

# Expected Changes in World Economy: 2019 - 2050

## Team Members:

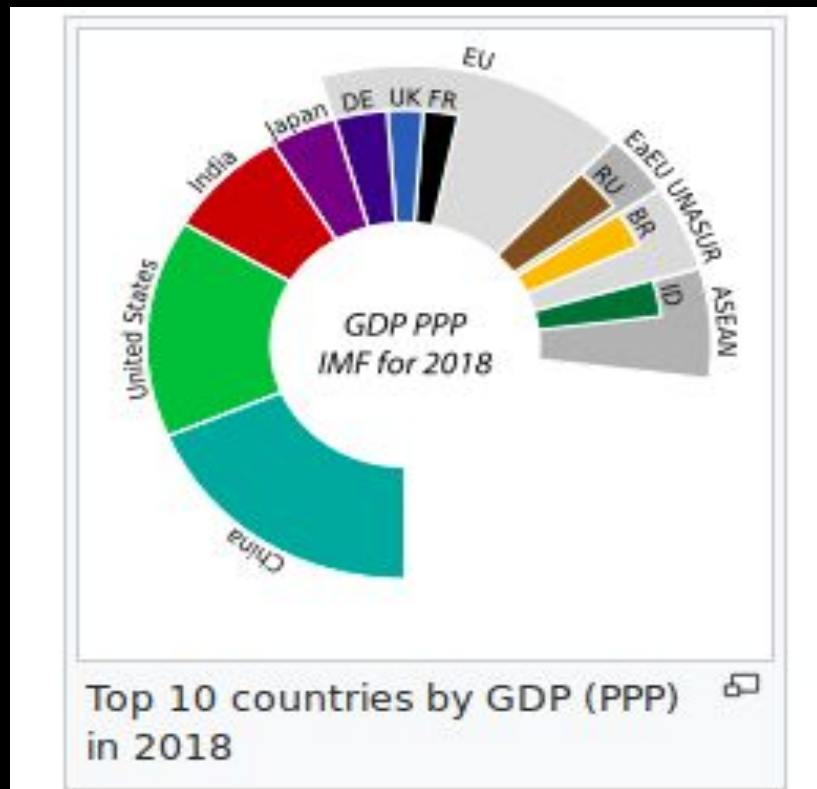
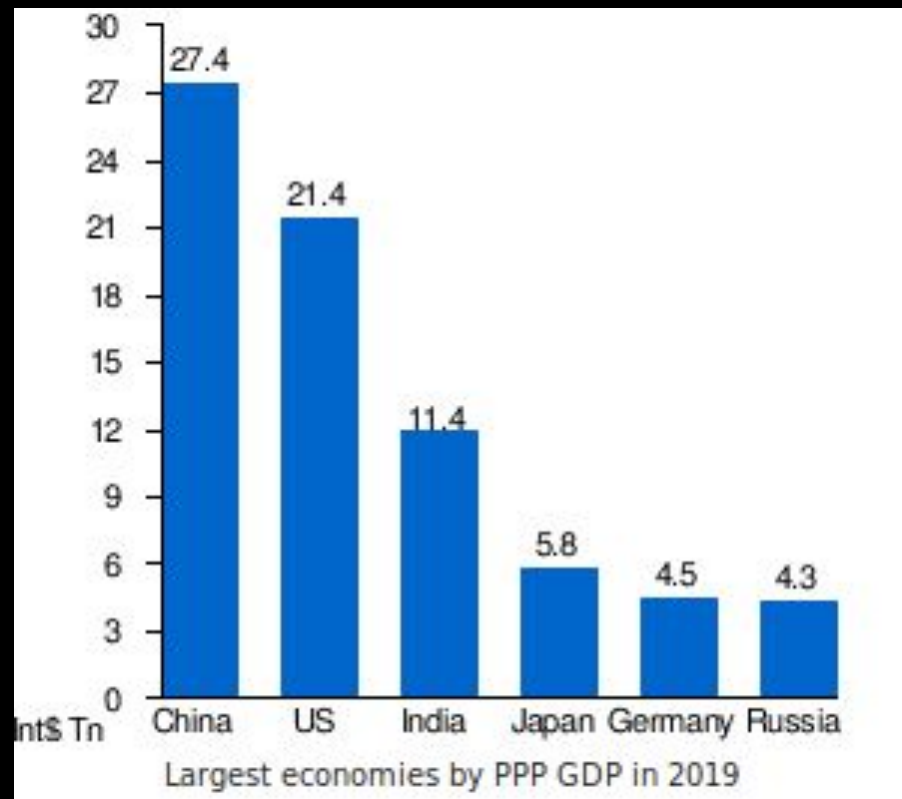
Adarsh Pathak (16umm001)  
Amit Sagtani (16ucs034)  
Ashish Gupta (16ucs048)  
Priyank Mitra (16ucs140)  
Raja Singhal (16ucs151)  
Vibhor Agarwal (16ucs209) (wk)



