



Jean Monnet Chair Economic Growth and Welfare systems

Facts and introduction Economic growth

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	Per capita GDP (euros 2012)	Equivalent per capita monthly income (euros 2012)
World	10100	760
Europe	24000	1800
incl. European Union	27300	2040
incl. Russia/Ukraine	15400	1150
America	21500	1620
incl. United States/Canada	40700	3050
incl. Latin America	10400	780
Africa	2600	200
incl. North Africa	5700	430
incl. Sub-Saharan Africa	2000	150
Asia	7000	520
incl. China	7700	580
incl. India	3200	240
incl. Japan	30000	2250
incl. Other	7600	570

World GDP, estimated in purchasing power parity, was about 71 200 billion euros in 2012.

World population was about 7.050 billion inhabitants, hence a per capita GDP of €10 100 (equivalent to a monthly income of about €760 per month).

Sources: see piketty.pse.ens.fr/capital21

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*Europe's GDP made 47% of world GDP in 1913, down to 25% in 2012.
Sources and series: see piketty.pse.ens.fr/capital21c*

The distribution of world output, 0-2012

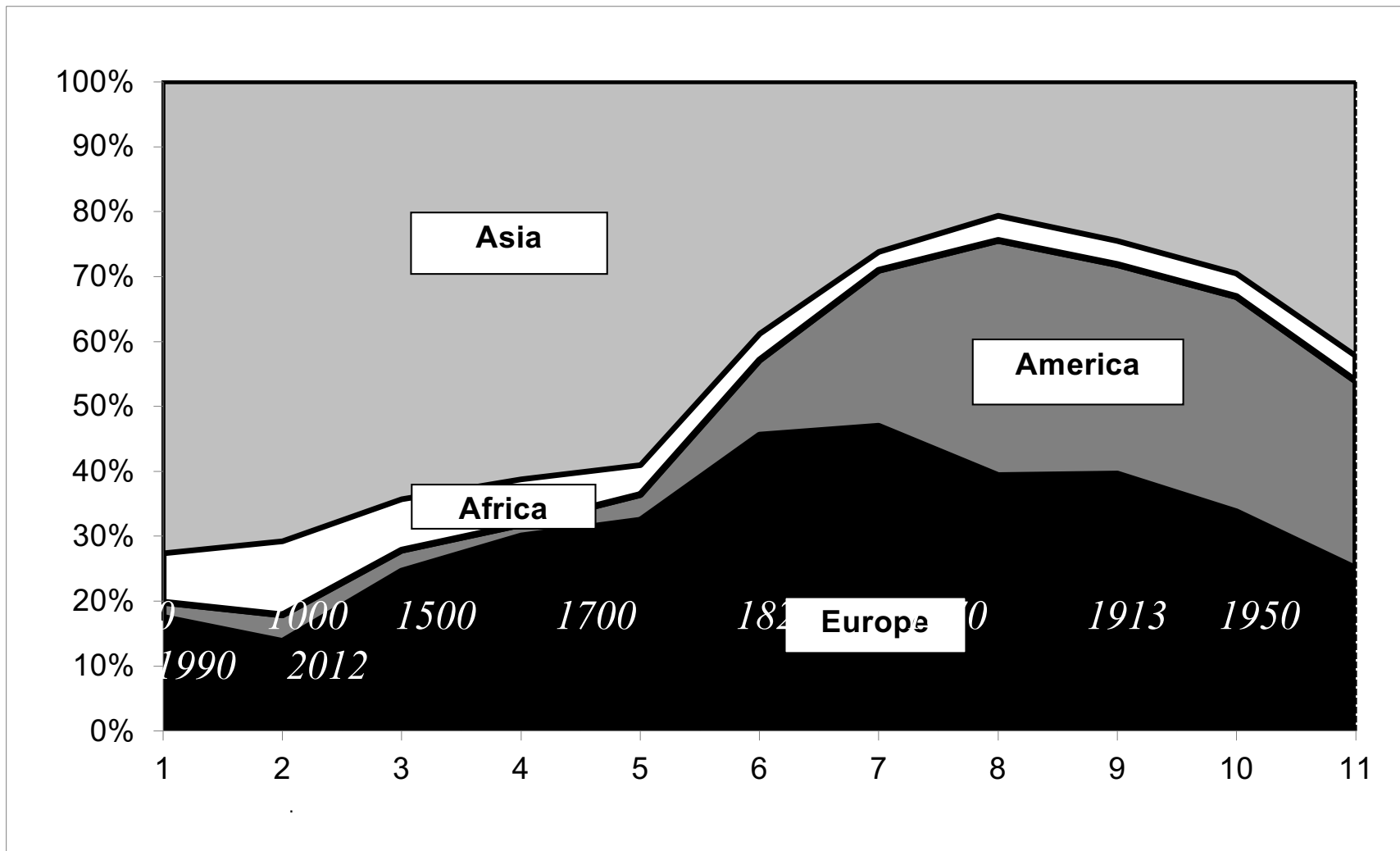
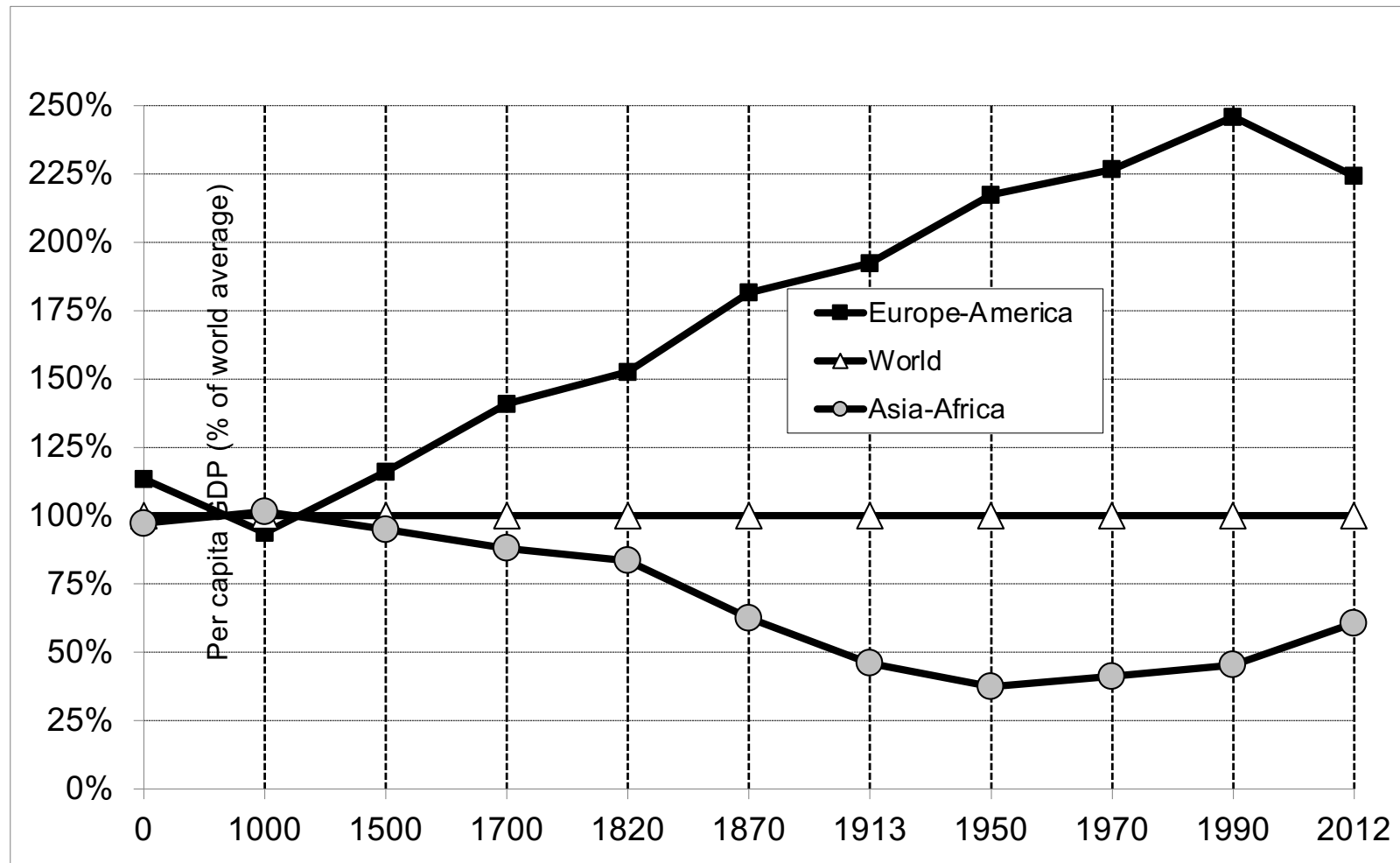
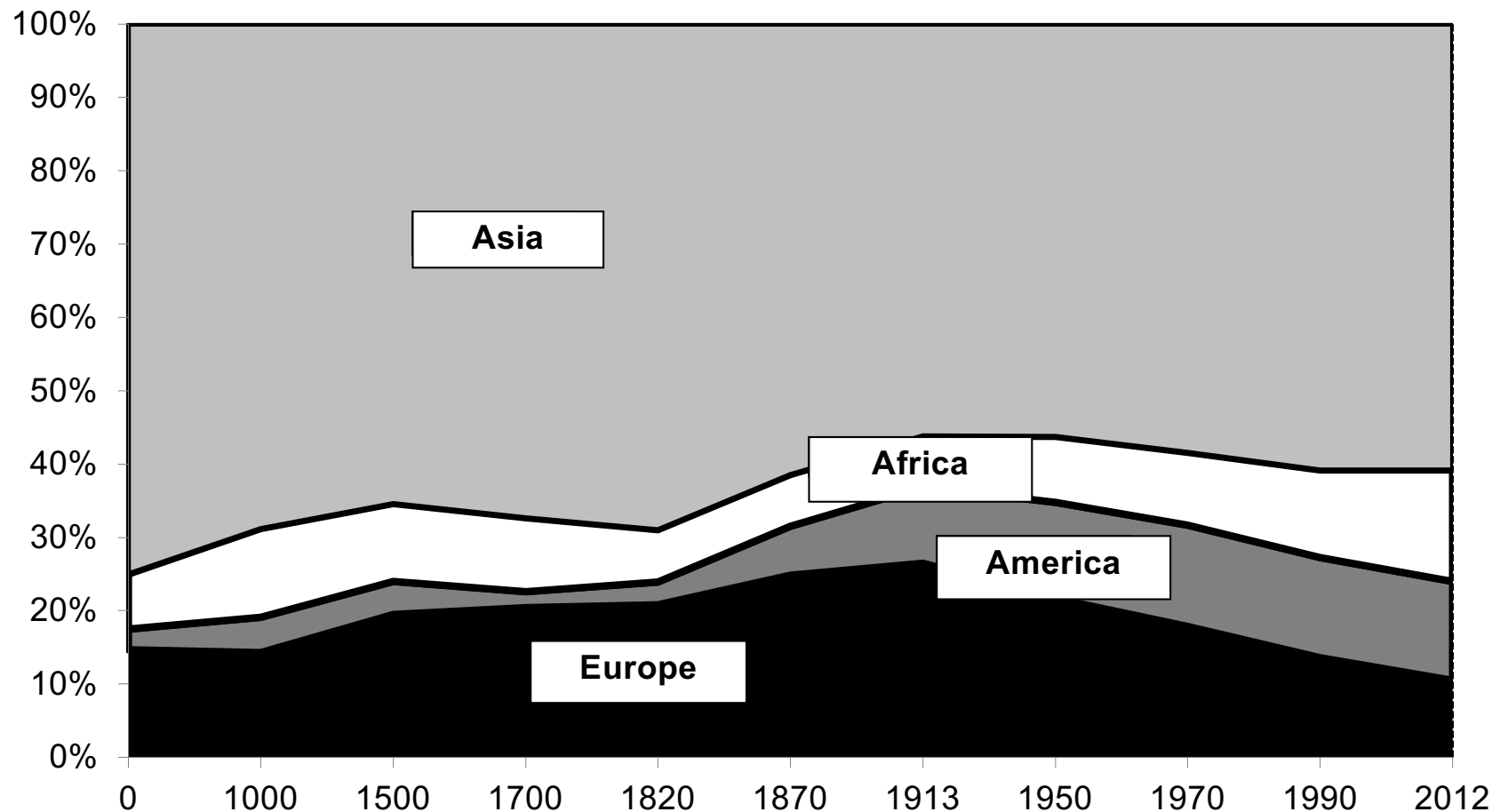


Figure - Global inequality 1-2012: divergence then convergence?



