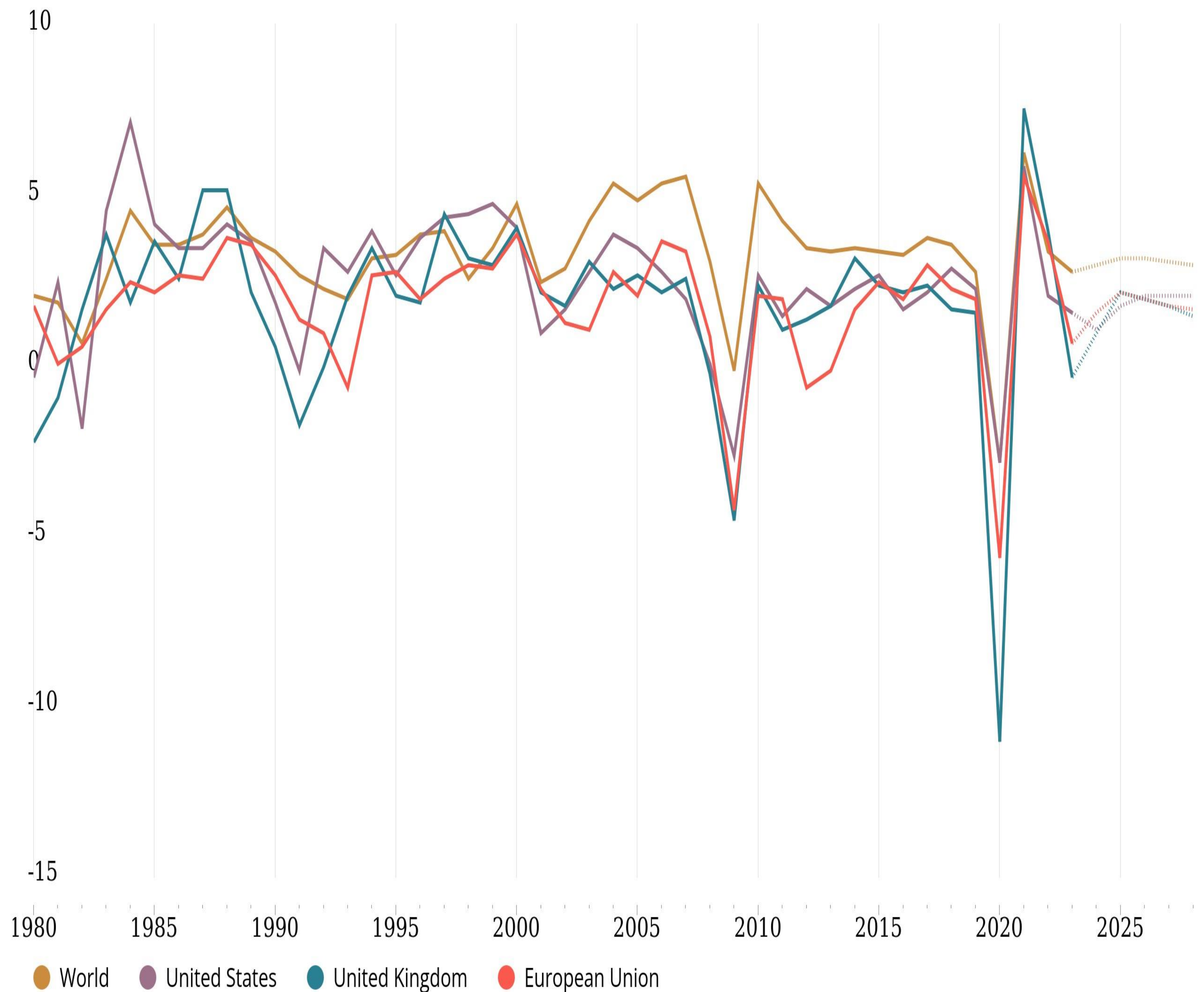# The Economy and Trade: Perspectives 2030

