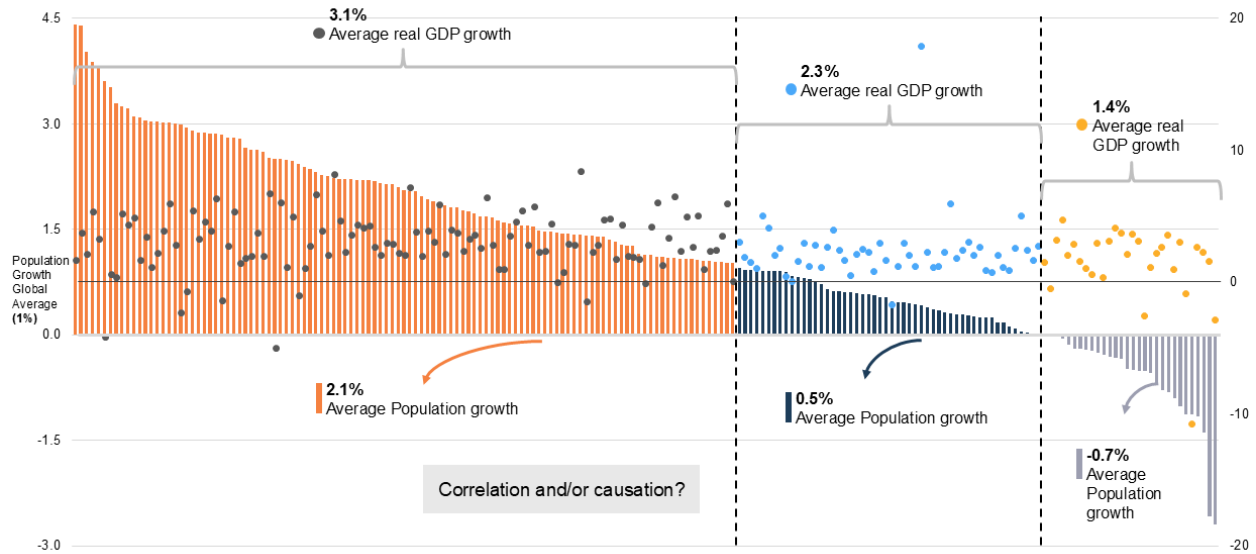


The Correlation Between Population and Economic Growth

To grow, economies need people and a high population growth rate. Over the last decade, there was a direct correlation between population growth and economic growth: Countries with a higher population growth rate also had higher real GDP growth, and conversely, fewer people meant lower economic growth.

Average Population Growth (LHS) & Average Real GDP Growth (RHS), All Countries, % (2014-2023)



Source: IMF World Economic Outlook 2024, ANDAMAN PARTNERS Analysis

The global population is estimated to have increased from just over seven billion in 2013 to almost eight billion in 2025. As an indication of economic vitality, population growth stagnated and declined in advanced economies but increased in developing and emerging economies, especially Sub-Saharan Africa and the Middle East & North Africa.

Population growth data from 2014 to 2023 reveal a striking correlation with economic growth:

- The 93 economies with population growth above the global average of 1%, mainly developing and emerging countries, had an average real economic growth rate of 3.1%.
- The 53 economies with population growth between 0% and 1% had an average economic growth rate of 2.3%.
- The 28 economies with negative population growth, primarily in Central and Eastern Europe, had an average real economic growth rate of 1.4%.

Population growth data over this period also reveal a few additional conclusions:

- Among the top 20 economies with the fastest population growth, 13 are located in Africa and four in the Middle East & North Africa. The top three are Qatar (4.4%), Papua New Guinea (4.4%) and Jordan (4%).

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- The populations of most advanced economies grew by less than 1%, such as the U.S. (0.6%), Germany (0.5%), France (0.3%) and China (0.3%).
- Economies with negative population growth include advanced economies such as Italy (-0.2%), Japan (-0.2%) and Poland (-0.3%) but are predominantly located in Eastern Europe, including Lithuania (-0.3%), Belarus (-0.3%), Hungary (-0.3%), Croatia (-1%) and Ukraine (-2.7%).

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