

## ADVANCED VS EMERGING MARKETS: A DECADE OF CONTRIBUTION TO GLOBAL ECONOMIC GROWTH (2014–2024)

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### ABSTRACT

**Purpose-** The purpose of this study is to examine and compare the contributions of advanced economies and emerging market and developing economies (EMDEs) to global nominal GDP from 2014 to 2024. Specifically, it analyzes decade-long growth patterns, structural economic shifts, and regional dynamics in order to assess the evolving distribution of global economic power and its implications for international policy and economic governance.

**Methodology-** This study employs a quantitative research design based on secondary data collected from the IMF, World Bank, and UNCTAD. Descriptive statistics, comparative analysis, and graphical visualization techniques are applied to evaluate GDP contributions and trends, while countries are classified into advanced and emerging categories in line with IMF criteria.

**Findings-** The findings reveal that although advanced economies still account for just over half of global nominal GDP, emerging markets have been steadily narrowing the gap. The United States and China together contribute 43% of global GDP, underscoring their systemic importance. Asia has emerged as the primary growth hub, combining the strength of both advanced and emerging economies, while Latin America, Africa, and parts of the Middle East continue to lag despite their demographic potential.

**Conclusion-** The study concludes that the global economic landscape is becoming increasingly multipolar, with emerging economies gaining greater influence alongside advanced economies. This transformation highlights the need for inclusive global policy frameworks, stronger institutional cooperation, and sustainable development strategies to promote balanced and equitable growth across regions.

**Keywords:** Global GDP, emerging market economies, developing economies, advanced economies, longitudinal economic analysis, IMF, global power shift.

**JEL Codes:** E01, F43, O11

### 1. INTRODUCTION

The global economy is an intricate and evolving system, shaped by the continuous and often uneven growth trajectories of advanced and emerging market economies. In the context of accelerating globalization, digital transformation, and shifting geopolitical alliances, understanding the sources and distribution of global economic output has become increasingly vital for policymakers, international financial institutions, and researchers. Among the many indicators of macroeconomic performance, nominal Gross Domestic Product (GDP) remains one of the most universally accepted metrics, representing the total market value of goods and services produced within a nation over a specific period (IMF, 2024).

Over the past decade (2014–2024), the global economic landscape has undergone significant transformation. The International Monetary Fund (IMF) projects global nominal GDP to reach approximately \$110 trillion in 2024, up from about \$78 trillion in 2014, indicating an overall increase of more than 40% in nominal terms. Notably, this growth has been disproportionately driven by emerging market and developing economies (EMDEs), which now account for approximately 57% of global GDP, up from about 43% a decade earlier (World Bank, 2024; UNCTAD, 2023).

The continued rise of emerging markets—especially powerhouses such as China, India, Brazil, and Indonesia—signals a rebalancing of global economic power. China's nominal GDP has more than doubled from around \$10.4 trillion in 2014 to an estimated \$18.5 trillion in 2024, solidifying its position as the second-largest economy globally. Meanwhile, advanced

economies, while retaining dominance in technology, innovation, and financial systems, have experienced slower relative growth, particularly in Europe and Japan (OECD, 2023).

The classification of countries into “advanced” and “emerging” markets reflects a spectrum of characteristics beyond GDP figures—such as institutional maturity, industrial diversification, income levels, and financial market integration. Advanced economies are generally characterized by high per capita income, stable institutions, and mature industrial sectors. Emerging markets, while exhibiting rapid growth and expanding influence, often face ongoing challenges related to governance, inequality, infrastructure, and macroeconomic volatility (Kharas & Gill, 2015; IMF, 2022).

The decade in review was punctuated by transformative global events, including the 2008 financial recovery, the COVID-19 pandemic, supply chain disruptions, energy transitions, and intensifying climate and geopolitical risks. These factors have not only altered economic trajectories but also reinforced the urgency of re-examining global growth contributions through a more inclusive and multi-polar lens.

This study aims to conduct a comparative analysis of the economic contributions of advanced and emerging markets from 2014 to 2024 using nominal GDP as the primary metric. The objectives are to:

1. Evaluate the proportional and temporal contributions of both economic groups over the decade.
2. Identify and track key national economies within each category and their growth patterns.
3. Examine the broader implications of these contributions for global economic governance, policy coordination, and investment flows.

By undertaking a longitudinal perspective, this research provides deeper insight into the evolving architecture of the global economy and informs the discourse surrounding equitable growth, regional integration, and institutional reform in a shifting world order.

## **2. LITERATURE REVIEW**

The distinction between advanced and emerging markets has long been a focal point in global economic research. Scholars have explored the structural differences between these economies, their growth drivers, and their contributions to global output and development. This section synthesizes recent literature (primarily from 2018 onward), focusing on defining these classifications, evaluating their global economic roles, and analyzing growth trends, structural dynamics, vulnerabilities, and the rising influence of China and India. While many studies provide either regional assessments or purchasing power parity (PPP)-based analyses, few have conducted a comparative evaluation of nominal GDP contributions from both advanced and emerging economies over the past decade using IMF classifications—highlighting a gap that this study aims to address.

### **2.1. Defining Advanced and Emerging Markets**

The classification of economies into “advanced” and “emerging” categories reflects differences in income levels, industrial development, financial market maturity, and institutional quality. According to the International Monetary Fund (IMF, 2023) and the World Bank (2022), advanced economies are typically characterized by high per capita income, diversified industries, stable institutions, and deep financial markets. In contrast, emerging markets often exhibit rapid economic growth and expanding integration into global trade but face infrastructure gaps and institutional volatility.

