

A Study of Trends of Gross Domestic Product of Selected Countries From 2012 to 2021

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Introduction

Gross domestic product is taken by economist of world as one of the most important Indicator of the National Economic Growth. It reflects the value of Gross total product produced by a country within its National Physical boundaries. It is also considered good if this growth rate increases every year as compared to previous year.

Research Methodology

In this article we have selected data of certain global countries for a time period of 2012 to 2021 i.e ten year period. The Global countries have been selected on random basis based their status as developed countries and compared with Two Asian Upcoming counties China and India. The GDP Growth Rate is compared with respect to previous year GDP and the Increase is recorded as Growth percentage or a minus GDP growth rate the GDP has Fallen as compared to last year

We have also taken average for last ten years for Each country. A higher Average a better performance and vice versa. Also standard deviation has also been taken in the performance of GDP Growth Rate. If Average growth Rate is high with low standard deviation it is the best position, this is followed by high average GDP growth rate but also high Standard deviation. In the 3rd ranking we have Low average growth rate with low standard deviation rate and the last position is low average growth rate of GDP along with high standard deviation.

Analysis & Interpretation

An Analysis of The table 1 Reveals following Findings:

1. Each country showed a decline in the years 2019 and 2020. This was the period when the pandemic covid 19 was at its peak and economies globally suffered recession. The fall in GDP was more prominent in the year 2020.
2. Out of the selected countries except for China (2.24%) each country registered a negative GDP in 2020. United Kingdom followed by India, and Japan were the 3 countries which registered maximum decline.
3. In the year 2021 All countries recover United Kingdom leads the recovery followed by India china and united states when Difference between GDP percentage of 2020 and 2021 is considered. .
4. The Average growth rate of China is highest (6.69%) followed by India(5.48%) and United States (2.05%). The standard deviation of GDP is Highest in case of India (4.50) however it has shown a high average growth rate with increasing trend Myanmar(8.04) as it registered maximum decline in the year 2021 followed by United Kingdom (4.16) and Russia(2.39). However In case of other two average growth rate is low therefore the standard deviation shows a negative outline.

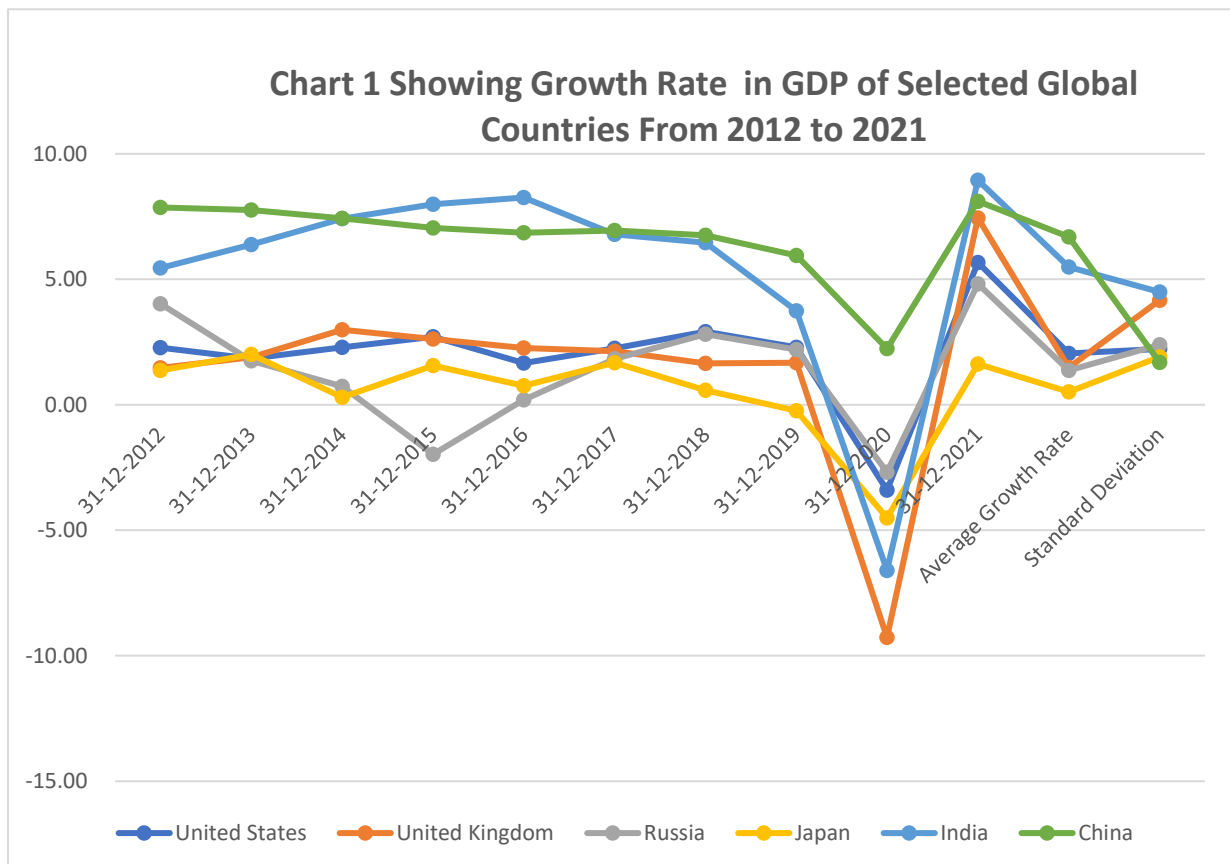
With respect to Chart 1 we find that percentage changes of GDP over previous year the selected countries show following trends

