



United States and Global Macroeconomic Projections to 2033

Wendy Zeng, William Johnson, and James Davis

What Is the Issue?

The International Macroeconomic Data Set provides annual economic indicators for 181 countries, accounting for nearly 99 percent of the world economy. These indicators include the levels and growth rates for the real Gross Domestic Product (real GDP), Gross Domestic Product deflator, Consumer Price Index (CPI), exchange rates, population, real GDP per capita (real GDPPC), and GDP share values as a fraction of global GDP. These macroeconomic data and projections serve as the underlying benchmark for the USDA Baseline, the annual long-term agricultural projections. The USDA Baseline projections provide a 10-year outlook for supply, demand, and trade for major agricultural commodities in the United States and selected countries, which then inform budget allocation and resource planning processes.



What Did the Study Find?

The report found that the global economy is projected to recover slowly over the next decade, growing at a faster rate compared to the previous decade but not quite recovering to the levels of growth prior to the Coronavirus (COVID-19) pandemic. Among the major factors contributing to the slow global GDP growth recovery are rising inflation, tighter monetary policy, and the war in Ukraine, the effects of which include a major disruption to trade in grain markets worldwide. The report found:

- Real GDP is projected to grow over the next decade at an average annual rate of 2.8 percent globally and 2.1 percent in the United States.
- In per capita terms, real GDP per capita is projected to grow over the next decade at an average annual rate of 1.9 percent globally and 1.3 percent in the United States.
- Regionally, several environmental concerns and the real estate crisis in China may affect the growth prospects of many countries.

ERS is a primary source of economic research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.

- The world economy is projected to grow slowly as countries continue to recover from the COVID-19 pandemic, the Russia-Ukraine war, and other major shocks.

How Was the Study Conducted?

This report describes the data in the USDA Baseline by comparing projections for the upcoming decade with historical data from the previous decade and by comparing annual historical and forecast data for 2021–24. To interpret and support the projections, the authors researched the major economic forces and conflicts that help shape projections for the global economy and analyzed regional factors for individual regions and countries.

The macroeconomic projections draw upon related projections prepared by other U.S. Government agencies and forecasts informed by proprietary data sources. The USDA, ERS macroeconomic team also receives input from USDA, ERS' country and regional trade analysts who contribute to the development of the international component of the long-term Baseline. The macroeconomic projections were completed using data from August 2023 based on expectations at that time.

The USDA Baseline's macroeconomic projections are based on annual growth rates collected and estimated each year. For each country and for regional aggregates, annual historical data cover the period from 1970 to 2022, and each variable is projected from 2023 to 2033. Data are in constant 2015 U.S. dollars where applicable. Macroeconomic variables, both historical and projected values, are reported in annual levels and growth rates.