

State of the World Roundtable

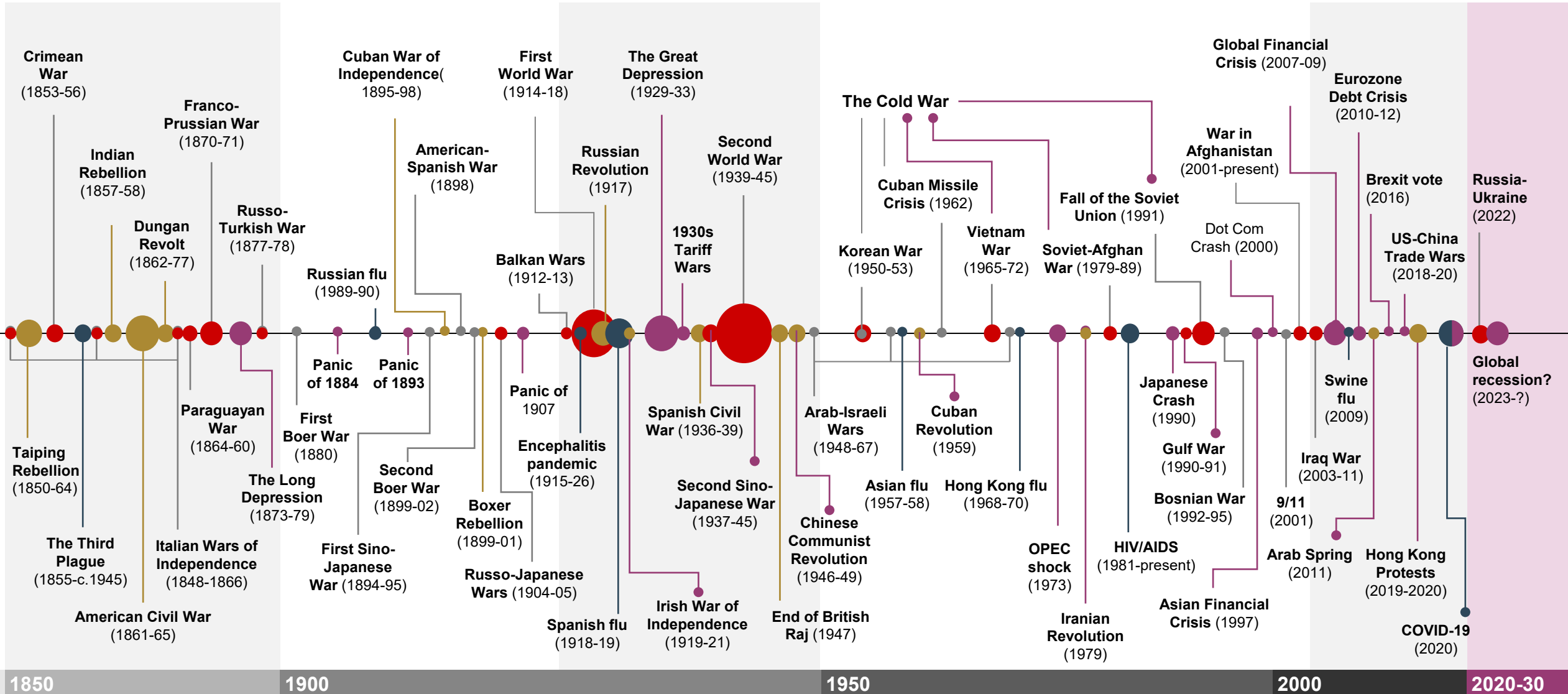
The decade ahead

20 February 2023

BAIN & COMPANY 

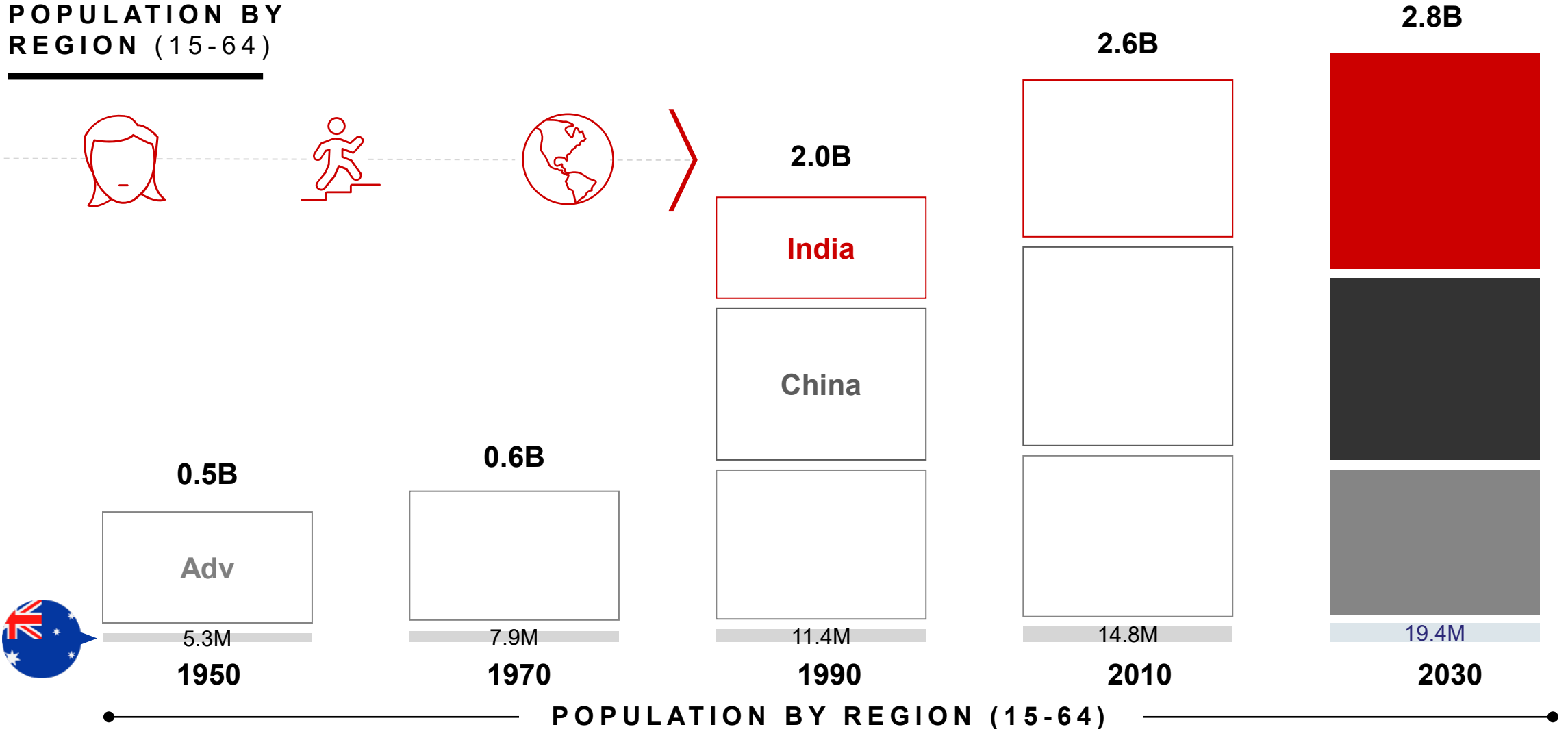
If our world seems more turbulent than at any time in living memory, it's because it is

● Interstate conflict ● Civil conflict & rebellions ● Global pandemics ● Financial crises & trade conflicts ● ●●●● Bubble size indicates relative impact



