

Davos

What to watch for at Davos as the World Economic Forum opens

World leaders vie to dominate agenda with sessions on blockchain and Big Tech



World leaders such as US president Donald Trump are jostling to be the main draw at Davos © FT montage

FT Staff

5 HOURS AGO

Leaders from around the world are preparing to descend on [Davos](#) — from US president Donald Trump to Emmerson Mnangagwa of Zimbabwe — for the World Economic Forum that opens on Tuesday.

Several big themes are set to dominate the gathering in the Swiss mountain resort, and jostling among politicians is likely to be a prime attraction.

Now a settlement of the [US government shutdown](#) may allow Mr Trump to stick to his plan to attend, he is likely to steal the thunder of French president Emmanuel Macron, who had been expected to be the star of the show. (Last year, as Mr Trump was preparing to be inaugurated, China's Xi Jinping appeared at Davos to make his own attempt to carry the mantle of world leadership.)

The [backlash against Big Tech](#) is also likely to overshadow the WEF, with technology companies planning to come out in force to try to win back legitimacy at a time when they are fending off calls for tighter regulation.

But a technology that clearly intrigues many delegates is [blockchain](#), the focus of a number of sessions, while proponents of bitcoin and other cryptocurrencies will give talks on the sidelines.

One topic is perhaps the biggest of all: [the brittleness, or solidity, of the economic recovery](#) and the future of capitalism.

Here FT correspondents attending the event identify what to watch for during the next four days:



IMF head Christine Lagarde uses an electric buggy to move between venues at Davos © Bloomberg

The political contest

On the geopolitical front, Mr Trump is likely to steal the show, but not before the denizens of the liberal world order have their say. German chancellor Angela Merkel and Mr Macron (fresh from wowing the British media by giving straight answers to straight questions), as well as European Commission president Jean-Claude Juncker, will all get to make their case for global collaboration. All are speaking on Wednesday, two days before Mr Trump, while Canada's Justin Trudeau speaks on Tuesday.

But the first big political speaker is not a member of the western club. Narendra Modi will be the first Indian prime minister to attend Davos in 20 years.

India has come a long way since 1997 and Mr Modi, who will be accompanied by a big delegation of ministers and chief executives, is set on Tuesday to lay out the country's claim for a leading role on the world stage.

Xi adviser Liu He will be speaking on China's economic policy on Wednesday, when Mr Mnangagwa, who [told the FT](#) last week of his desire to build bridges with the west, will be setting out his stall.

Another up and coming power player at Davos is Cyril Ramaphosa, the new head of the African National Congress and South Africa's president-in-waiting.

Financial disruption — and Brexit

Two sessions on Tuesday are focused on assessing the risk that global markets could be heading for implosion. Brian Moynihan of Bank of America, Tidjane Thiam of Credit Suisse and Stephen Schwarzman of Blackstone will speak on “Global Markets in a Fractured World”.

Immediately afterwards, Anne Richards of M&G, David Rubenstein of Carlyle, Jes Staley of Barclays and Citi’s Michael Corbat will discuss whether leverage, liquidity or passive investment could serve as indicators of the next financial crisis.

Expect soothing words on synchronised global growth but also genuine concern about sky-high asset valuations that leave little room for policy error, and the prospect of disruptions to global trade.

On that note, the “Business of Brexit” session on Friday with [Carolyn Fairbairn](#), head of Britain’s CBI employers’ organisation, could be an intriguing counterpoint to Thursday’s address by Theresa May, Britain’s prime minister.

Fintech and cryptocurrencies

There are more panels than before at on the two hottest areas of fintech, artificial intelligence and blockchain, the technology underpinning cryptocurrencies such as bitcoin.

At Thursday’s session on “The Crypto-Asset Bubble”, a regulator, a professor and two fintech investors will prognosticate on whether the boom in cryptocurrency prices was the start of a fundamental shift in how money works, or an overhyped and risky flash in the pan driven by fraudsters and criminals.



Sir Elton John and actors Shah Rukh Khan and Cate Blanchett at an awards ceremony on the first day of Davos week © Reuters

The big economic picture

The hot-ticket economics session is not the closing global economic debate on Friday, which is likely to be upstaged by Mr Trump, but the session on Thursday morning on the remaking of global finance. On the panel are Steven Mnuchin, US Treasury secretary, Christine Lagarde, managing director of the IMF, Philip Hammond, UK chancellor, and Larry Fink, head of BlackRock.

Reporting by Katie Martin, Roula Khalaf, Martin Arnold and Amy Kazmin

Copyright The Financial Times Limited 2018. All rights reserved.