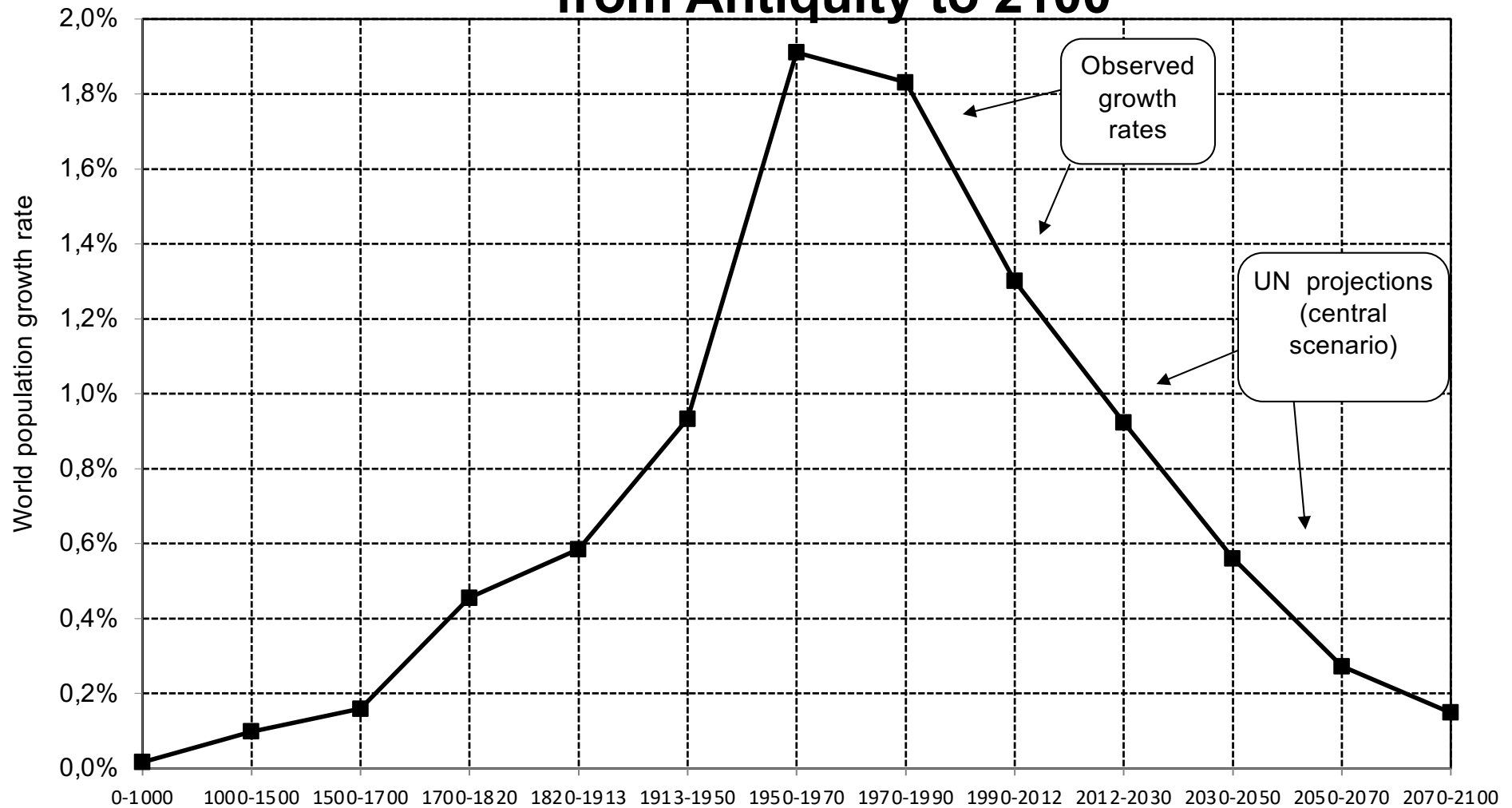
Per capita GDP in Asia-Africa went from 37% of world average in 1950 to 61% in 2012. Sources and series: see piketty.pse.ens.fr/capital21c.

The distribution of world population 1-2012



Europe's population made 26% of world population in 1913, down to 10% in 2012. Sources and series: see piketty.pse.ens.fr/capital21c.

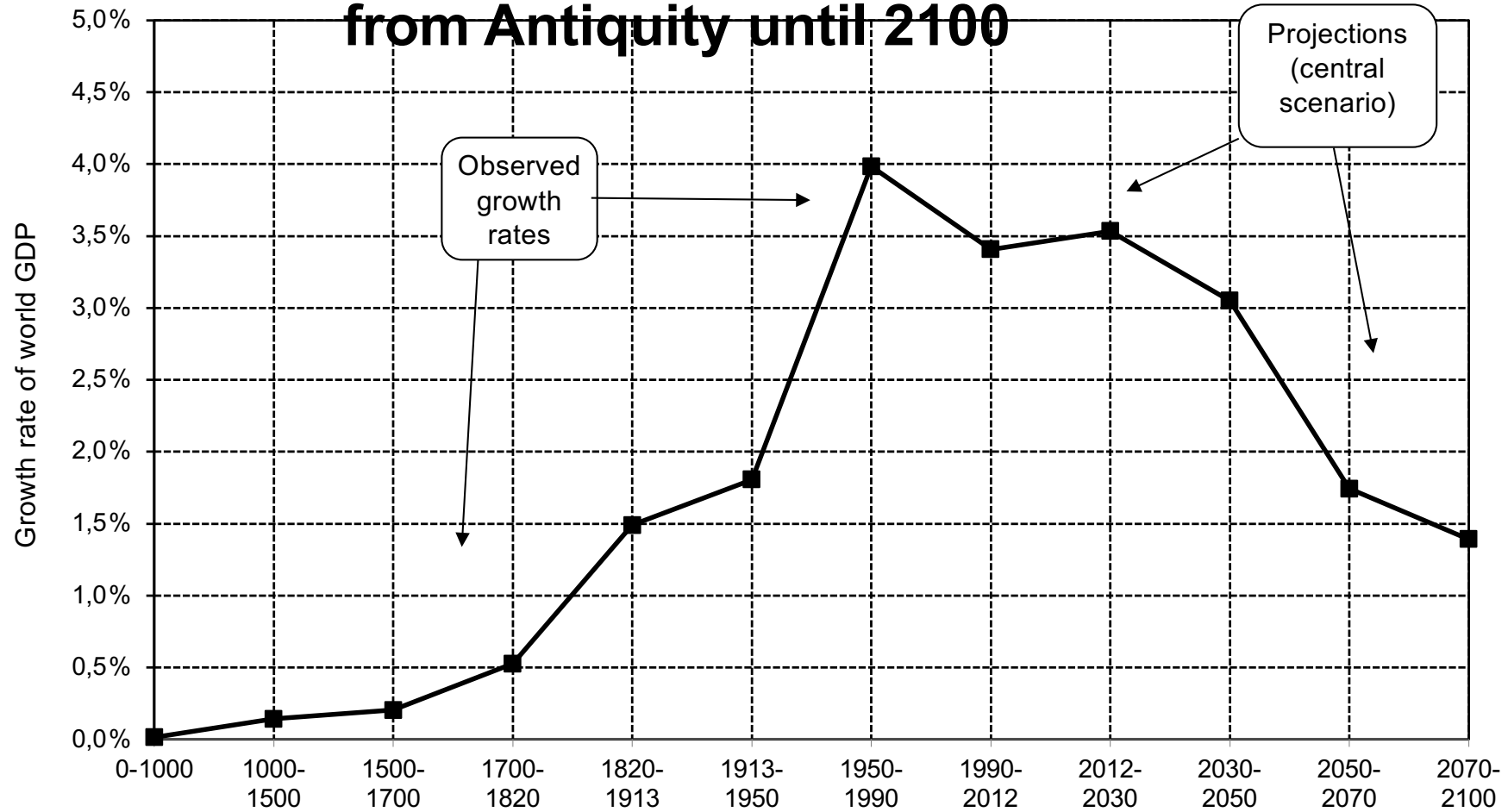
The growth rate of world population from Antiquity to 2100



The growth rate of world population was above 1% per year from 1950 to 2012 and should return toward 0% by the end of the 21st century.

Sources and series: see piketty.pse.ens.fr/capital21c.

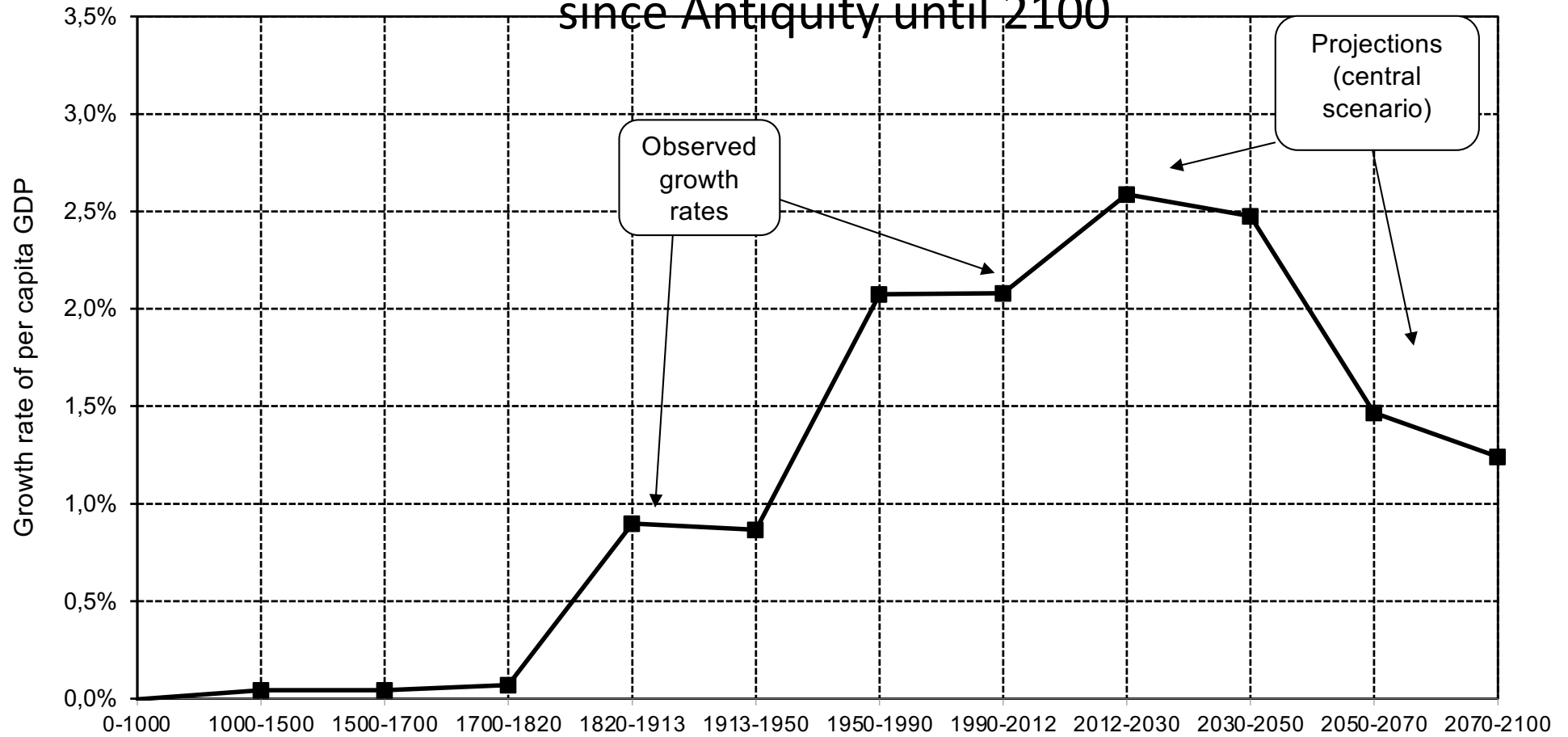
The growth rate of world output from Antiquity until 2100



The growth rate of world output surpassed 4% from 1950 to 1990. If the convergence process goes on it will drop below 2% by 2050. Sources and series: see piketty.pse.ens.fr/capital21c.