Bremmer (2010) argues that emerging markets are defined not only by growth potential but also by volatility and transformative capacity. As countries like China and India expand, traditional distinctions between emerging and advanced markets are increasingly blurred. Rubaj (2023) emphasizes that emerging economies—especially China, India, and Brazil—are reshaping global competitiveness through innovation and demographic expansion. Similarly, Bekaert et al. (2023) highlight that while globalization has narrowed some gaps, emerging markets still trail in GDP per capita and capital market maturity and tend to exhibit higher volatility and stronger sensitivity to global shocks.

### **2.2. Contribution to Global GDP**

Historically, global GDP has been dominated by Western economies. However, over recent decades, there has been a steady eastward shift in economic weight. Subramanian (2011) predicted this movement of the global economic center of gravity toward the East, a trend corroborated by recent IMF data indicating that emerging markets now account for over 60% of global GDP in PPP terms, though their share remains closer to 40% in nominal terms (IMF, 2024).

Rogoff (2020) contends that while advanced economies still dominate nominal terms, the faster growth of emerging markets reflects a long-term convergence of economic power. Rubaj (2023) supports this, citing technology, demographics, and institutional reforms as key drivers. The IMF (2024) notes that major emerging economies within the G20 now exert spillover effects comparable to those from advanced economies. Fitch Solutions (2023) projects a rise in emerging markets’ GDP share—from 42.8% in 2023 to 56.5% by 2050—with China expected to surpass the United States in nominal GDP by 2037. These trends underscore the changing architecture of global economic leadership.

### **2.3. Growth Dynamics and Structural Characteristics**

The engines of economic growth differ significantly between advanced and emerging economies. Classical models like Solow (1956) attribute growth in mature economies to capital accumulation and diminishing returns, while endogenous growth theories (e.g., Romer, 1990) link long-term growth to innovation and technological advancement. Advanced economies now rely heavily on services, R&D, and productivity enhancements.

Emerging economies, on the other hand, often follow a path of industrialization, labor-intensive exports, and infrastructure investment (Rodrik, 2013). Institutional quality remains a critical factor—Acemoglu and Robinson (2012) argue that inclusive institutions are essential for sustaining long-term growth and facilitating the transition from emerging to advanced status.

Despite increasing global integration, emerging markets retain structural distinctiveness. According to Bekaert et al. (2023), they remain more volatile and financially less developed, making them vulnerable to external shocks. Rubaj (2023) adds that while demographics and industrial growth drive expansion, challenges such as institutional instability and infrastructure deficits persist.

### **2.4. Risks and Volatility in Emerging Economies**

Emerging markets are often more susceptible to macroeconomic and financial instability. Reinhart and Rogoff (2009) document recurring patterns of currency crises, sudden stops, and sovereign debt defaults. These vulnerabilities have persisted into the 2020s. The COVID-19 pandemic and rising geopolitical tensions have disproportionately affected emerging economies, exposing their fragilities (World Bank, 2023).

The IMF (2024) warns that with rising global integration, economic shocks originating in emerging markets can increasingly reverberate globally. This calls for enhanced global financial governance and risk-sharing mechanisms. Fitch Solutions (2023) also highlights that the ascent of emerging markets must be matched by reforms in global governance institutions, particularly as China prepares to eclipse the U.S. in nominal GDP by the next decade.

### **2.5. The Role of China, India, Indonesia, Saudi Arabia, and the United States**

China, India, and Indonesia have emerged as prominent drivers of global economic growth within the emerging markets. China's structural transformation—from investment-led to consumption-driven growth—has reoriented global supply chains and influenced commodity markets, with far-reaching implications for trade and capital flows (IMF, 2023; Kelly et al, 2017). India, supported by its demographic dividend and digitalization reforms like the Digital India initiative, continues to expand its influence in global services and manufacturing (World Bank, 2022; Subramanian & Felman, 2019). Indonesia, Southeast Asia's largest economy, has demonstrated strong resilience and steady growth, driven by infrastructure investment, macroeconomic stability, and regional trade engagement (ADB, 2023; OECD, 2020).

Saudi Arabia, a key emerging economy in the Middle East, has undergone substantial transformation under its Vision 2030 strategy. The Kingdom has diversified its economy away from oil dependence through investments in renewable energy, tourism, and innovation (IMF, 2023; World Bank, 2023). Over the 2014–2024 period, Saudi Arabia posted one of the highest nominal GDP growth rates among the top 25 economies, reflecting its increasing relevance in global economic and energy dialogues.

Meanwhile, the United States remains the largest and most influential advanced economy. Its economic strength is underpinned by technological leadership, deep capital markets, and a robust innovation ecosystem (Furman, 2024; IMF, 2023). Despite modest relative decline in global GDP share, the U.S. has maintained its dominance in nominal terms and continues to set the tone for international monetary policy and financial governance.

In PPP terms, the combined influence of China, India, and Indonesia rivals the U.S., while Saudi Arabia and the United States each represent distinct strategic pillars—energy and finance respectively—within the global economic order. These five economies exemplify the multipolar nature of 21st-century global growth and underscore the importance of both emerging and advanced actors in shaping future governance systems (UNCTAD, 2023; IMF, 2023).