1. China leads the countries which shows that it has earned highest GDP growth over the years except for two years when the growth rate of India was more than it. Even during the Covid 19 it maintained a positive GDP growth rate.
2. India is placed at 2nd Position however this is majorly due to positive growth rate experienced by the country over the years as also depicted by its 2nd highest average growth rate.
3. United States of America is at position 3 as its growth rate for most of the part is around the average growth rate and also the standard deviation is 2nd lowest after Japan. This shows a stability factor in the study period.
4. Russia is at Position 4th even with lower average growth rate than United Kingdom as its standard deviation is much lower than United Kingdom showing a higher stability factor.
5. United Kingdom can be stated to be holding 5th position as it has higher average growth rate but its standard deviation is very high which is a cause for concern for the economy.
6. Japan is placed at 6th Position as even though it has the lowest standard deviation yet its average growth rate is also very low. This is not a very positive sign and can be attributed to two consecutive years of negative GDP growth rate.

Table 1 Showing GDP Growth Rate in Percentage from 2012 to 2021 for Selected Asian Countries

GDP Growth (%)						
Date	United States	United Kingdom	Russia	Japan	India	China
31-12-2012	2.28	1.47	4.02	1.37	5.46	7.86
31-12-2013	1.84	1.89	1.76	2.01	6.39	7.77
31-12-2014	2.29	2.99	0.74	0.30	7.41	7.43
31-12-2015	2.71	2.62	-1.97	1.56	8.00	7.04
31-12-2016	1.67	2.26	0.19	0.75	8.26	6.85

31-12-2017	2.26	2.13	1.83	1.68	6.80	6.95
31-12-2018	2.92	1.65	2.81	0.58	6.45	6.75
31-12-2019	2.29	1.67	2.20	-0.24	3.74	5.95
31-12-2020	-3.40	-9.27	-2.68	-4.51	-6.60	2.24
31-12-2021	5.67	7.44	4.82	1.62	8.95	8.11
Average Growth Rate	2.05	1.49	1.37	0.51	5.48	6.69
Standard Deviation	2.22	4.16	2.39	1.90	4.50	1.69



Conclusion: -

The article reveals the comparative performance of the selected countries over the period 2012 to 2021. It shows that out of the 6 countries selected the performance of China followed by India is commendable. United States and Russia show an average performance but with low volatility. United Kingdom followed by Japan are the countries which should take steps immediately to control their GDP performance.

The researcher cautions that GDP is one of the indicators of Economic performance of the country. Its results should be verified through other Indicators such as Per capita GDP, per capita National Income for more conclusive results.

One noteworthy fact is that most of the developed countries are showing a very low average GDP growth rate all during the study period. Perhaps the reason lies in the fact that they have reached a optimum level of resource utilization. The growth rate can now only be reached at with technological Innovations.

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