

# **2030 Projections of the Global Development Trajectory**

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## 2030 Projections

UNCTAD's Global Policy Model has been used to project a Global Scenario of world trade and finance from 2019 to 2030. Its focus is on the COVID period 2020-25 and post COVID trends for 2026-30.

15 Developing Economies have been added to the Model's original list of 19 countries both Developed and Developing. So the total number represented individually is now 34, with all other countries included in 11 geographic groups.

Today we focus on 9 World Regions Europe; North America; Russia & Central Asia; China, East Asia & the Pacific; North Africa & Middle East; Central & South America; South-East Asia; South Asia; and Africa South of the Sahara.

We also use selected country results to illustrate the range of variation.

# The Economic Variables

The Narrative Focuses on Six Economic Variables

1. **Real GDP** (% per annum),
2. **GDP Per Capita** (\$2015pp),
3. **Government Deficits** (% of GDP),
4. **Government Debt** (% of GDP),
5. **The Current Account** (% of GDP) and
6. the **International Investment Position** (% of GDP): a positive value denotes a Net Creditor Country and a negative value denotes a Net Debtor Country.

# Real GDP Growth (% per annum)

|                          | 2011-19 | 2020-25       | 2026-30        |
|--------------------------|---------|---------------|----------------|
| North America            | 2.4%    | 1.7%          | 1.8%           |
| Europe                   | 1.7%    | 1.3%          | 1.7%           |
| Central & South America  | 1.0%    | 1.1%          | 0.9%           |
| China, E. Asia & Pacific | 5.3%    | 4.4%          | <b>4.0%</b>    |
| South Asia               | 6.3%    | <b>2.8%</b>   | <b>3.7%</b>    |
| South-East Asia          | 4.6%    | <b>2.5%</b>   | <b>2.3%</b>    |
| N. Africa & Middle East  | 2.6%    | <b>1.6%</b>   | <b>0.5%</b>    |
| Africa South of Sahara   | 3.3%    | <b>1.6%</b>   | <b>0.0%</b>    |
| Russia & Central Asia    | 2.5%    | <b>1.1% *</b> | <b>-1.9% *</b> |

## Red figures

GDP growth reduced by more than 1 percentage point relative to 2011-19 (pre COVID)

\* projection not adjusted for the impact of war and sanctions

# Real GDP Growth: Country Examples

|                   |             | 2011-19 | 2020-25      | 2026-30       |
|-------------------|-------------|---------|--------------|---------------|
| <b>Europe</b>     | Italy       | 0.2%    | 1.2%         | 2.1%          |
|                   | France      | 1.5%    | 0.6%         | 0.9%          |
| <b>West Asia</b>  | Iran        | -2.0%   | 1.6%*        | <b>-3.0%*</b> |
| <b>N Africa</b>   | Egypt       | 3.7%    | 2.8%         | <b>1.5%</b>   |
| <b>Africa SSH</b> | Kenya       | 5.5%    | <b>3.6%</b>  | <b>2.8%</b>   |
|                   | Nigeria     | 0.4%    | <b>-1.2%</b> | <b>-7.9%</b>  |
| <b>South Asia</b> | Bangladesh  | 6.7%    | <b>3.3%</b>  | <b>1.0%</b>   |
| <b>SE Asia</b>    | Viet Nam    | 7.5%    | 8.0%         | 8.1%          |
|                   | Philippines | 6.3%    | <b>1.9%</b>  | <b>2.9%</b>   |

## Red figures

GDP growth reduced by more than 1% relative to 2011-19 (pre COVID)

\* *projection not adjusted for the impact of war and sanctions*

## GDP Per Capita (\$2015 pp)

|                          | 2019     | 2030             | % change    |
|--------------------------|----------|------------------|-------------|
| Sub-Saharan Africa       | \$3,800  | <b>\$3,200</b>   | <b>-16%</b> |
| South Asia               | \$6,400  | <b>\$8,100</b>   | <b>+26%</b> |
| South-East Asia          | \$13,600 | <b>\$16,100</b>  | <b>+18%</b> |
| Central & S. America     | \$13,800 | <b>\$14,300</b>  | <b>+4%</b>  |
| N. Africa & Middle East  | \$18,700 | <b>\$18,000</b>  | <b>-4%</b>  |
| China, E. Asia & Pacific | \$19,200 | <b>\$29,700</b>  | <b>+55%</b> |
| Russia and Central Asia  | \$19,500 | <b>\$18,600*</b> | <b>-4%*</b> |
| Europe                   | \$41,300 | <b>\$48,900</b>  | <b>+18%</b> |
| North America            | \$48,600 | <b>\$55,100</b>  | <b>+13%</b> |