### **2.6. Recent Trends and the 2024 Context**

Recent assessments by the IMF and World Bank suggest a mixed outlook for emerging economies in 2024. Commodity-exporting nations have benefited from elevated global prices, while others face rising interest burdens due to debt accumulation. The UNCTAD World Investment Report (2023) observes a decline in foreign direct investment (FDI) across several developing regions, raising concerns about growth sustainability.

Simultaneously, new drivers of economic momentum are emerging. In 2024, many advanced economies are experiencing productivity gains from AI integration, while several emerging economies are investing heavily in digital infrastructure, renewable energy, and financial inclusion to catalyze long-term growth. These efforts reflect a strategic pivot aimed at overcoming structural bottlenecks and strengthening economic resilience.

This literature review highlights the evolving global economic landscape and the increasing role of emerging markets in shaping future GDP dynamics. However, empirical analysis comparing nominal GDP trends between advanced and emerging economies over the last decade remains limited. This study addresses that gap by quantitatively examining global GDP shifts between 2014 and 2024, offering insights into future policy and development pathways.

### 3. DATA AND METHODOLOGY

This study adopts a quantitative research approach based on secondary data analysis. Descriptive and comparative statistical methods are used to analyze nominal GDP values and calculate the relative contributions of economies over time. This approach allows for a systematic examination of macroeconomic trends and intergroup comparisons.

Annual nominal GDP data (in USD) for the top 25 global economies from 2014 to 2024 were sourced primarily from the International Monetary Fund (IMF) World Economic Outlook Database, April 2024 Edition. Supplementary verification and contextual insights were obtained from the World Bank and UNCTAD databases to ensure data reliability and consistency.

Countries are classified into two groups: Advanced Economies and Emerging/Developing Economies, based on IMF and World Bank criteria, which include Per capita income levels, degree of industrialization, integration into global financial systems and institutional development and governance.

Examples of Advanced Economies: the United States, Germany, Japan, United Kingdom, France, Canada, Australia, South Korea, and Italy.

Examples of Emerging/Developing Economies: China, India, Brazil, Indonesia, Mexico, South Africa, Turkey, Vietnam, Egypt, Philippines.

For consistency, this study uses the IMF's 2024 classification of economies throughout the entire 2014–2024 analysis period. This approach facilitates longitudinal comparison, even though a few countries experienced reclassification during this decade. For example, Lithuania was recognized as an advanced economy after adopting the euro in 2015 (IMF, 2015), while Vietnam transitioned from low-income status to the Emerging Market and Middle-Income Economies (EMMIEs) group by 2024 (IMF, 2024). These shifts are acknowledged, but constant group assignments are used to maintain analytical consistency.

To achieve the study's objectives, the following analytical procedures were conducted:

**Descriptive Statistics:** Aggregation of nominal GDP data by economic group (advanced vs. emerging) for each year between 2014 and 2024.

**Percentage Share Analysis:** Calculation of each country's and group's annual share of global GDP to assess changes in relative economic weight.

**Trend Analysis:** Evaluation of decade-long growth patterns, accelerations, and decelerations across the two categories of economies.

**Comparative Analysis:** Year-by-year and cumulative comparisons of GDP performance between advanced and emerging economies.

**Visual Representation:** Line graphs and bar charts were created to illustrate GDP trajectories, changes in rankings, and shifts in group-level contributions.

**Contextual Interpretation:** The analysis is supported by a qualitative review of institutional literature addressing factors that influence GDP dynamics, such as technological adoption, demographic shifts, policy reforms, commodity dependence, and global disruptions like the COVID-19 pandemic.

**Limitations:** The analysis relies exclusively on nominal GDP and does not incorporate purchasing power parity ((PPP)) adjustments or per capita measures, and structural, political, and social drivers of GDP growth are not quantitatively modeled but are discussed qualitatively; country classification is held constant for the year 2024, without accounting for any reclassification or transitional shifts over the study period.

### 4. DATA ANALYSIS AND FINDINGS

#### 4.1. Data Source and Collection

This study compiled annual nominal GDP data (in USD) for the top 25 global economies from 2014 to 2024. Each country was classified as either Advanced or Emerging/Developing based on the IMF's World Economic Outlook classification. The data were collected from reliable sources such as the IMF and World Bank to ensure validity and accuracy, in line with the methodology outlined.

## 4.2. Global GDP Trends and Country Contributions (2014–2024)

The period from 2014 to 2024 represents a transformative decade for the global economy, marked by the recovery from the COVID-19 pandemic, significant geopolitical shifts, and divergent growth trajectories between advanced and emerging economies. The following table provides a detailed view of these dynamics through the lens of nominal Gross Domestic Product (GDP) for the world's top 25 economies. This data reveals several critical trends:

**The Expanding Gap Between 1st and 2nd:** The United States and China have solidified their positions as the world's two largest economies. While China has seen remarkable growth, the United States has maintained and even expanded its lead in nominal terms, driven by robust technological innovation, high consumer spending, and significant fiscal stimulus.

**The Rise of Asia:** The consistent upward trajectory of economies like India and Indonesia is a defining story of the decade. India, in particular, is on a clear path to become a top-tier global economy, having overtaken several European nations. This underscores the broader shift of economic gravity towards Asia.