# Current Economic Condition in 2019

- In 2019, Top ten countries in nominal terms would be :  
United States, China, Japan, Germany, India, France, United Kingdom, Italy, Brazil and Canada.
- In ppp terms, Top ten countries would be :  
China, United States, India, Japan, Germany, Russia, Indonesia, Brazil, United Kingdom and France.
- In both methods, United States and China would occupy first two place.

# Largest economies by PPP GDP in 2018 and 2019



# G7 Economy :

- Group of Seven (G7) -- an international intergovernmental economic organization consists of the seven largest IMF-described advanced economies in the world:
  - Canada, France, Germany, Italy, Japan, United Kingdom, and United States.
- As of 2018, the seven countries involved represent 58% of the global net wealth (\$ 317 tn) and more than 46% of the global gross domestic product (GDP) based on nominal values, and more than 32% of the global GDP based on purchasing power parity.

# G7 Countries GDP (PPP in Trillion USD)

|                | 2019 | 2050 |
|----------------|------|------|
| Canada         | 1.7  | 3.5  |
| France         | 2.7  | 5.2  |
| Germany        | 3.9  | 6.3  |
| Italy          | 2.0  | 3.6  |
| Japan          | 5.1  | 7.9  |
| United Kingdom | 2.9  | 5.7  |
| United States  | 21.3 | 41.3 |

