



Re-Define Press Release on the launch of the IMF World Economic Outlook, 16:00 CET, 20th Sept

Please attribute quotes to Sony Kapoor, Managing Director Re-Define, an Economic Think Tank

On the downgrade of growth estimates

“The IMF has confirmed what many people already suspected. Widespread austerity, economic uncertainty and a fragile financial system will take its toll on growth throughout the world.”

“The already bleak economic outlook from the IMF assumes that US and EU policy makers will get their act together. But if they fail, a financial catastrophe looms ahead.”

On the implications for the management of the Euro crisis

“This does not make for happy reading for the EU. Italy in particular has suffered a double whammy of a credit downgrade and a sharp downward revision of expected growth by the IMF.”

“The flaws of the EU’s current prescription of austerity, austerity and more austerity have been laid bare by the IMF.”

“Unless Martians come and start buying Earth goods, it is becoming hard to see where growth will come from in the medium term.”

On the need for action at the level of the G-20, the EU and BRIC economies

“Political theatrics, mixed messages, and procrastination from policy makers in this fragile economic environment can make the difference between a downturn and a disaster.”

“The world economy needs the G-20 to start speaking with one voice again.” “A new globally coordinated fiscal stimulus in the context of a medium-term fiscal adjustment could be a game changer in otherwise bleak economic times.”

“Even if they wanted to, the BRIC economies are simply not large enough yet to pull the US and EU economies out of their self-inflicted troubles.”

“Unless the sovereign-bank loop is broken through Eurobonds or full-blooded intervention from the ECB, banks and sovereigns in the EU will continue to drag each other down towards disaster.”

For further comments, interviews or analysis, please email us at media@re-define.org