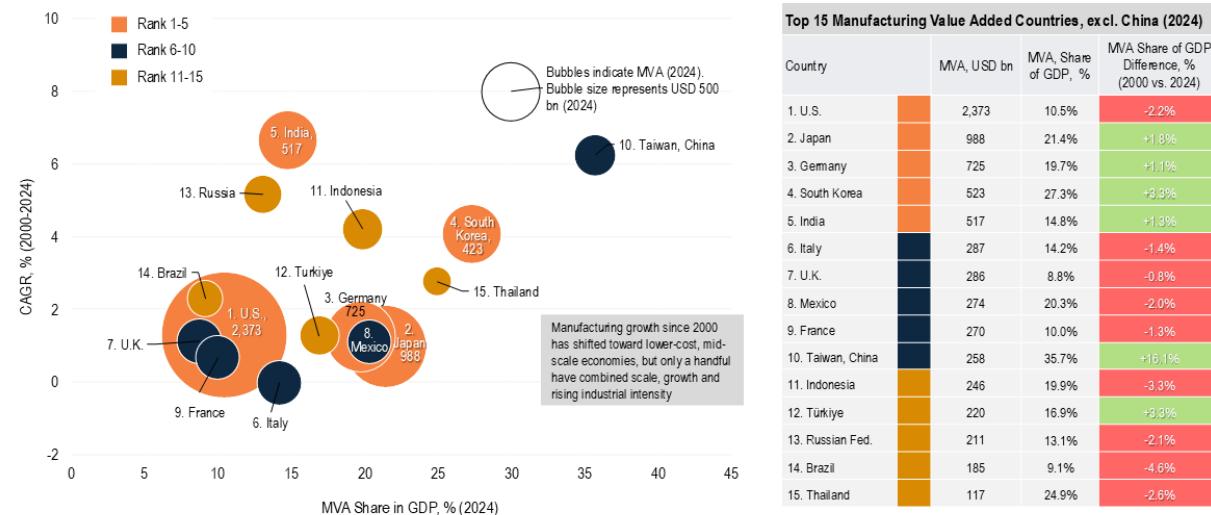




The Rise of Next-Tier Manufacturing Economies Beyond China

Since 2000, manufacturing growth has shifted toward lower-cost, mid-scale economies, but only a small group—led by India and Indonesia—has combined sustained expansion with rising industrial weight, while advanced economies continue to dominate in absolute scale.

Top 15 Countries by Manufacturing Value Added (excl. China), USD bn, (2024)



Note: CAGR reflects long-cycle industrialisation paths. Manufacturing Value Added and GDP are expressed in constant 2015 USD. Source: World Bank, ANDAMAN PARTNERS Analysis

“Next-tier” manufacturing economies operate between China’s unmatched scale and the mature industrial bases of advanced producers. Measured by manufacturing value added (MVA), countries such as India, Indonesia, Mexico, Türkiye and Thailand have expanded manufacturing output faster than most advanced peers since 2000, albeit from smaller bases.

The chart also shows sharp contrasts: Taiwan (China) and South Korea combine high industrial intensity with strong growth, while the U.S., Japan and Germany continue to dominate in absolute MVA.

Diversification beyond China is underway, but it is still concentrated in a narrow, uneven set of economies.

Also by ANDAMAN PARTNERS:

- [The Rise and Fall of China’s Trade Intensity: From Export Surge to Economic Rebalancing](#)
- [The Evolution of China’s Trade Structure: 1992-2024](#)
- [High-Tech Exports: China Leading, Asia Rising](#)

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