



Sustainable Growth Factors

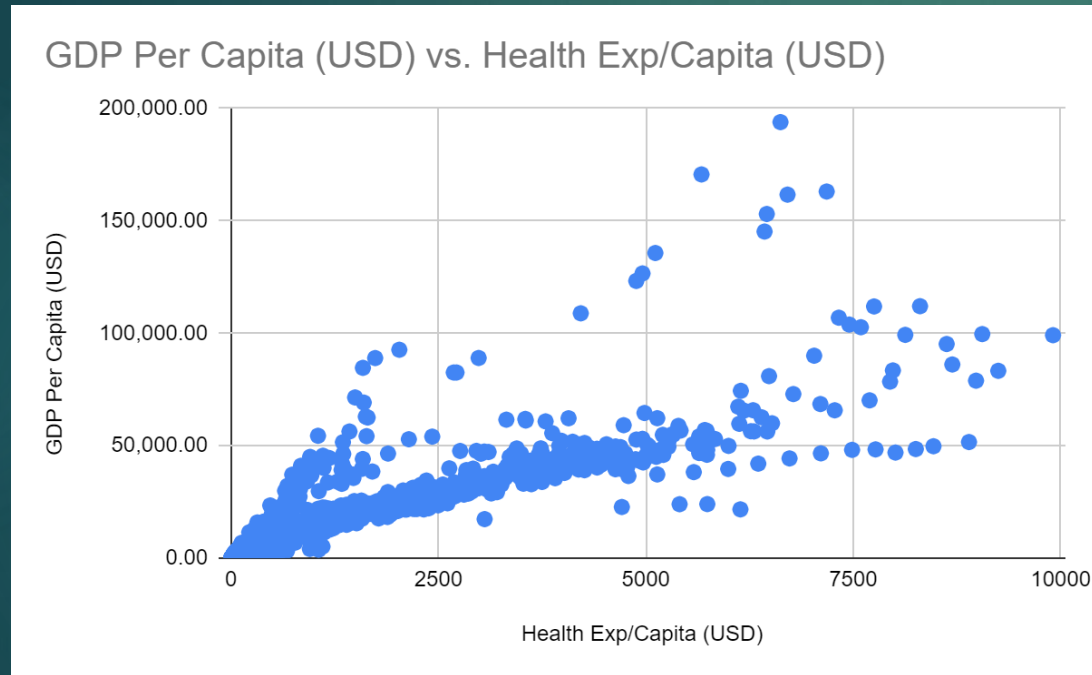
ANALYSIS OF WORLD ECONOMIC INDICATORS TO FIND THE FACTORS THAT
LEAD TO SUSTAINABLE GROWTH IN THE PER CAPITA INCOME OF A COUNTRY

Factors Affecting the Sustainable growth of a country

- ▶ World Economic data from the year 2000 to 2012 was analysed.
- ▶ The key takeaway is that there is a very strong correlation between the **health expenditure per capita** of a country and its GDP.
- ▶ Another important factor affecting GDP growth is the **Ease of doing business (rank)** of a country. It is negatively correlated, which means that the probability of a country becoming economically prosperous is directly related to how easy it is to do business there.
- ▶ **International travel** and **internet usage** among citizens have a strong correlation with GDP Per Capita, which implies that both increase with an increase in the spending power of the citizens.
- ▶ **Urban population** and GDP Per Capita are positively correlated, which means that having more urban spaces may positively impact economic development.
- ▶ Other factors like energy usage, **CO2 emissions**, **life expectancy** and **mobile usage** increase with an increase in GDP, while **infant mortality rates** decrease with increase in GDP.
- ▶ **Health expenditure** as a percentage of GDP seems to remain constant with a slight positive correlation with increase in GDP per capita.
- ▶ Factors like **international tourists** visiting the country, **birth rates**, **central bank interest rates**, **total population**, **days to start a business**, **business tax rates** and **hours to do taxes** are weakly correlated with GDP Per Capita.

Factors Affecting the Sustainable growth of a country

Health Expenditure Per Capita increases with increase in GDP Per Capita



Countries doing well in the Ease of doing business ranking also does well in economic growth

