

Macro Roundup Article

Headline: [Europe Has Fallen Behind America and the Gap is Growing](#)

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Tweet: In 2008, the EU economy was 10% larger than the US economy. Today, the US economy is 1/3 larger than the EU and the UK. The US is 50% larger than the EU net the UK. @gideonrachman

Summary: In 2008, the EU and the US economies were roughly the same size. But since the global financial crisis, their economic fortunes have dramatically diverged. As Jeremy Shapiro and Jana Puglierin of the European Council on Foreign Relations point out: “In 2008 the EU’s economy was somewhat larger than America’s: \$16.2tn versus \$14.7tn. By 2022, the US economy had grown to \$25tn, whereas the EU and the UK together had only reached \$19.8tn.” The dollar’s status as the world’s reserve currency gives the Americans the ability to finance their ambitions, without spooking the markets. As one European industrialist puts it: “They can just swipe the credit card.”

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