The growth rate of world per capita output

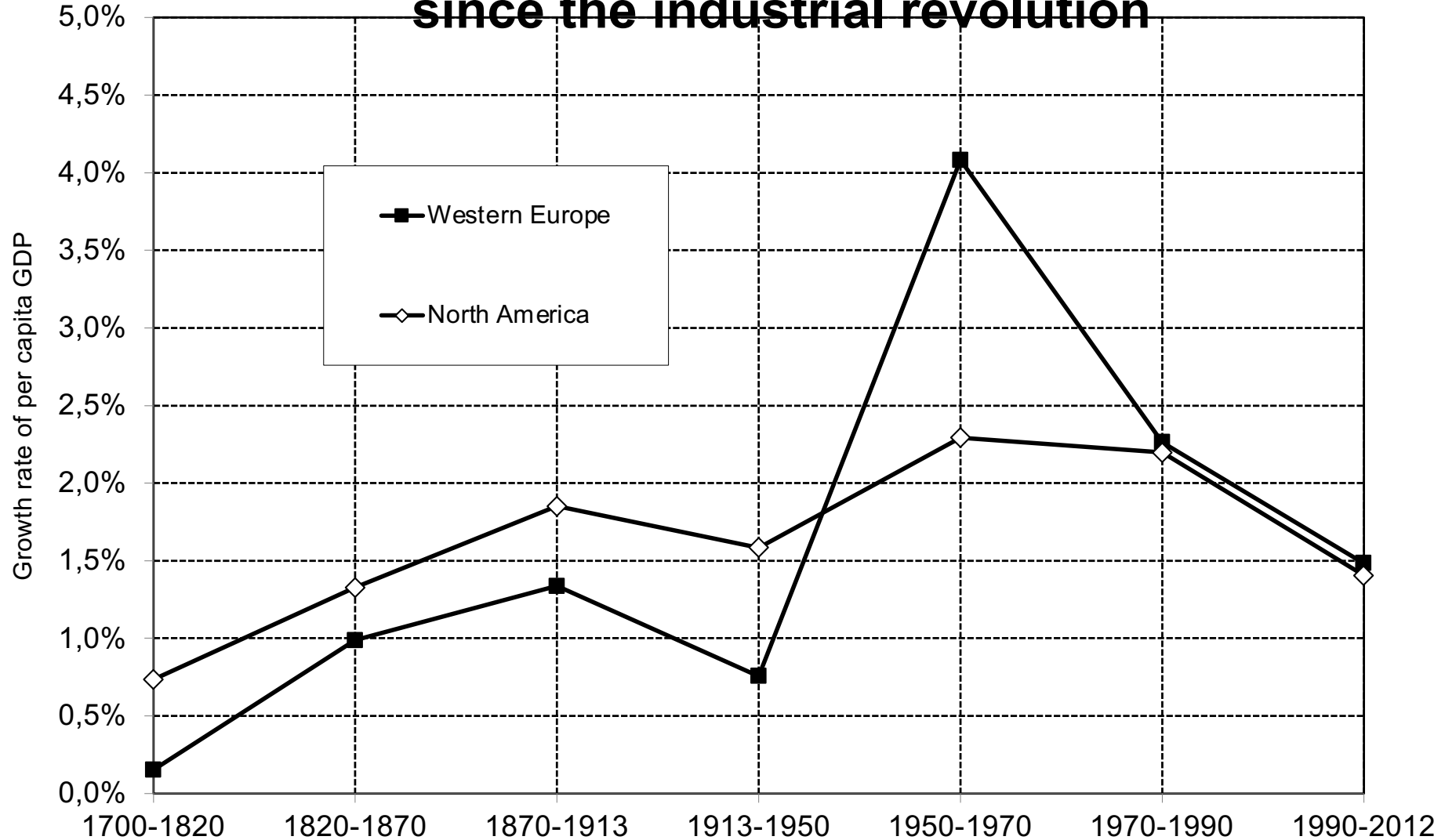
since Antiquity until 2100



The growth rate of per capita output surpassed 2% from 1950 to 2012. If the convergence process goes on, it will surpass 2,5% from 2012 to 2050, and then will drop below 1,5%.

Sources and series : see piketty.pse.ens.fr/capital21c.

The growth rate of per capita output since the industrial revolution



The growth rate of per capita output surpassed 4% per year in Europe between 1950 and 1970, before returning to American levels.

Sources and series: see piketty.pse.ens.fr/capital21c

TABLE 1.1 STATISTICS ON GROWTH AND DEVELOPMENT

	GDP per capita, 2008	GDP per worker, 2008	Labor force participation rate, 2008	Average annual growth rate, 1960–2008	Years to double
“Rich” countries					
United States	\$43,326	\$84,771	0.51	1.6	43
Japan	33,735	64,778	0.52	3.4	21
France	31,980	69,910	0.46	2.2	30
United Kingdom	35,345	70,008	0.51	1.9	36
Spain	28,958	57,786	0.50	2.7	26
“Poor” countries					
China	6,415	10,938	0.59	5.6	13
India	3,078	7,801	0.39	3.0	24
Nigeria	1,963	6,106	0.32	0.6	114
Uganda	1,122	2,604	0.43	1.3	52
“Growth miracles”					
Hong Kong	37,834	70,940	0.53	4.3	16
Singapore	49,987	92,634	0.54	4.1	17
Taiwan	29,645	62,610	0.47	5.1	14
South Korea	25,539	50,988	0.50	4.5	16
“Growth disasters”					
Venezuela	9,762	21,439	0.46	−0.1	−627
Haiti	1,403	3,164	0.44	−0.4	−168
Madagascar	810	1,656	0.49	−0.1	−488
Zimbabwe	135	343	0.40	−1.5	−47

