Economic development and agriculture : Global story

Nanasaheb Patil IAS MA

References

- I have borrowed from many references I do not claim any originality .
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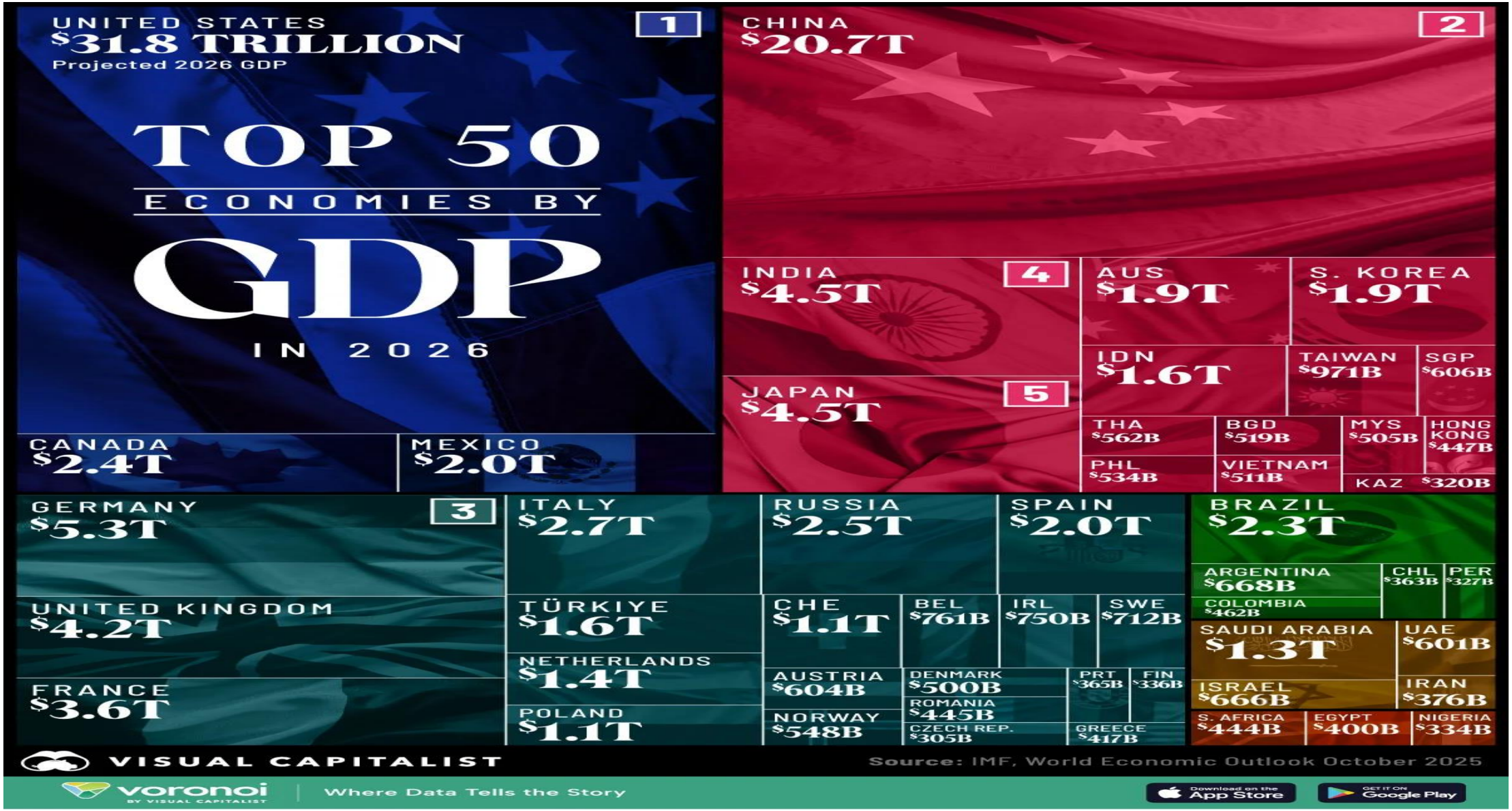
- World Development Report 2024. : Middle Income Trap .
- India’s Reckoning Geopolitics ,Trade and India’s Development strategy Hinrich foundation 2026
- Economic Survey GOI 25 26
- Visual Capitalist 2026
- China’s 90 % Model by Ram Charan Dec 2025.

India

WILL YOU BE A CASUALITY OR WILL YOU BE LEADER .

THE CHOICE IS YOURS .

RAM CHARAN Indian Business Consultant
Harvard


UNITED STATES
$31.8 TRILLION
Projected 2026 GDP
1
TOP 50
ECONOMIES BY
GDP
IN 2026
CANADA
$2.4T
MEXICO
$2.0T
CHINA
$20.7T
2
INDIA
$4.5T
4
JAPAN
$4.5T
5
AUS
$1.9T
S. KOREA
$1.9T
IDN
$1.6T
TAIWAN
$971B
SGP
$606B
THA
$562B
BGD
$519B
MYS
$505B
HONG KONG
$447B
PHL
$534B
VIETNAM
$511B
KAZ
$320B
GERMANY
$5.3T
3
UNITED KINGDOM
$4.2T
FRANCE
$3.6T
ITALY
$2.7T
TÜRKIYE
$1.6T
NETHERLANDS
$1.4T
POLAND
$1.1T
RUSSIA
$2.5T
SPAIN
$2.0T
CHE
$1.1T
BEL
$761B
IRL
$750B
SWE
$712B
AUSTRIA
$604B
DENMARK
$500B
PRT
$365B
FIN
$336B
ROMANIA
$445B
NORWAY
$548B
CZECH REP.
$305B
GREECE
$417B
BRAZIL
$2.3T
ARGENTINA
$668B
CHL
$363B
PER
$327B
COLOMBIA
$462B
SAUDI ARABIA
$1.3T
UAE
$601B
ISRAEL
$666B
IRAN
$376B
S. AFRICA
$444B
EGYPT
$400B
NIGERIA
$334B
VISUAL CAPITALIST
Source: IMF, World Economic Outlook October 2025
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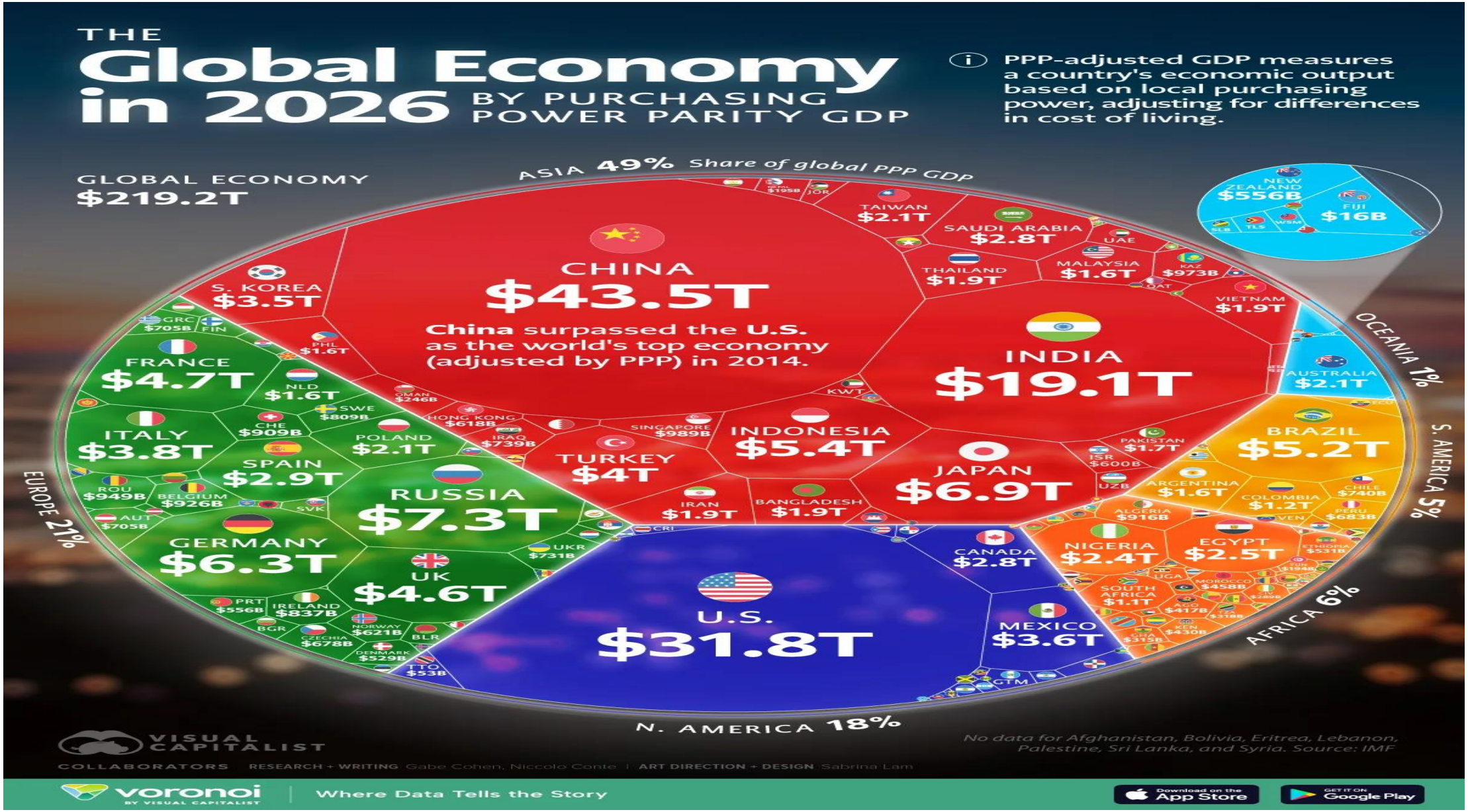
THE
Global Economy in 2026
BY PURCHASING POWER PARITY GDP
PPP-adjusted GDP measures a country's economic output based on local purchasing power, adjusting for differences in cost of living.
GLOBAL ECONOMY
$219.2T
ASIA 49% Share of global PPP GDP
CHINA
$43.5T
China surpassed the U.S. as the world's top economy (adjusted by PPP) in 2014.
INDIA
$19.1T
U.S.
$31.8T
EUROPE 21%
RUSSIA
$7.3T
GERMANY
$6.3T
FRANCE
$4.7T
UK
$4.6T
ITALY
$3.8T
SPAIN
$2.9T
POLAND
$2.1T
TURKEY
$4T
INDONESIA
$5.4T
JAPAN
$6.9T
BRAZIL
$5.2T
MEXICO
$3.6T
CANADA
$2.8T
NIGERIA
$2.4T
EGYPT
$2.5T
AUSTRALIA
$2.1T
S. KOREA
$3.5T
TAIWAN
$2.1T
SAUDI ARABIA
$2.8T
THAILAND
$1.9T
MALAYSIA
$1.6T
VIETNAM
$1.9T
PAKISTAN
$1.7T
ARGENTINA
$1.6T
COLOMBIA
$1.2T
SOUTH AFRICA
$1.1T
IRAN
$1.9T
BANGLADESH
$1.9T
NEW ZEALAND
$556B
FIJI
$16B
OCEANIA 1%
S. AMERICA 5%
AFRICA 6%
N. AMERICA 18%
No data for Afghanistan, Bolivia, Eritrea, Lebanon, Palestine, Sri Lanka, and Syria. Source: IMF
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COLLABORATORS RESEARCH + WRITING Gabe Cohen, Niccolo Conte | ART DIRECTION + DESIGN Sabrina Lam
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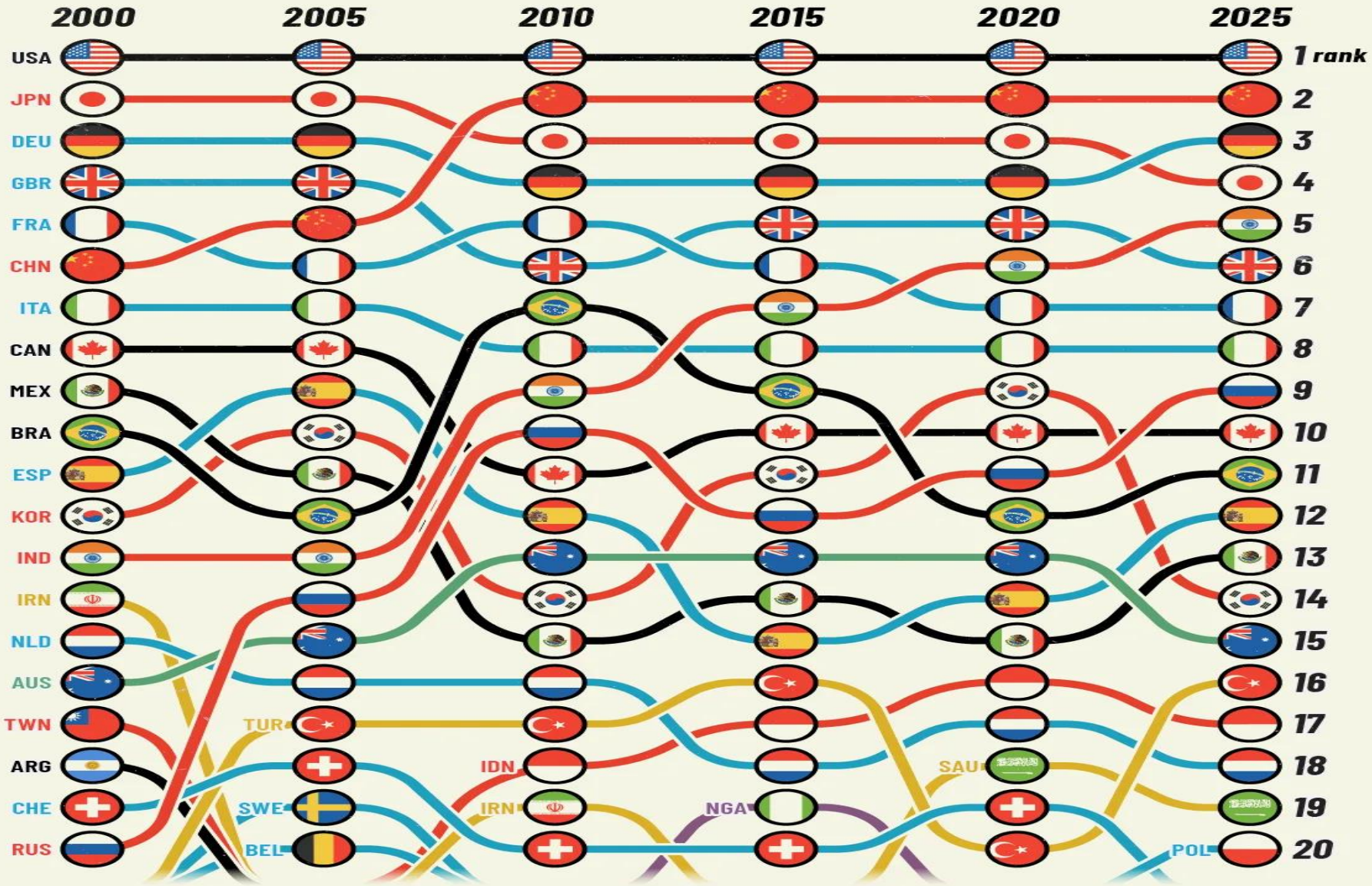
Top Economies

IN THE WORLD, BY GDP

- Americas
- Asia
- Europe
- Middle East
- Oceania
- Africa



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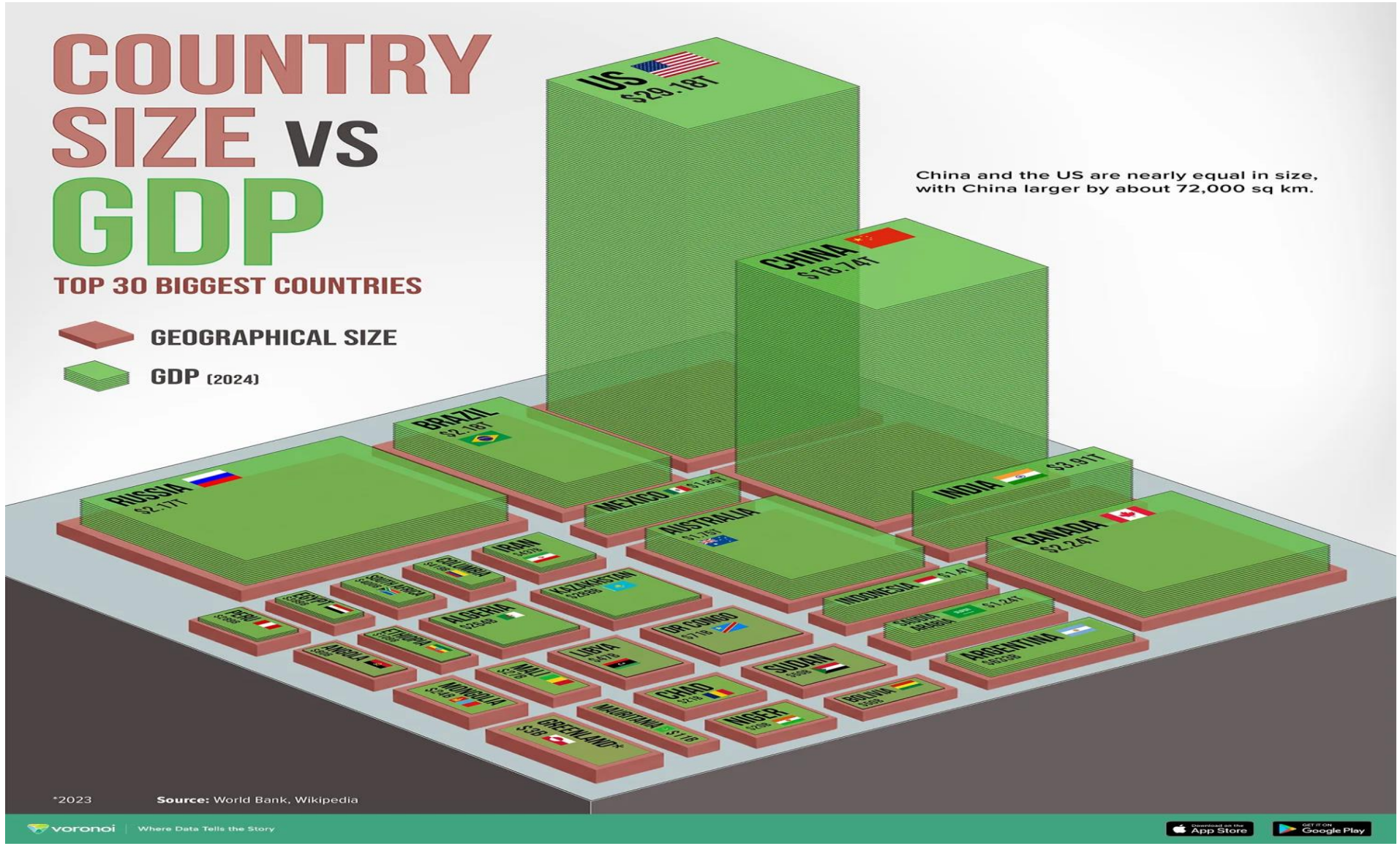
Source: IMF, World Economic Outlook Oct 2025