*\* projection not adjusted for the impact of war and sanctions*

# GDP Per Capita: Country Examples

## Decreases from 2019 to 2030

**Sub-Saharan Africa**     Nigeria \$4,900 to \$2,300

**Russia & C. Asia**     Russia \$26,000 to \$24,200\*

## Increases from 2019 to 2030

**South Asia**     India \$6,900 to \$9,200

**South-East Asia**     Indonesia \$11,800 to \$13,000

**East Asia**     Japan \$42,100 to \$51,500

**Europe**     Germany \$49,800 to \$56,200

**North America**     USA \$60,200 to \$70,000

*\* projection not adjusted for the impact of war and sanctions*

# Government Deficits (% of GDP)

|                          | <u>2011-19</u> | <u>2020-25</u> | <u>2026-30</u> |
|--------------------------|----------------|----------------|----------------|
| <u>World</u>             | -3.3%          | <b>-5.6%</b>   | -3.4%          |
| South Asia               | -5.7%          | <b>-8.6%</b>   | -5.6%          |
| North America            | -5.8%          | <b>-7.3%</b>   | <b>-4.4%</b>   |
| Russia & Central Asia    | +0.1%          | <b>-1.9% *</b> | <b>-4.2%*</b>  |
| China, E. Asia & Pacific | -2.6%          | <b>-6.1%</b>   | <b>-3.8%</b>   |
| Sub-Saharan Africa       | -3.4%          | <b>-4.4%</b>   | -3.0%          |
| N. Africa & Middle East  | -2.2%          | <b>-4.9%</b>   | -3.0%          |
| South-East Asia          | -1.4%          | <b>-4.4%</b>   | <b>-2.9%</b>   |
| Central & South America  | -5.8%          | -5.5%          | <b>-2.2%</b>   |
| Europe                   | -2.0%          | <b>-3.2%</b>   | <b>-1.0%</b>   |

*\* projection not adjusted for the impact of war and sanctions*



# Government Deficit: Country Examples (% of GDP)

## Reduced Deficit (2026-30 compared with 2011-19)

|                          |            |                |
|--------------------------|------------|----------------|
| <b>North America</b>     | USA        | -6.5% to -4.9% |
| <b>South America</b>     | Brazil     | -5.5% to -0.5% |
| <b>Europe</b>            | France     | -3.7% to -0.2% |
| <b>Africa Sub Sahara</b> | Kenya      | -6.4% to -4.2% |
| <b>South Asia</b>        | Bangladesh | -3.8% to -1.7% |

## Increased Deficit (2026-30 compared with 2011-19)

|                              |               |                |
|------------------------------|---------------|----------------|
| <b>E. Asia &amp; Pacific</b> | Rep. of Korea | +1.6% to -3.1% |
| <b>South-East Asia</b>       | Australia     | -2.7% to -4.5% |
|                              | Indonesia     | -1.9% to -4.8% |
| <b>West Asia</b>             | Turkey        | -1.5% to -5.1% |

# Government Debt (% of GDP)

|                          | <u>2019</u> | <u>2025</u> | <u>2030</u> |
|--------------------------|-------------|-------------|-------------|
| <u>World</u>             | 75%         | 90%         | 96%         |
| North America            | 101%        | <b>114%</b> | 119%        |
| China, E. Asia & Pacific | 84%         | <b>95%</b>  | 95%         |
| Central & S. America     | 72%         | <b>103%</b> | <b>122%</b> |
| South Asia               | 72%         | <b>100%</b> | 105%        |
| Europe                   | 78%         | 82%         | 80%         |
| Sub-Saharan Africa       | 58%         | <b>78%</b>  | <b>93%</b>  |
| South-East Asia          | 48%         | <b>71%</b>  | <b>82%</b>  |
| N. Africa & Middle East  | 46%         | <b>67%</b>  | <b>83%</b>  |
| Russia and Central Asia  | 21%         | 26%*        | <b>47%*</b> |

*\* projection not adjusted for the impact of war and sanctions*

# Government Debt: Country Examples (% of GDP)

## High or Large Increase from 2019 to 2030

|                      |          |              |
|----------------------|----------|--------------|
| <b>South America</b> | Colombia | 52% to 153%  |
|                      | Brazil   | 88% to 140%  |
| <b>North America</b> | USA      | 108% to 121% |
|                      | Mexico   | 53% to 111%  |
| <b>South Asia</b>    | India    | 74% to 109%  |

## Moderate or Low Increase from 2019 to 2030

|                                |              |            |
|--------------------------------|--------------|------------|
| <b>East Asia &amp; Pacific</b> | China        | 57% to 78% |
| <b>Africa Sub Sahara</b>       | South Africa | 62% to 80% |
|                                | Uganda       | 37% to 52% |
| <b>Middle East</b>             | Iran         | 43% to 49% |
| <b>South Asia</b>              | Bangladesh   | 36% to 37% |
| <b>Europe</b>                  | Germany      | 59% to 60% |