FIGURE 1.1 CUMULATIVE DISTRIBUTION OF WORLD POPULATION BY GDP PER WORKER, 2008

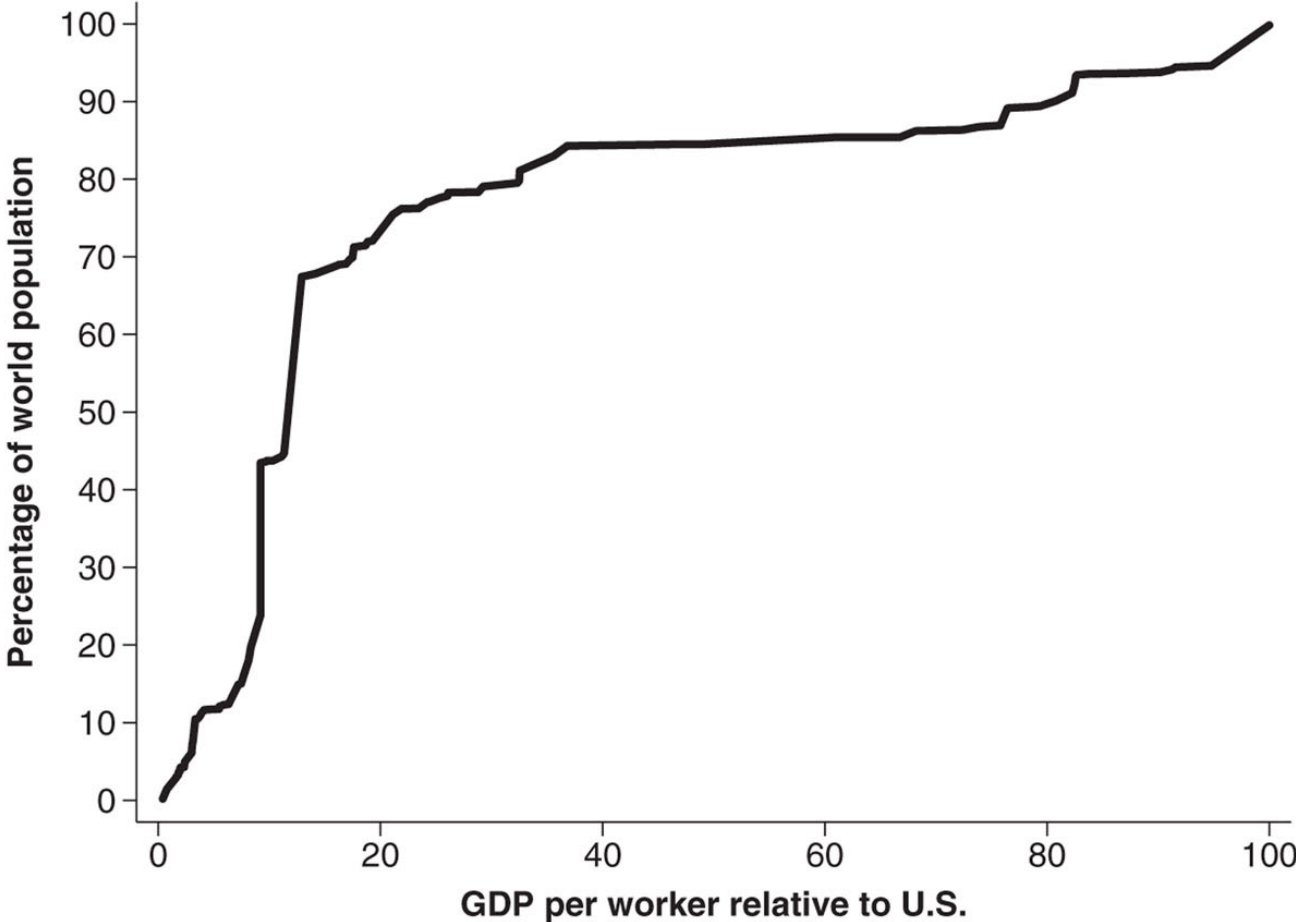


FIGURE 1.2 WORLD POPULATION BY GDP PER WORKER, 1960 AND 2008

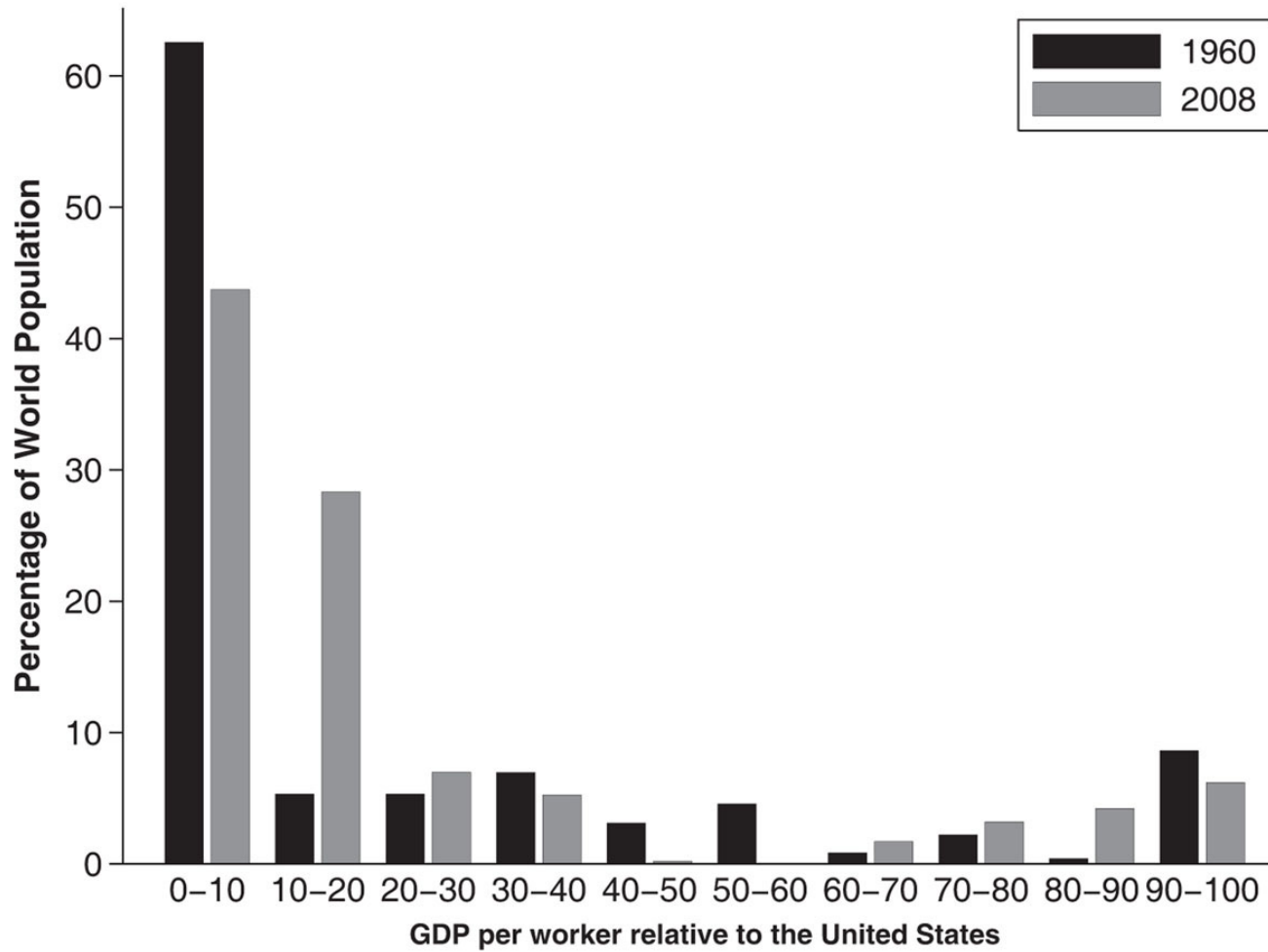


FIGURE 1.3 WORLD PER CAPITA GDP AND GROWTH RATES, 1500-2000

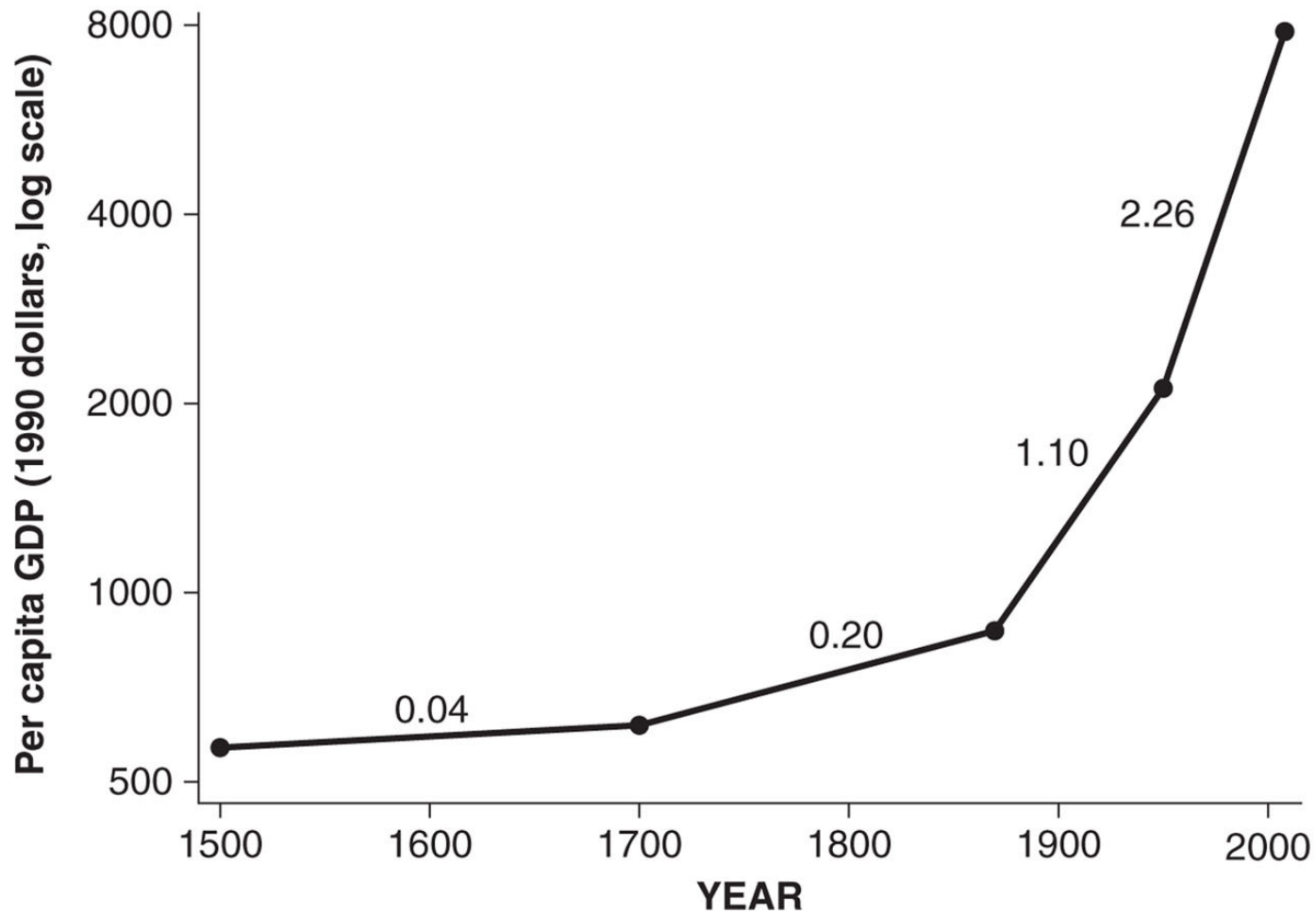


FIGURE 1.4 REAL PER CAPITA GDP IN THE UNITED STATES, 1870-2008

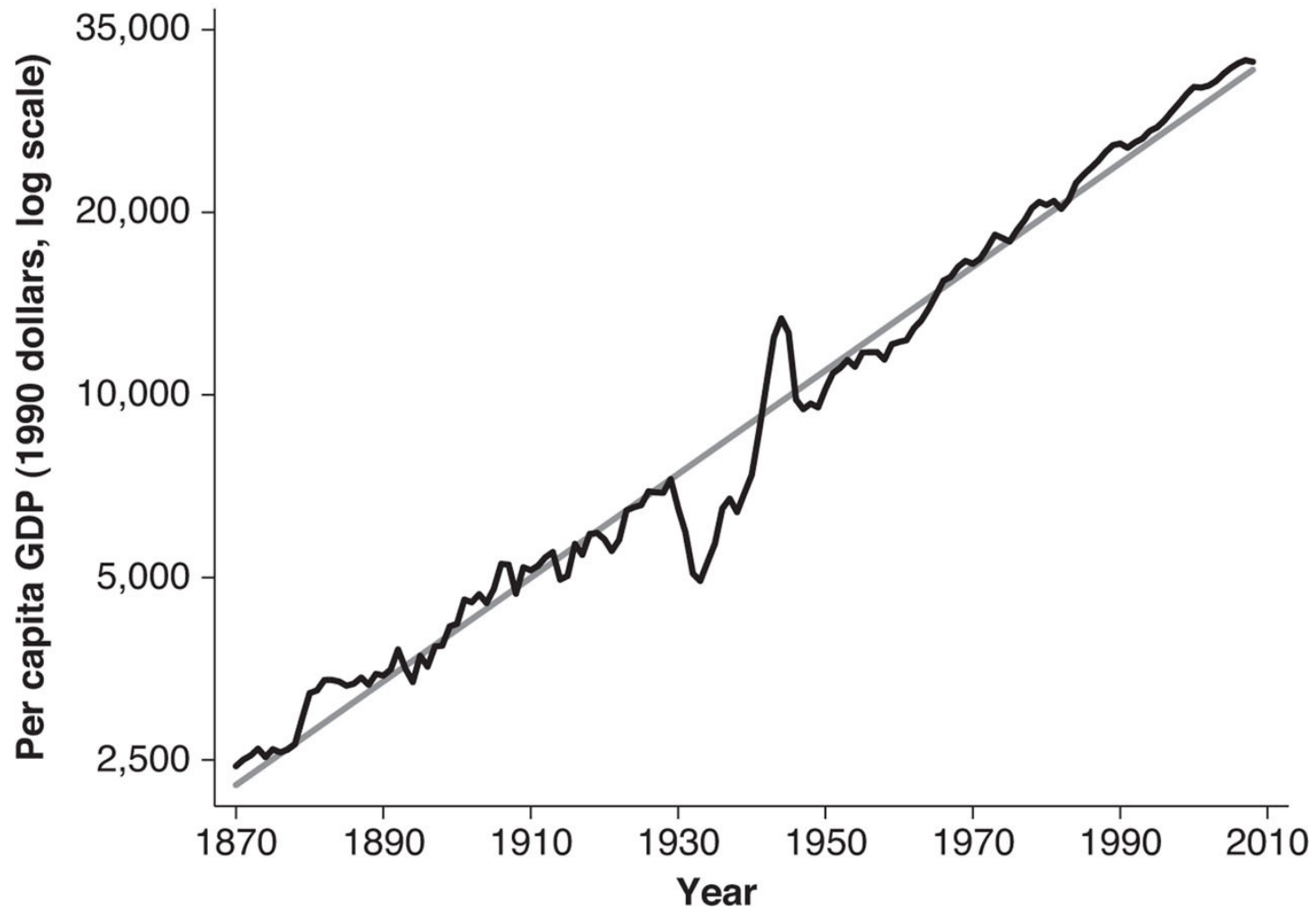
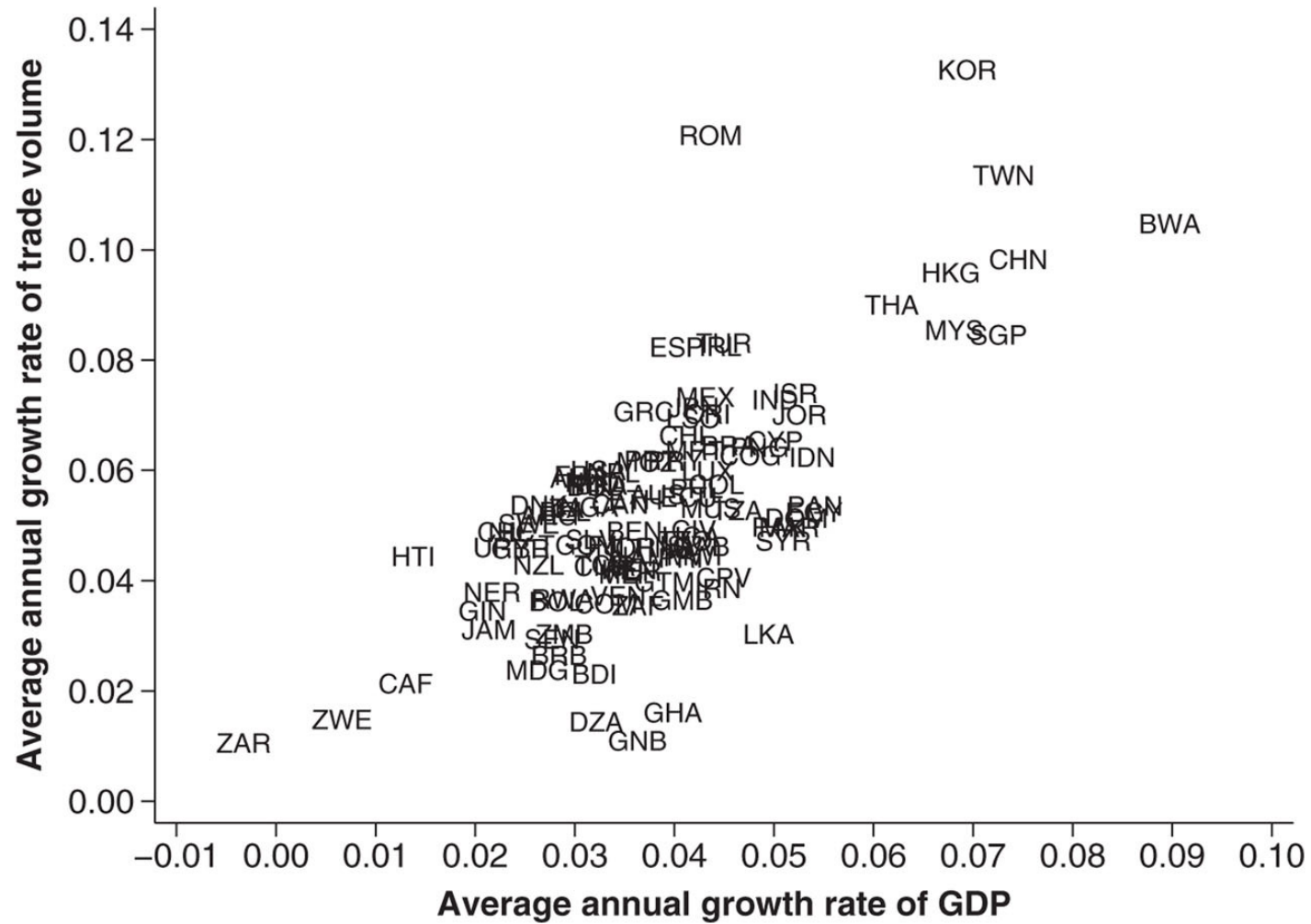
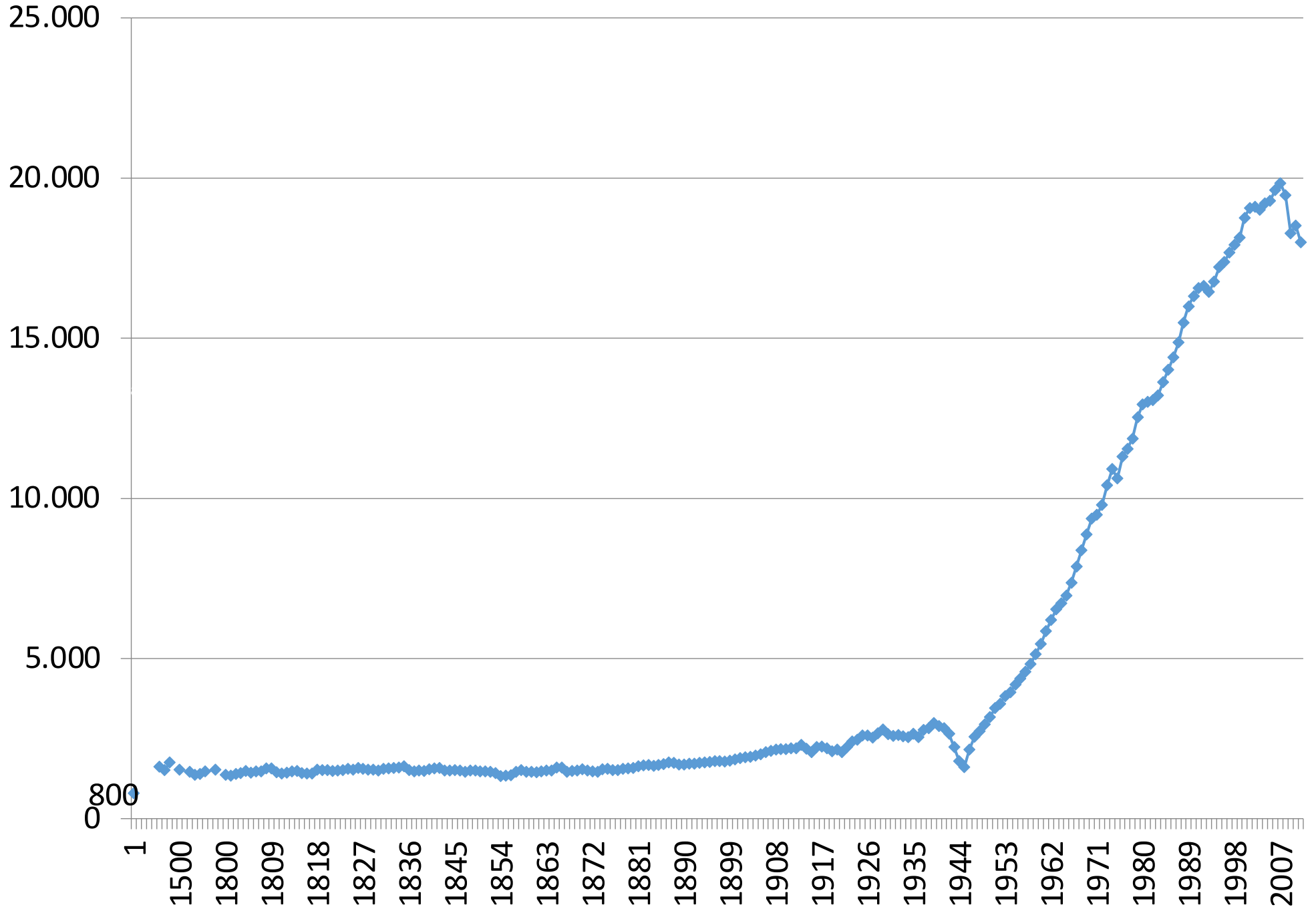