COUNTRY SIZE VS GDP
TOP 30 BIGGEST COUNTRIES
GEOGRAPHICAL SIZE
GDP (2024)
China and the US are nearly equal in size, with China larger by about 72,000 sq km.
US $29.18T
CHINA $18.74T
BRAZIL $2.18T
RUSSIA $2.17T
MEXICO $1.86T
AUSTRALIA $1.78T
INDIA $3.91T
CANADA $2.24T
INDONESIA $1.4T
SAUDI ARABIA $1.24T
ARGENTINA $631B
IRAN $401B
NAMIBIA $12B
SOUTH AFRICA $405B
EGYPT $396B
KAZAKHSTAN $268B
ALGERIA $224B
DR CONGO $71B
PERU $268B
ETHIOPIA $156B
LIBYA $67B
ANGOLA $84B
MALI $21B
SUDAN $68B
MONGOLIA $54B
CHAD $12B
BOLIVIA $46B
NIGER $16B
GREENLAND* $3B
MAURITANIA $11B
*2023
Source: World Bank, Wikipedia
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GDP Per Capita GROWTH

of the World's Top 15 Economies

	2000	GDP per Capita Change	2026
China	$1.0K	+1,430%	$14.7K
Russia	$1.9K	+811%	$17.3K
India	$0.4K	+589%	$3.1K
S. Korea	$12.7K	+195%	$37.5K
Brazil	$3.8K	+185%	$10.7K
Spain	$14.7K	+176%	$40.6K
Germany	$24.2K	+163%	$63.6K
U.S.	$36.3K	+156%	$92.9K
Canada	$24.3K	+140%	$58.2K
France	$22.5K	+130%	$51.7K
Italy	$20.2K	+127%	$45.9K
UK	$28.3K	+112%	$60.0K
Mexico	$7.5K	+102%	$15.1K
Australia	$20.9K	+96%	$41.0K
Japan	$39.2K	-7%	$36.4K

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Current prices, USD (not adjusted for inflation). Figures rounded. | Source: IMF

A GLOBAL LOOK AT R&D SPENDING

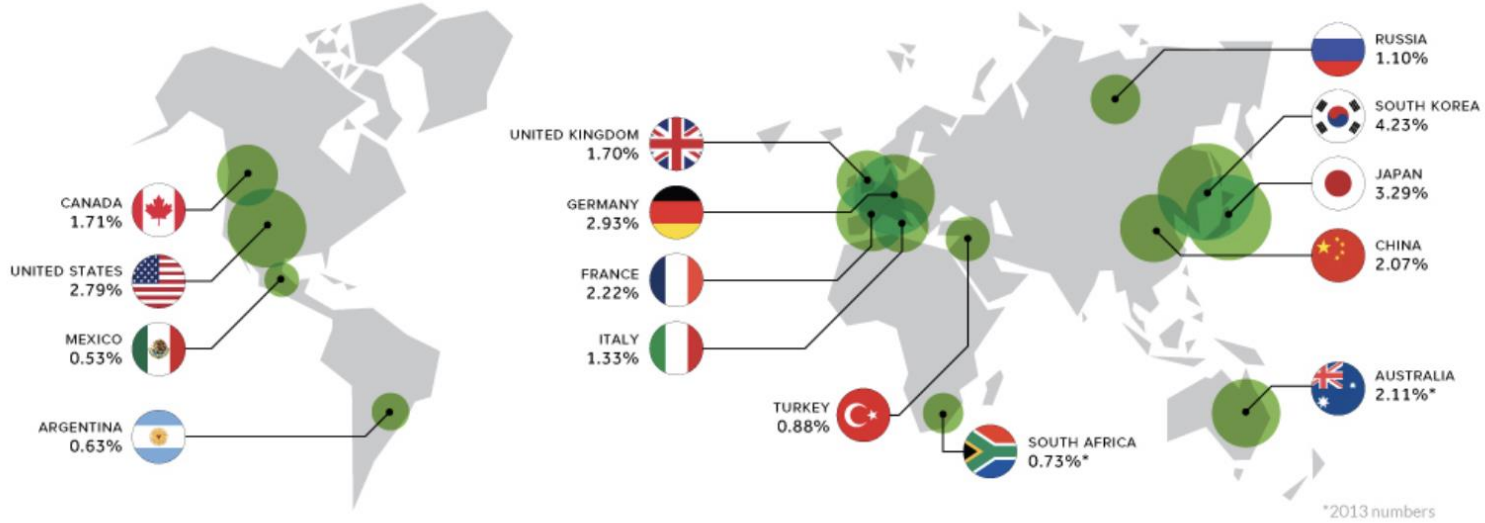
The companies and nations that are leading the way in innovation and research

The G20 accounts for **92%** of global spending on research

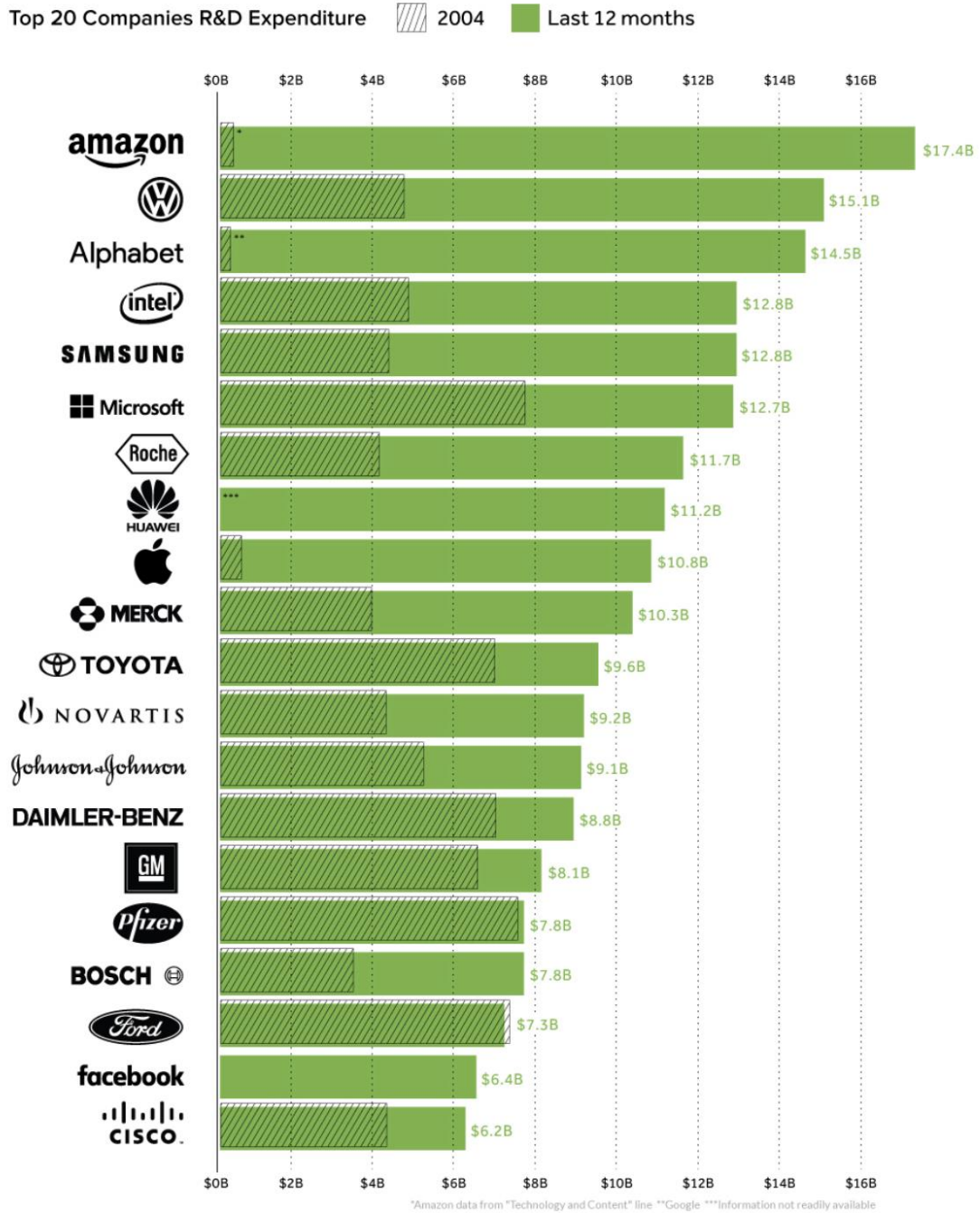
94% of patents granted by the US Patent and Trademark Office stem from G20 countries

R&D Expenditure as a percentage of GDP

Select G20 countries; 2015

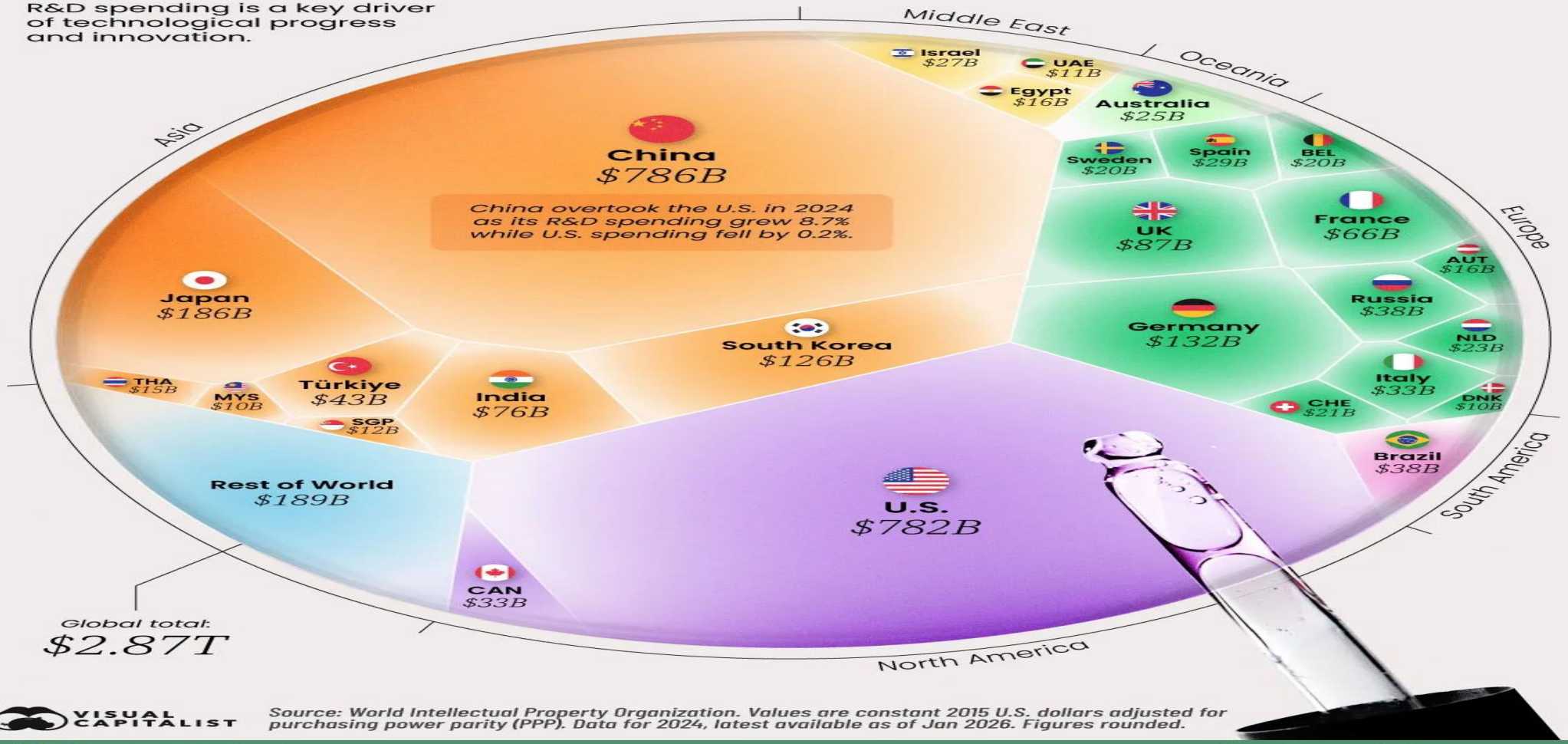


Top 5 Jurisdictions by R&D Expenditure (2015)


Top 20 Companies R&D Expenditure
2004
Last 12 months
$0B
$2B
$4B
$6B
$8B
$10B
$12B
$14B
$16B
amazon
$17.4B
$15.1B
Alphabet
$14.5B
intel
$12.8B
SAMSUNG
$12.8B
Microsoft
$12.7B
Roche
$11.7B
HUAWEI
$11.2B
$10.8B
MERCK
$10.3B
TOYOTA
$9.6B
NOVARTIS
$9.2B
Johnson & Johnson
$9.1B
DAIMLER-BENZ
$8.8B
GM
$8.1B
Pfizer
$7.8B
BOSCH
$7.8B
Ford
$7.3B
facebook
$6.4B
CISCO
$6.2B
*Amazon data from "Technology and Content" line **Google ***Information not readily available
SOURCE: Bloomberg, company reports, Strategy& Global Innovation 1000, OECD
visualcapitalist.com

Research & Development Spending *by Country*

R&D spending is a key driver of technological progress and innovation.



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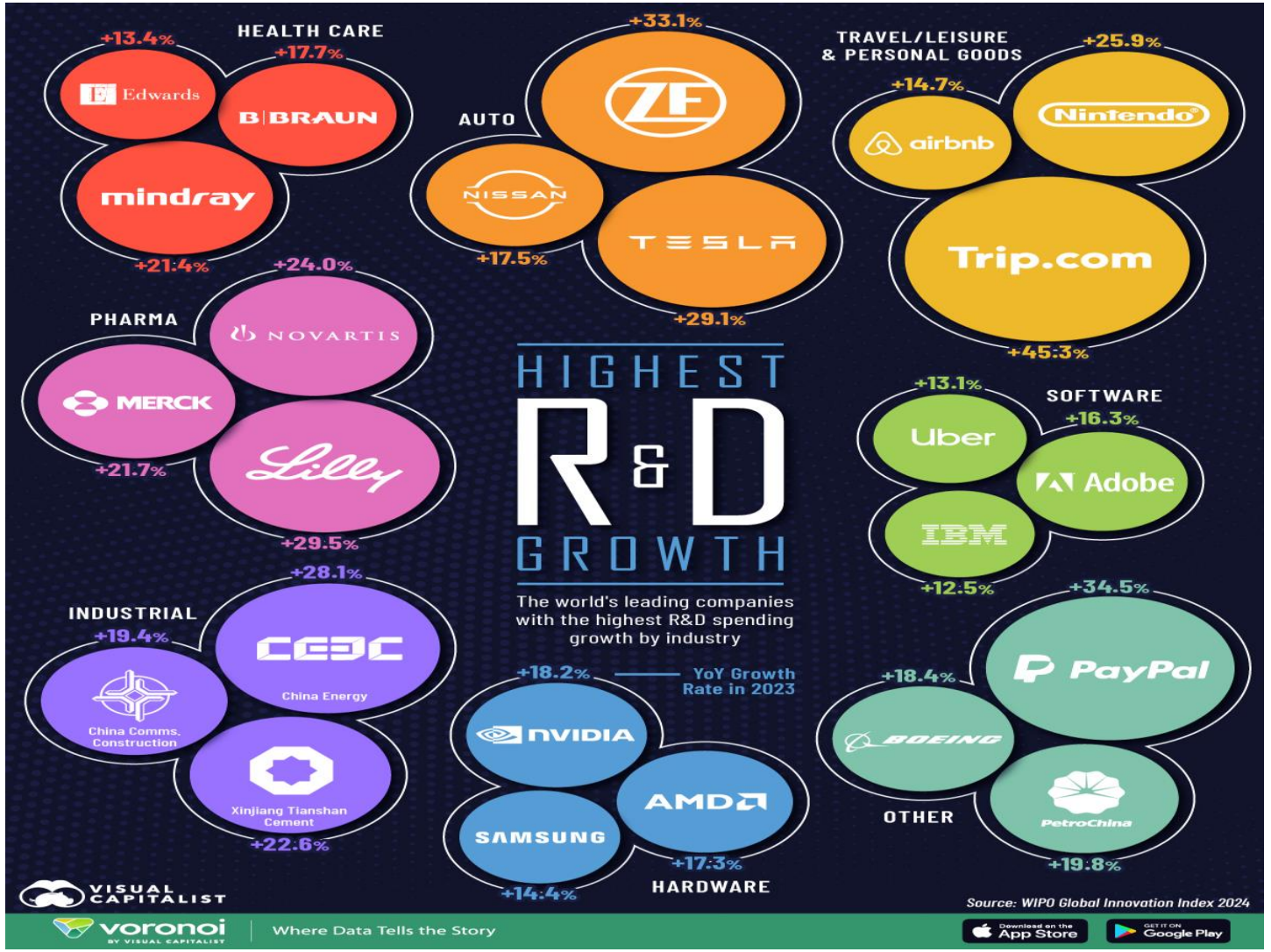
Source: World Intellectual Property Organization. Values are constant 2015 U.S. dollars adjusted for purchasing power parity (PPP). Data for 2024, latest available as of Jan 2026. Figures rounded.


HEALTH CARE
+13.4%
Edwards
+17.7%
B|BRAUN
mindray
+21.4%
AUTO
+33.1%
ZF
NISSAN
+17.5%
TESLA
+29.1%
TRAVEL/LEISURE & PERSONAL GOODS
+25.9%
+14.7%
airbnb
Nintendo
Trip.com
+45.3%
PHARMA
+24.0%
NOVARTIS
MERCK
+21.7%
Lilly
+29.5%
HIGHEST R&D GROWTH
The world's leading companies with the highest R&D spending growth by industry
+13.1%
SOFTWARE
+16.3%
Uber
Adobe
IBM
+12.5%
INDUSTRIAL
+28.1%
+19.4%
CEEC
China Energy
China Comms. Construction
Xinjiang Tianshan Cement
+22.6%
+18.2%
YoY Growth Rate in 2023
NVIDIA
AMD
SAMSUNG
+17.3%
+14.4%
HARDWARE
+34.5%
PayPal
+18.4%
BOEING
OTHER
PetroChina
+19.8%
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Source: WIPO Global Innovation Index 2024
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2026F–2030F
Fastest GDP Growth
GDP % GROWTH
Suriname 137%
Malawi 75.4%
Ethiopia 73.3%
Guinea 54.5%
Uzbekistan 51.2%
Yemen 49.5%
Zambia 48.6%
Egypt 47.6%
Uganda 47.2%
India 47.1%
Madagascar 46.9%
Guyana 46.5%
Tanzania 45.3%
Bhutan 44.9%
Turkmenistan 43.8%
São Tomé & Príncipe 43.8%
Mozambique 43.4%
Nepal 42.8%
Moldova 42.7%
Sudan 40.8%
GDP ADDED (USD)
China $5.7T
U.S. $5.0T
India $2.1T
UK $974.1B
Germany $685.6B
Japan $656.3B
Indonesia $528.9B
Brazil $521.8B
Canada $489.6B
France $450.6B
Mexico $411.3B
Australia $387.0B
Türkiye $385.7B
Spain $338.2B
South Korea $334.5B
Russia $320.4B
Italy $283.5B
Saudi Arabia $280.2B
Poland $276.4B
Philippines $212.6B
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Source: IMF
Figures rounded. Values are IMF nominal GDP projections, not adjusted for inflation.
India is the only country that appears in both lists, highlighting a rare blend of scale and speed.
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GLOBAL INNOVATION INDEX 2025

The GII captures the innovation ecosystem performance of 133 economies based on 78 individual indicators.