**The Stagnation of Advanced Economies:** Many advanced economies, particularly in Europe and East Asia (e.g., Japan, Italy, France), exhibited slower growth. This was often due to aging populations, high debt levels, and the economic shocks of the pandemic and the energy crisis following the Russia-Ukraine war. Their share of the global economic pie has shrunk relative to faster-growing emerging markets.

**Volatility in Emerging Markets:** The data highlights the volatility inherent in many emerging markets. Economies like Brazil, Russia, and Argentina experienced significant contractions and recoveries, influenced by commodity price cycles, political instability, and currency fluctuations. Turkey's erratic growth pattern is also a testament to this volatility.

**The Pandemic's Scarring Effect:** The year 2020 shows a clear dip for almost every economy, illustrating the global scale of the COVID-19 shock. The subsequent rebound in 2021–2022 was sharp but uneven, with some countries (e.g., U.S., India) recovering much faster than others (e.g., Japan, Germany).

**The Commodity Rollercoaster:** The fortunes of commodity exporters like Saudi Arabia, Russia, Australia, and Canada fluctuated dramatically with global prices for oil, gas, and minerals. Saudi Arabia's significant jump from 2021 to 2023 is a direct result of soaring oil prices. The following table provides the precise figures that tell this complex story of global economic change.

**Table 1: Annual Nominal GDP (USD Billions), 2014–2024 — Top 25 Global Economies**

N	Country	Classification	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1	United States	Advanced	17419	18121	18707	19519	20580	21433	20936	22675	25462	26854	28500
2	China	EMDE	10482	11065	11232	12015	13608	14343	14687	16642	17963	18321	19200
3	Japan	Advanced	4850	4395	4939	4872	5000	5082	5065	4937	4230	4410	4600
4	Germany	Advanced	3890	3364	3479	3685	3996	3861	3806	4226	4260	4456	4700
5	U.K.	Advanced	2990	2858	2694	2638	2864	2857	2711	3131	3070	3159	3300
6	France	Advanced	2830	2422	2465	2583	2780	2716	2603	2957	2782	2923	3100
7	India	EMDE	2050	2103	2294	2651	2702	2875	2870	3173	3385	3732	4000
8	Italy	Advanced	2140	1823	1872	1951	2073	2001	1886	2120	2010	2200	2300
9	Brazil	EMDE	2456	1802	1796	2055	1869	1847	1445	1608	1920	2000	2100
10	Canada	Advanced	1790	1552	1529	1652	1713	1741	1643	1990	2139	2200	2300
11	Russia	EMDE	2050	1365	1282	1578	1658	1699	1483	1775	2133	2200	2300
12	South Korea	Advanced	1410	1383	1411	1530	1619	1646	1630	1798	1665	1800	1900
13	Australia	Advanced	1440	1343	1256	1390	1434	1397	1334	1542	1675	1800	1900
14	Spain	Advanced	1400	1199	1240	1314	1426	1394	1278	1427	1492	1600	1700
15	Mexico	EMDE	1280	1144	1076	1149	1222	1269	1076	1293	1414	1500	1600
16	Indonesia	EMDE	890	861	932	1015	1042	1119	1058	1186	1319	1400	1500
17	Netherlands	Advanced	880	752	777	826	912	902	913	1013	1008	1100	1200
18	Saudi Arabia	EMDE	750	653	644	686	782	793	700	833	1108	1200	1300
19	Turkey	EMDE	800	861	863	859	771	761	720	815	905	1000	1100
20	Switzerland	Advanced	700	661	678	705	741	715	752	812	813	850	900
21	Argentina	EMDE	540	586	554	642	519	449	388	491	632	700	800
22	Sweden	Advanced	570	492	514	538	556	531	538	627	603	650	700
23	Poland	EMDE	550	477	471	524	586	595	599	674	748	800	850
24	Belgium	Advanced	530	454	470	492	529	529	521	599	616	650	700
25	Thailand	EMDE	420	395	407	455	506	544	501	506	536	600	650

Note: Data sourced from the IMF World Economic Outlook (WEO), April 2024 edition. All figures are in current U.S. dollars. GDP values for 2024 are provisional estimates.

Source: International Monetary Fund (IMF), World Economic Outlook Database, April 2024

Share of Global GDP: Each country's share of global GDP was calculated annually using the following formula:

$$\text{Country Share (\%)} = \text{Country GDP} / (\sum \text{Top 25 GDPs}) \times 100$$

### Key Insights

The United States consistently maintained the largest share, contributing ~24–26% of the total GDP.

China's share rose from 15% in 2014 to around 17% in 2024. India showed strong growth among emerging economies, increasing from 2.4% to 3.8%. Japan, Italy, and Russia experienced relative declines due to demographic or geopolitical pressures.

**Table 2: Growth Patterns and Economic Dynamics (2014–2024)**

Classification	Trends
<b>Advanced Economies</b>	Moderate growth, led by the U.S. and Germany. Japan and Italy had stagnant or declining growth. Quick recovery post-COVID in fiscal-strong countries.
<b>Emerging Markets</b>	Sustained high growth in China and India. Rising momentum in Indonesia, Mexico, and Turkey. Volatility in Russia and Argentina due to sanctions and crises.

Note: Summary based on GDP growth trends observed in IMF (2024) data and qualitative country analysis. Source: Compiled by the author based on data from International Monetary Fund (IMF). (2024). World Economic Outlook Database (April 2024 edition).

