

Macro Roundup Article

Headline: [Productivity Has Grown Faster in Western Europe than in America](#)

Article Link: <https://www.economist.com/graphic-detail/2023/10/04/productivity-has-grown-faster-in-western-europe-than-in-america>

Author(s)	Economist Staff
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Tweet: Adjusting for purchasing-power parity (PPP) the EU's GDP is ~ 95% of the US, unchanged over the past decade. GDP per person at PPP has grown faster in the US than in most of the EU, but on a per-hour basis, several EU nations are more productive.

Summary: Europe's economic performance looks far better at PPP than in nominal terms. In 2012 prices in America were just 5.4% higher than in the EU at market exchange rates. Today, the gap is 46%, largely thanks to a strong dollar. Adjusting for PPP, the EU's GDP is roughly 95% of America's, the same as it was ten years ago. Still, PPP-adjusted GDP per person has grown faster in America than in most of Western Europe. Related: From Strength To Strength and Fully Grown - European Vacation! and Europe Has Fallen Behind America and the Gap is Growing

Primary Topic: Institutional Capabilities

Topics: Institutional Capabilities, News article, Productivity, Wages/Income, Workforce

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