TOP 3 ECONOMIES *by Income Group*

	High-income	Upper middle-income	Lower middle-income	Low-income
1	Switzerland	China	India	Rwanda
2	Sweden	Malaysia	Vietnam	Togo
3	U.S.	Türkiye	Philippines	Madagascar

VISUAL CAPITALIST

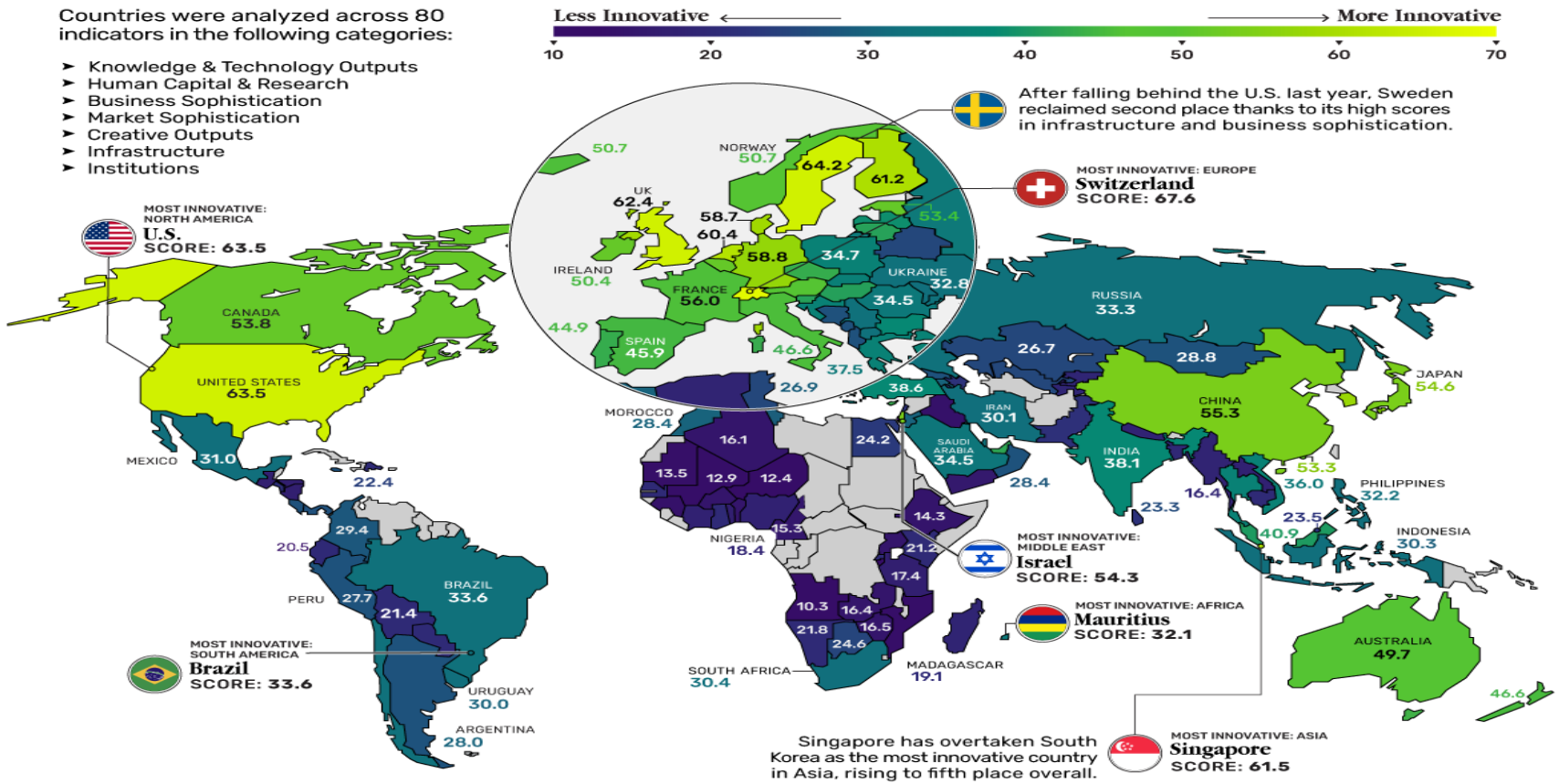
Source: WIPO Global Innovation Index 2025

Global Innovation Index 2023

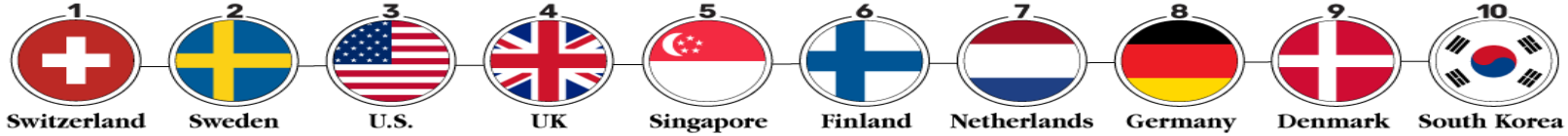
We show global innovation rankings across 132 countries at a time of rapid technological advancement.

Countries were analyzed across 80 indicators in the following categories:

- Knowledge & Technology Outputs
- Human Capital & Research
- Business Sophistication
- Market Sophistication
- Creative Outputs
- Infrastructure
- Institutions



Top 10 Countries



Source: WIPO Global Innovation Index 2023

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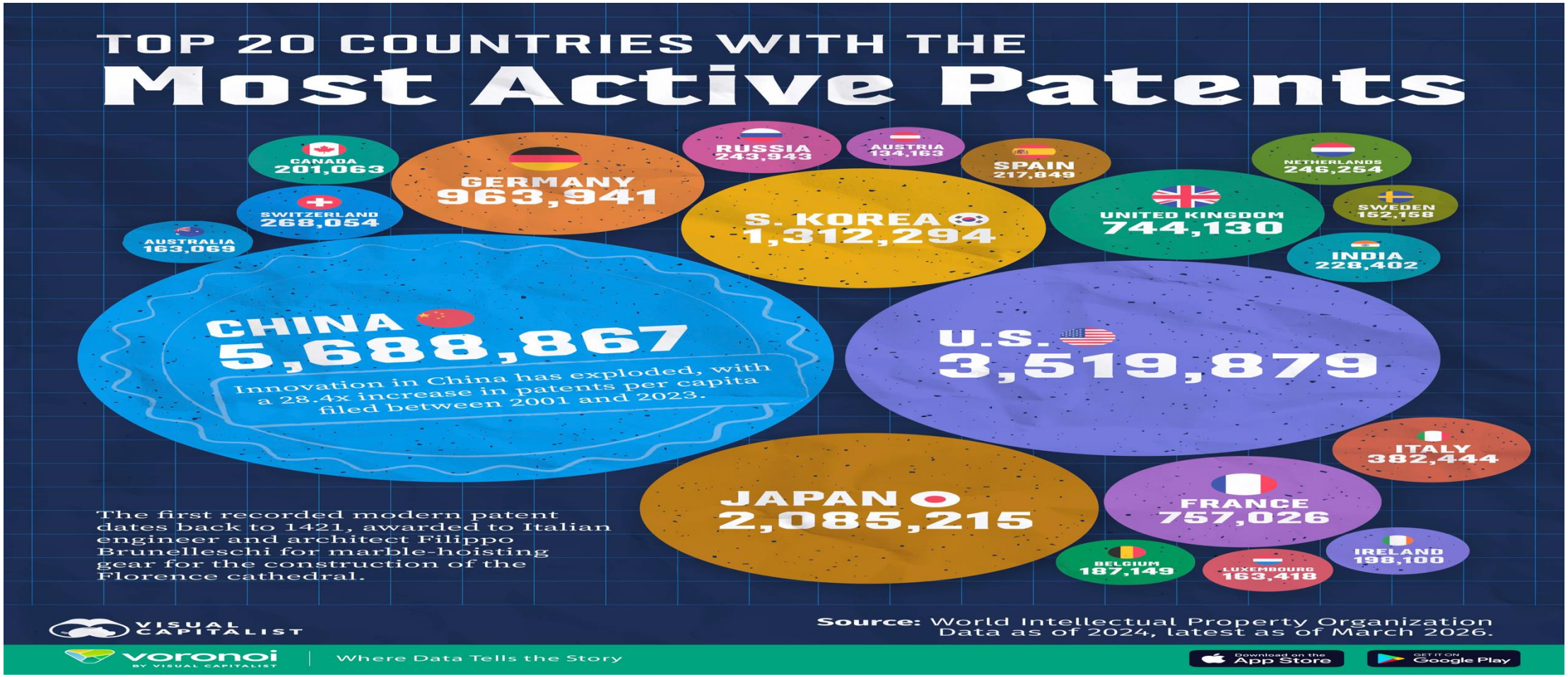
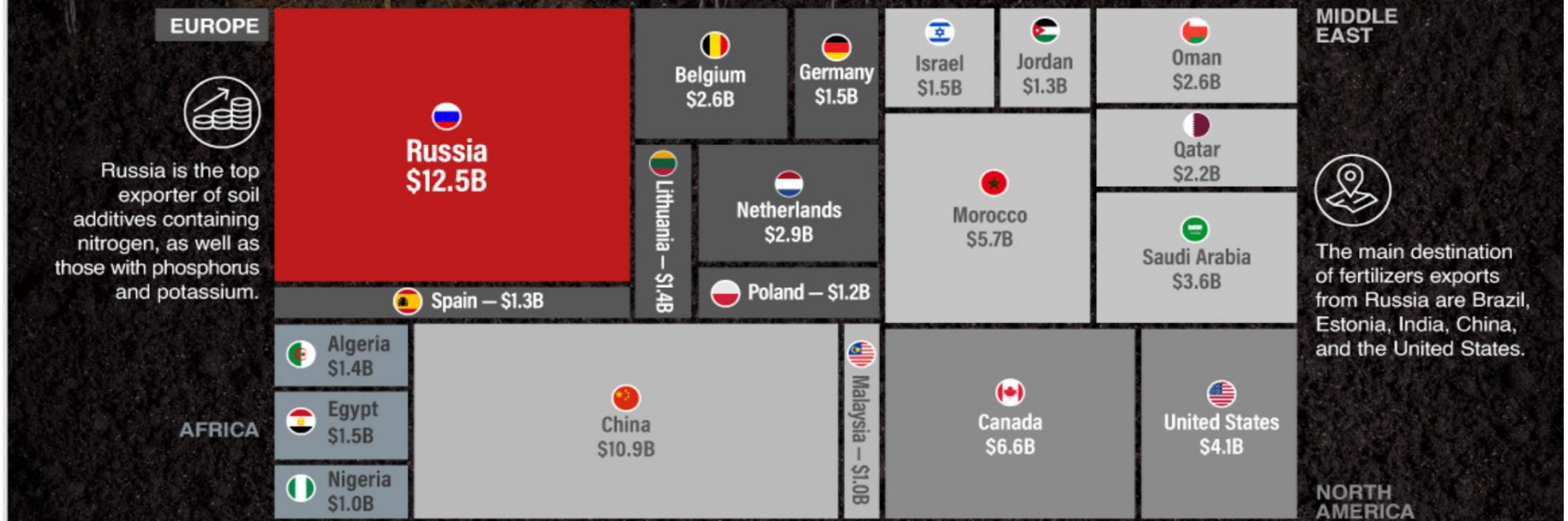
Global Patents



1 TOP EXPORTERS OF FERTILIZER

Crops across the world are dependent on fertilizers from Russia, the world's largest exporter, and the invasion of Ukraine has roiled up markets for crucial chemicals.

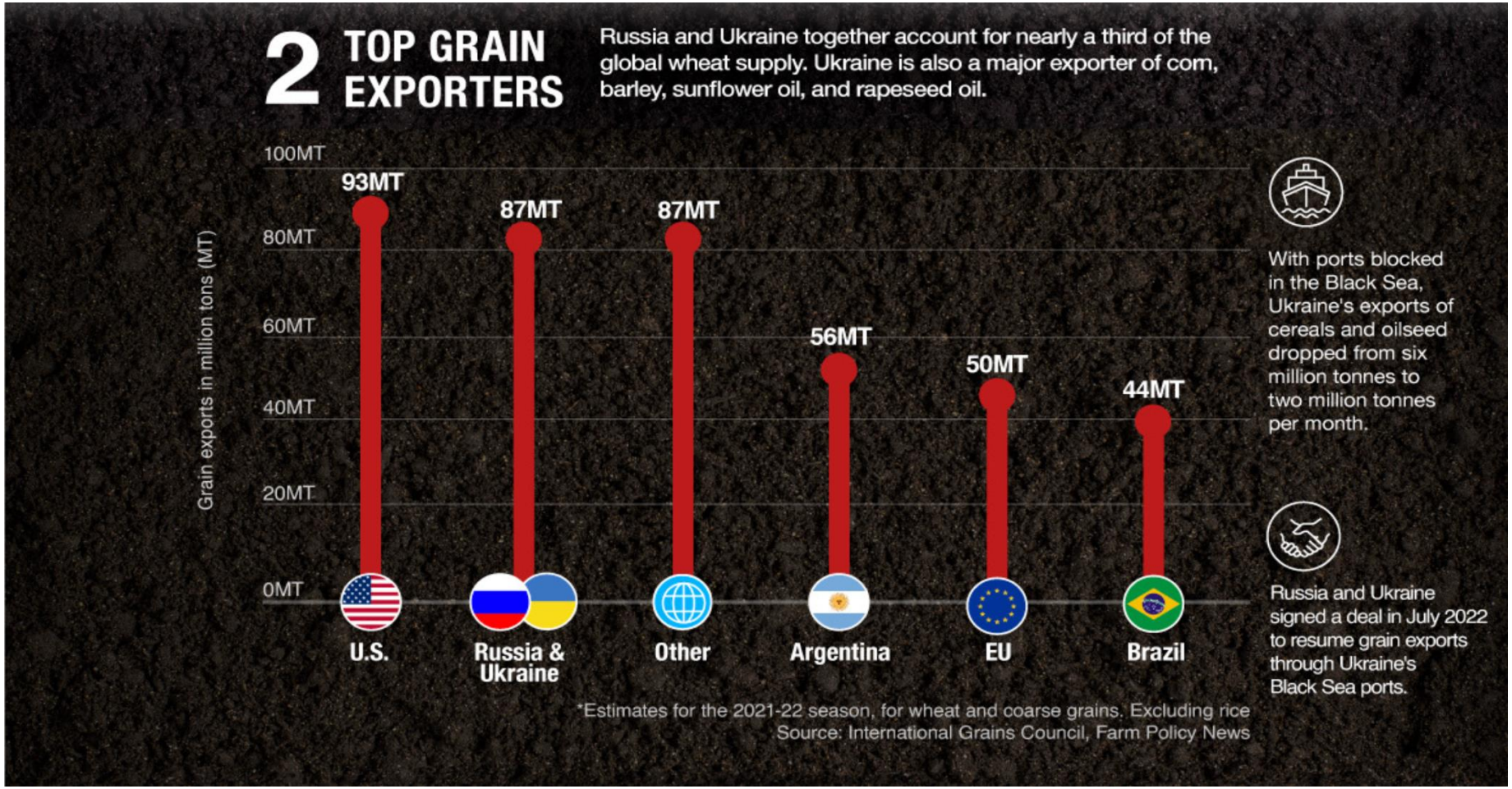
Export Value (Billions in USD)



Russia is the top exporter of soil additives containing nitrogen, as well as those with phosphorus and potassium.

The main destination of fertilizers exports from Russia are Brazil, Estonia, India, China, and the United States.

Source: Central Intelligence Agency, The Fertilizer Institute, The World Factbook Field Listing: Exports – Commodities


2 TOP GRAIN EXPORTERS
Russia and Ukraine together account for nearly a third of the global wheat supply. Ukraine is also a major exporter of corn, barley, sunflower oil, and rapeseed oil.
Grain exports in million tons (MT)
100MT
80MT
60MT
40MT
20MT
0MT
93MT
87MT
87MT
56MT
50MT
44MT
U.S.
Russia & Ukraine
Other
Argentina
EU
Brazil
With ports blocked in the Black Sea, Ukraine's exports of cereals and oilseed dropped from six million tonnes to two million tonnes per month.
Russia and Ukraine signed a deal in July 2022 to resume grain exports through Ukraine's Black Sea ports.
*Estimates for the 2021-22 season, for wheat and coarse grains. Excluding rice
Source: International Grains Council, Farm Policy News

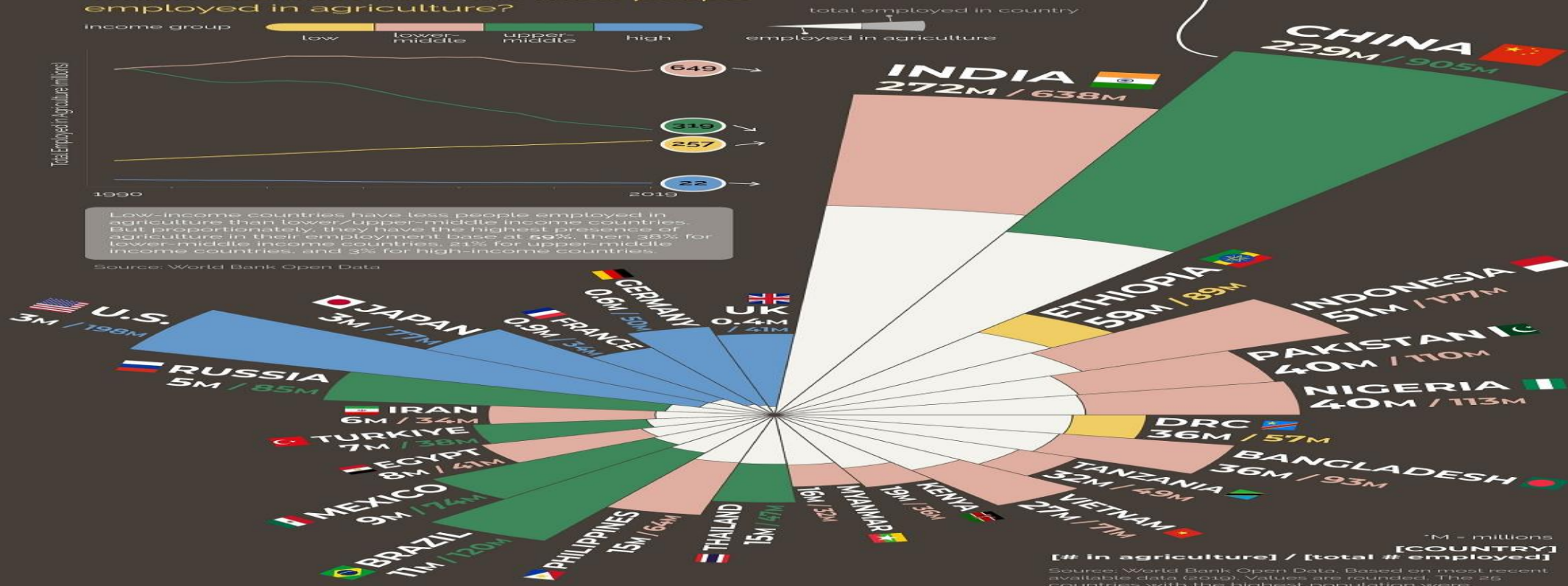
Ranked

Number of Agricultural Workers by Country

Which countries have the most people employed in agriculture?