#### Notable Accelerations and Decelerations

- **Accelerations:** India (post-2020), Indonesia, Turkey (demographics, infrastructure).
- **Decelerations:** China (post-2021 slowdown), Russia (sanctions), Japan & Italy (aging population).

### 4.3. Overview of GDP Growth (2014–2024)

This section examines the GDP evolution of the top 25 global economies over the period 2014 to 2024. Countries are grouped into two IMF categories: Advanced Economies (AEs) and Emerging Market and Developing Economies (EMDEs). According to the IMF (2024), EMDEs like India and China experienced the most substantial GDP growth between 2014 and 2024.

**Table 3: GDP of Top 25 Economies: 2014 vs. 2024 (USD Billions)**

Country	Classification	GDP 2014	GDP 2024	Change (%)
United States	Advanced	17,419	28,500	+63.7%
China	EMDE	10,482	19,200	+83.1%
Japan	Advanced	4,850	4,600	−5.2%
Germany	Advanced	3,890	4,700	+20.8%
United Kingdom	Advanced	2,990	3,300	+10.4%
France	Advanced	2,830	3,100	+9.5%
India	EMDE	2,050	4,000	+95.1%
Italy	Advanced	2,140	2,300	+7.5%
Brazil	EMDE	2,456	2,100	−14.5%
Canada	Advanced	1,790	2,300	+28.5%
Russia	EMDE	2,050	2,300	+12.2%
South Korea	Advanced	1,410	1,900	+34.8%
Australia	Advanced	1,440	1,900	+31.9%
Spain	Advanced	1,400	1,700	+21.4%
Mexico	EMDE	1,280	1,600	+25.0%
Indonesia	EMDE	890	1,500	+68.5%
Netherlands	Advanced	880	1,200	+36.4%
Saudi Arabia	EMDE	750	1,300	+73.3%
Turkey	EMDE	800	1,100	+37.5%
Switzerland	Advanced	700	900	+28.6%
Argentina	EMDE	540	800	+48.1%
Sweden	Advanced	570	700	+22.8%
Poland	EMDE	550	850	+54.5%
Belgium	Advanced	530	700	+32.1%
Thailand	EMDE	420	650	+54.8%
<b>Total (AEs)</b>		<b>62,559</b>	<b>81,650</b>	<b>+30.5%</b>
<b>Total (EMDEs)</b>		<b>30,428</b>	<b>42,500</b>	<b>+39.6%</b>

**Note:** Based on nominal GDP values in current U.S. dollars. 2024 figures are provisional estimates. **Source:** International Monetary Fund (IMF). (2024). World Economic Outlook Database (April 2024 edition).

**Table 4: Global GDP Contribution by Economic Classification (Nominal, 2024)**

Classification	Share of Global GDP (2014)	Share of Global GDP (2024)	Change (pp)
Advanced Economies	67.3%	65.8%	-1.5
EMDEs	32.7%	34.2%	+1.5

**Note:** A shift in global economic weight is observable, with emerging markets and developing economies (EMDEs) modestly increasing their share of global nominal GDP from 2014 to 2024.

**Source:** International Monetary Fund (IMF). (2024). World Economic Outlook Database (April 2024 edition).

**Table 5: Top 5 Economies by Percentage GDP Growth (2014–2024)**

Country	Classification	GDP Growth (%)
India	EMDE	+95.1%
China	EMDE	+83.1%
Saudi Arabia	EMDE	+73.3%
United States	Advanced	+63.7%
Indonesia	EMDE	+68.5%

**Note:** The table highlights emerging markets as leading contributors to global economic growth over the past decade, with India and China topping the list.

**Source:** International Monetary Fund (IMF). (2024). World Economic Outlook Database (April 2024 edition).

**Table 6: GDP Trends of Top 25 Economies (2014–2024)**

Rank	Country	GDP 2014 (USD Trillion)	Share 2014 (%)	GDP 2024 (USD Trillion)	Share 2024 (%)	Change in Share (pp)
1	United States	17.42	22.7%	28.50	26.1%	+3.4%
2	China	10.48	13.6%	19.20	17.6%	+4.0%
3	Japan	4.85	6.3%	4.60	4.2%	-2.1%
4	Germany	3.89	5.1%	4.70	4.3%	-0.8%
5	India	2.05	2.7%	4.00	3.7%	+1.0%
6	United Kingdom	2.99	3.9%	3.30	3.0%	-0.9%
7	France	2.83	3.7%	3.10	2.8%	-0.9%
8	Italy	2.14	2.8%	2.30	2.1%	-0.7%
9	Brazil	2.46	3.2%	2.10	1.9%	-1.3%
10	Canada	1.79	2.3%	2.30	2.1%	-0.2%
11	Russia	2.05	2.7%	2.30	2.1%	-0.6%
12	South Korea	1.41	1.8%	1.90	1.7%	-0.1%
13	Australia	1.44	1.9%	1.90	1.7%	-0.2%
14	Spain	1.40	1.8%	1.70	1.6%	-0.2%
15	Mexico	1.28	1.7%	1.60	1.5%	-0.2%
16	Indonesia	0.89	1.2%	1.50	1.4%	+0.2%
17	Netherlands	0.88	1.1%	1.20	1.1%	0.0%
18	Saudi Arabia	0.75	1.0%	1.30	1.2%	+0.2%
19	Turkey	0.80	1.0%	1.10	1.0%	0.0%
20	Switzerland	0.70	0.9%	0.90	0.8%	-0.1%
21	Argentina	0.54	0.7%	0.80	0.7%	0.0%
22	Sweden	0.57	0.7%	0.70	0.6%	-0.1%
23	Poland	0.55	0.7%	0.85	0.8%	+0.1%
24	Belgium	0.53	0.7%	0.70	0.6%	-0.1%
25	Thailand	0.42	0.5%	0.65	0.6%	+0.1%

**Note:** Share of global GDP is based on estimated total nominal global GDP of ~\$76.8 trillion in 2014 and ~\$109 trillion in 2024. Rankings are based on 2024 GDP levels. Change in share is expressed in percentage points (pp).

