

Heightened economic risks dominate G20 business leaders' near-term concerns

- **Environmental risks lag behind economic and societal threats**

According to new data from the World Economic Forum, economic and societal threats – such as economic downturn, inflation and an erosion of social cohesion – rank among the biggest risks in G20¹ countries over the next two years, based on a survey of business leaders globally.

The Executive Opinion Survey gathered the views of more than 11,000 business leaders from over 110 countries between April and August 2023. This year's survey highlights how, even before the current conflict in the Middle East, increasingly intertwined economic and societal risks were perceived as the biggest concerns in G20 countries against a backdrop of escalating global political tensions and persistent inflationary environments in many major economies.

An economic downturn ranked as the most commonly cited risk by G20 business leaders this year, and was identified as the top risk in 13 of the G20 countries. Inflation, labor and/or talent shortages, energy supply shortages and an erosion of social cohesion and wellbeing were also identified among the top five risks to G20 countries in the near term.

As G20 countries prepare for COP28 in Dubai following a year of record-breaking global temperatures and severe weather-related events, environmental risks have been outweighed by other concerns in this year's results. In a continuation of last year's data, environmental risks – such as extreme weather events and failure of climate change adaptation – were cited just eight times in this year's top five risks across G20 countries. Technological risks, including threats relating to artificial intelligence, appear only three times in the G20 top five rankings.

In a broader context, the findings highlight strikingly common concerns between advanced economies and emerging markets. An "economic downturn" was ranked as the top risk across all regions, while "extreme weather events" is the only environmental risk to make the top 10 this year across all of the high income, upper middle income, lower middle income and low income country groups.



Short-term risks such as economic and labor market-related ones dominate the global agenda today. It is important for companies to respond to these challenges keeping a balanced perspective on short and longer-term risks. Businesses may feel they have little control over existential threats such as climate change. However, it is critical for companies to explore ways to mitigate these risks while at the same time responding to the immediate challenges.

Peter Giger, Group Chief Risk Officer

Carolina Klint, Chief Commercial Officer, Europe, Marsh McLennan, said: “Acute economic and societal risks continue to worry G20 business leaders in the near term. While rightly addressing these immediate concerns, they should also remain mindful that, by overlooking significant technological risks, they could leave their organizations vulnerable to increasingly sophisticated cyber and AI-related threats which may profoundly affect their prosperity and the communities in which they are based.”

The Executive Opinion Survey is conducted by the World Economic Forum’s Centre for the New Economy and Society. Marsh McLennan and Zurich Insurance Group are partners of the Centre and the [Global Risks Report](#) series.

¹ Excluding China and Russia.

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