Low-income countries have less people employed in agriculture than lower/upper-middle income countries. But proportionately, they have the highest presence of agriculture in their employment base at 59%, then 38% for lower-middle income countries, 21% for upper-middle income countries, and 3% for high-income countries.

Source: World Bank Open Data



*M = millions
[COUNTRY]
[# in agriculture] / [total # employed]

Source: World Bank Open Data. Based on most recent available data (2019). Values are rounded. The 25 countries with the highest population were considered in this analysis.

Top 5 by:

% Employed in Agriculture

The proportion of people who are employed that work in agriculture

Burundi	86%
Somalia	80%
Malawi	76%
Chad	75%
Niger	73%

Proportion of Females Working in Agriculture

Out of the total people employed in agriculture

Uzbekistan	60%
South Sudan	60%
Mozambique	58%
Armenia	56%
Gambia	56%

Proportion of Males Working in Agriculture

Out of the total people employed in agriculture

UAE	100%
Qatar	100%
Kuwait	100%
Bahrain	99%
Oman	99%

Employment: persons of working age who were engaged in any activity to produce goods or services for pay or profit.
Agriculture sector: includes activities in agriculture, hunting, forestry and fishing.

Graphics by: Airi (Iris) Ryu

Agriculture workers

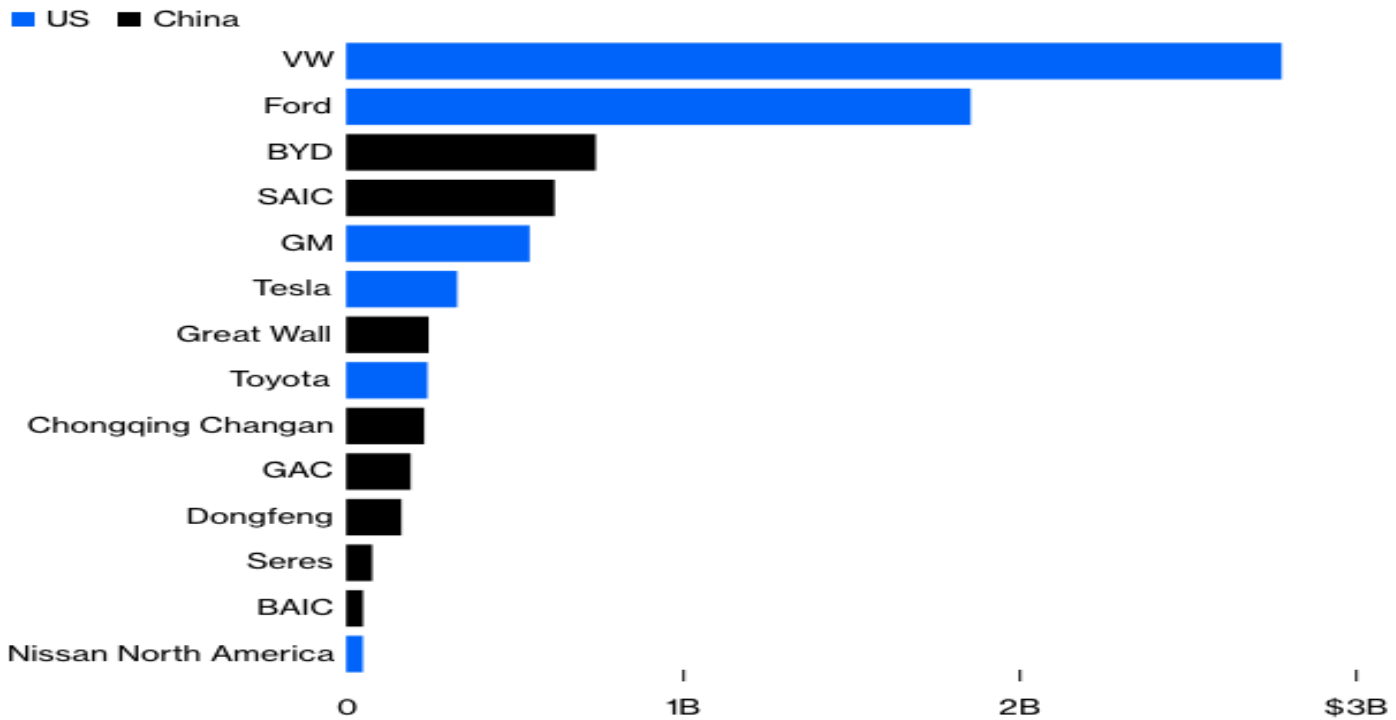
Rank	Country	Agricultural Workers (2019)	% of Total Workers
1	IN India	272M	43%
2	CN China	229M	25%
3	ET Ethiopia	59M	66%
4	ID Indonesia	51M	29%
5	PK Pakistan	40M	36%
6	NG Nigeria	40M	35%
7	CD DRC	36M	63%
8	BD Bangladesh	36M	39%
9	TZ Tanzania	32M	65%
10	VN Vietnam	27M	38%

Agriculture workers

Rank	Country	Agricultural Workers (2019)	% of Total Workers
21	US U.S.	3M	2%
22	JP Japan	3M	4%
23	FR France	0.9M	3%
24	DE Germany	0.6M	1%
25	GB UK	0.4M	1%

Rules for Thee, Not for Me

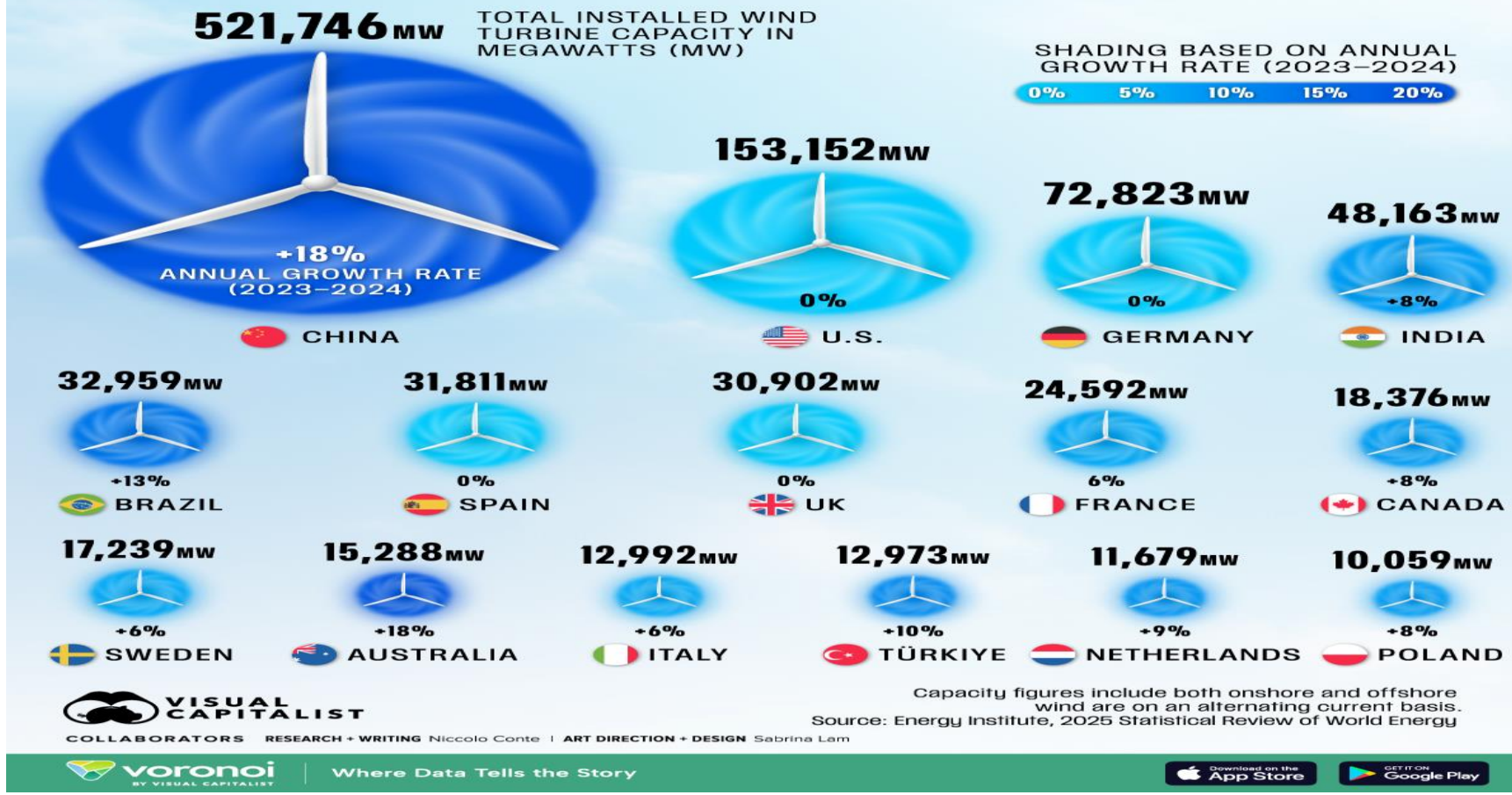
Declared subsidies to Chinese carmakers are dwarfed by some of those elsewhere



Source: Bloomberg, Good Jobs First
Note: US data is for 2023. China data is for latest fiscal year.

WIND INSTALLATIONS

AS OF 2024



Capacity figures include both onshore and offshore wind are on an alternating current basis.

Source: Energy Institute, 2025 Statistical Review of World Energy

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India

WILL YOU BE A CASUALITY OR WILL YOU BE LEADER .

THE CHOICE IS YOURS .

RAM CHARAN Indian Business Consultant
Harvard

India economy its challenges

- To become a developed economy ($ 13 4 846 Per capita)
- To fully utilize the Demographic dividend before it becomes the demographic debacle leading to social volcano .
- To improve the female participation rate and nurse human capital.
- Improve the urban miserable structures to become the growth centers .
- To change the labour laws to increase its absorption and improve scale of production .

Indian economy its challenges 2

- To reduce carbon intensity of economic growth .Also climate friendly farming needs to be promoted .
- To become self sufficient in fertilisers to sustain the agriculture
- To promote the energy security of India by renewable and nuclear energy .

Distribution of Workers by Industry (%)

Source: Directorate General of Employment India, World Bank

India's Agricultural Burden

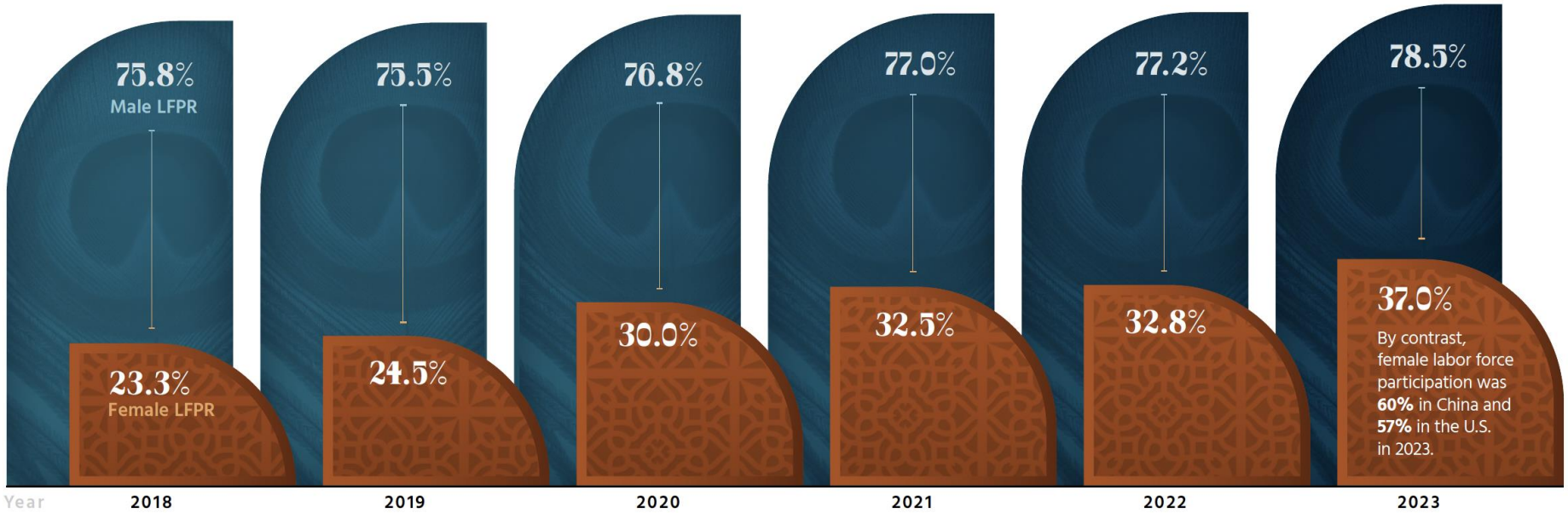
A large share of India's workforce remains in agriculture, but small farms and weak infrastructure limit its economic contribution, keeping productivity low and slowing the shift to higher-value industries. This reliance also drives heavy government intervention, from minimum support prices and crop procurement to protectionist trade policies.

MUNNAR. KERALA, INDIA

India's Challenge with Women in the Workforce

India's female labor force participation is among the lowest globally, representing a major structural drag on productivity and household income. Unlocking women's economic participation remains one of the country's greatest opportunities for broad-based growth.

Male vs. Female Labor Force
Participation Rate

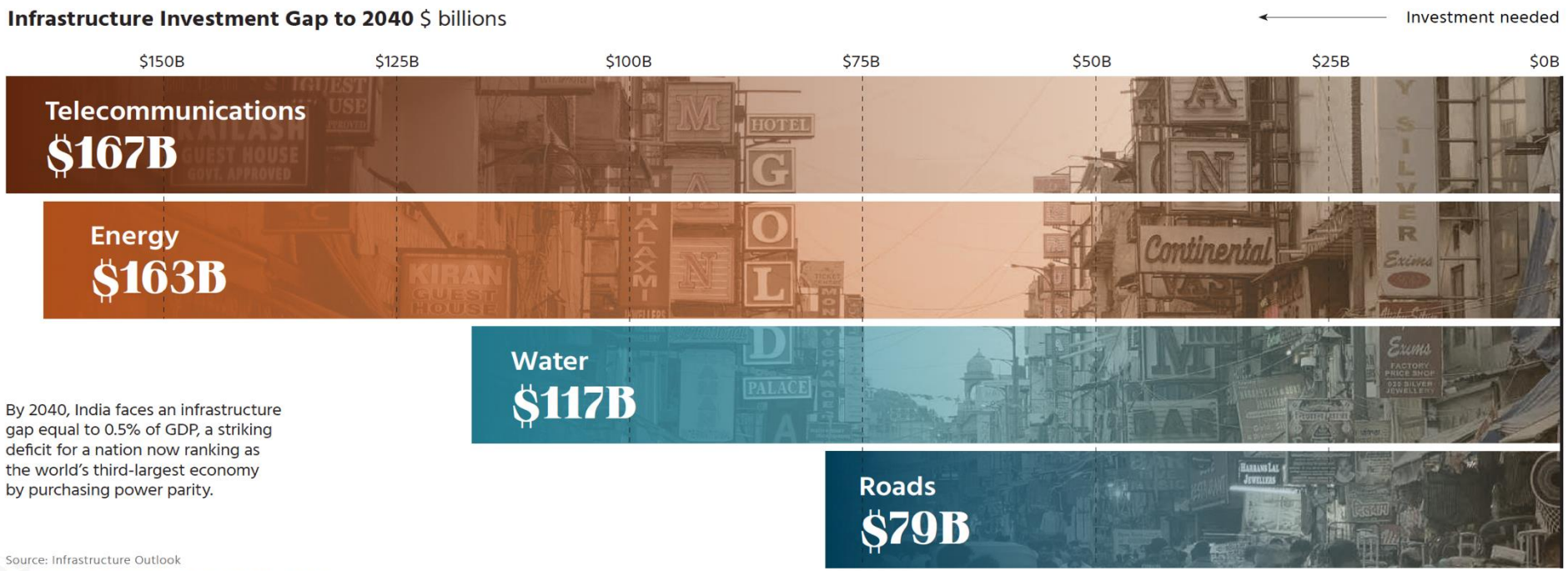


Source: Directorate General of Employment India

Infrastructure Gaps & Investment Needs

India faces a $526 billion infrastructure investment gap through 2040, a shortfall that threatens to constrain both productivity and economic opportunity. Without closing this gap, the country risks limiting the very foundations needed to sustain long-term growth.