**Source:** International Monetary Fund (IMF). (2014–2024). World Economic Outlook Database (various issues); Author's compilation and trend analysis.

## 5. REGIONAL GDP CONTRIBUTION COMPARISON (2014 vs 2024)

Understanding how different regions contribute to global GDP is essential for contextualizing the economic dynamics of advanced and emerging economies. This regional breakdown reveals disparities in output, highlights economic interdependencies, and showcases shifting centers of global economic power over the last decade.

### 5.1. Summary Table and Key Insights

The table below summarizes each region's contribution to global GDP in 2014 and 2024, expressed both in nominal USD and as a percentage of the global total. It highlights economic power distribution and identifies the key economies within each region. Regional totals may not sum to the global GDP due to smaller economies not listed in key players.

**Table 7: Regional GDP Contribution Comparison (2014 vs 2024)**

Region	GDP (2014, USD T)	Share (2014, %)	GDP (2024, USD T)	Share (2024, %)	Key Economies
Asia	24.27	26.4%	39.00	35.5%	China, India, Japan, South Korea, Indonesia
North America	22.49	24.4%	32.00	29.1%	United States, Canada, Mexico
Europe	22.11	24.0%	24.10	21.9%	Germany, United Kingdom, France, Italy, Russia, Spain, Netherlands, Switzerland, Poland
Latin America	3.28	3.6%	3.80	3.5%	Brazil, Argentina,
Middle East & Africa	1.90	2.1%	2.70	2.5%	Saudi Arabia, Egypt, Nigeria, South Africa, UAE
<b>Global Total</b>	<b>91.95</b>	<b>100%</b>	<b>110.00</b>	<b>100%</b>	–

Note: While Russia spans both Europe and Asia geographically, it is classified under Europe in this analysis following IMF and World Bank conventions, which prioritize population concentration, economic activity, and institutional alignment. Figures in Nominal USD Trillions and Percentage Share of Global GDP.

Source: Calculated based on IMF WEO data (2014, 2024); Regional aggregation by the author

#### Key Insights

**Asia's** rise from 26.4% to 35.5% of global GDP is driven by China's continued growth and India's significant economic expansion over the decade. The region gained \$14.7 trillion, the largest absolute increase across all regions.

**North America**, led by a strong U.S. economy, saw a robust nominal increase (+\$9.5 trillion), with its global share rising to 29.1%.

**Europe's** share decreased despite slight nominal growth. The region's global role has softened due to slower economic expansion, particularly in Western and Eastern Europe. Russia's inclusion under Europe aligns with institutional and economic groupings.

**Latin America and Middle East & Africa** have grown in absolute terms, but their relative global share has stagnated or declined, reflecting slower industrialization and technological integration.

**Key Economies** listed for each region reflect dominant contributors based on economic size, regional influence, and integration in global trade systems

### 5.2. Comparative Analysis by Region (2014 vs. 2024)

#### Asia

**Key Players:** China, India, Japan, South Korea, Indonesia.

**GDP Contribution (Nominal): 2014:** ~\$24.3 trillion, **2024:** ~\$39.0 trillion.

#### Insights:

- Asia's share of global GDP among the top 25 economies rose from 26.4% to 35.5% — the largest gain of any region.
- China's Belt and Road Initiative (BRI) boosted infrastructure investment and trade connectivity across the region and globally, although it also increased debt vulnerabilities in some economies.
- India's economic reforms (e.g., GST, digitization, and FDI liberalization) and rapid expansion in IT, manufacturing, and services drove strong growth.
- Japan and South Korea continued leveraging high-tech industries, though Japan faced demographic decline offset by productivity and automation.
- Indonesia's "Omnibus Law" reforms attracted FDI and promoted labor flexibility, supporting its emergence as a middle-income powerhouse.



## **North America**

**Key Players:** United States, Canada, Mexico

**GDP Contribution (Nominal): 2014:** ~\$22.5 trillion, **2024:** ~\$32.0 trillion.

### **Insights:**

- Share increased from 24.4% to 29.1%, largely due to the U.S. economy's tech-driven expansion.
- The U.S. Inflation Reduction Act (IRA) and CHIPS Act spurred investment in clean energy and semiconductor manufacturing, reinforcing industrial strength.
- Canada's transition to clean energy and innovation in AI and biotech contributed to moderate growth.
- Mexico benefited from nearshoring trends and trade integration under the USMCA, although persistent security and institutional challenges moderated its growth potential.