# Current Account (% of GDP)

|                          | <u>2011-19</u> | <u>2020-25</u> | <u>2026-30</u> |
|--------------------------|----------------|----------------|----------------|
| Europe                   | +1.5%          | <b>+2.0%</b>   | <b>+3.8%</b>   |
| China, E. Asia & Pacific | <b>+2.1%</b>   | <b>+2.0%</b>   | +1.1%          |
| N. Africa & Middle East  | +1.5%          | +1.1%          | -0.1%          |
| Central & S. America     | <b>-3.0%</b>   | -0.7%          | -0.4%          |
| South-East Asia          | +0.3%          | +0.7%          | -1.8%          |
| Russia & Central Asia    | +1.7%          | +0.5%*         | <b>-2.4%*</b>  |
| South Asia               | <b>-2.2%</b>   | <b>-2.6%</b>   | <b>-2.7%</b>   |
| North America            | <b>-2.8%</b>   | <b>-3.4%</b>   | <b>-3.1%</b>   |
| Sub-Saharan Africa       | <b>-3.7%</b>   | <b>-3.4%</b>   | <b>-3.2%</b>   |

External  
account

+ surplus  
- deficit

financing  
accumulates in  
external creditor  
and debtor  
positions

*\* projection not adjusted for the impact of war and sanctions*

# Current Accounts: Country Examples

|   |               | % of GDP | \$ billion (2015 pp) |
|---|---------------|----------|----------------------|
| <b><u>Significant Current Account Surplus</u></b> |               |          |                      |
| Europe  | Germany       | +10.4%   | +670                 |
| East Asia & Pacific                               | Japan         | +8.7%    | +800                 |
|   | Rep. of Korea | +7.1%    | +240                 |
| <b><u>Moderate Deficit or Surplus</u></b>         |               |          |                      |
| West Asia   | Saudi Arabia  | -0.7%    | -7                   |
| South America                                     | Brazil        | +0.3%    | +3                   |
| Europe  | France        | +0.5%    | +40                  |
| <b><u>Significant Current Account Deficit</u></b> |               |          |                      |
| North America                                     | Canada        | -4.5%    | -130                 |
| North Africa                                      | Egypt         | -6.7%    | -40                  |
| Sub-Saharan Africa                                | Uganda        | -3.2%    | -3                   |
| South Asia  | Bangladesh    | -3.8%    | -20                  |
| South East Asia                                   | Indonesia     | -4.4%    | -80                  |

**2026-30**

**+ surplus**

**- deficit**

annual average  
in period

## International Investment Position (% of GDP)

|                         | <u>2011-19</u> | <u>2020-25</u> | <u>2026-30</u> |
|-------------------------|----------------|----------------|----------------|
| East Asia & Pacific     | <b>+39%</b>    | <b>+41%</b>    | <b>+37%</b>    |
| Europe                  | +15%           | +24%           | <b>+36%</b>    |
| Russia & Central Asia   | +11%           | +22%*          | +19%*          |
| N. Africa & Middle East | +8%            | +10%           | +12%           |
| South-East Asia         | -1%            | +13%           | +6%            |
| Central & S. America    | -28%           | -25%           | -23%           |
| South Asia              | -17%           | -26%           | <b>-32%</b>    |
| Sub-Saharan Africa      | -26%           | <b>-35%</b>    | <b>-48%</b>    |
| North America           | <b>-41%</b>    | <b>-61%</b>    | <b>-67%</b>    |

**+ net creditor**  
**- net debtor**

includes FDI as well  
as financial assets  
and liabilities

\* *projection not adjusted for the impact of war and sanctions*

# International Investment Position: Country Examples

|   |               | <b>% of GDP</b> | <b>trillion \$ (2015 pp)</b> |
|---|---------------|-----------------|------------------------------|
| <b><u>Major Net Creditors in 2030</u></b> |               |                 |                              |
| <b>East Asia</b>                          | Japan         | 112%            | +11.0                        |
|   | Rep. of Korea | 73%             | +2.6                         |
|   | China         | 3%              | +1.3                         |
| <b>Europe</b>                             | Germany       | 147%            | +9.5                         |
| <b><u>Major Net Debtors in 2030</u></b>   |               |                 |                              |
| <b>N. America</b>                         | USA           | -74%            | -28.2                        |
|   | Mexico        | -60%            | -1.2                         |
| <b>Europe</b>                             | UK            | -63%            | -3.1                         |
| <b>S. America</b>                         | Colombia      | -107%           | -0.5                         |
| <b>N. Africa</b>                          | Egypt         | -93%            | -0.5                         |
| <b>Africa SSH</b>                         | Congo DR      | -89%            | -0.07                        |
|   | Uganda        | -61%            | -0.07                        |