



UNDESA: World Economic Situation & Prospects 2026

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News Context: UNDESA projects India to be the fastest-growing major economy at **7.4%** for FY 2025–26.

- **Drivers of Growth:**
- **Strong Domestic Demand:** Resilient private consumption.
- **Investment Cycle:** A "crowding-in" effect where government capex leads to private sector investment.
- **Digital Public Infrastructure (DPI):** High efficiency in service delivery via the "India Stack."
- **Challenges:** The report warns of "**imported inflation**" due to global supply chain disruptions and geopolitical volatility.
- **Wholistic Insight:** Compare this with IMF's "World Economic Outlook." While global growth is slowing, India's "Decade of Development" is supported by demographic dividends and structural reforms like the GST and IBC.