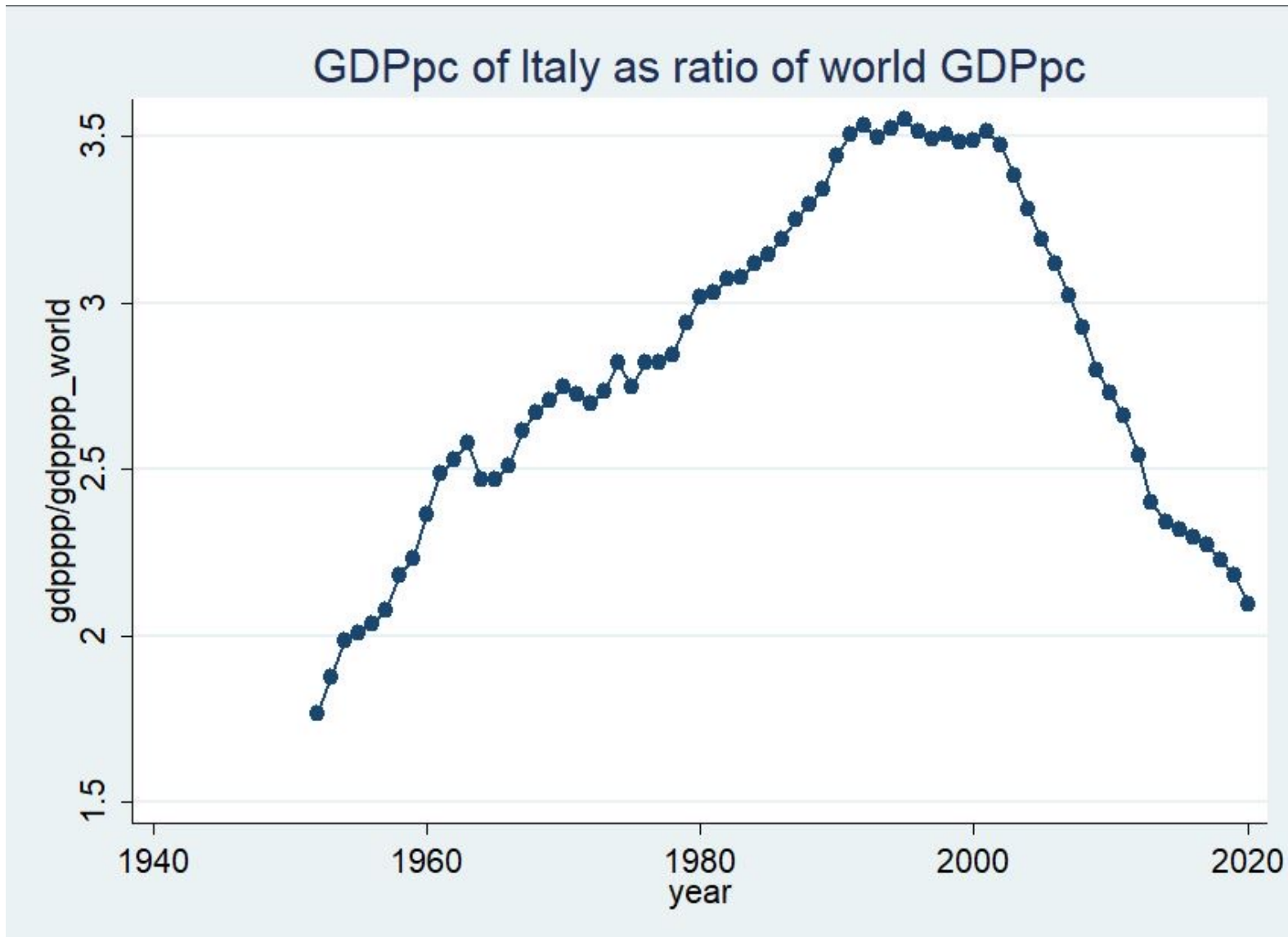
FIGURE 1.5 GROWTH IN TRADE AND GDP, 1960–2008



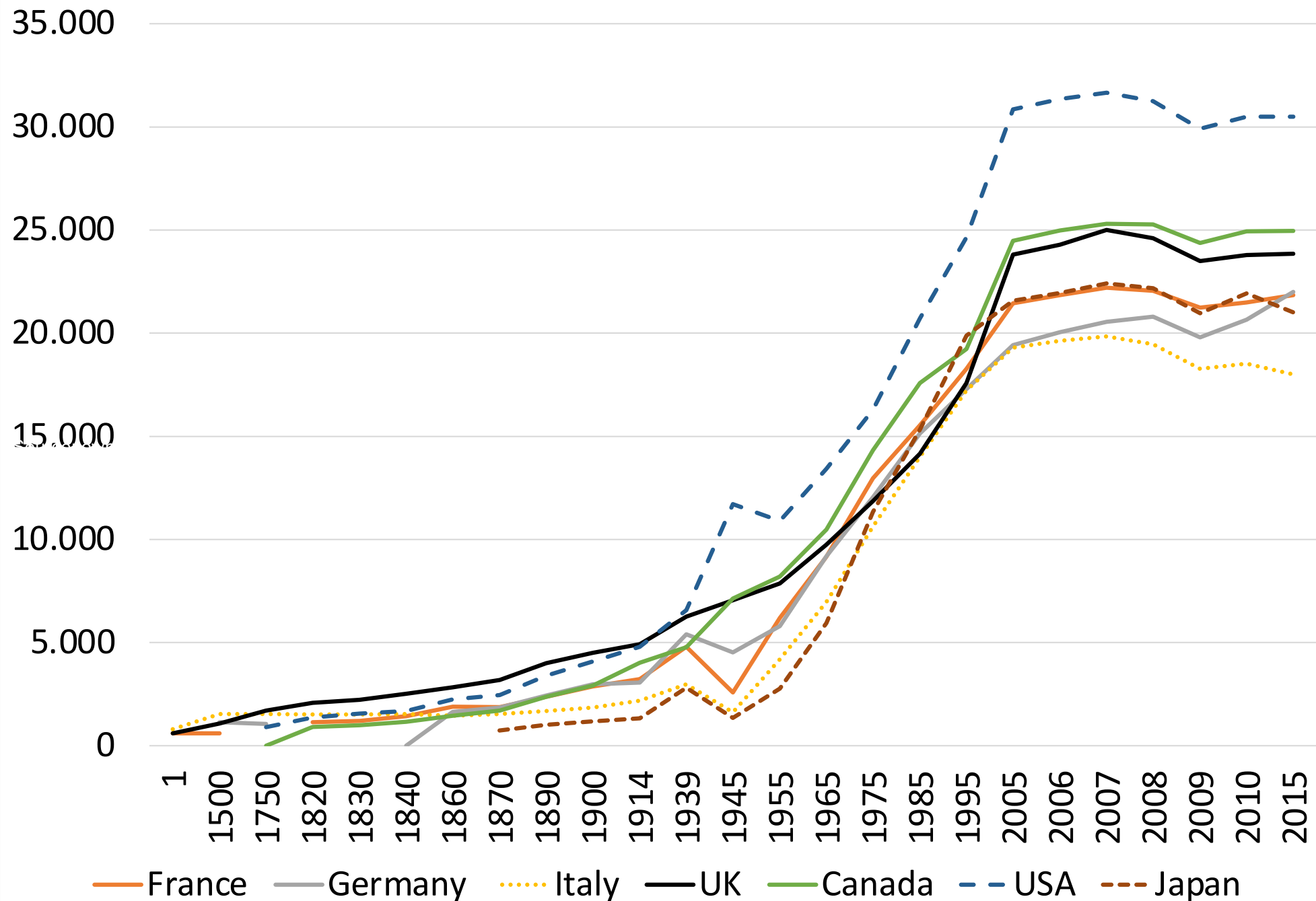
Italy GDP per capita 1-2010 (in Int GK\$)