Bruce Stokes, German Marshall Fund
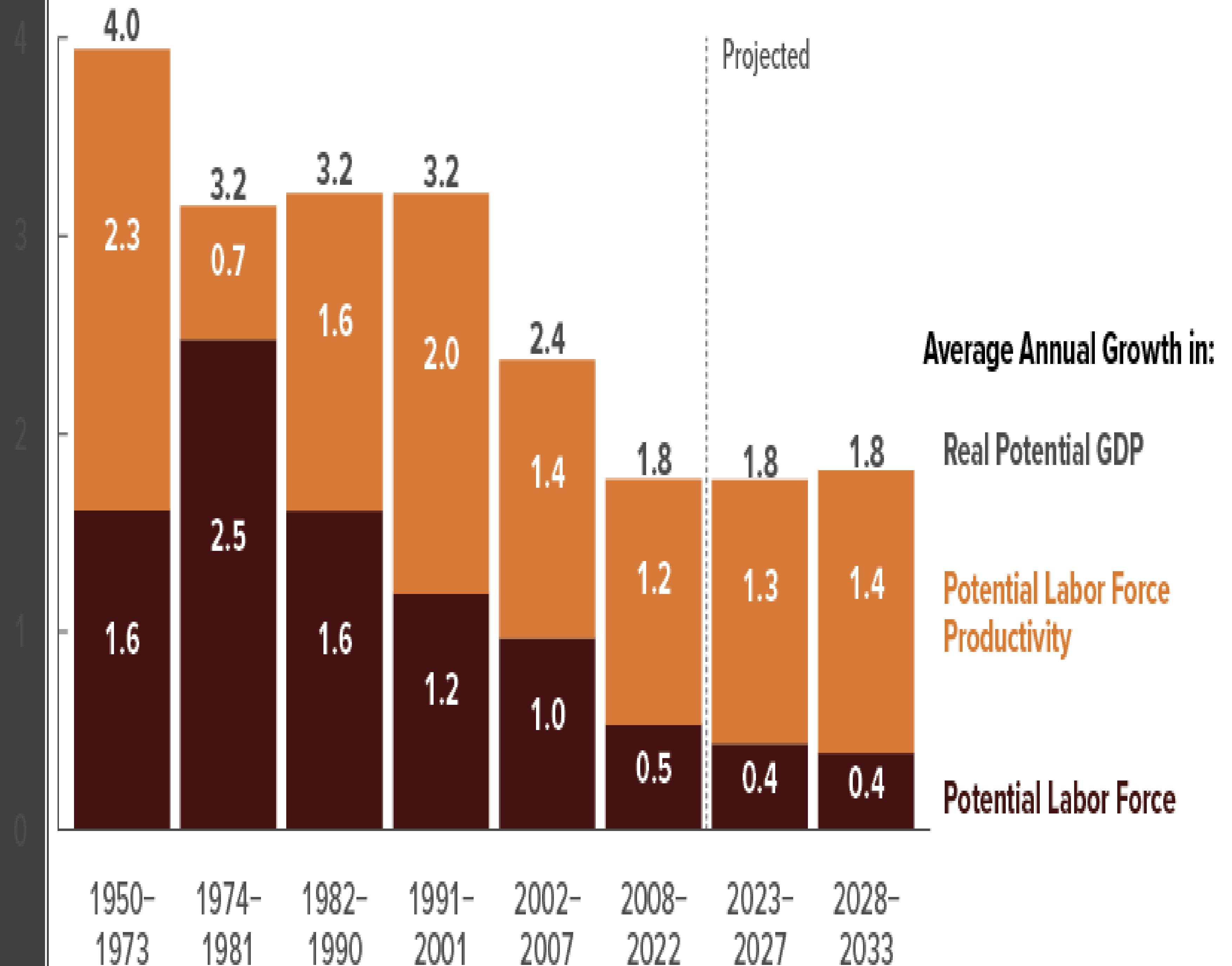
Ideas Network 2030, September 8, 2023