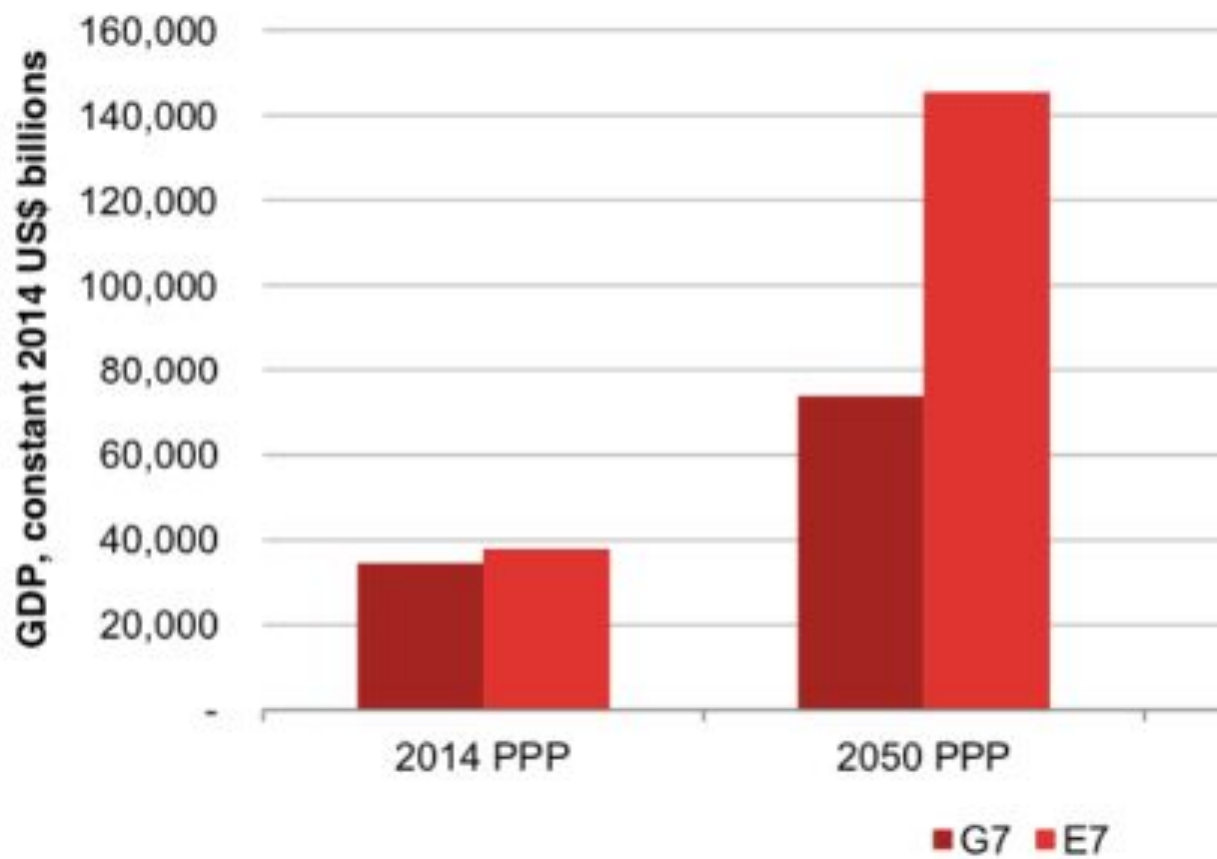
# Emerging-7 Countries

- Grouped together because of emerging economies.
- E7: China, India, Brazil, Mexico, Russia, Indonesia and Turkey
- The growth of E7 characterized in comparison with the Group of Seven (G7).
- G7 has largest economy in 20th century.
- There are many predictions on when will the E7 countries surpass the G7 countries.
- Prediction: The E7 have larger economies than the G7 by 2050.
- In 2014, the E7 countries had passed the G7 countries based on purchasing power parity terms.

# Economy comparison of E7 countries in 2019 & 2050

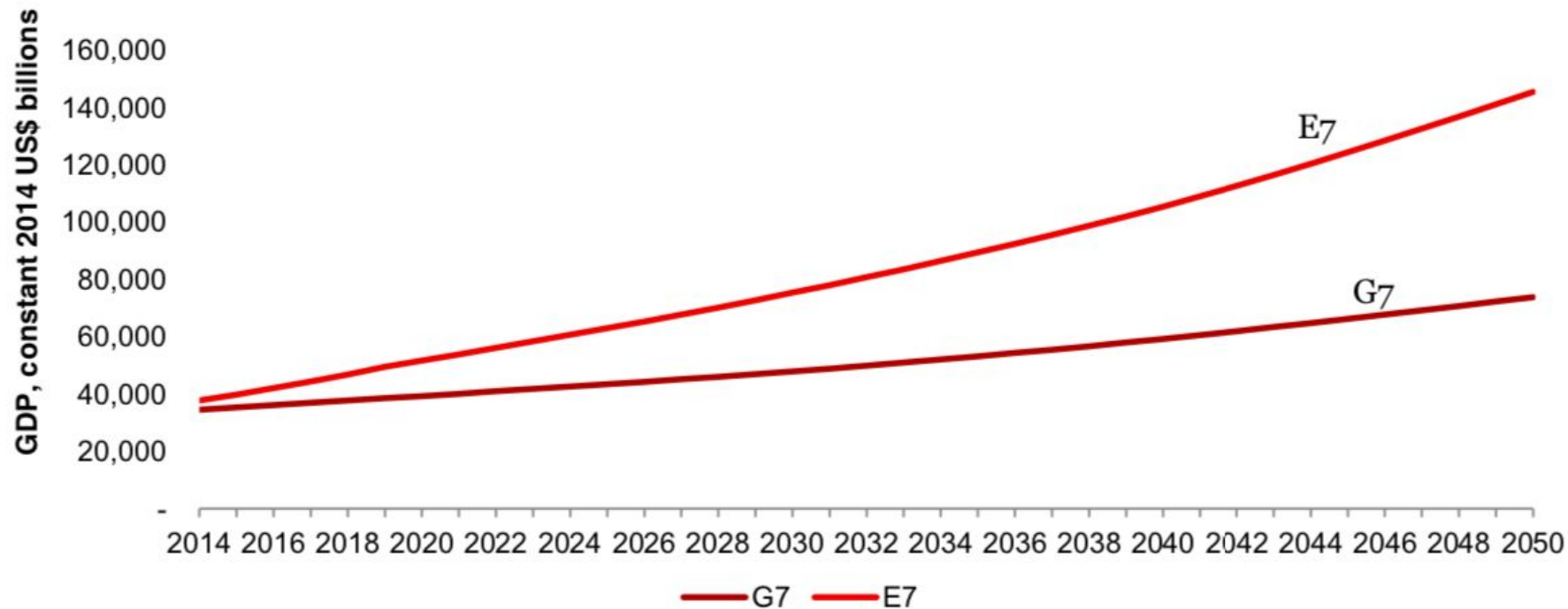
This economy data in USD (billions)