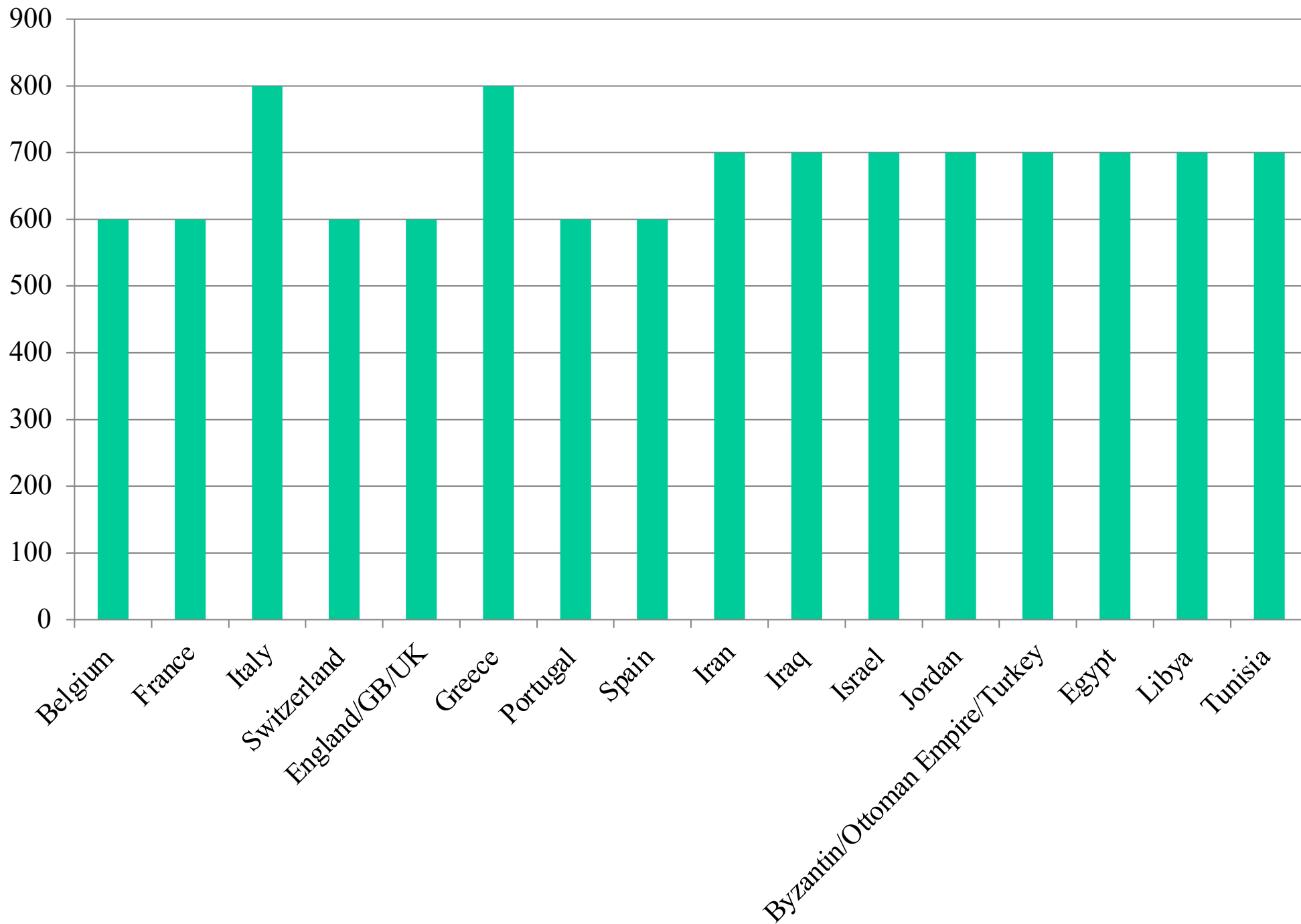
Italy: GDP per capita vs world, in %



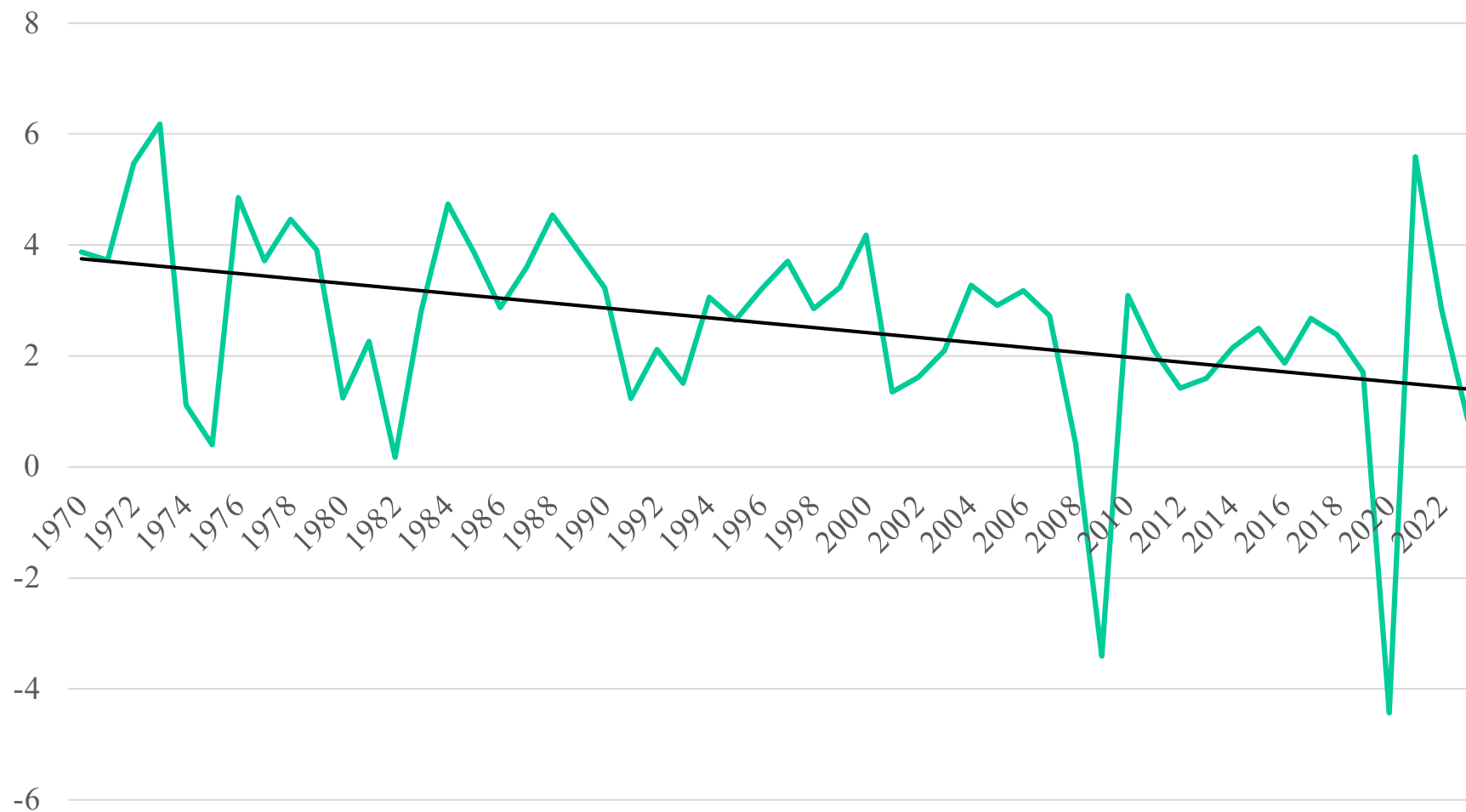
GDP per capita evolution own 1-2015 (G7)



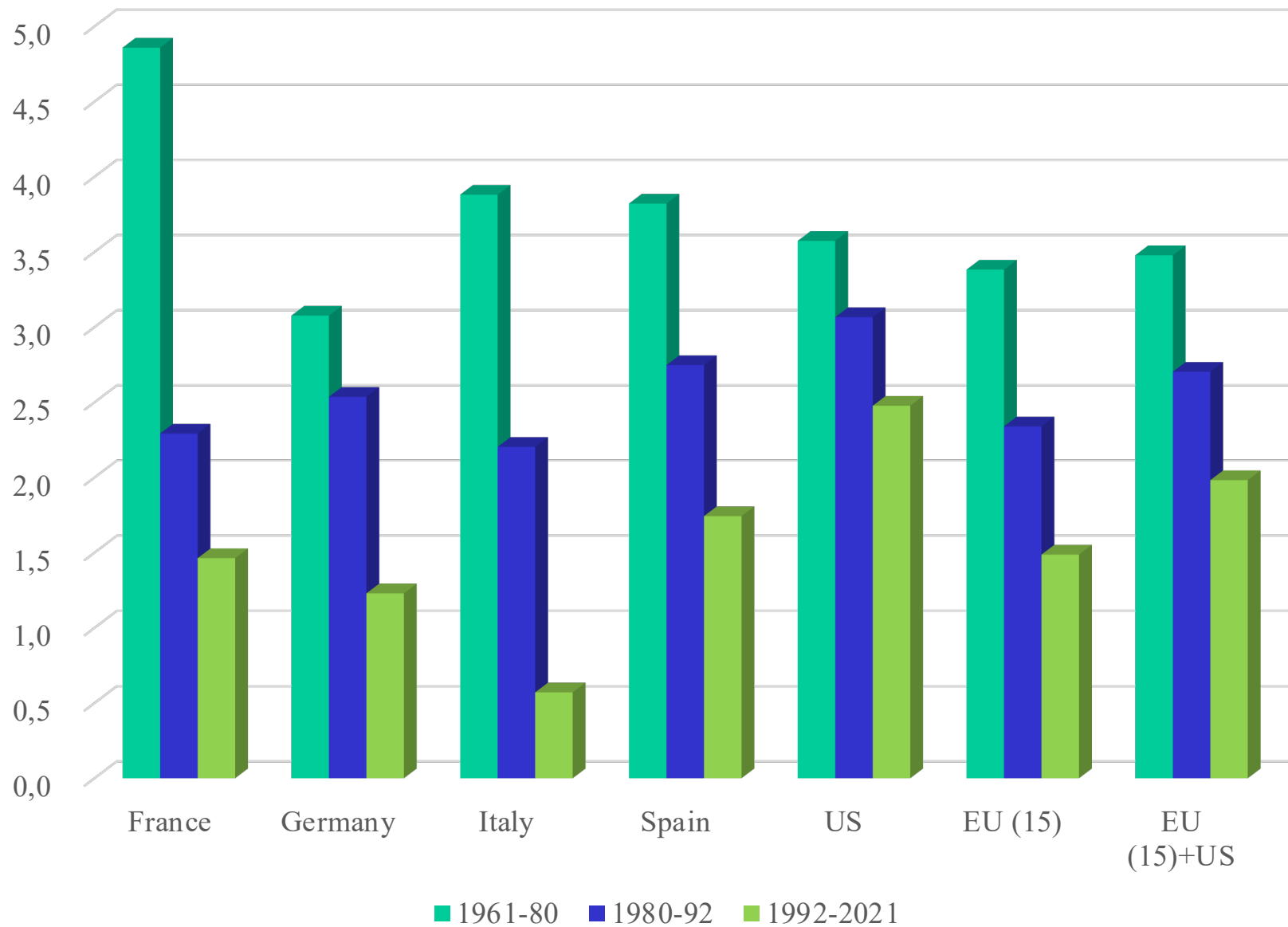
GDP of the richest countries at year 1 (Int.\$)



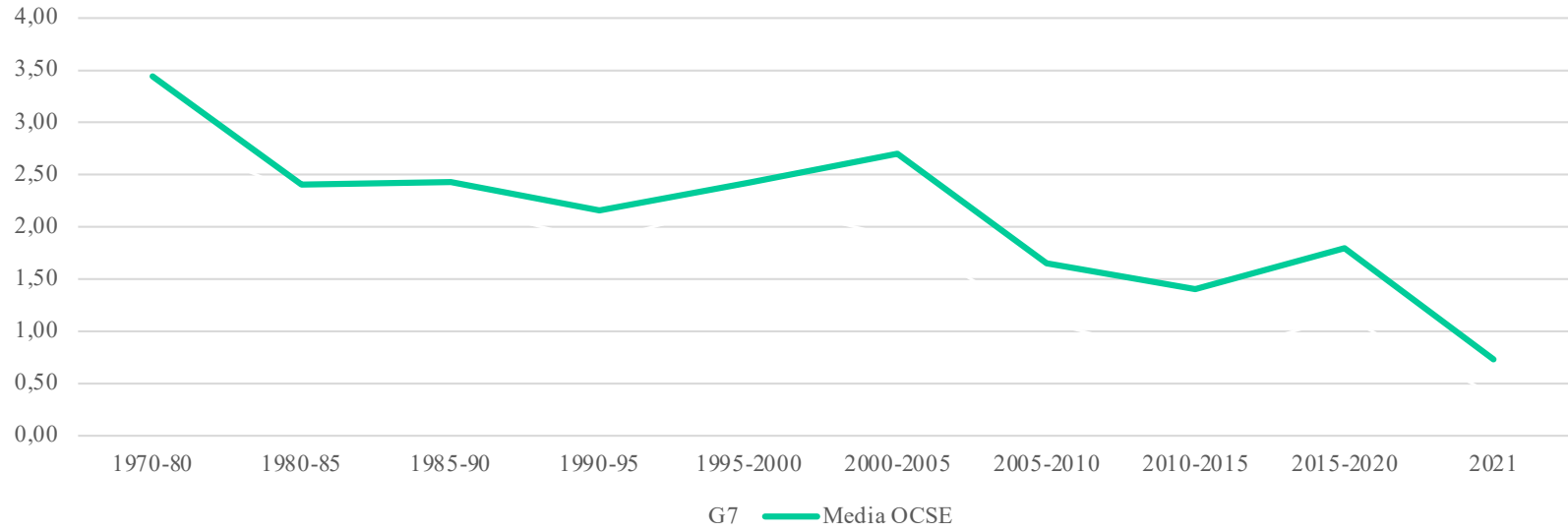
GDP growth per capita in OECD countries 1971-2022



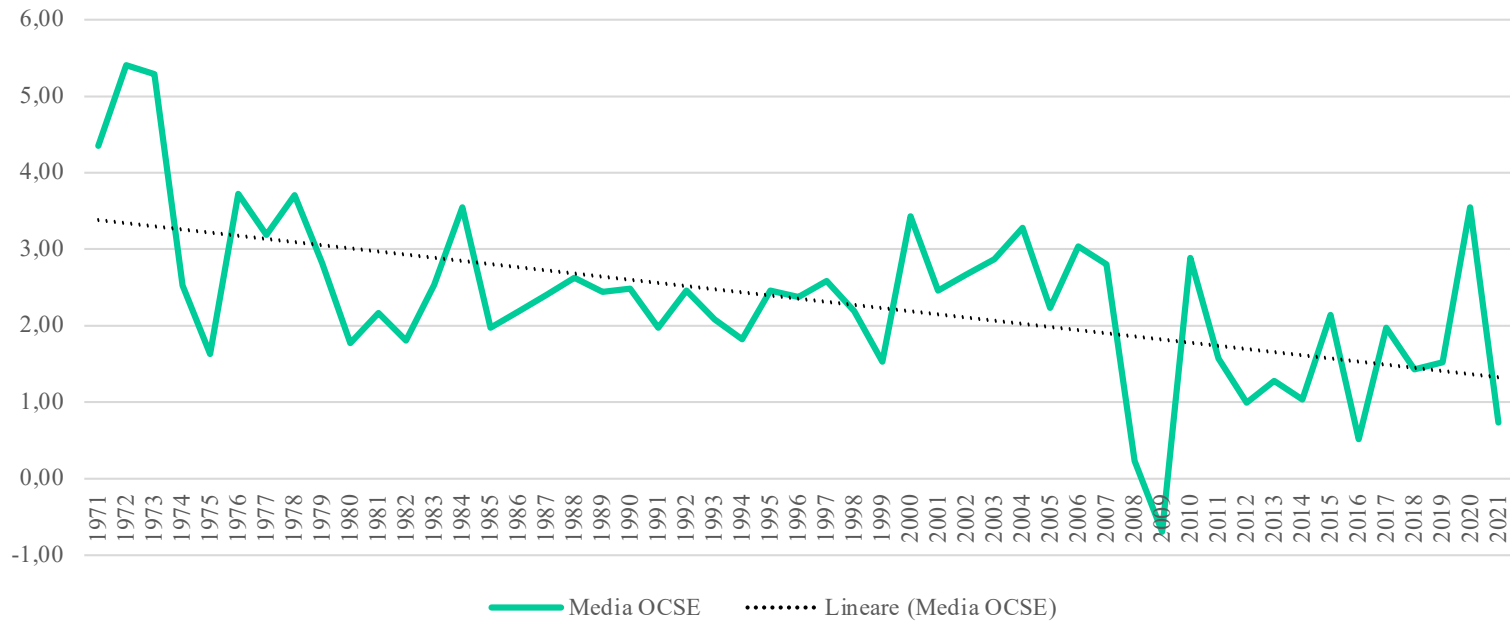
GDP performance before and during financialisation