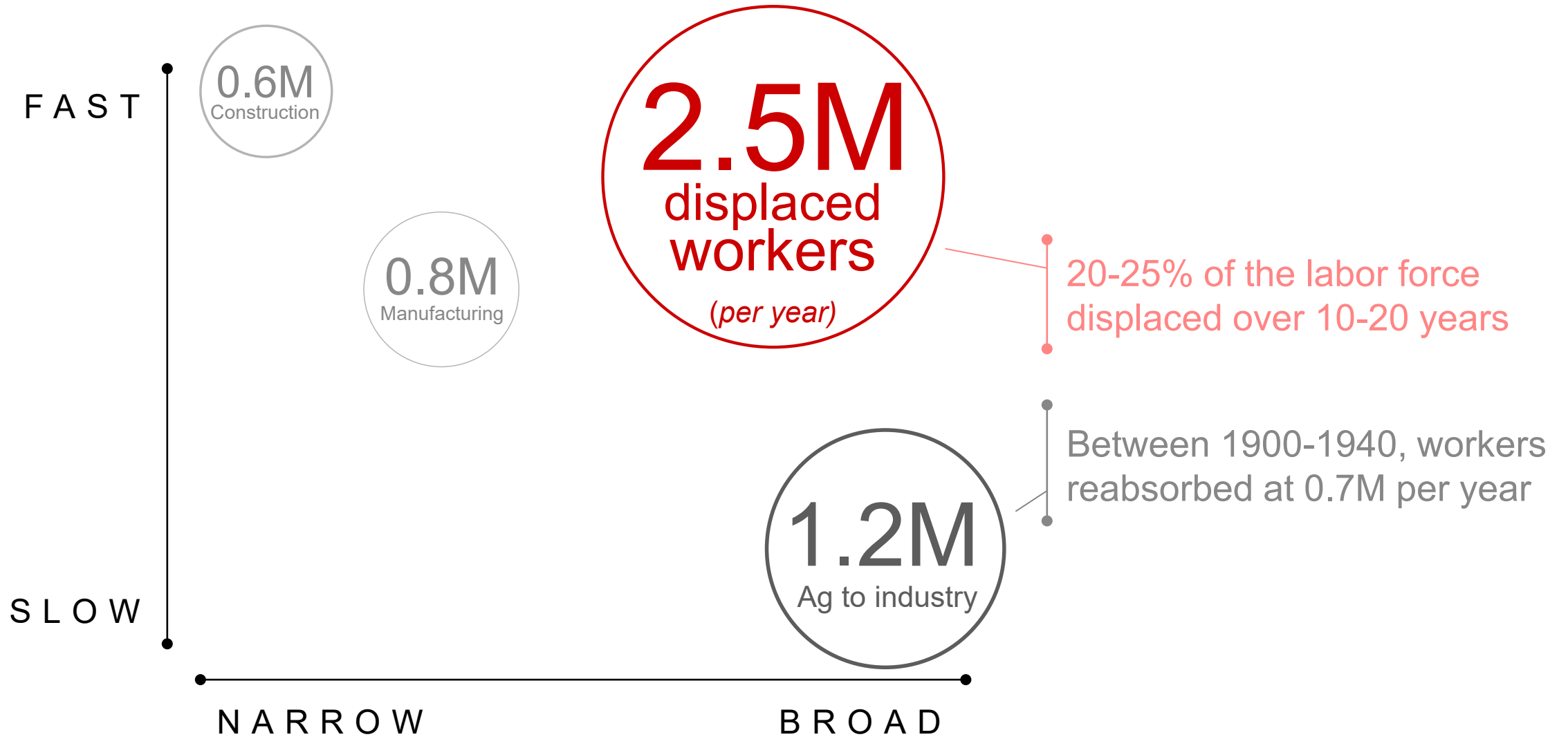
1. DEMOGRAPHICS SHIFTS: Labour force growth no longer a global growth driver, ordinarily creates a **supply-side crash**

POPULATION BY REGION (15-64)



