India. However, as it stands India has not been able to grab the opportunities fully. Starting in 2030, a consolidated participation in the nuclear and climate agreement can be expected, but until then, India will be the biggest polluter, ahead of the USA and China. Fortunately, at that time, a green-oriented generation of young people will increasingly promote an environmentally sustainable bio-solar future fuelled by start-ups and innovation.

### Indian future risk scenarios

#### 2021-2030:

- 35% environmental
- 25% societal
- 20% geopolitical
- 20% technological  
(infrastructure, etc.)
- 15% economical

At over 30%, environmental pollution is superficially the strongest obstacle to economic development over the next 10 years, and has a significant impact on social crises in terms of quality of life, health hygiene, supply and education. There are no real threats from the foreign nations, but the internal political unrest may externalize like in the old days when wars got started because of internal misery. This may not be the case with India. The 15% economic risk are effects of the anticipated environmental and social slip-ups, which also explains the 20% technology defects, which are essentially carried out by the lack of infrastructure.

#### 2031-2040:

- 25% economical
- 25% environmental
- 20% societal
- 20% technological
- 10% geopolitical

The economic conflicts overtake the environmentally threatening ones. This is due on the one hand to the enormous costs borne out of climate change in India and the increasing loss of competitive power as a result due in part

by the rise of Africa as a new global industrial. The social deficits are slowly shrinking, as equality for all is slowly establishing itself in this new generation. India's growth has a stabilizing effect on foreign policy, which is why the likelihood of the worse scenarios are decreasing. The technical gaps remain the same, however, as a country of 1.4 to 1.6 billion people can only graduate to a high-tech structure in incremental stages.

#### 2041-2050:

- 40% societal
- 30% technological
- 10% economical
- 10% geopolitical
- 10% environmental

Africa as the world's booming production center for goods and energy and is changing the world with Industry 5.0. Artificial intelligence has changed almost all manufacturing locations. 90% of all jobs around the world are disappearing, and basic income is not the preferred model to balance economic inequities. Social aid dominates, but societies around the world suffer from the loss of the importance of work. This explains why wealth inequities no longer divide rich and poor, and how people are finding new meaning in life. This is accompanied by technological innovation pressures on a growing space travel with interstellar aspirations and civilization plans on exoplanets. China and Japan work side by side and cooperate with the Europe-African Union in consultation with America. Since energy, living and everyday things are accessible to everyone at low cost, there are hardly any economic - ecological - political problems.

### Futures Studies – 9 Risk Factors

1. The New Silk Road economic belt, which was imitated by China, is only partially accessible to India, namely via sea route. The overland route leads far to the north through Russian territory and thus remains

largely closed to India, restricted and dependent on Russia. We urgently need to develop our own trade routes in the future so as not to slow down globalization.

2. India is not a member of many Asian associations, including the Association of Southeast Asian Nations, so it cannot really have a say in many future decisions on the Asian continent.
3. The transition from agriculture to industrial to service is slower than in China, which is weakening economic growth.
4. There is too much unequal treatment and discrimination, from some ethnic groups to women.
5. India, like Pakistan, is not a member of the global nuclear agreement, which makes it a target in conflicts, e.g. between the USA and China.
6. There are many ethical and religious conflicts, and secularization must be pursued anew in order to avoid the risk of civil war.
7. There are many historical border conflicts afflicting India (China, Kashmir, Pakistan, Himalayas, etc.) that have not yet been resolved, which is a task for the future, because China has a stronger military and one that is being expanded.
8. Competition inhibits economic development, as more and more programs (5-year plan, China 2025 strategy, etc.) are being developed there. The Chinese have raised a lot of money and have bought companies and countries around the world and are active in African raw material markets. Made in China has become a brand.
9. China will soon be the largest economic power in the world and thus has great cultural and financial influence through investments

## Prognosis – 10 Effects on Opportunities

1. India is the largest democracy in the world, which is a long-term advantage in future globalization and trade integration.
2. India can benefit from the growing trade conflict between the US and China as a laughing third party.
3. India is going through an economic boom through the Silk Road trade routes by sea.
4. The label and brand "Made in India" is gaining more and more international importance, for example as a drug manufacturer and as an excellent location for IT development.
5. Negotiating with other ASEAN associations, using something like free trade agreements, is advantageous for the future of India.
6. All of this helps India and China to expand its prosperity and to move from an emerging to an industrialized country.
7. India is a beacon of hope with a great future among the BRICS nations, unlike Russia and China, which is why the number of investments into the nation is increasing.
8. Although slowly, women are being given more rights and opportunities, which will have a gradual positive effect on the labour market. The advancement opportunities of women and the freedom from religion guarantee that no social unrest and civil war will arise.
9. China is a signatory of international nuclear non-proliferation treaties, which decreases the risk of even more nuclear accumulation and a first strike against India is reduced.
10. India's population will overtake China's in 2022, strengthening it as a consumer and trading power.

**\*Mr. Roman Retzbach** is a German professional future(olog)ist and internationally renowned Futures Studies expert. He is the 3rd generation owner of the Future.Institute, Future. University and Future Intelligence. Mr. Retzbach lives and works in Germany and had lived in Asia for 10 years. His research focus on the megatrends that will determine our lives and businesses in the years 2030 and 2050 to 2100.

This article is part of the "Future Global Risk Report 2021" published on January 13, 2021:

<https://futures-studies.com/2021/future-global-risk-report-2021/>