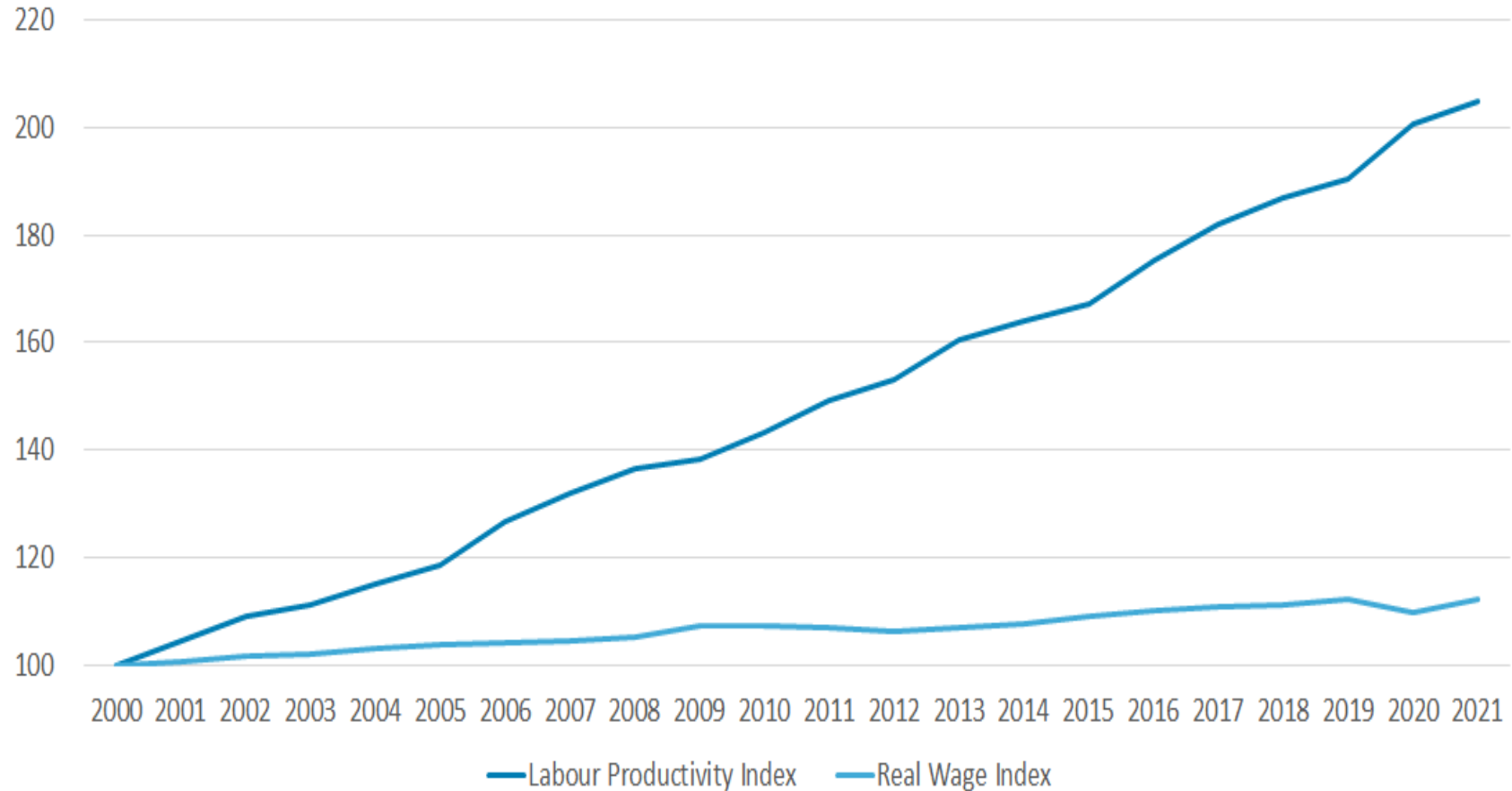
Labour productivity declice



Labour Productivity growth per hours (Y/Lh) (OECD 1971-2021)

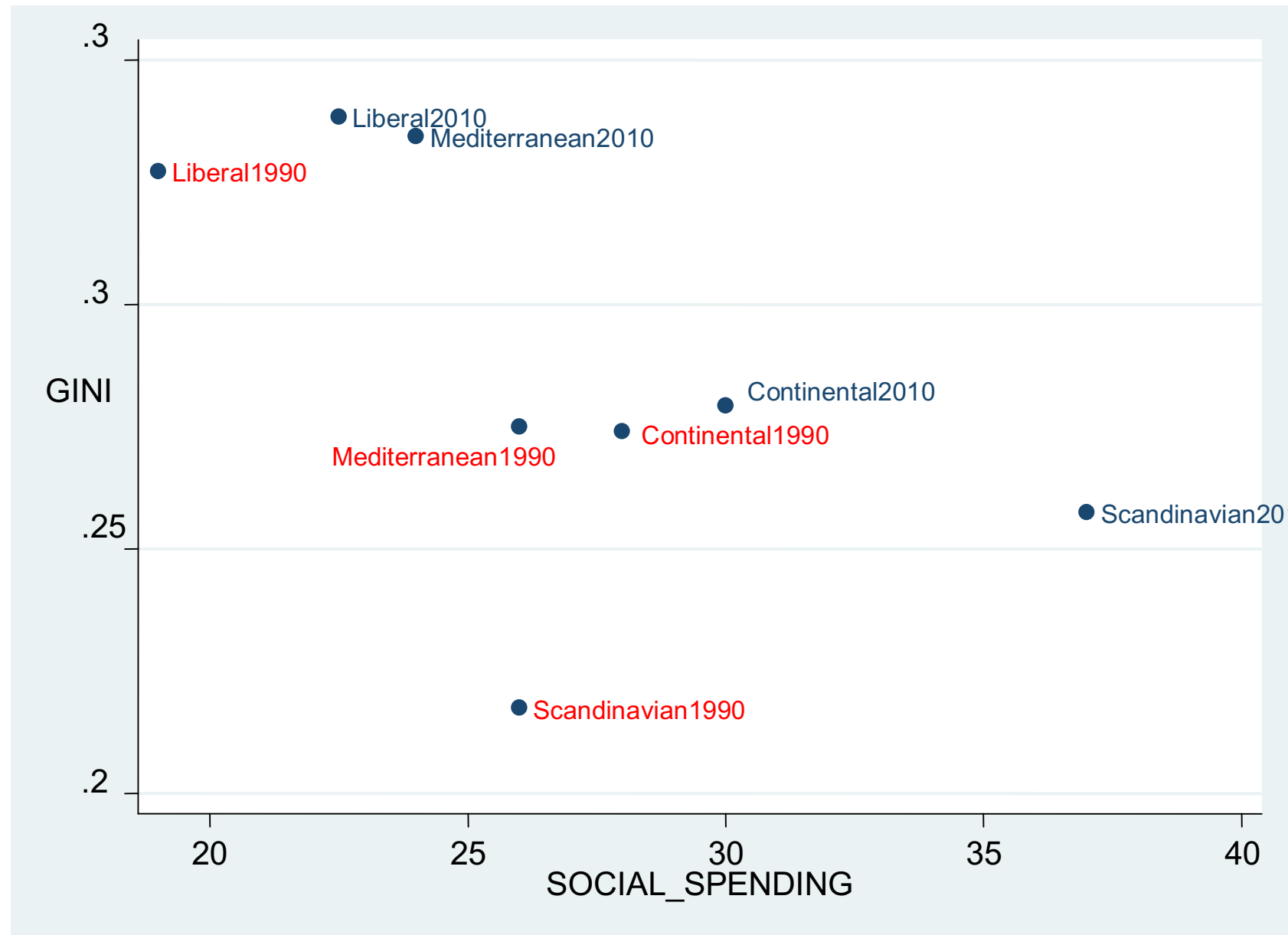


“The bad way”: recent distribution of labour productivity in advanced economies.

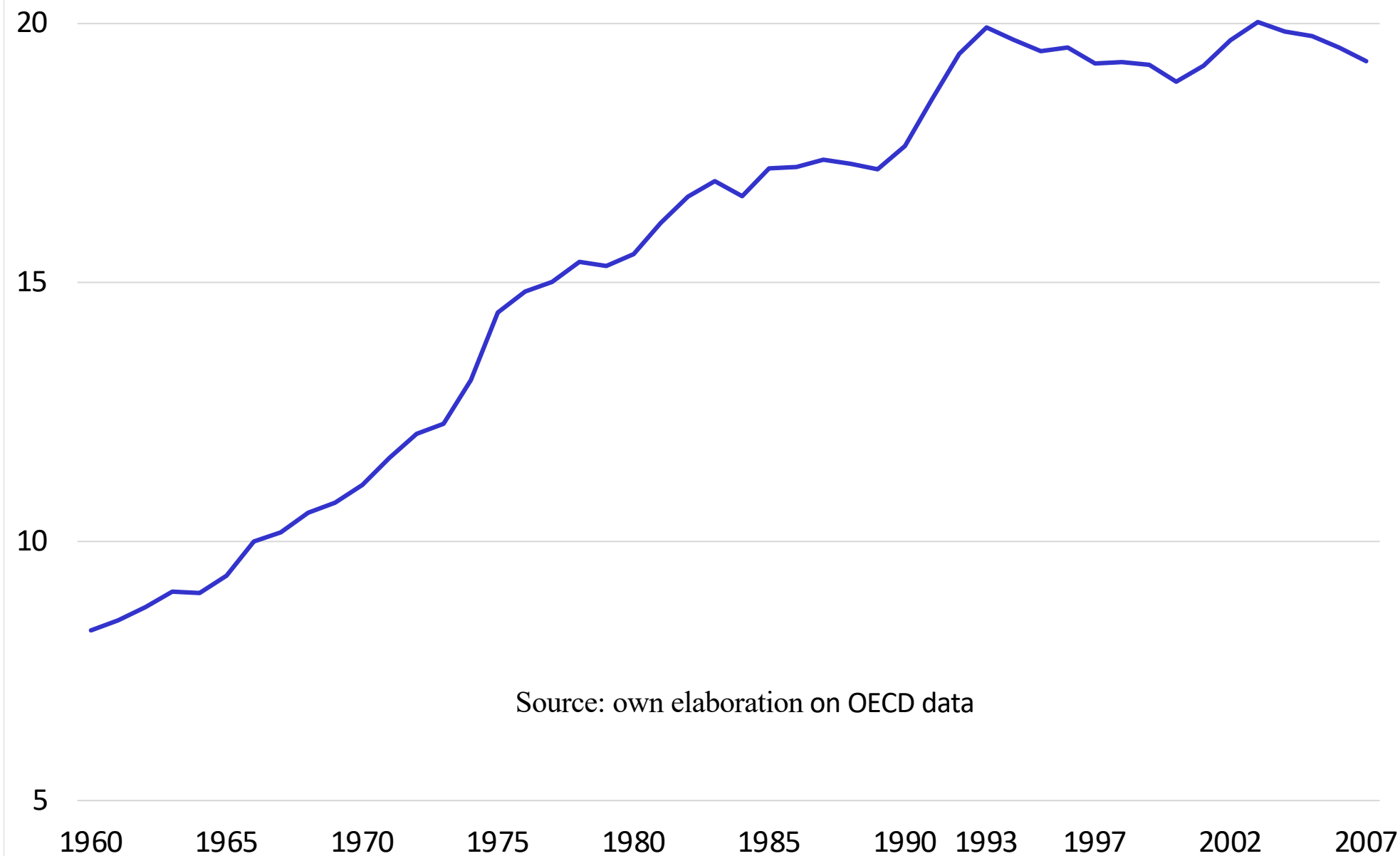


Source: [OCSE and ILO, online database.](#)

