

Macro Roundup Article

Headline: [The G7 Must Accept That It Cannot Run the World](#)

Article Link: <https://www.ft.com/content/c8cf024d-87b7-4e18-8fa2-1b8a3f3fba1>

Author(s)	Martin Wolf
Publication	Financial Times
Publication Date	May 24, 2023

Tweet: [@martinwolf](#) suggests that the G7 is losing relevance as its share of global GDP declines. He notes that China is a larger trade partner than the G7 for many emerging markets.

Summary: Moreover, both the “unipolar” moment of the US and the economic dominance of the G7 are history. True, the latter is still the most powerful and cohesive economic bloc in the world. It continues, for example, to produce all the world’s leading reserve currencies. Yet, between 2000 and 2023, its share in global output (at purchasing power) will have fallen from 44 to 30 percent, while that of all high-income countries will have fallen from 57 to 41 percent. Meanwhile, China’s share will have risen from 7 to 19 percent. For some emerging and developing countries, China is a more important economic partner than the G7: Brazil is one example. President Luiz Inácio Lula da Silva may have attended the G7, but he cannot sensibly ignore China’s heft.

Primary Topic: Trade (not deficits)

Topics: Database, Factoid, GDP, Op-Ed/Blog Post, Trade (not deficits)

Permalink: <https://www.edwardconard.com/macro-roundup/martinwolf-suggests-that-the-g7-is-losing-relevance-as-its-share-of-global-gdp-declines-he-notes-that-for-many-emerging-markets-china-is-a-larger-trade-partner-than-the-g7?view=detail>

Featured Image Link: <https://www.edwardconard.com/wp-content/uploads/2023/05/G7-.jpg>