2. AUTOMATION AND AI: but the coming wave of automation over-solves the shortage

/US DATA



3. RISING INEQUALITY: automation impacts and benefits are highly unequal

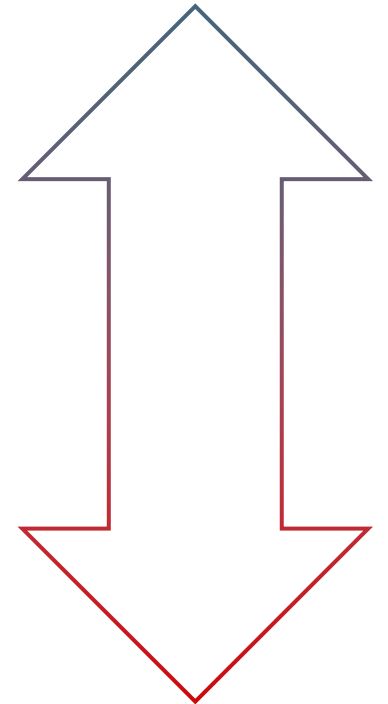
TOTAL
WORK
FORCE

RECEIVE EARLY GAINS FROM AUTOMATION

COMBINATION OF DISEMPLOYMENT OR
WAGE STAGNATION DUE TO AUTOMATION

DISEMPOWERED DUE TO AUTOMATION

HIGH INCOME
AND WEALTH



WAGE
DEPENDENT

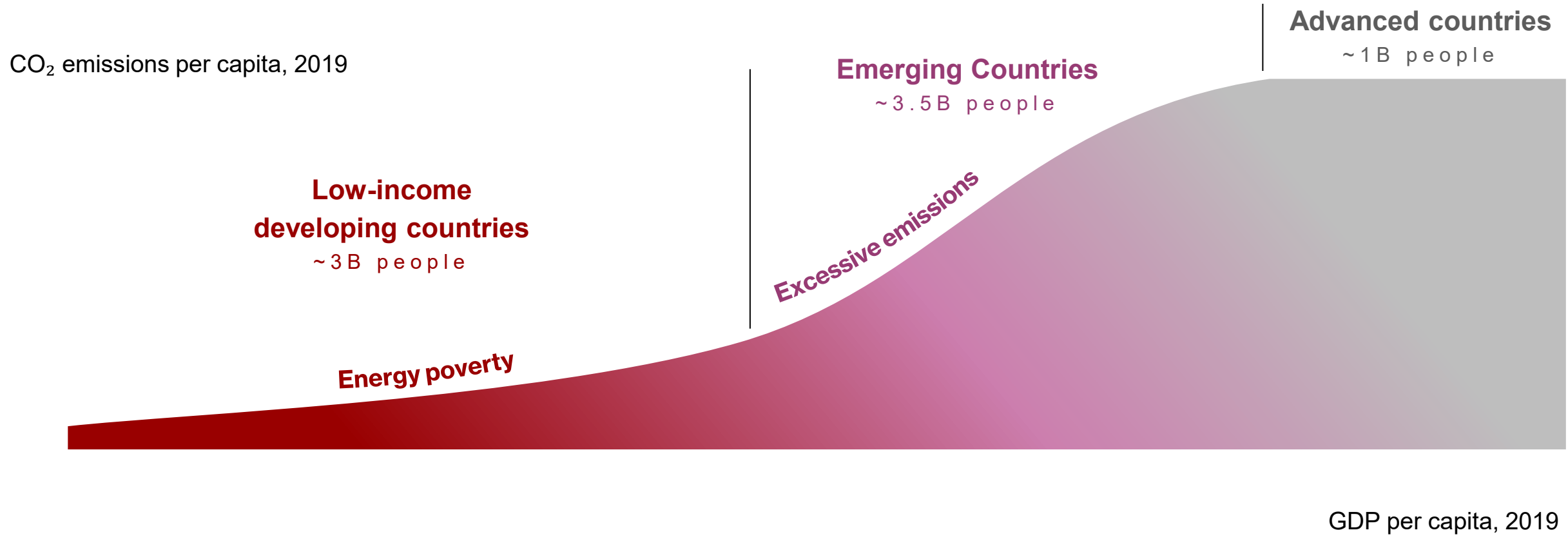
A globe made of puzzle pieces, with a red rectangular box overlaid on the left side containing the text '4. REMAKING GLOBALISATION'.

4. REMAKING GLOBALISATION

- ① **GREATER GEOPOLITICAL FRAGMENTATION INTO SMALLER, FOCUSED TRADE-SECURITY ZONES**
- ② **INCREASED INSTABILITY ACROSS EURASIA VERSUS RELATIVE STABILITY IN AMERICAS**
- ③ **INCREASED ROLE OF THE STATE IN RESPONSE TO RISING AMBIENT SECURITY THREATS**



5. ENERGY TRANSITION: Solving the “Innovation Challenge” and the “Decoupling Challenge”



Note: Emissions are measures in tons per capita and are consumption-based, GDP measured in 2017 international dollars on a logarithmic axis
Source: World Bank; Global Carbon Project; IMF; UN World Population Prospects 2019



1 Demographic shifts

2 Automation and AI

3 Rising Inequality

4 Remaking Globalisation

5 Energy Transition

Our choices over the next decade in response to an **accelerating range of shocks** will **determine the level of prosperity and stability** to follow