| Emerging-7 countries | In 2019 | In 2050 |
|----------------------|---------|---------|
| 1) China             | 27,438  | 70,710  |
| 2) India             | 11,436  | 37,668  |
| 3) Brazil            | 3,550   | 11,366  |
| 4) Mexico            | 2,639   | 9,340   |
| 5) Russia            | 4,322   | 8,580   |
| 6) Indonesia         | 3,764   | 7,010   |
| 7) Turkey            | 2,702   | 3,943   |

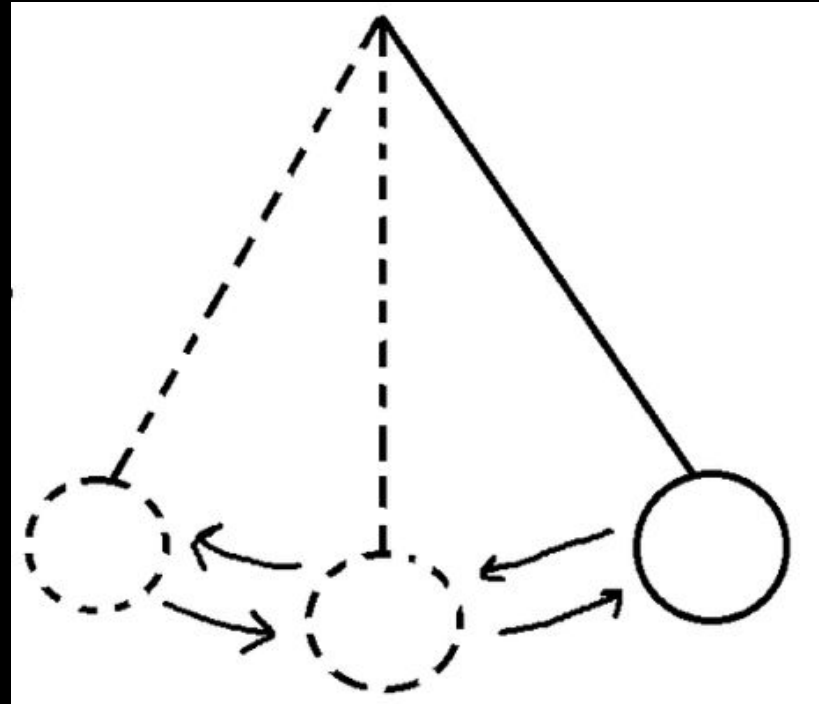




## E7 and G7 growth paths in PPP terms



# Economic Pendulum Shift



Currently towards  
West in 2019

Again,  
History repeats itself...

Expected shift  
towards Asia till 2050

# Situation till 2050

- **World economy** to **double** in size by 2050 far outstripping population due to technical improvements
- **E7** to grow **twice** as fast as **G7** on average
- **Six** of the seven economies projected to be **E7** by 2050 led by China (1st), India (2nd) and Indonesia (4th)
- G7 economies like:
  - **UK** could be down to **10th place** by 2050
  - **France** could be out of **top 10** while **Italy** out of the **top 20**