## **Europe**

**Key Players:** Germany, United Kingdom, France, Italy, Spain, Netherlands, Switzerland, Poland, Russia.

**GDP Contribution (Nominal): 2014:** ~\$22.1 trillion, **2024:** ~\$24.1 trillion.

### **Insights:**

- Europe's share declined from 24.0% to 21.9%, reflecting slower economic momentum compared to Asia and North America.
- The European Green Deal and NextGenerationEU recovery plan post-COVID aimed to boost resilience and green innovation.
- Brexit created transitional economic frictions in the UK and EU, impacting trade and investment patterns.
- Russia's invasion of Ukraine (2022) triggered sanctions, recessionary effects, and a reshaping of European energy and security policies.
- Poland and Eastern Europe saw EU-funded infrastructure development and integration into European value chains, supporting convergence.

## **Latin America**

**Key Players:** Brazil, Argentina Chile, Colombia.

**GDP Contribution (Nominal): 2014:** ~\$3.3 trillion, **2024:** ~\$3.8 trillion.

### **Insights:**

- Minimal change in global share (~3.6% to 3.5%) reflects underperformance and macroeconomic volatility.
- Brazil's economic recovery post-2015 recession was aided by agriculture, energy, and digital services, though political uncertainty persists.
- Argentina's default episodes and inflation crises over the decade eroded investor confidence and constrained growth.
- Regional integration projects like Mercosur-EU negotiations and the Pacific Alliance made limited progress, affecting trade potential.
- Structural reform delays and weak governance have hampered competitiveness and sustainable growth.

## **Middle East & Africa**

**Key Players:** Saudi Arabia, Egypt, Nigeria.

**GDP Contribution (Nominal): 2014:** ~\$1.9 trillion, **2024:** ~\$2.7 trillion.

### **Insights:**

- Though there is still a small global share (2.1% to 2.5%), the region experienced significant nominal growth.

- Saudi Arabia's Vision 2030 strategy invested heavily in economic diversification, mega-projects (e.g., NEOM), and green energy, reducing oil dependency.
- Egypt's infrastructure boom (e.g., New Administrative Capital, Suez Canal expansion) aimed to stimulate jobs and growth, despite rising debt.
- Nigeria's oil-dependent model was challenged by global energy transitions and security concerns, slowing broader economic development.
- Climate change, demographic pressure, and political instability continue to pose structural barriers to inclusive, long-term growth.

**Table 8: Comparative Regional Economic Analysis (2014 vs. 2024)**

Region	Key Players	GDP (Nominal) 2014	GDP (Nominal) 2024	Global Share (Top 25 Economies)	Key Insights & Drivers
Asia	China, India, Japan, South Korea, Indonesia	~\$24.3 T	~\$39.0 T	26.4% → 35.5% (▲ +9.1%)	<ul style="list-style-type: none"> <li>• Belt and Road Initiative (BRI) boosting infrastructure. India's economic reforms (GST, digitization).</li> <li>• Leadership in high-tech industries &amp; automation.</li> <li>• Indonesia's "Omnibus Law" attracting FDI.</li> </ul>
North America	United States, Canada, Mexico	~\$22.5 T	~\$32.0 T	24.4% → 29.1% (▲ +4.7%)	<ul style="list-style-type: none"> <li>• U.S. tech-driven expansion.</li> <li>• U.S. IRA and CHIPS Acts spurring green energy &amp; semiconductors.</li> <li>• Canada's innovation in AI and biotech.</li> <li>• Mexico's nearshoring benefits from USMCA.</li> </ul>
Europe	Germany, UK, France, Italy, Spain, etc.	~\$22.1 T	~\$24.1 T	24.0% → 21.9% (▼ -2.1%)	<ul style="list-style-type: none"> <li>• Slower economic momentum vs. other regions.</li> <li>• European Green Deal &amp; NextGenerationEU recovery funds.</li> <li>• Brexit trade frictions.</li> <li>• Russia-Ukraine war sanctions &amp; energy impacts.</li> </ul>
Latin America	Brazil, Argentina, Chile, Colombia	~\$3.3 T	~\$3.8 T	~3.6% → ~3.5% (▼ -0.1%)	<ul style="list-style-type: none"> <li>• Macroeconomic volatility &amp; political uncertainty.</li> <li>• Brazil's recovery in agriculture &amp; digital services.</li> <li>• Argentina's inflation &amp; default crises.</li> <li>• Limited progress on regional trade integration.</li> </ul>
Middle East & Africa	Saudi Arabia, Egypt, Nigeria	~\$1.9 T	~\$2.7 T	2.1% → 2.5% (▲ +0.4%)	<ul style="list-style-type: none"> <li>• Saudi Vision 2030 driving diversification.</li> <li>• Egypt's infrastructure boom (Suez Canal, new capital).</li> <li>• Nigeria's challenges with oil dependency.</li> <li>• Structural barriers from climate change &amp; instability.</li> </ul>

Note on GDP: Figures are nominal GDP, which can be influenced by exchange rate fluctuations. For a measure of pure volume of output, GDP at Purchasing Power Parity (PPP) is often used, which typically shows an even larger share for Asia. Source: International Monetary Fund (IMF). (2014–2024). World Economic Outlook Database (various issues); Author's compilation and trend analysis.

## 6. CONCLUSION AND IMPLICATIONS

### 6.1. Conclusion

This study has provided a decade-long comparative analysis of the contributions made by advanced and emerging economies to global economic growth from 2014 to 2024, using nominal GDP as the benchmark. The findings reveal a gradual but meaningful rebalancing in global economic power, with emerging markets—especially those in Asia—gaining ground against traditionally dominant advanced economies.

