

Report: BRICs Still Vulnerable to Global Risks

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BRIC countries have not become less vulnerable to global shocks despite their strong economic growth over the past four years, a survey released Monday shows.

Risk consultant Maplecroft said its Global Risk Atlas, which highlights potentially destabilizing factors in the world's key growth economies, found that Brazil, Russia, India and China were no less susceptible to potential security or economic shocks than in previous years.

"With hopes for a global economic recovery resting with the BRICs, investors and business seeking new high-growth, high-risk markets need to be aware of their limited resilience to global risks," Maplecroft CEO Alyson Warhurst said in the report.

"A country's resilience to external and internal shocks is built up over time, so as the BRICs' political risk environment improves we might see resilience strengthen, but our results reveal this is yet to happen."

The term BRIC is used to describe the four-biggest developing economies: Brazil, Russia, India and China.

According to the report, India and Russia are among 41 countries classified as "high risk," with poor governance, systemic corruption and terrorism identified as particular risks.

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