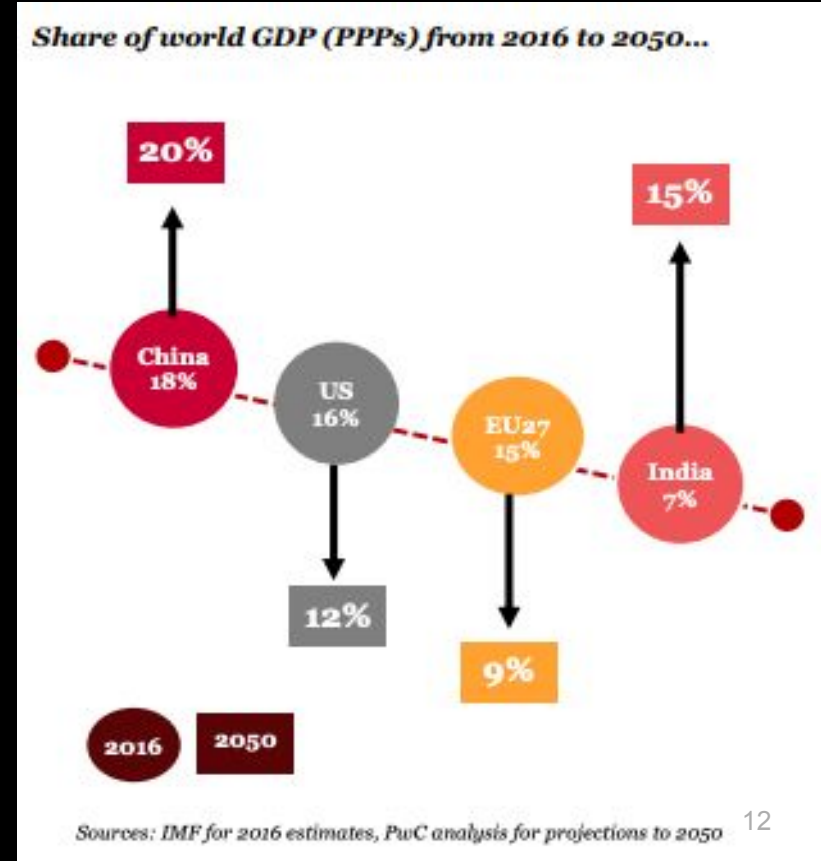
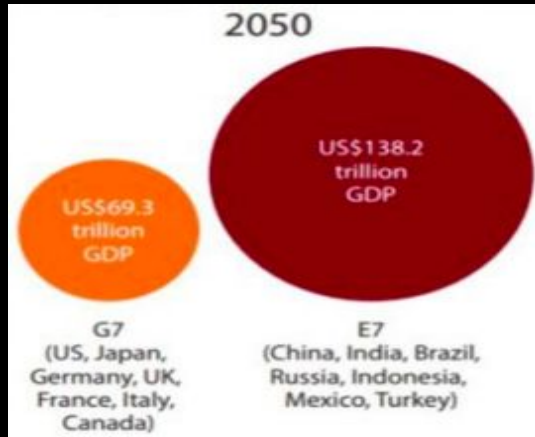
*Emerging markets will dominate the world's top 10 economies in 2050 (GDP at PPPs)*

|           | 2016 | 2050 |           |
|-----------|------|------|-----------|
| China     | 1    | 1    | China     |
| US        | 2    | 2    | India     |
| India     | 3    | 3    | US        |
| Japan     | 4    | 4    | Indonesia |
| Germany   | 5    | 5    | Brazil    |
| Russia    | 6    | 6    | Russia    |
| Brazil    | 7    | 7    | Mexico    |
| Indonesia | 8    | 8    | Japan     |
| UK        | 9    | 9    | Germany   |
| France    | 10   | 10   | UK        |

 E7 economies  G7 economies

# Share of world GDP

- China and India together will form 35% of the World's GDP
- China's expected GDP: \$ 55 - 60 tn
- India's expected GDP: \$ 45 tn
- Fourth largest economy will be one-tenth of their economies.



# USA vs China vs India



# India vs China

India and China had the same GDP in 1950, today China's GDP is more than three times that of India.

What might be the reason for such a massive growth?