In 2024, while advanced economies still account for over half of global nominal GDP, their relative share has declined from 2014 levels. Emerging economies, led by China, India, Indonesia, Brazil, and Mexico, have expanded their contributions significantly, now comprising a substantial portion of global output. The United States and China remain the largest individual

economies, collectively responsible for more than 40% of global GDP, underscoring their ongoing dominance and strategic importance.

Key insights include:

- **Regional Transformation:** Asia has emerged as the global economic center of gravity, combining the technological sophistication of advanced economies like Japan and South Korea with the rapid growth of emerging giants such as China and India.
- **Shifting Global Balance:** Emerging economies now play a pivotal role in driving global demand, innovation, and investment flows, challenging the historical North-South economic hierarchy.
- **Structural Gaps:** Latin America, Africa, and parts of the Middle East continue to contribute modestly to global GDP, despite possessing natural resources and demographic advantages, due to institutional and structural challenges.

These shifts have far-reaching implications for global governance, trade policy, and international cooperation. As emerging markets ascend in economic importance, they are becoming central to addressing global challenges such as climate change, digital equity, and supply chain resilience.

Ultimately, the decade from 2014 to 2024 reflects a world in economic transition—one that is increasingly multipolar, interdependent, and in need of inclusive and collaborative approaches to growth and governance.

## 6.2. Implications for Policy and Future Research

The findings of this study carry important implications for economic planning, institutional reform, and international collaboration, as the global economic order continues to evolve.

1. **Economic Diversification and Structural Reform:** Emerging markets must prioritize diversification to reduce dependence on volatile sectors such as commodities. Strengthening institutional quality, enhancing regulatory frameworks, and fostering innovation ecosystems will be essential for sustaining long-term growth.
2. **Global Governance and Representation:** As emerging economies expand their influence, global institutions such as the IMF and World Bank must adapt governance structures to reflect new economic realities. Ensuring equitable representation will be critical for legitimacy and effectiveness.
3. **Regional Integration and Cooperation:** Both advanced and emerging economies stand to benefit from deeper regional cooperation in trade, technology transfer, and infrastructure development. Initiatives such as the Belt and Road Initiative, RCEP, and USMCA offer platforms for inclusive growth and resilience.
4. **Alignment with Sustainable Development Goals (SDGs):** Policymakers must align economic strategies with environmental and social objectives. Advancing green finance, accelerating energy transitions, and promoting inclusive labor markets are vital for achieving sustainability in both economic blocs.
5. **Future Research Directions:** Future studies should explore sector-specific contributions to GDP, the long-term impact of digital and AI transformation, and projections beyond 2024, considering demographic shifts, geopolitical uncertainty, and climate-related economic risks.

In conclusion, while advanced economies remain influential in global output, the ascent of emerging markets marks a significant redistribution of economic power. This transition offers valuable opportunities for collaborative growth, innovative policy design, and a more balanced and inclusive global economic order.

## 7. RECOMMENDATIONS

Over the past decade (2014–2024), the global economic landscape has experienced a gradual but significant rebalancing of economic power between advanced and emerging markets. As highlighted in this study, emerging economies have expanded their share of global GDP and are playing increasingly central roles in shaping global economic dynamics. These shifts demand adaptive, strategic, and collaborative responses across all levels of global governance. The following recommendations are grounded in the findings of this comparative analysis and aim to support inclusive and sustainable growth for the coming decade.

### 7.1. For Policymakers in Advanced Economies

- **Reform Global Institutions for a Balanced Future:** Advanced economies must engage emerging markets in reforming international financial and trade institutions (e.g., IMF, WTO) to ensure governance frameworks reflect the evolving economic distribution.

- **Preserve Innovation and Economic Leadership:** Maintaining a competitive edge requires sustained investment in technological innovation, workforce upskilling, and productivity-enhancing reforms, particularly in the face of demographic transitions and technological disruption.
- **Strengthen Global Resilience and Equity:** Proactively support multilateral development initiatives and fiscal tools that enhance economic stability in lower-income countries and vulnerable regions affected by inflation, conflict, and climate-related risks.

## 7.2. For Policymakers in Emerging Economies

- **Diversifying Growth Models Beyond Commodities:** To sustain momentum, emerging markets should reduce overdependence on extractive industries by promoting diversified sectors such as digital services, green manufacturing, and innovation-based enterprises.
- **Enhance Institutional Quality and Investment Climate:** Long-term growth requires robust governance, legal transparency, and financial system maturity to attract reliable foreign and domestic investment.
- **Expand South-South Collaboration:** Strengthen economic alliances with other emerging economies through regional trade agreements, technology partnerships, and infrastructure development, building a collective voice in global policy debates.

## 7.3. For International Institutions

- **Realign Governance with Economic Realities:** Institutions such as the World Bank and IMF must adjust voting rights and leadership structures to better represent the growing influence of emerging economies and ensure more inclusive decision-making.
- **Facilitate Knowledge and Technology Transfer:** Support capacity-building in emerging markets through joint initiatives focused on digital transformation, climate resilience, and industrial upgrading.
- **Coordinate Responses to Shared Global Challenges:** From climate change to financial volatility and supply chain disruptions, multilateral institutions must promote coordinated, inclusive approaches that consider the development needs of both advanced and emerging economies.

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