welfare evolution



Expansion and retrenchment of Welfare State 1960-2007

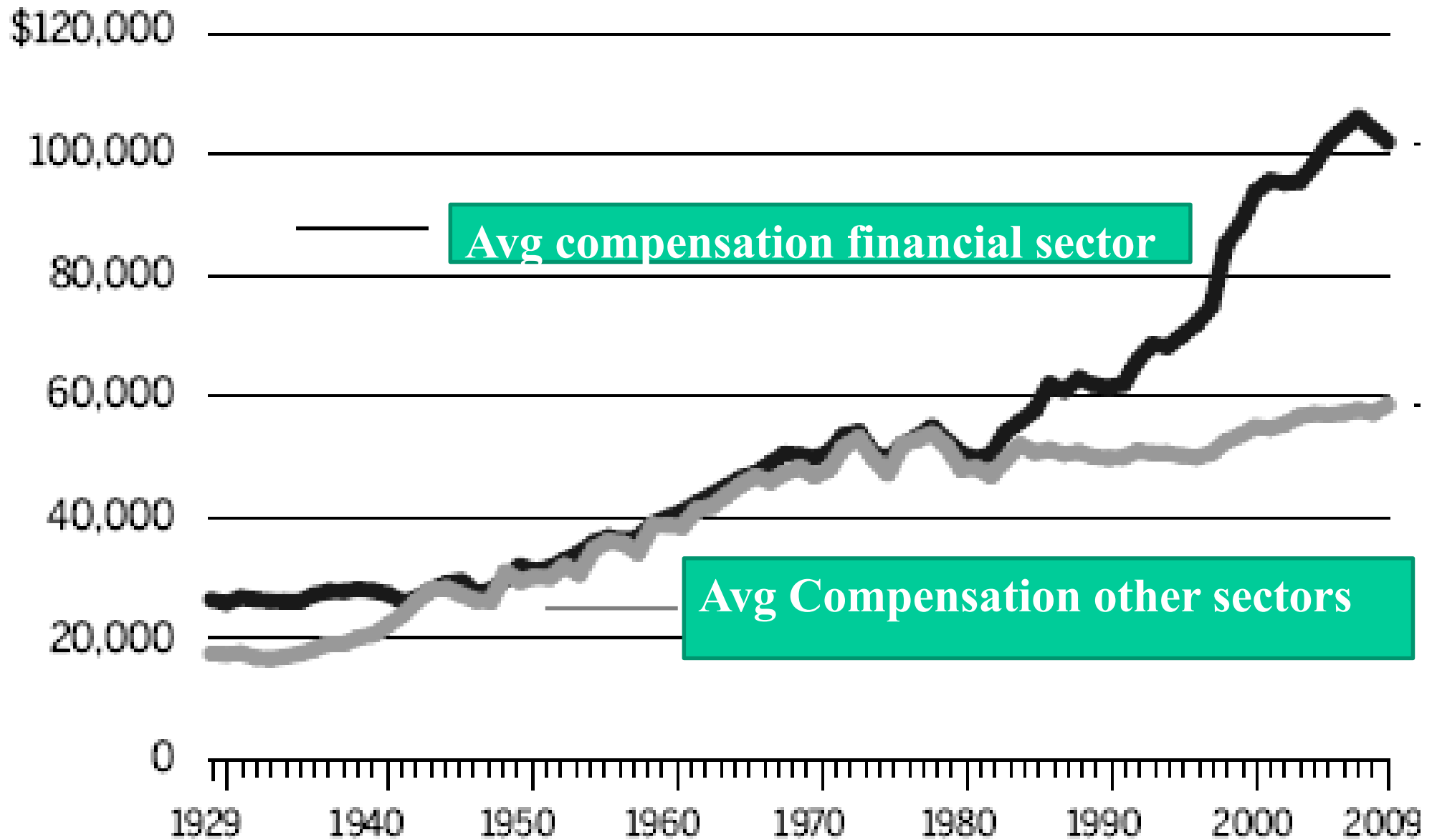


Source: own elaboration on OECD data

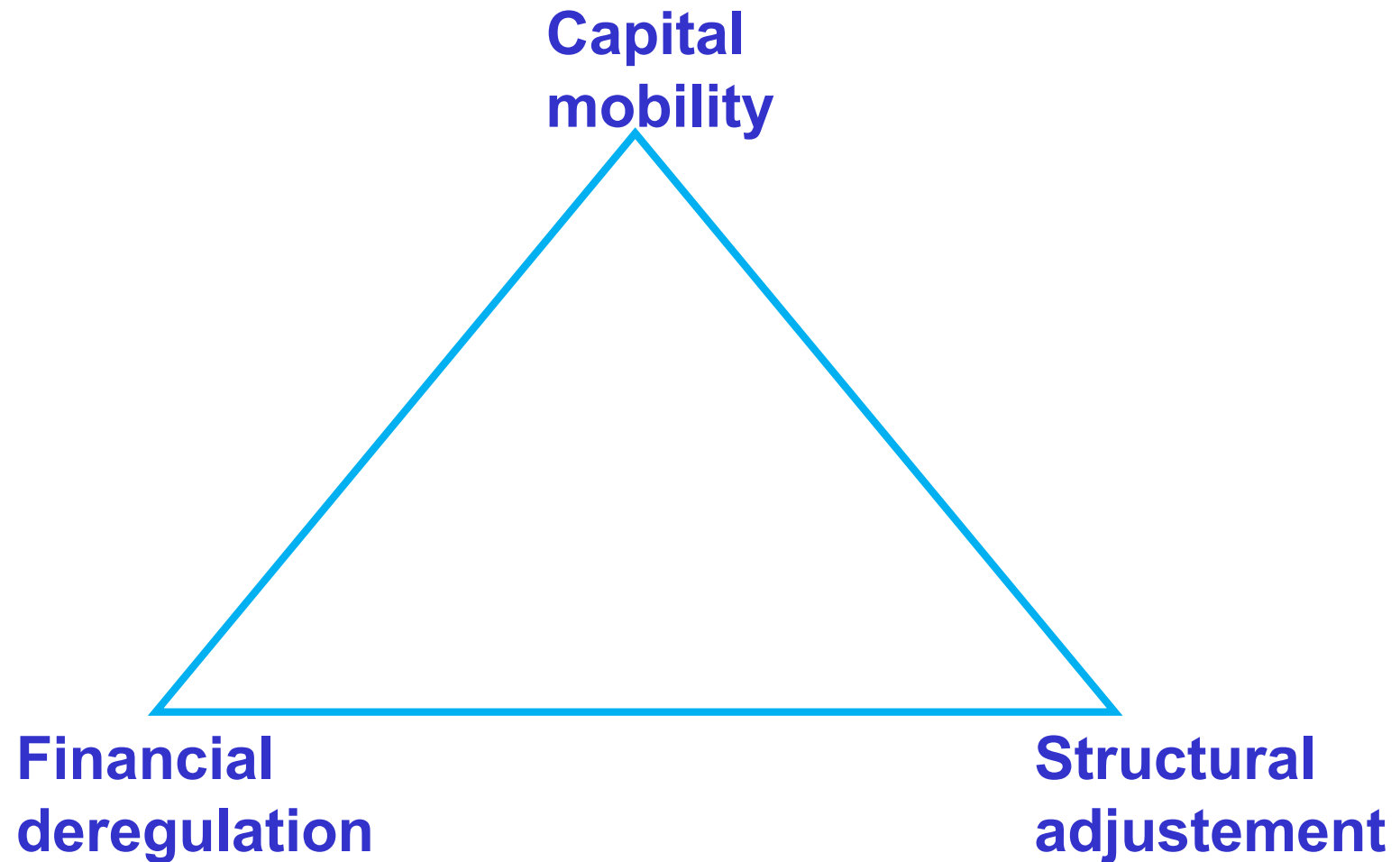
During the crisis...worste

		Avg real growth (on avg by groups)	Total growth captured by the bottom 99%	Total growth captured by the top 1%
Full period	1993-2021	46,5%	44%	56%
Clinton Expansion	1993-2000	31,5%	45%	55%
Bush Expansion	2002-2007	16,1%	35%	65%
Crisis	2009-2012	6%	5%	95%
COVID	2019-2021	13,1%	25%	75%

Compensation Financial sector and other sectors (USA)

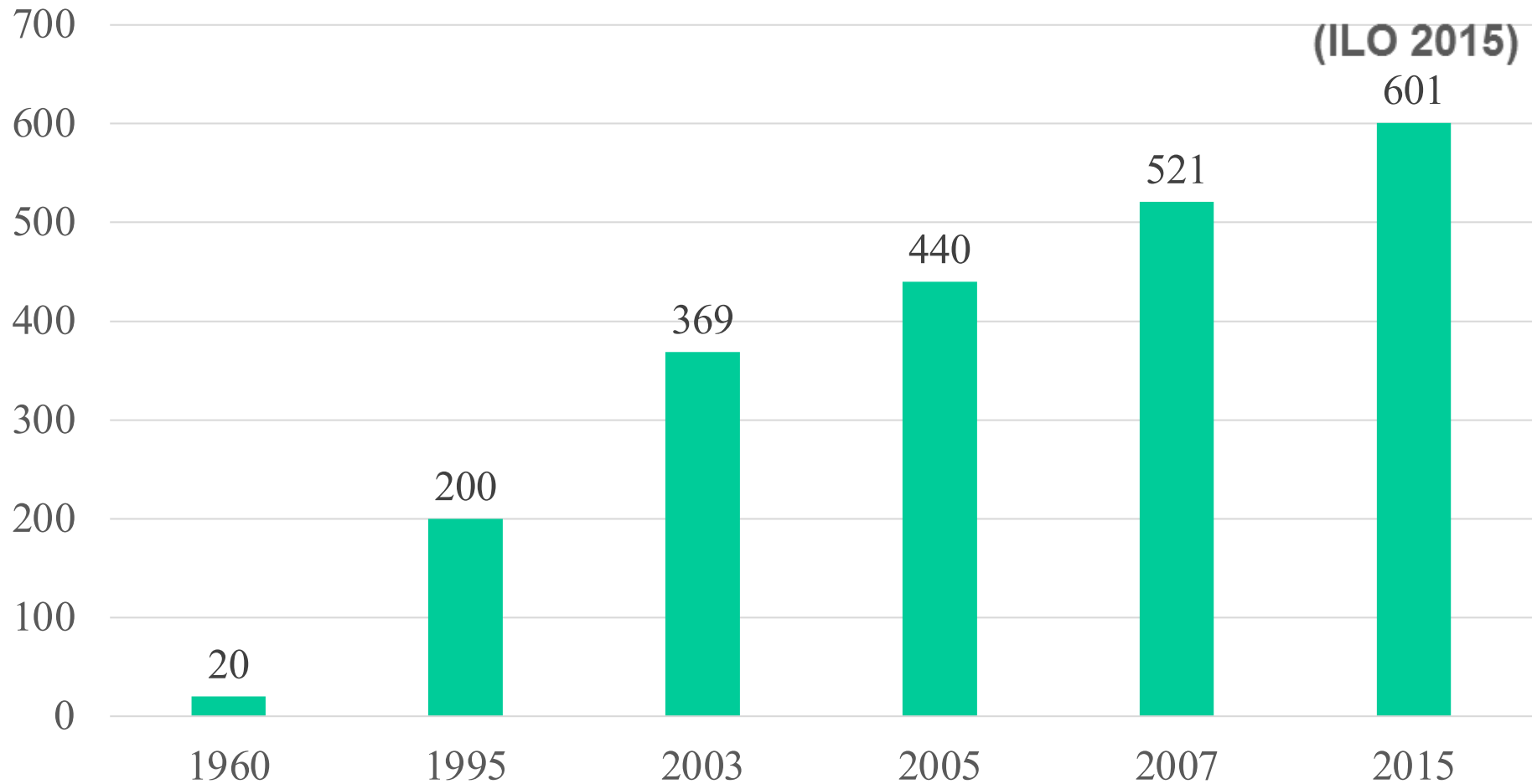


The IMF Triangle → no growth + inequality

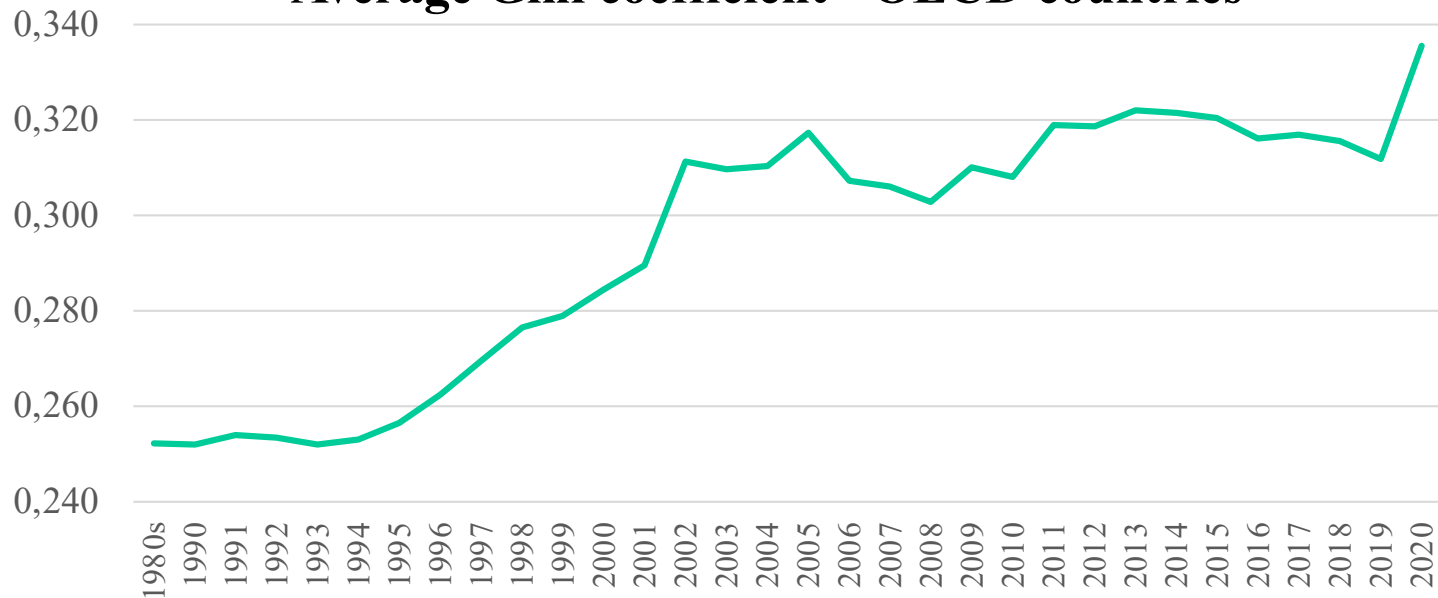


« THE BARONIAL SOCIETY »

Ratio between manager compensation and average worker wage in rich countries



Average Gini coefficient - OECD countries



Wage share (adjusted) in G7 economies, from the end 1970s to 2016