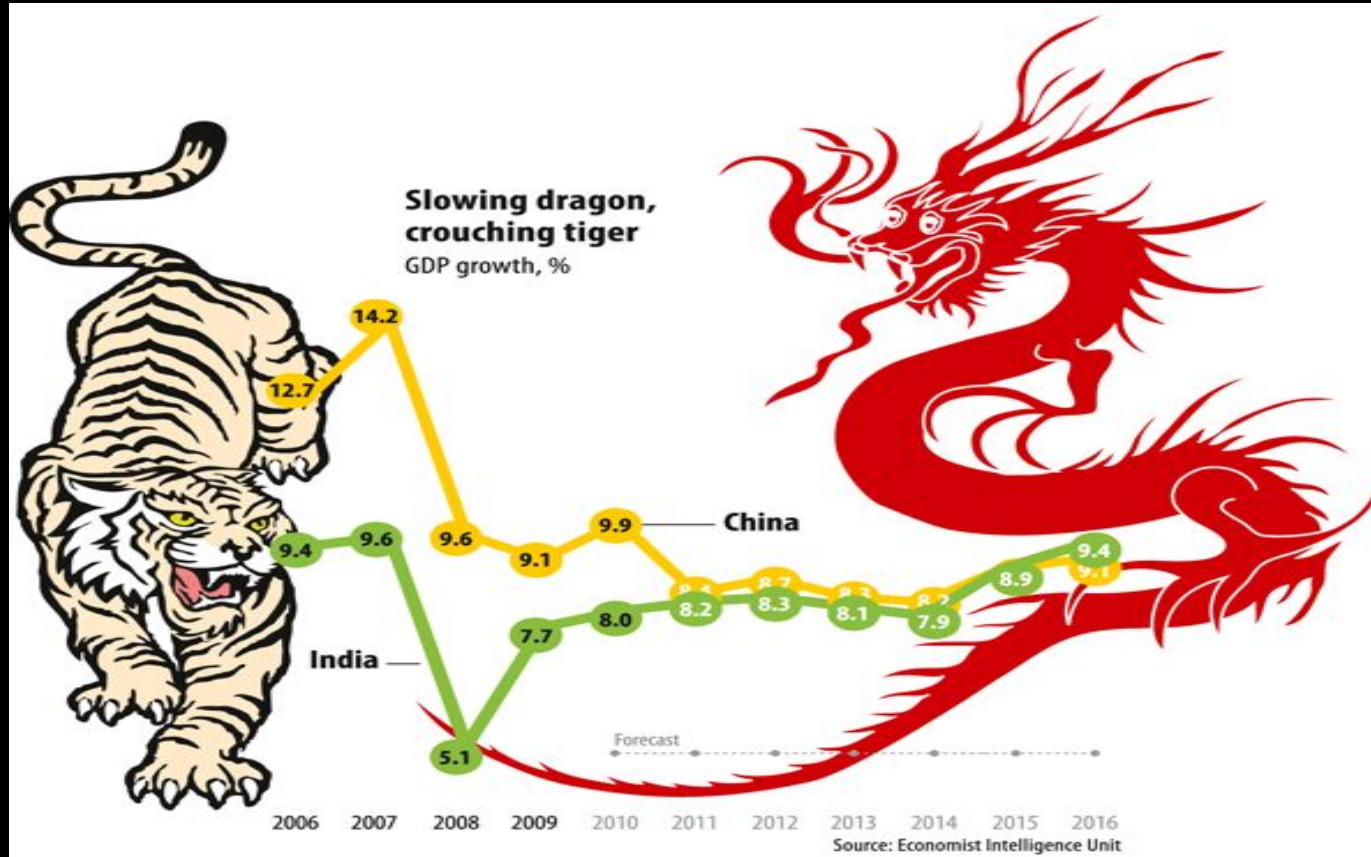
Population?

Education?