Infrastructure Investment Gap to 2040 $ billions



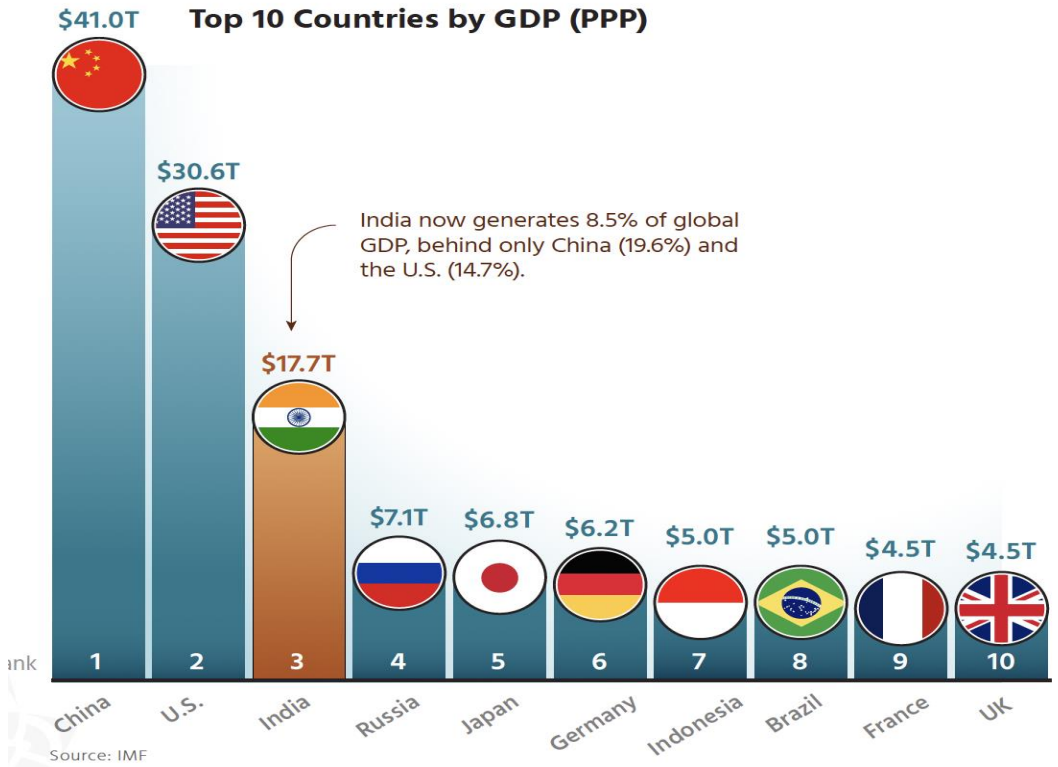
By 2040, India faces an infrastructure gap equal to 0.5% of GDP, a striking deficit for a nation now ranking as the world's third-largest economy by purchasing power parity.

Source: Infrastructure Outlook

PAHARGANJ MARKET. NEW DELHI, INDIA

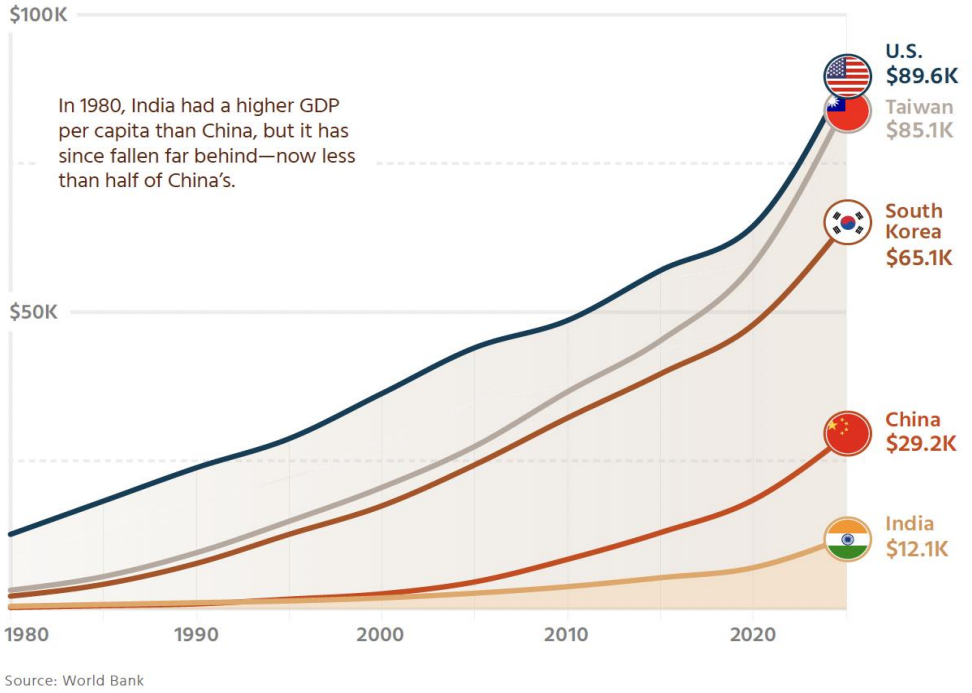
India Rising

Economic Scale Lacking Shared Prosperity



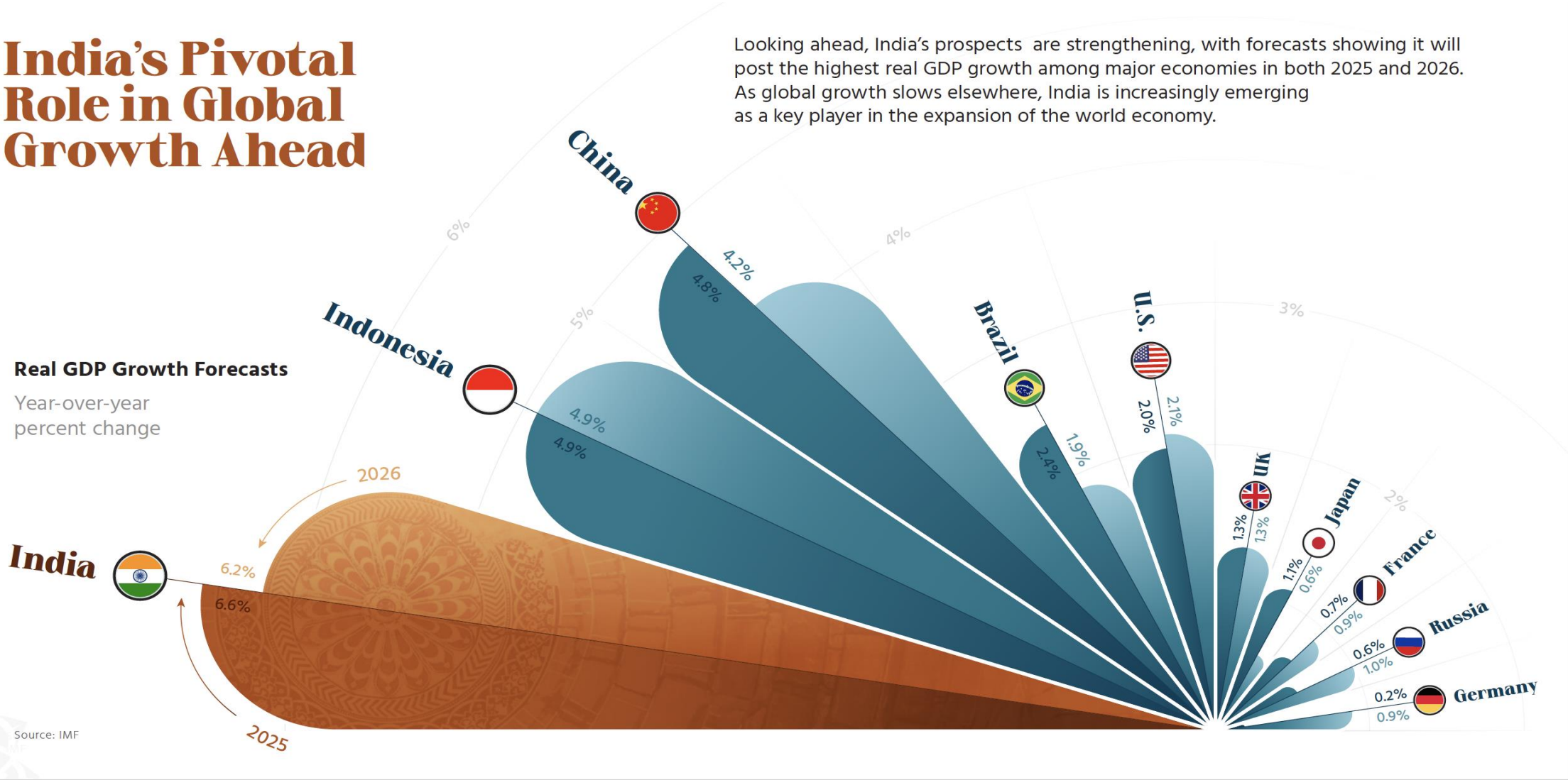
India is now the world's third-largest economy on a PPP (Purchasing Power Parity) basis, underscoring its rapid rise as a major global power. Yet this scale masks a stark income gap: despite its size, India ranks just 126th globally in per capita income, with development lagging far behind comparable economies.

GDP Per Capita Over Time:
India Plays Catch Up on a Lost Opportunity



India's Pivotal Role in Global Growth Ahead

Looking ahead, India's prospects are strengthening, with forecasts showing it will post the highest real GDP growth among major economies in both 2025 and 2026. As global growth slows elsewhere, India is increasingly emerging as a key player in the expansion of the world economy.

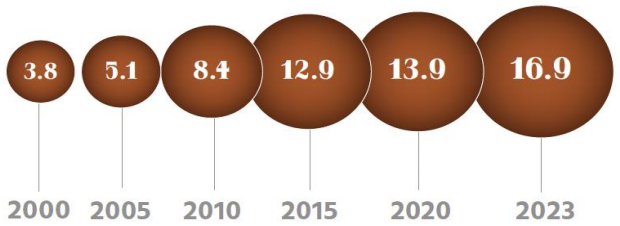


Source: IMF

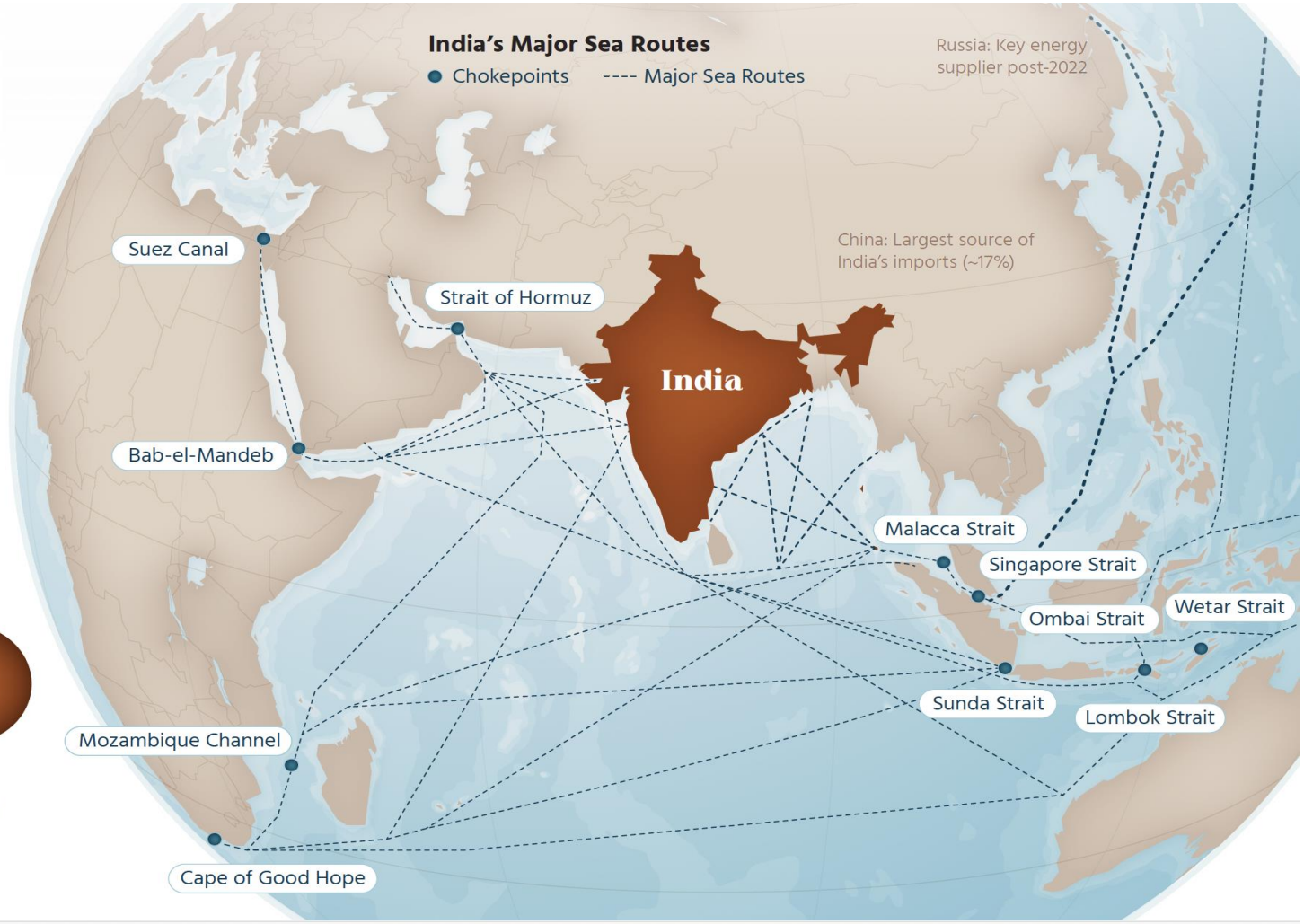
India's Trade Geography

India's trade relationships are shaped by its geographic realities, from maritime access and energy dependence to its location between major economic powers. Yet its ability to wield such influence in the global economy is hampered by capacity constraints at older ports, inadequate infrastructure, poor connectivity, and high logistical costs.

India's Net Energy Imports
Millions of terajoules (TJ)



Source: Carnegie, IEA

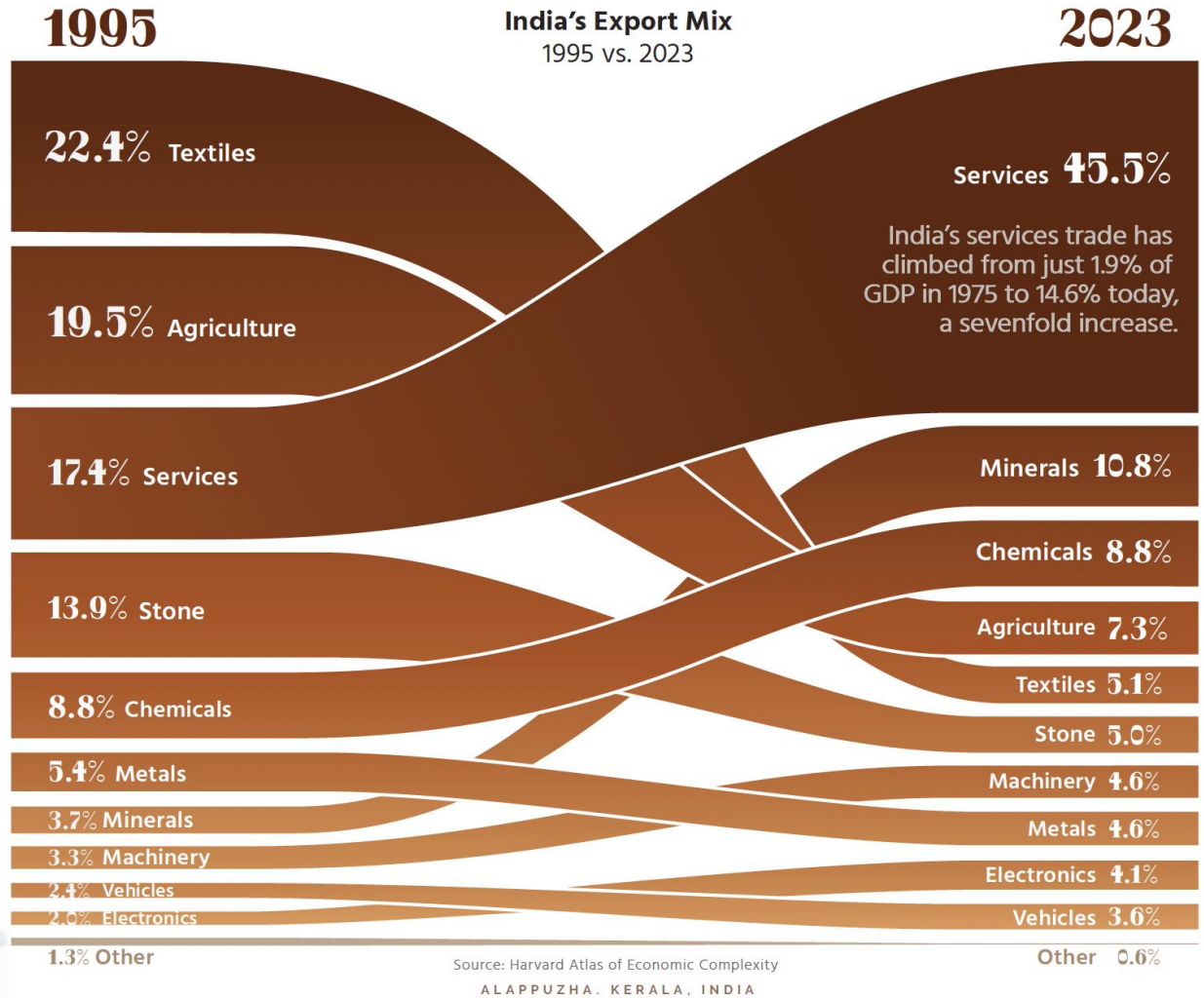


How India's Export Basket Evolved

India's export mix has steadily modernized, with a rising share of higher-value sectors and more diversified output, yet the overall transformation remains incomplete.

The economy's heavy reliance on services and agriculture has clear limits: weak job creation, dependence on foreign digital platforms, and the weight of low-productivity sectors that slows the shift toward more complex, higher-value products, and manufacturing-driven growth.

India's Export Mix
1995 vs. 2023



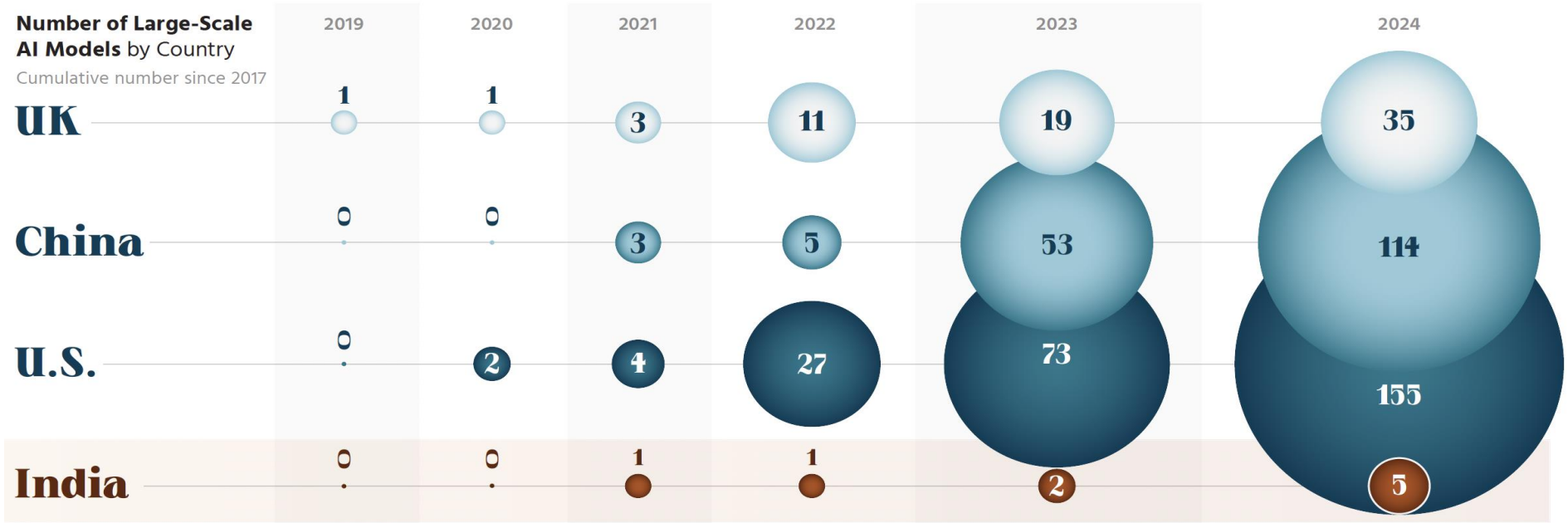
Source: Harvard Atlas of Economic Complexity

ALAPPUZHA, KERALA, INDIA

Digital Swaraj:

India's Push for Digital Sovereignty

India's push in some quarters for "Digital Swaraj", a movement among some in India's intelligentsia toward greater self-reliance in tech ("swaraj" means self-rule), reflects a growing drive for digital sovereignty and reduced reliance on imports. The country has prioritized expanding domestic tech, AI, and cybersecurity, both to strengthen national security and to insulate its supply chains from geopolitical risks.