IMF Foresees 2.8% Growth This Year for the World, 1.6% for the U.S., 0.7% for the EU and -0.3% for the UK

IMF Data Mapper ®

Real GDP growth (Annual percent change)

Legend: World, United States, United Kingdom, European Union

©IMF, 2023, Source: World Economic Outlook (April 2023)

U.S. Economic Growth Expected to Average Under 2% for the Next Decade

And China's Growth Prospects Pale In Comparison to Its Past Performance

Chinese GDP Growth Dips Once More in 2022

China's real GDP growth since 1980

14.2%
2007

3.0%
2022

* preliminary
Source: National Bureau of Statistics of China
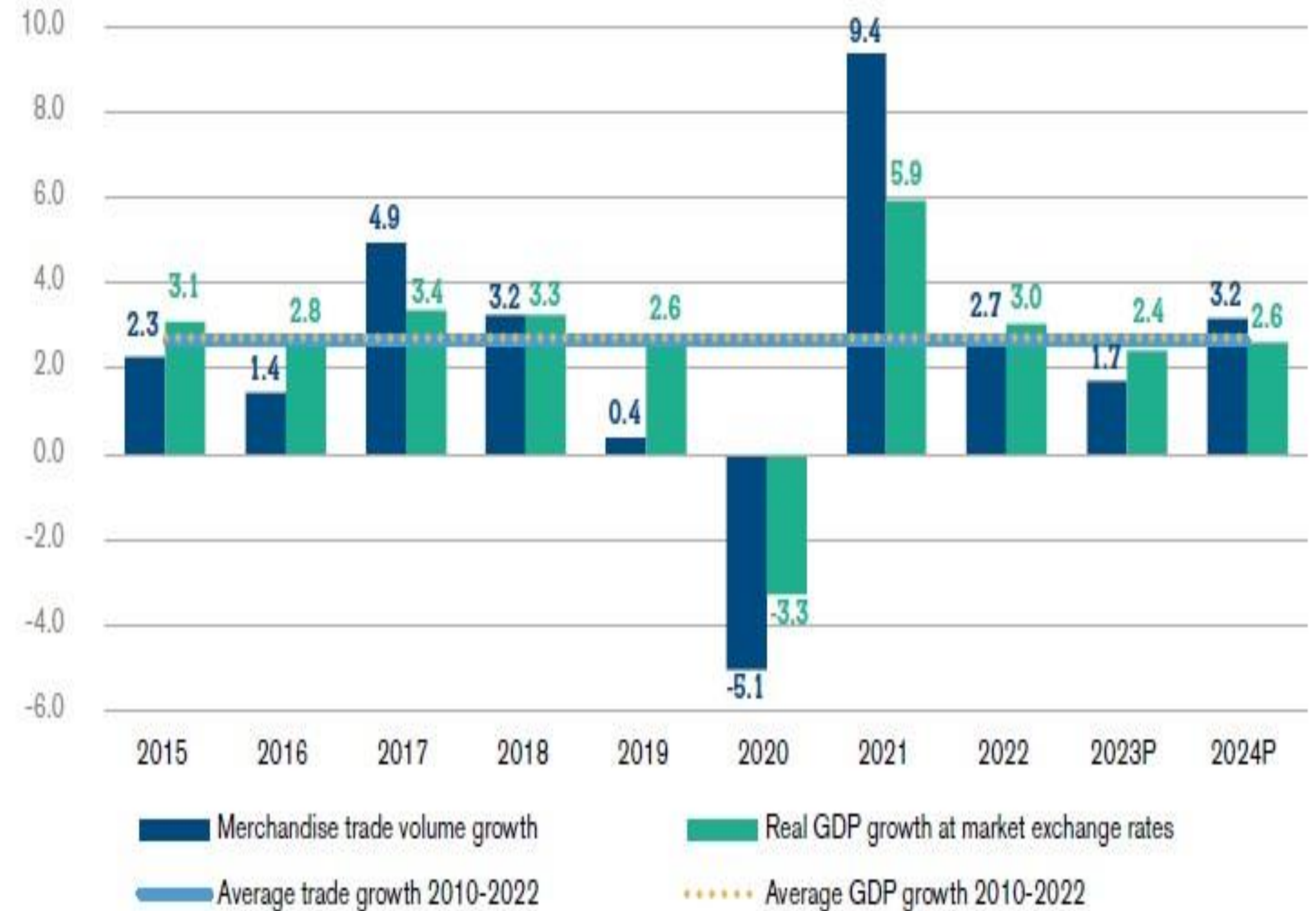
statista