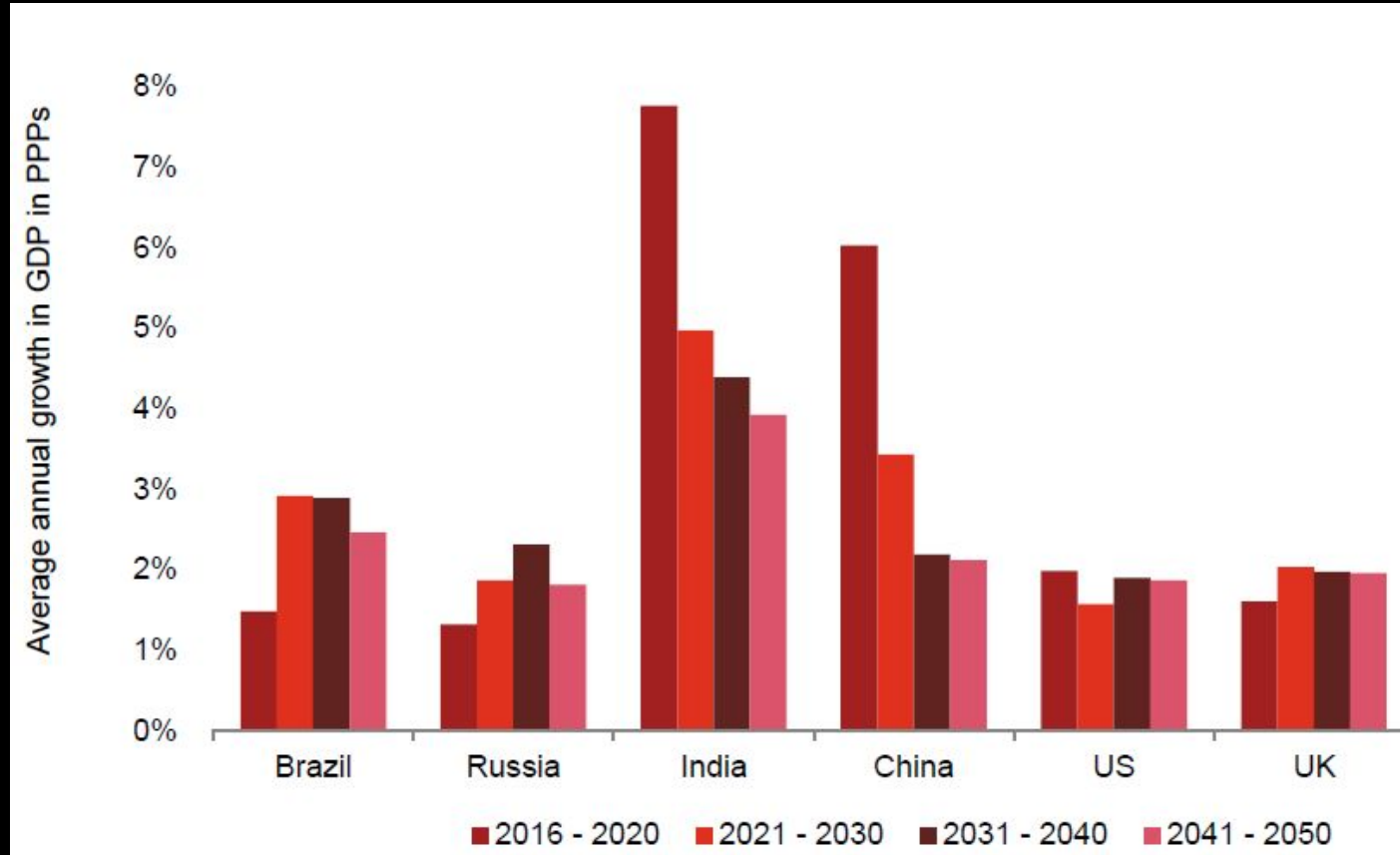
Type of the government?

Economic reforms?

# India vs China

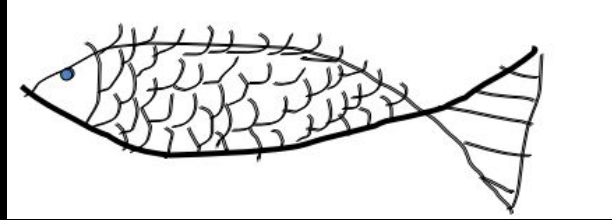


# Projected growth profiles of large economies





# Our role as an IT Engineer -



Give a man a fish, he is hungry again in an hour.

Teach him to catch a fish and you feed him for a lifetime

Teach him how to process and package fish for export and you have stimulated **economic development**.

**This is the work of Engineers!!!!**

"Most of the major issues that face the country, such as climate change, water availability and energy security, need **engineers** to fix them,"

-By Philip Greenish

Our **56%** of Economy depends on **service sectors**. Because of this, we are part of

- Automation
- Digital Growth
- Make in India
  - Job Creation
  - Global Recognition

# Key Takeaways

- Current economic condition of the world in 2019
- G7 and E7 economies of the world
- Major changes in G7 and E7 economies by 2050
- India vs China in terms of economic growth and GDP
- Our role as an IT Engineer to **score > 100%**

# References

- Sites to visit:
  - PWC : World in 2050.  
<https://www.pwc.com/gx/en/issues/economy/the-world-in-2050.html#downloads>
  - TED Talk: Asia's rise -- how and when. <https://www.youtube.com/watch?v=fiK5-oAaeUs>
  - International monetary fund.  
[https://en.wikipedia.org/wiki/List\\_of\\_countries\\_by\\_GDP\\_\(PPP\)](https://en.wikipedia.org/wiki/List_of_countries_by_GDP_(PPP))
- Sites not to visit:
  - <http://statisticstimes.com/economy/projected-world-gdp-ranking.php>
  - <https://www.independent.co.uk/news/business/these-will-be-the-32-most-powerful-economies-in-the-world-by-2050-a7587401.html>
  - <https://www.wikipedia.org>

# Dedication

This presentation is dedicated to **we YOUTHS** of India who will be the **star performers** of the future.

THANK YOU...