Source: Our World in Data

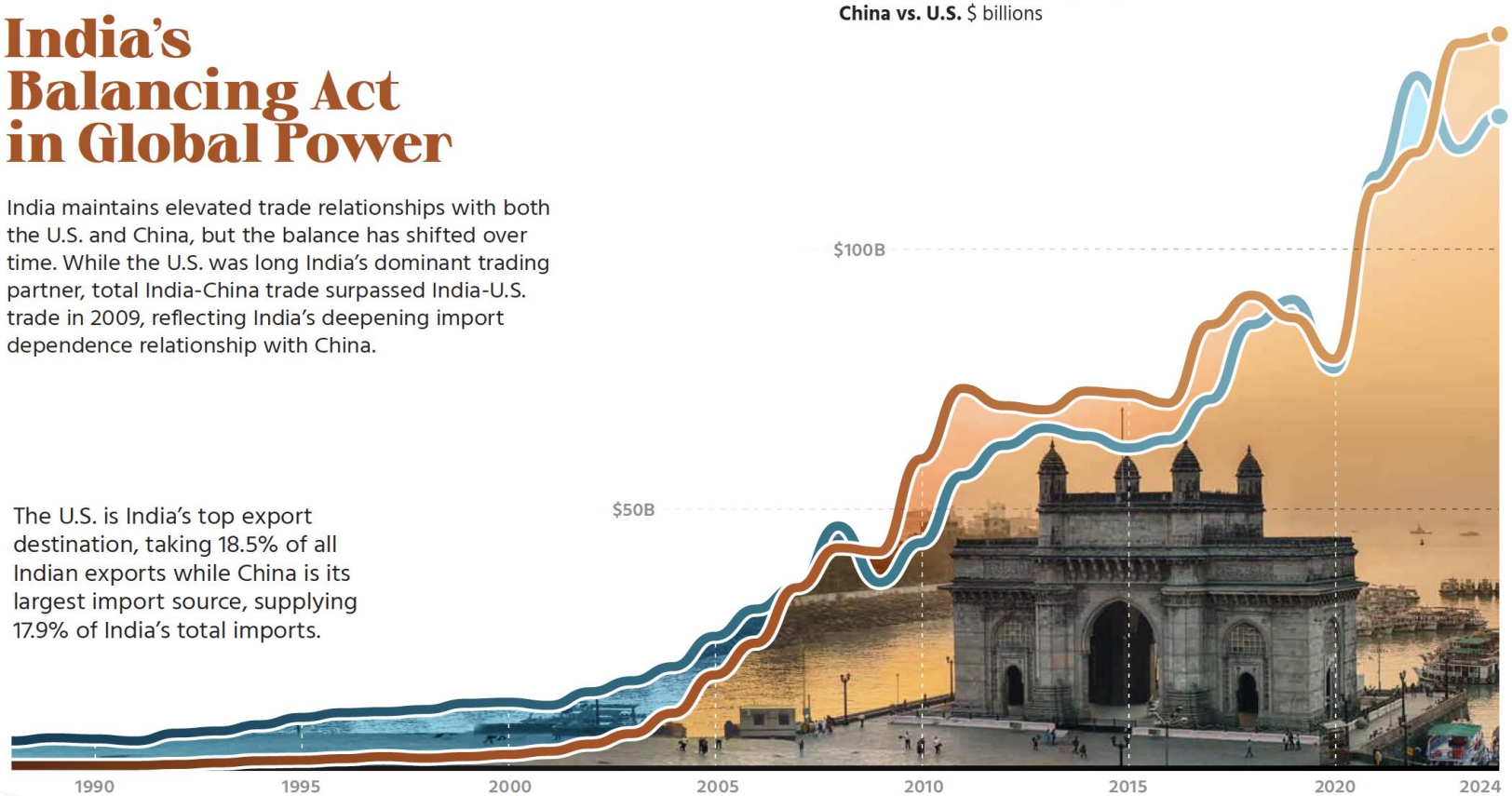
With 500+ million smartphones running on foreign platforms, India's plan pushes for domestic OS, sovereign cloud, and full migration to Indian software by 2030.

India's Balancing Act in Global Power

India maintains elevated trade relationships with both the U.S. and China, but the balance has shifted over time. While the U.S. was long India's dominant trading partner, total India-China trade surpassed India-U.S. trade in 2009, reflecting India's deepening import dependence relationship with China.

The U.S. is India's top export destination, taking 18.5% of all Indian exports while China is its largest import source, supplying 17.9% of India's total imports.

Total Trade (Exports + Imports)
China vs. U.S. $ billions



INDIA GATE, MUMBAI, INDIA

Total Trade in 2024

$139.6B
China-India

$124.4B
U.S.-India

Sources: World Integrated Trade System, The Observatory of Economic Complexity

China:

Strategic Rival, Economic Anchor

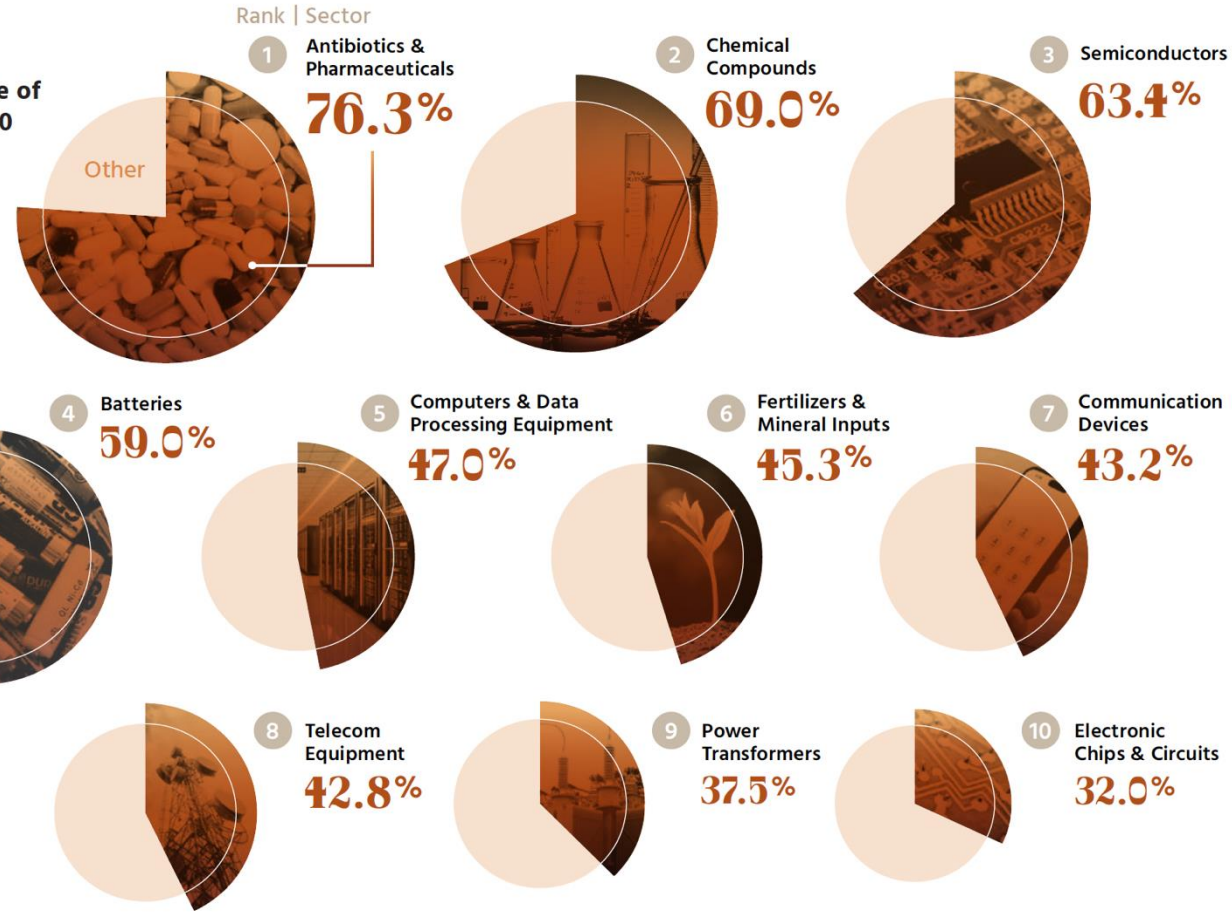
India's relationship with China is defined by concerns over deep economic dependence alongside strategic rivalry. China's outsized share of India's most important imports reveals how difficult it is for India to unwind this reliance, even as geopolitical tensions persist.

China supplies

17.9%

of India's total imports, well ahead of Russia (9.6%) and the U.S. (5.7%).

China's Share of India's Top 10 Imports



Source: Korea Economic Institute of America, The Observatory of Economic Complexity

India developed economy @ 47

- Prime Minister Narendra Modi has pledged to transform India into a high-income, developed country by 2047. India is also on course to become the world's third largest economy in six years, according to several projections.
- High-income economies have a per capita Gross National Income - total amount of money earned by a nation's people and businesses - of $13,846 (£10,870) or more, according to the World Bank.
- With a per capita income of around $ 3000 ,India is among the lower middle-income countries.

Middle Income trap

- Many economists have been warning that India’s economy could be headed for a “middle income trap”. This happens when a country stops being able to achieve rapid growth easily and compete with advanced economies.
- Economist Ardo Hannson defines it as a situation when countries "seem to get stuck in a trap where your costs are escalating and you lose competitiveness".
- At the current growth rate, India will need 75 years to reach a quarter of America's per capita income, World Development Report 2024 says. It also says more than 100 countries – including India, China, Brazil and South Africa - face “serious obstacles” that could hinder their efforts to become high-income countries in the next few decades.

NITI Ayog V IKSHIT BHARAT

- As for the economy, to become a developed nation, we need to strive to be a USD 30 trillion economy by 2047 with a per capita income of USD 18,000 per annum.
- "The GDP would have to grow nine times from today's USD 3.36 trillion and the per capita income would need to rise 8 times from today's USD 2,392 per annum," it said.
- The document said improving the competitiveness of industry is equally necessary for the transformation of the country's agricultural workforce into an industrial workforce and making India a global manufacturing and service hub.
- The paper said upgrading capabilities in manufacturing and logistics and bridging the gap between rural and urban incomes are some of the structural challenges that India needs to address.

Grow like South Korea

- At the current growth rate, India will need 75 years to reach a quarter of America's per capita income, World Development Report 2024 says. It also says more than 100 countries – including India, China, Brazil and South Africa - face “serious obstacles” that could hinder their efforts to become high-income countries in the next few decades.
- “these countries need to focus on more investment, infuse new technologies from around the world and grow innovation.”
- South Korea exemplifies this strategy, the report says.In 1960, its per capita income was $1,200 - it rose to $33,000 by 2023.

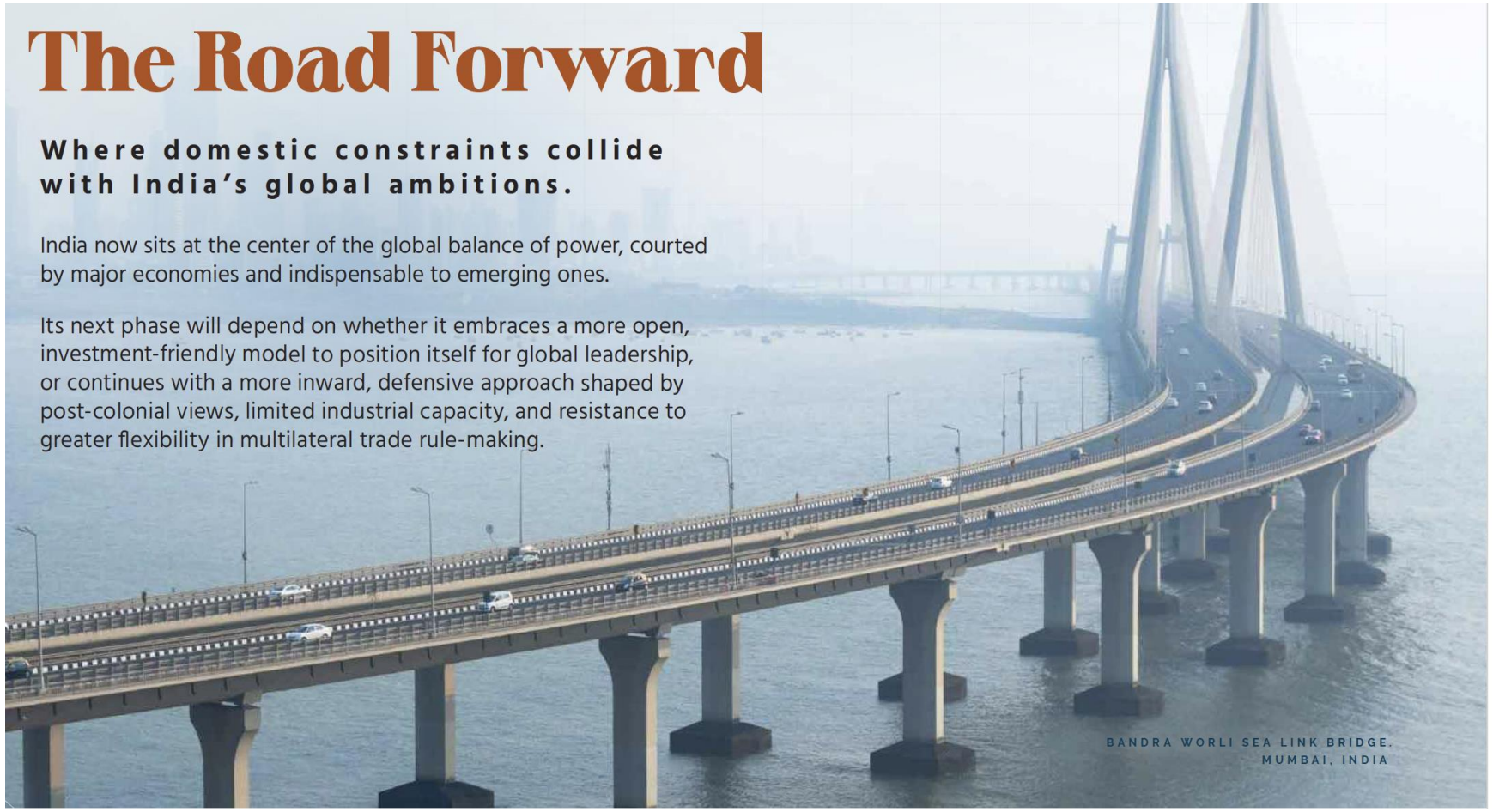
Initially, South Korea boosted public and private investment. In the 1970s, it shifted to an industrial policy that encouraged domestic firms to adopt foreign technology and advanced production methods.

The Road Forward

Where domestic constraints collide with India's global ambitions.

India now sits at the center of the global balance of power, courted by major economies and indispensable to emerging ones.

Its next phase will depend on whether it embraces a more open, investment-friendly model to position itself for global leadership, or continues with a more inward, defensive approach shaped by post-colonial views, limited industrial capacity, and resistance to greater flexibility in multilateral trade rule-making.