Merchandise Trade Will Constrain Global Growth in 2023 and Drive Growth in 2024

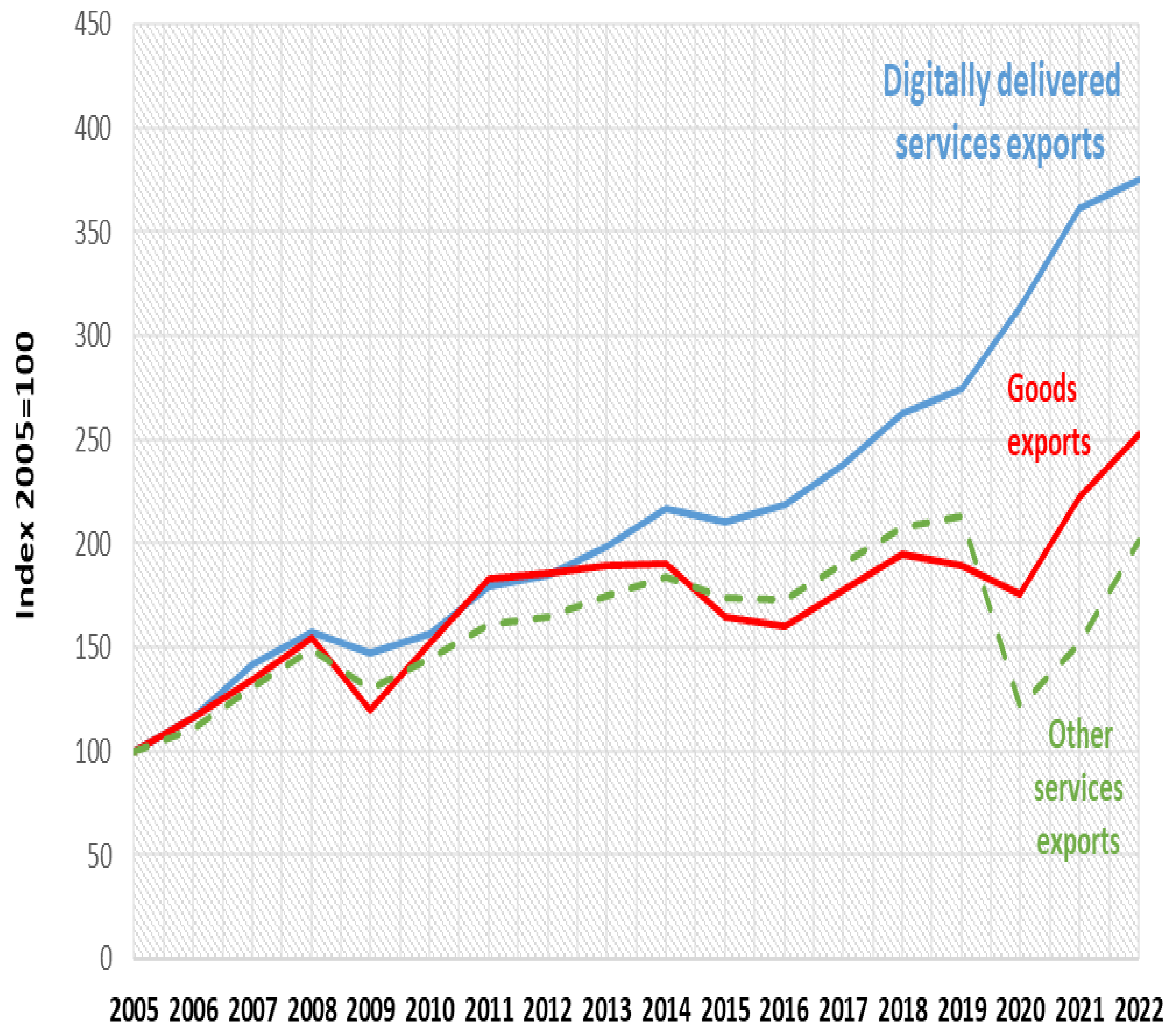Chart 1: World merchandise trade volume and GDP growth, 2015-2024

