Efficiency Gains Drive Global GDP
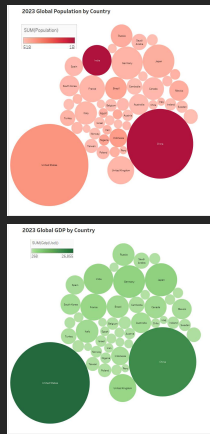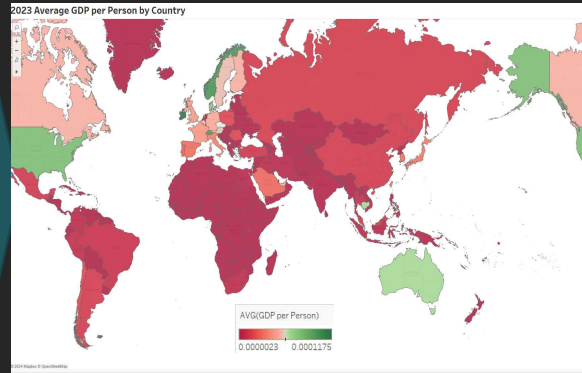

2023 Global Population by Country

2023 Global GDP by Country

The size of a country's GDP does not directly correlate to the country's population

What drives GDP?

2023 Average GDP per Person by Country
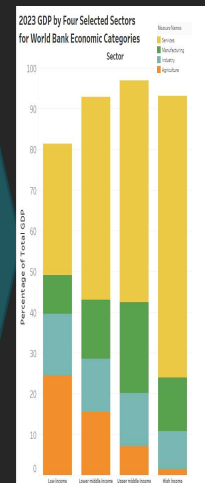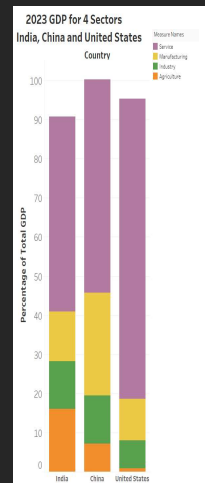
AVG(GDP per Person)
0.0000023   0.0001175

The United States, China and India are outliers in comparing population to GDP

- China appears to be simply more populous, but on the same general trajectory as the rest of the world
- India has many people, but a relatively small GDP
- The United States has a large population, but an extremely large GDP.

2023 Gross Domestic Product and Population by Country

AVG(GDP per Person)
0.0000023   0.0001175
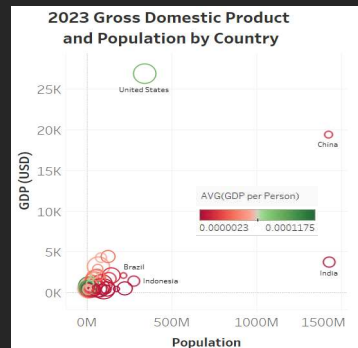
The World Bank provides definitions of various levels of income based on Gross National Income per person, and defines GDP into sectors

Income Definitions

US = $81,068
China = $12,419
India = $2,710

2023 GDP for 4 Sectors India, China and United States

2023 GDP by Four Selected Sectors for World Bank Economic Categories

As income rises, Service Sector percentage of GDP increases and Agriculture falls
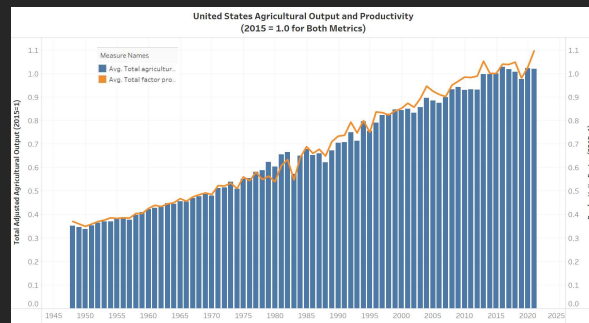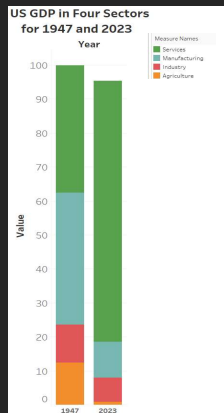
Do high income countries produce less food?

Or are they more efficient at food production?

US GDP in 1947 looks more like the GDP split in lower or middle income countries in 2023.
- Large Heavy Industry due to global economy after WWII
- Higher percentage of GDP in Agriculture

US GDP in Four Sectors for 1947 and 2023

United States Agricultural Output and Productivity (2015 = 1.0 for Both Metrics)

Changes in US GDP due in part to global manufacturing growth and efficiency gains in US Agriculture allowed US to move to a service economy
The US produces three times as much agricultural products now as in the 1940's, but gains in efficiency has cause agriculture to drop as a contributor to GDP