BANDRA WORLI SEA LINK BRIDGE,
MUMBAI, INDIA

India GDP 25 26 (Economic Survey 25 26)

Share as % of Nominal GDP, Percent				
Production Approach (Supply Side)				
	H1: FY25	**H1: FY26**	**FY25 (PE)**	**FY26 (FAE)**
Agriculture, Livestock, Forestry & Fishing	**14.0**	**13.2**	**16.3**	**15.2**
Industry	**24.5**	**24.3**	**24.6**	**24.3**
Mining & Quarrying	1.6	1.4	1.6	1.4
Manufacturing	12.7	13.0	12.6	12.8
Electricity, Gas, Water Supply & Other Utility Services	2.5	2.4	2.4	2.3
Construction	7.7	7.6	7.9	7.8
Services	**52.6**	**53.6**	**49.9**	**51.1**
Trade, Hotels, Transport, Communication & Services related to Broadcasting	15.1	15.0	15.9	15.8
Financial, Real Estate & Professional Services	23.7	24.3	20.8	21.4
Public Administration, Defence & Other Services	13.7	14.3	13.2	13.8
Expenditure Components (Demand Side)				
Private Final Consumption Expenditure (PFCE)	61.1	61.4	61.4	61.5
Government Final Consumption Expenditure (GFCE)	10.0	9.6	10.0	9.9
Gross Fixed Capital Formation (GFCF)	30.6	30.5	29.9	30.0
Exports	21.1	21.2	21.2	21.5
Source: MoSPI				

India agriculture growth 25 26 (Economic Survey 25 26)

Share as % of Nominal GDP, Percent				
Production Approach (Supply Side)				
	H1: FY25	**H1: FY26**	**FY25 (PE)**	**FY26 (FAE)**
Agriculture, Livestock, Forestry & Fishing	**14.0**	**13.2**	**16.3**	**15.2**
Industry	**24.5**	**24.3**	**24.6**	**24.3**
Mining & Quarrying	1.6	1.4	1.6	1.4
Manufacturing	12.7	13.0	12.6	12.8
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Exports	21.1	21.2	21.2	21.5
Source: MoSPI				

GDP Share sector wise 25 26 (Economic Survey 25 26)

Chart I.15: Growth in manufacturing GVA deflator has remained moderate

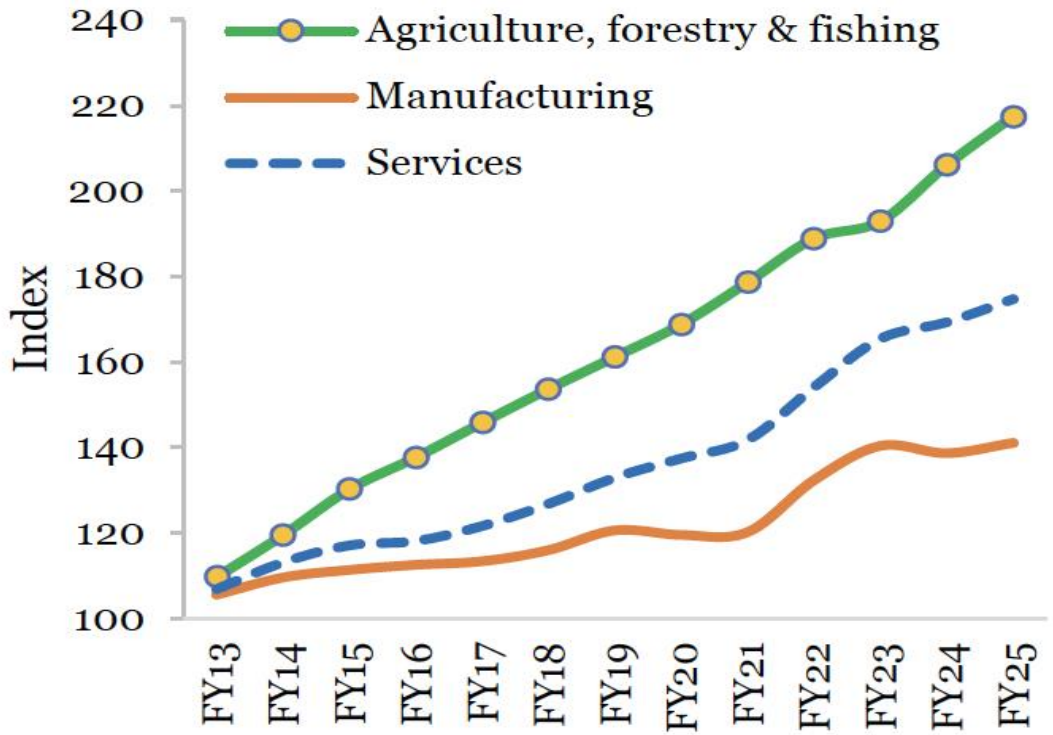
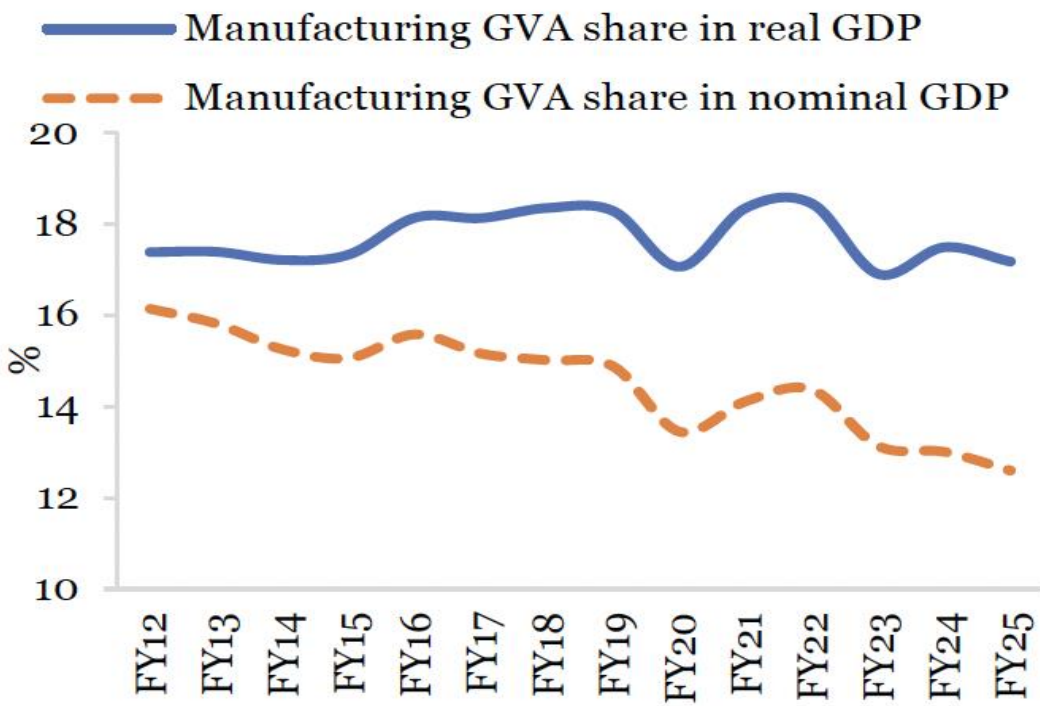
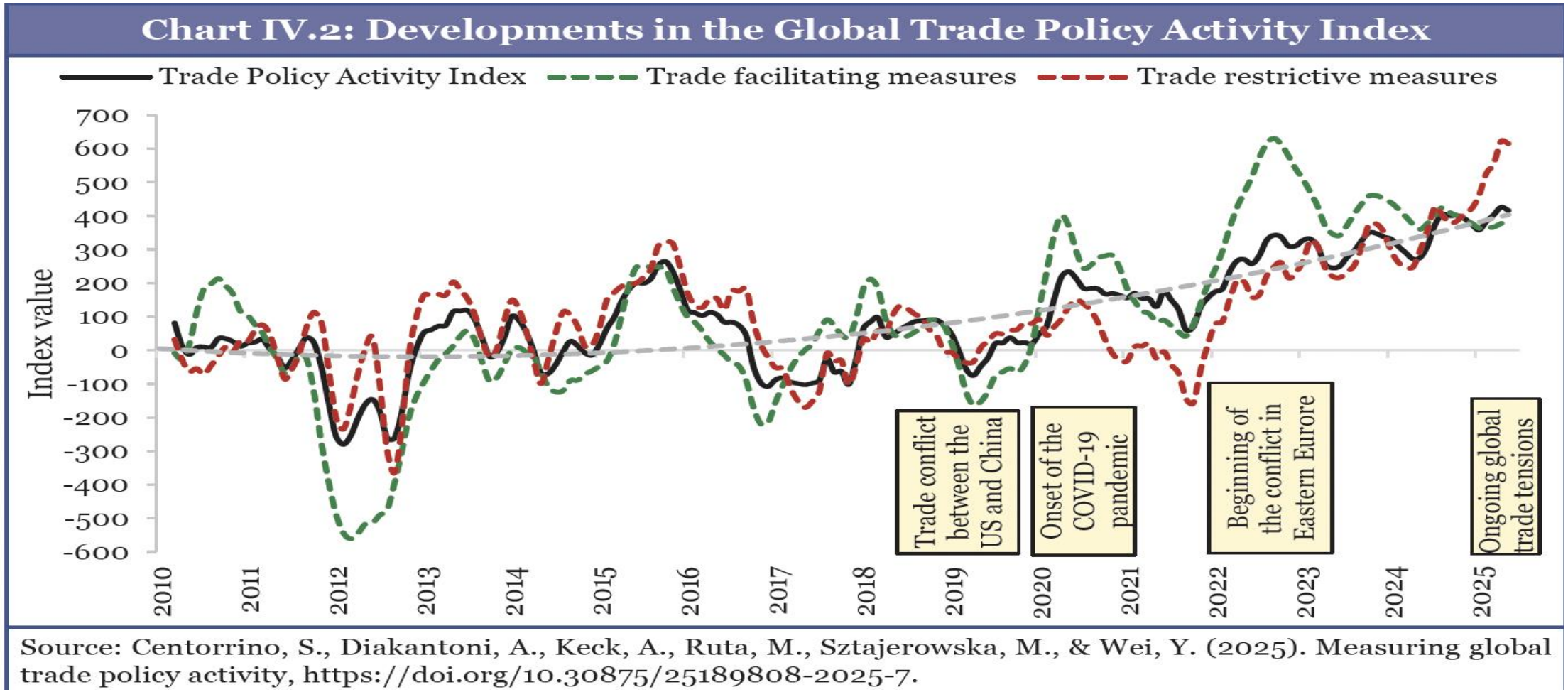


Chart 1.16: Share of manufacturing remains stable in real terms



Source: MoSPI

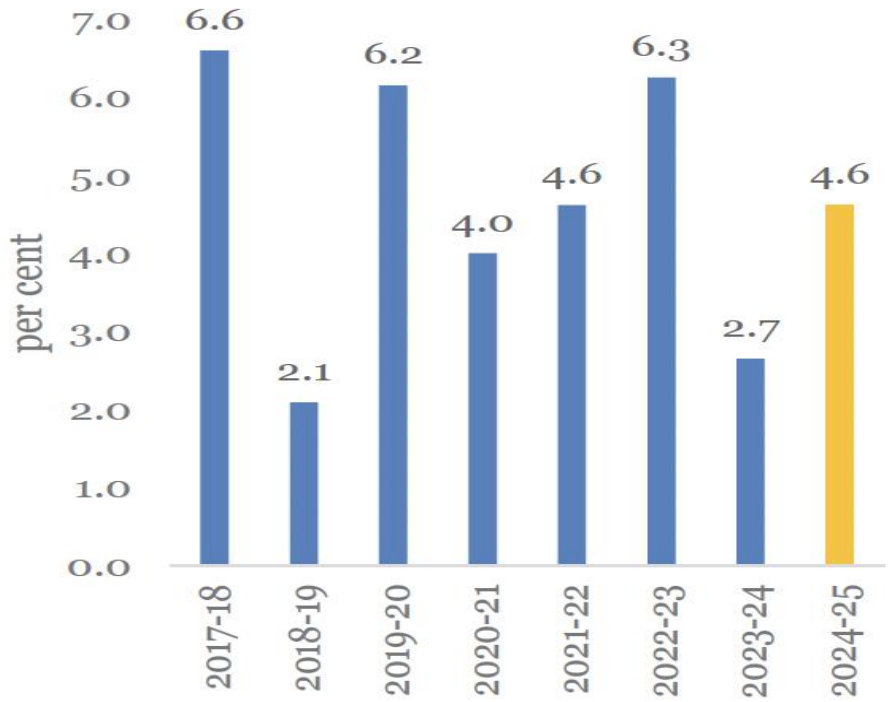
Global trade activity 25 26



Source: Centorrino, S., Diakantoni, A., Keck, A., Ruta, M., Sztajerowska, M., & Wei, Y. (2025). Measuring global trade policy activity, https://doi.org/10.30875/25189808-2025-7.

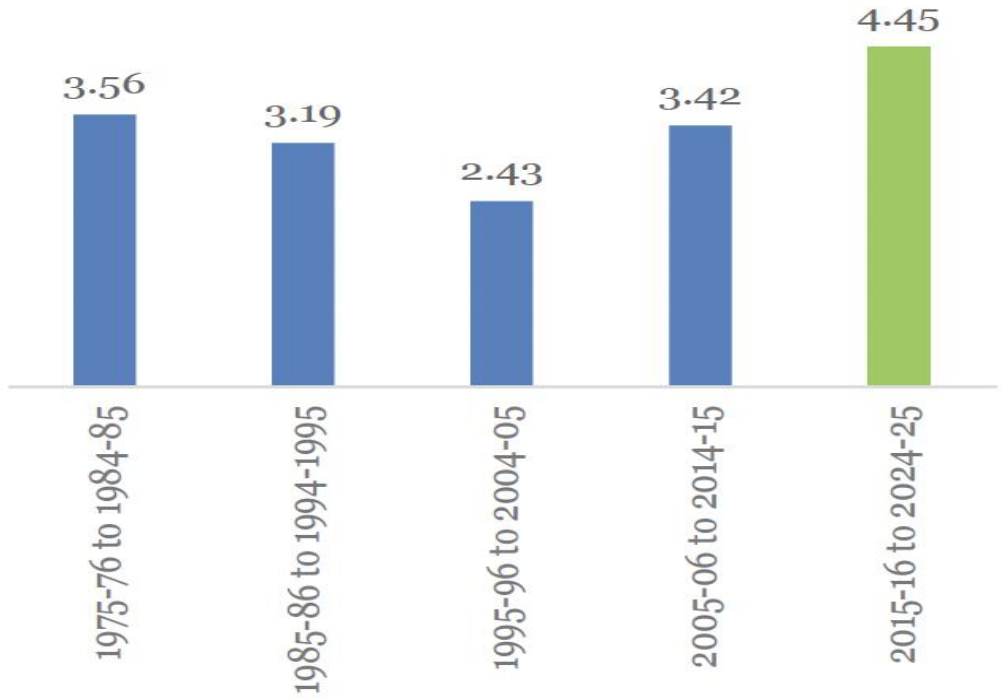
India agriculture sector 25 26

Chart VI.1: Steady performance of the Agriculture and Allied sector



Source: National Accounts Statistics, MoSPI

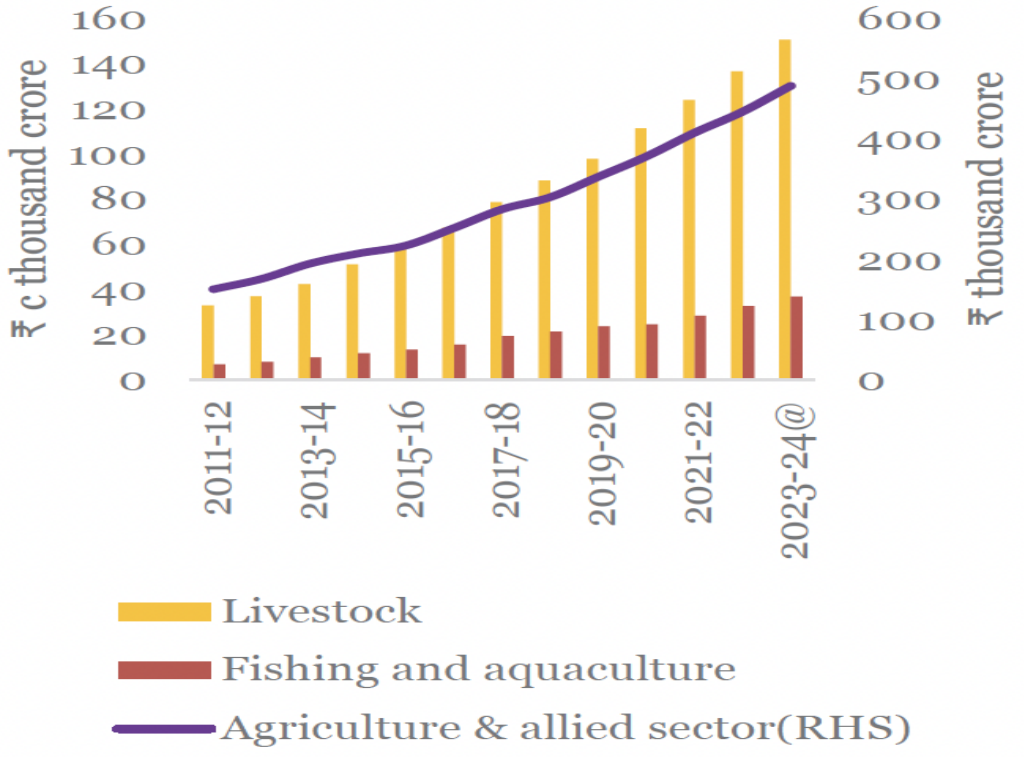
Chart VI.2: Decadal performance of the Agricultural sector



Source: Ramesh Chand's Presidential Address at 24th IASSI Annual Conference, 10-12 October 2025.

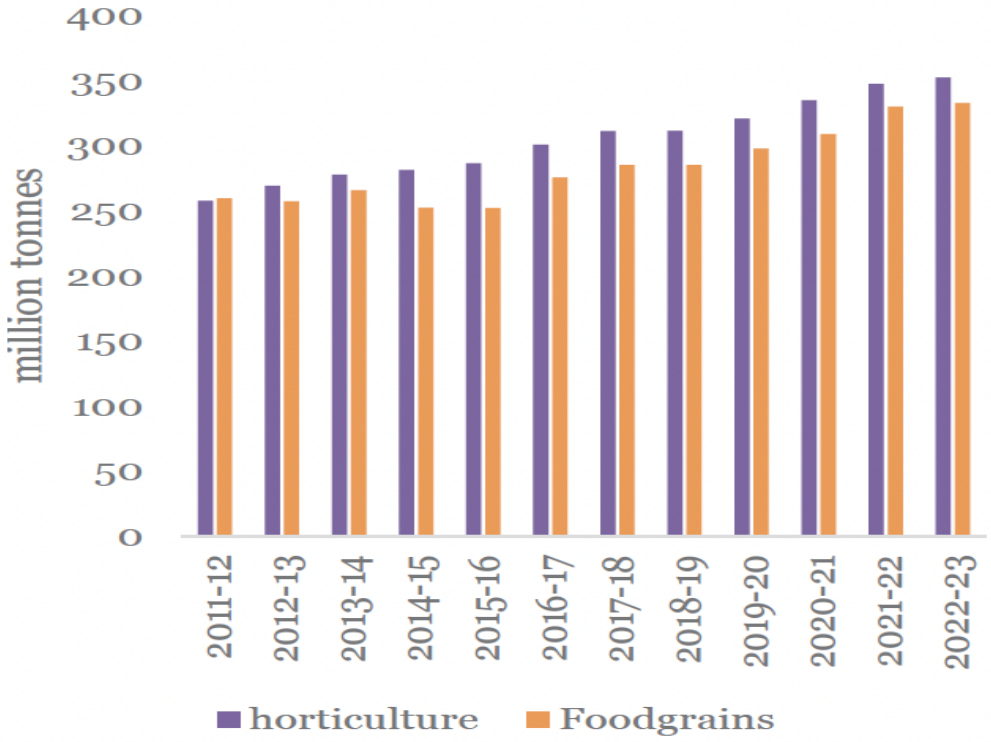
India agriculture and allied sectors 25 26

Chart VI.3: Performance of allied sectors(GVA at current prices)



Source: MOSPI

Chart VI.4: Production of foodgrains and horticulture



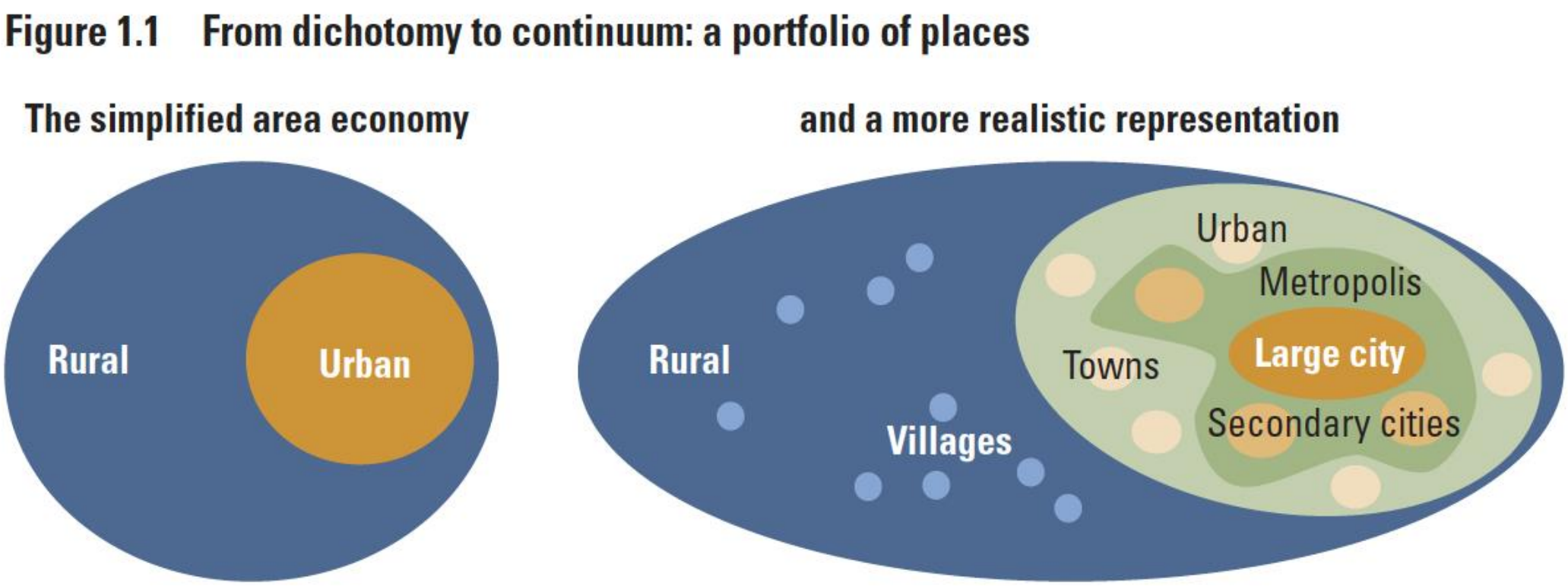
Source: Deperment of Agriculture Farmers Welfare

New Global economics

- New economics development
- Economic geography
- Urban coastal nodes as the growth centres .
- Promoting economic density of place .
- Spreading the prosperity by mobility and infrastructure .