Annual % change

Note: 2023 and 2024 are projections.
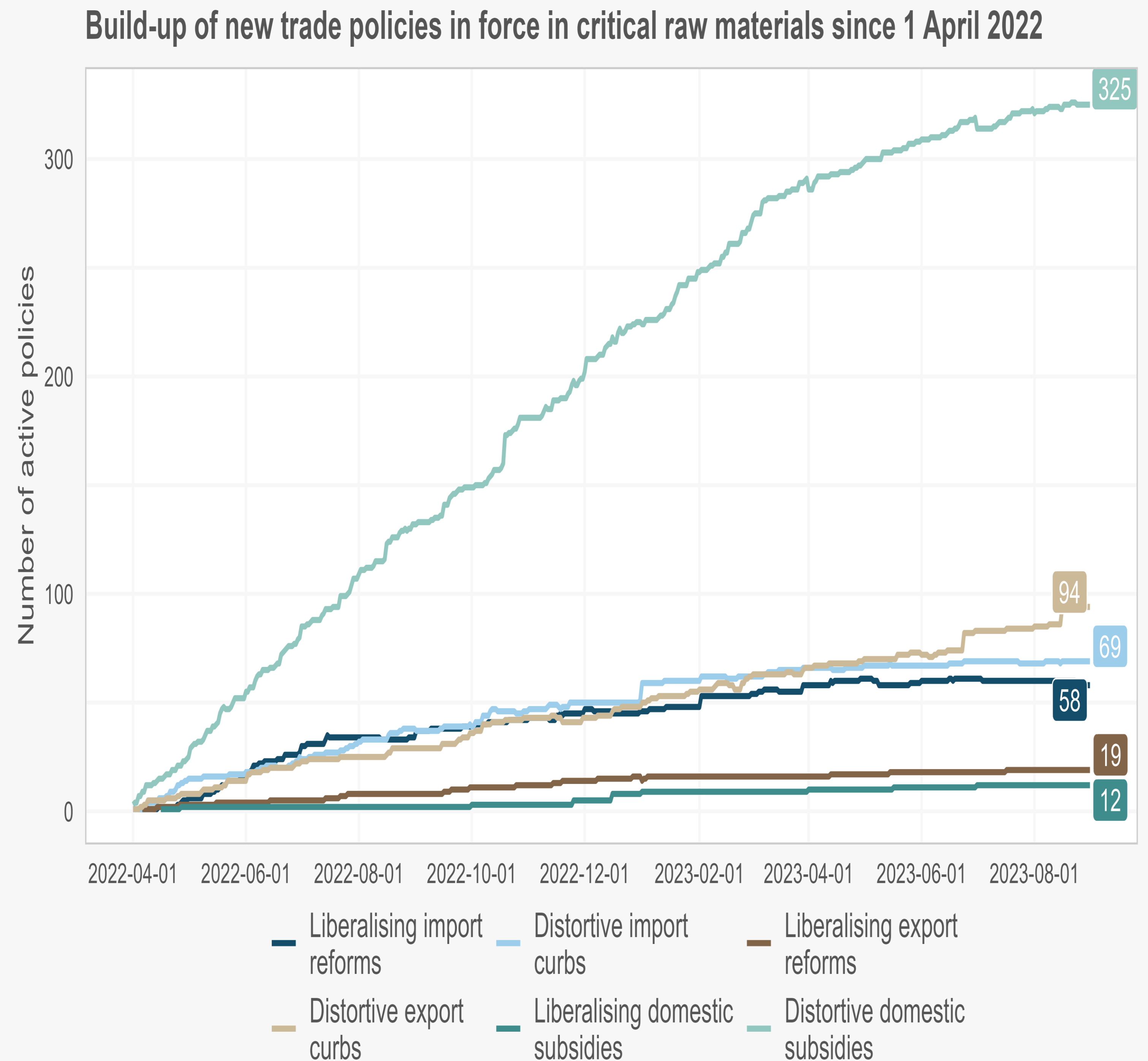Source: WTO for merchandise trade volume and consensus estimates for GDP.

Industrial Policy is Back, With the U.S. Leading the Way With Subsidies

Number of recent subsidies handed out

Status as of 31 August 2023

During last:	Medical 90 days	Medical 365 days	Food 90 days	Food 365 days	Fuels 90 days	Fuels 365 days	CRMs 90 days	CRMs 365 days	Downward 90 days	Downward 365 days	GVCs 90 days	GVCs 365 days
USA	2	11	11	28	0	3	5	42	4	34	13	124
Canada	2	11	10	57	0	1	6	25	8	18	28	90
Italy	2	9	7	31	1	4	1	17	4	12	11	54
Brazil	1	3	13	28	0	0	7	10	1	11	19	55
Australia	2	8	2	17	2	6	1	21	4	8	11	44
France	1	12	4	18	0	2	1	9	7	13	12	48
Germany	3	11	4	18	1	4	1	10	4	10	12	48
Spain	0	8	3	22	0	3	1	8	4	12	13	50
Argentina	1	1	6	32	1	2	2	7	0	1	9	39
India	0	4	5	19	0	4	1	7	2	14	9	36

Source: Global Trade Alert, September 2023 release

Concern Over Critical Raw Materials is a Major Driver of Subsidies

Build-up of new trade policies in force in critical raw materials since 1 April 2022

Number of active policies

325
94
69
58
19
12

2022-04-01 2022-06-01 2022-08-01 2022-10-01 2022-12-01 2023-02-01 2023-04-01 2023-06-01 2023-08-01

Liberalising import reforms
Distortive import curbs
Liberalising export reforms
Distortive export curbs
Liberalising domestic subsidies
Distortive domestic subsidies

Source: Global Trade Alert, September 2023 release

Automation Will Drive Future Economic Growth, But Americans Think That It Has Done More Harm Than Good

On balance, public says automation has done more harm than good for U.S. workers

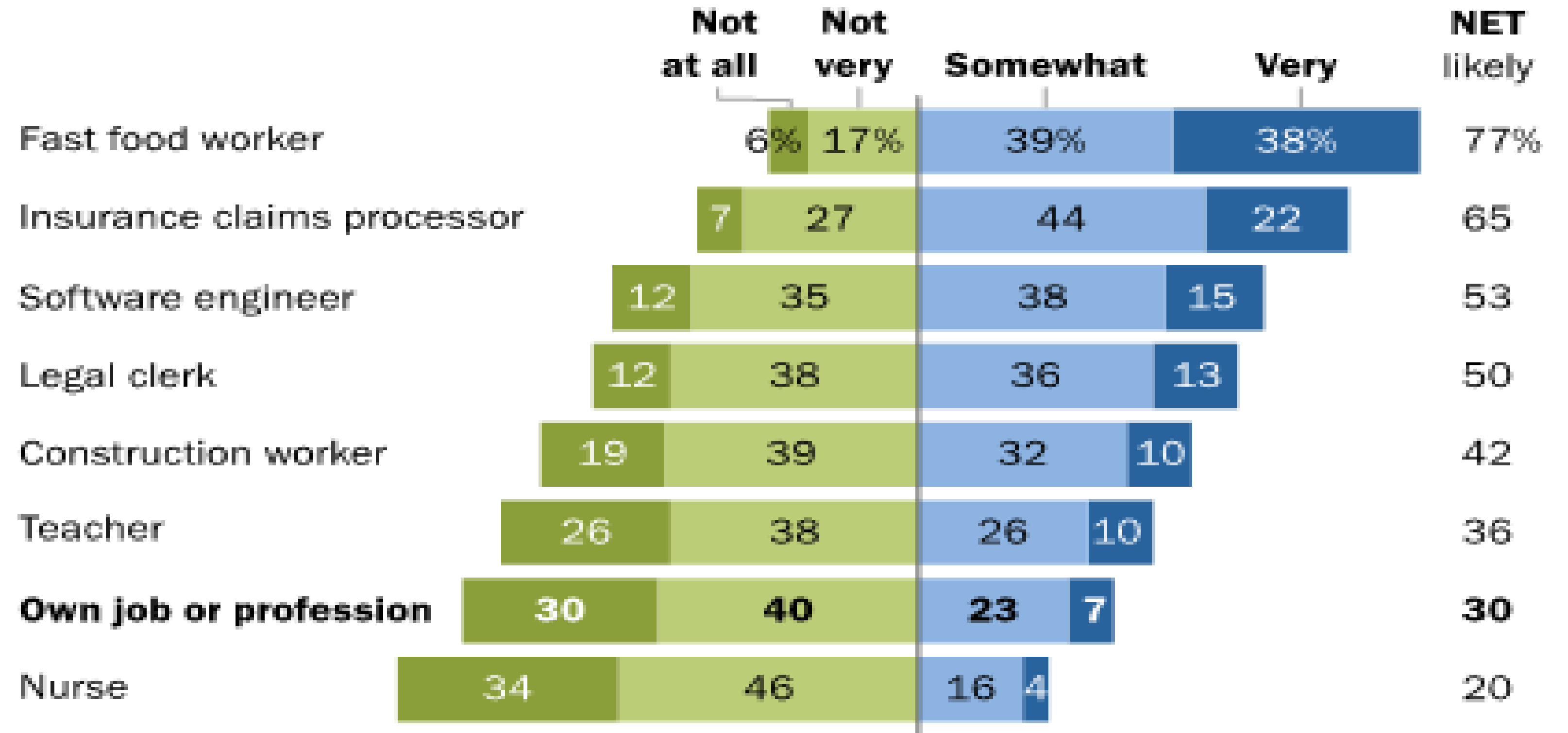*% saying, overall, the automation of jobs through new technology in the workplace has mostly ____ American workers*

	Hurt	Helped	Neither helped nor hurt
All adults	48	22	28
White	49	19	31
Black	48	31	20
Hispanic	45	29	26
Ages 18-49	43	24	31
50+	55	20	25
HS or less	53	22	24
Some college	48	21	30
Bachelor's+	42	24	33

Note: Share of respondents who didn't offer an answer not shown. Whites and blacks include those who report being only one race and are non-Hispanic. Hispanics are of any race. "Some college" includes those with an associate degree and those who attended college but did not obtain a degree.
Source: Survey of U.S. adults conducted Dec. 11-23, 2018.
"Looking to the Future, Public Sees an America in Decline on Many Fronts"

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The Fact That People Don't See Automation Threatening Their Own Jobs Is a Prescription for Future Populism When It Does

Americans view certain professions as being at greater risk of automation than others

% of U.S. adults who say it is ____ likely that the following jobs will be replaced by robots or computers in their lifetimes

	Not at all	Not very	Somewhat	Very	NET likely
Fast food worker	6%	17%	39%	38%	77%
Insurance claims processor	7	27	44	22	65
Software engineer	12	35	38	15	53
Legal clerk	12	38	36	13	50
Construction worker	19	39	32	10	42
Teacher	26	38	26	10	36
Own job or profession	**30**	**40**	**23**	**7**	**30**
Nurse	34	46	16	4	20

Note: Data for "own job or profession" is based on those who are currently employed. Respondents who did not give an answer are not shown.
Source: Survey conducted May 1-15, 2017.
"Automation in Everyday Life"

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