Economic development new perspective

Figure 1.1 From dichotomy to continuum: a portfolio of places



Source: WDR 2009 team.

The World is not flat

- Development is neither smooth nor linear—at any geographic scale.
- Growth comes earlier to some places than to others.
- Geographic differences in living standards diverge before converging, faster at the local scale and slower as geography exercises its influence.
- *As countries develop, people and economic activities become more concentrated. But the speed varies, depending on the spatial scale—economic forces do not operate in a geographic vacuum.*
- *The concentration of people and production is fastest locally, slowest internationally.*
- *Concentration is fastest locally. Economic concentration at the local scale is most conveniently measured by the rate of urbanization—the growth of economicand population density in towns and cities.*

Economic development : three attributes

- *Geographic unevenness—the first attribute of development—implies that governments generally cannot simultaneously foster economic production and spread it out smoothly.*
- *Circular causation—the second attribute— provides hope for policy makers wishing to pursue progressive objectives. Rising concentrations of economic production are compatible with geographic convergence in living standards. And the market forces of agglomeration, migration, and specialization can, if combined with progressive policies, yield both a concentration of economic production and a convergence of living standards.*
- *Neighborhood effects—the third attribute— come with a principle for policy making: promote economic integration. Unevenness and circularity imply that it is more difficult for places left behind to catch up. Economicintegration is an effective and the most realistic way to harness the immediate benefi ts from concentration to achieve the long-term benefi ts of convergence.*

Agriculture workers

Rank	Country	Agricultural Workers (2019)	% of Total Workers
1	IN India	272M	43%
2	CN China	229M	25%
3	ET Ethiopia	59M	66%
4	ID Indonesia	51M	29%
5	PK Pakistan	40M	36%
6	NG Nigeria	40M	35%
7	CD DRC	36M	63%
8	BD Bangladesh	36M	39%
9	TZ Tanzania	32M	65%
10	VN Vietnam	27M	38%

Agriculture workers

Rank	Country	Agricultural Workers (2019)	% of Total Workers
21	US U.S.	3M	2%
22	JP Japan	3M	4%
23	FR France	0.9M	3%
24	DE Germany	0.6M	1%
25	GB UK	0.4M	1%

Figure 1 At all three geographic scales, the patterns of concentration of economic activity are similar

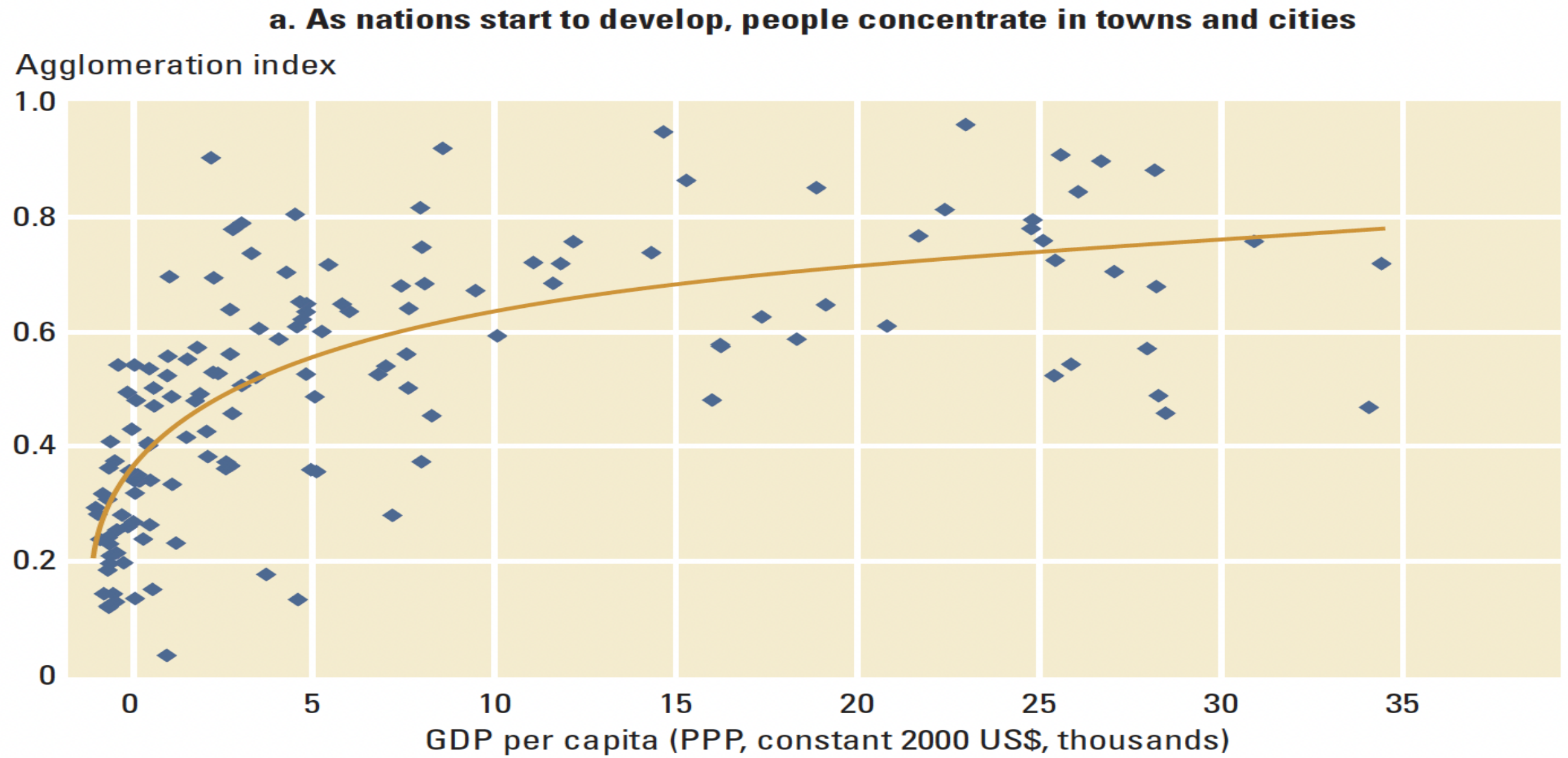
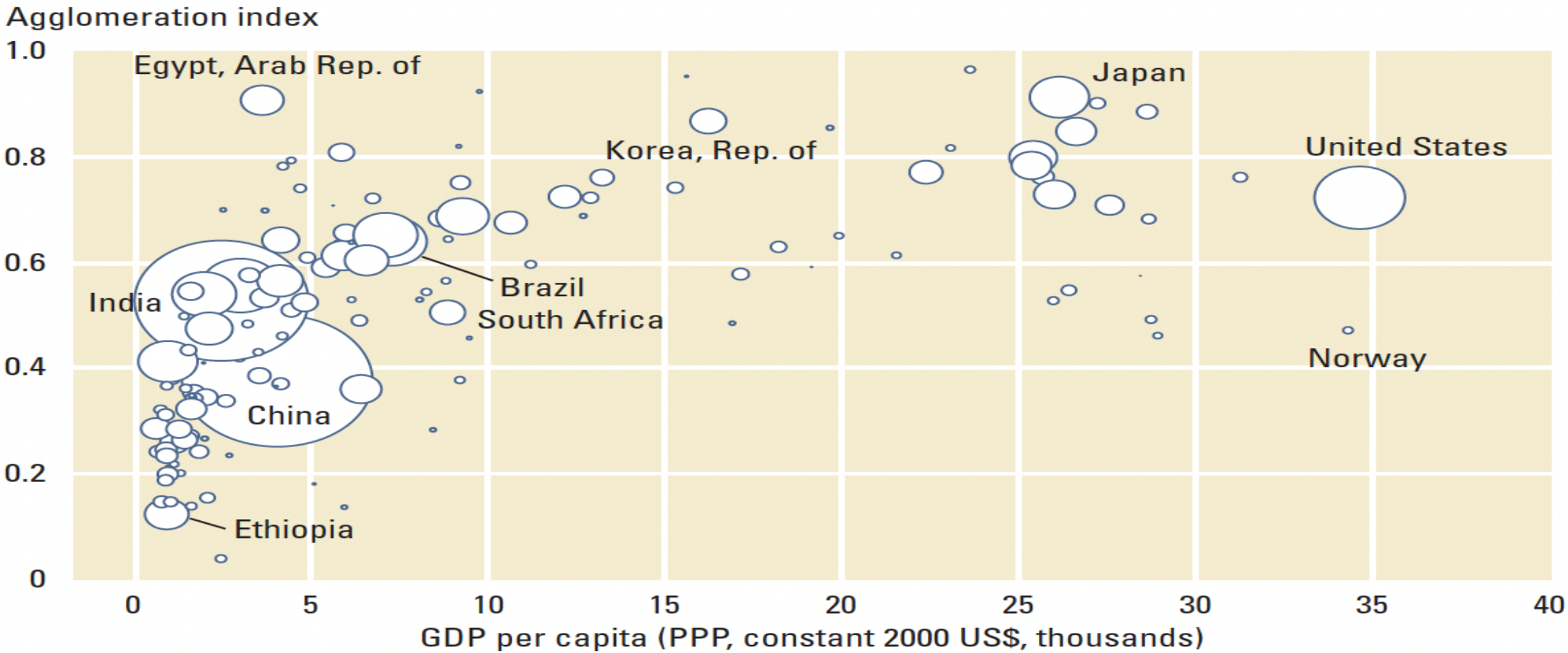
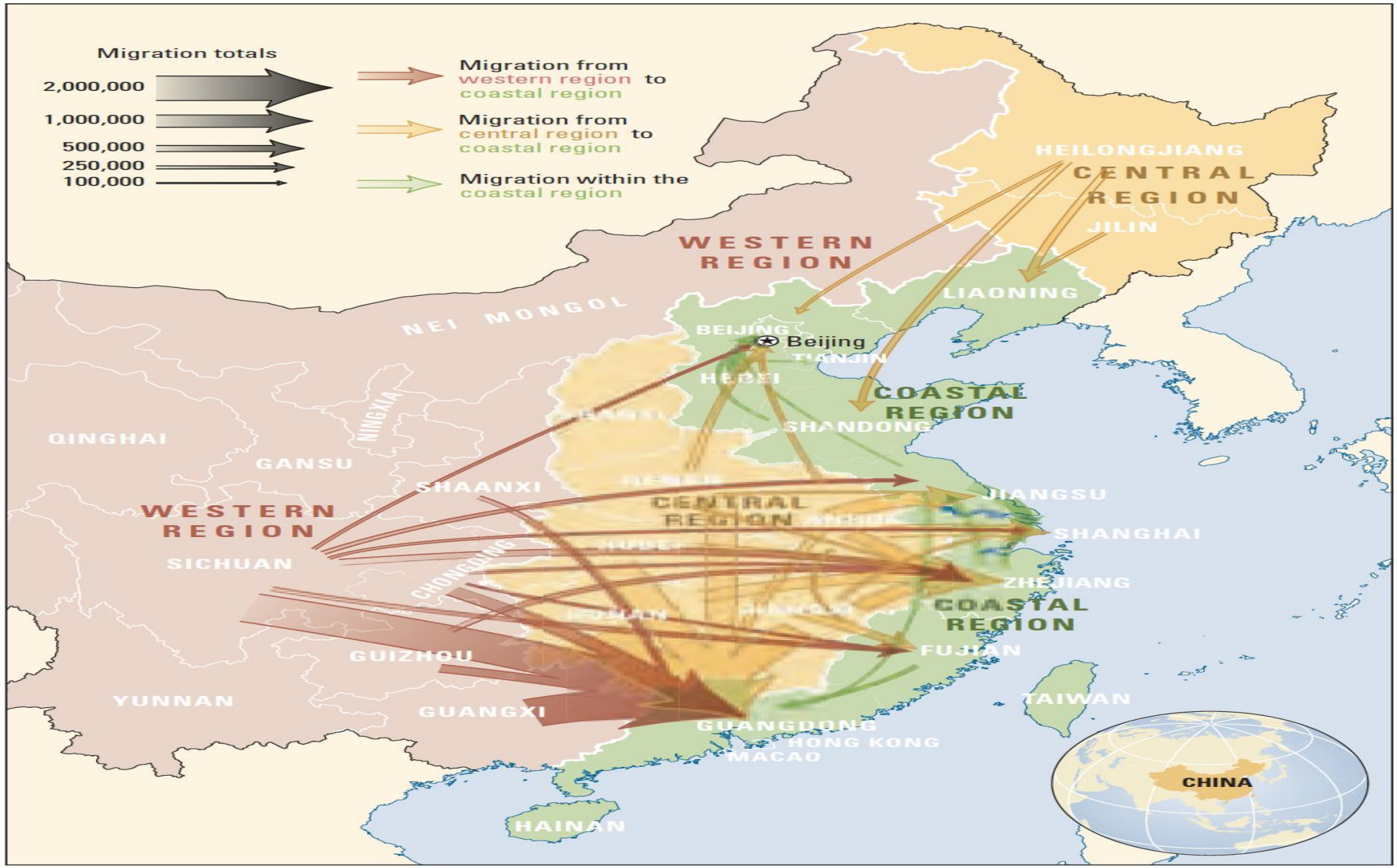


Figure 1.7 Shares of population living in urban agglomerations rise with the level of development



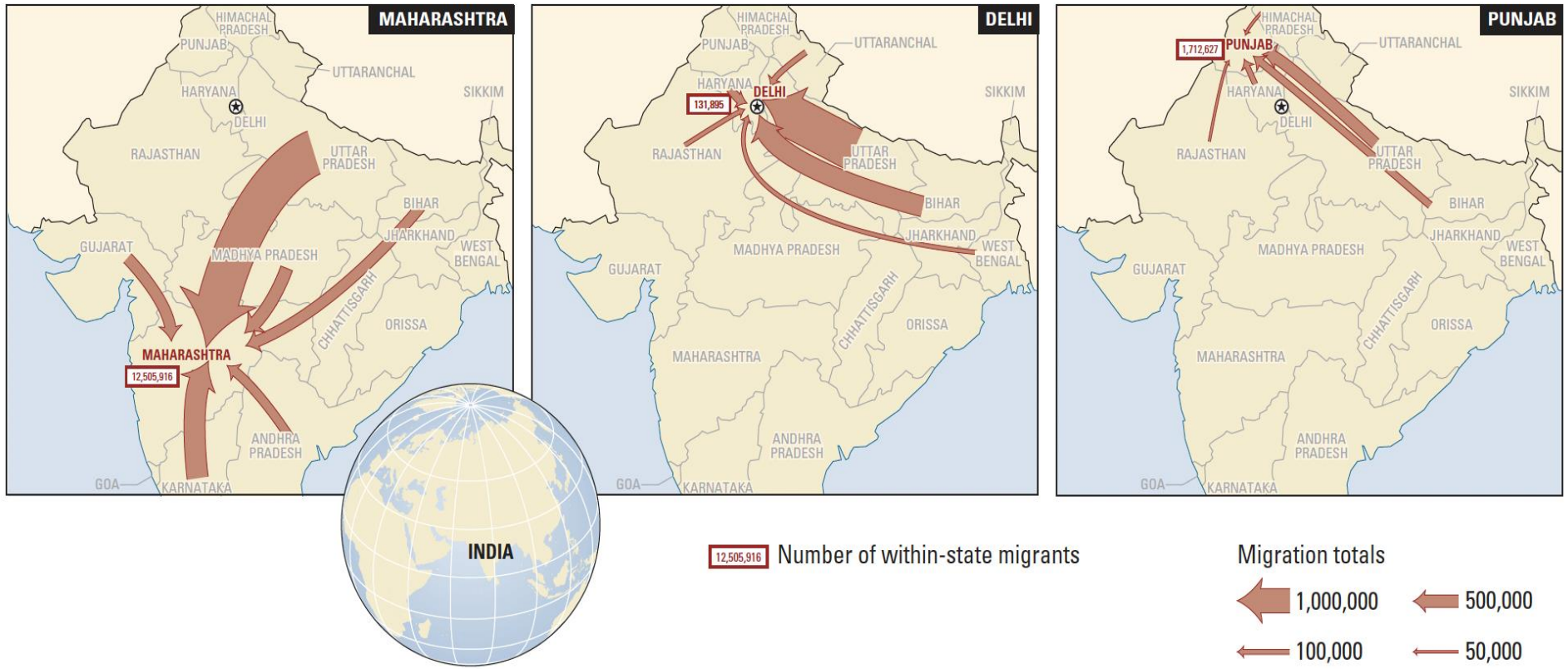
Sources: Calculated by WDR 2009 team using Nelson (2008) and World Bank (2006g).
Note: The size of each circle indicates the population size of that country. PPP = purchasing power parity. The agglomeration index uses the following criteria: density of 150 persons per kilometer or more, access time of 60 minutes or less to a sizable settlement, defined as one that has a population of more than 50,000.

Map 3 Migrating to reduce distance to density: Despite the obstacles, Chinese workers have migrated in the millions

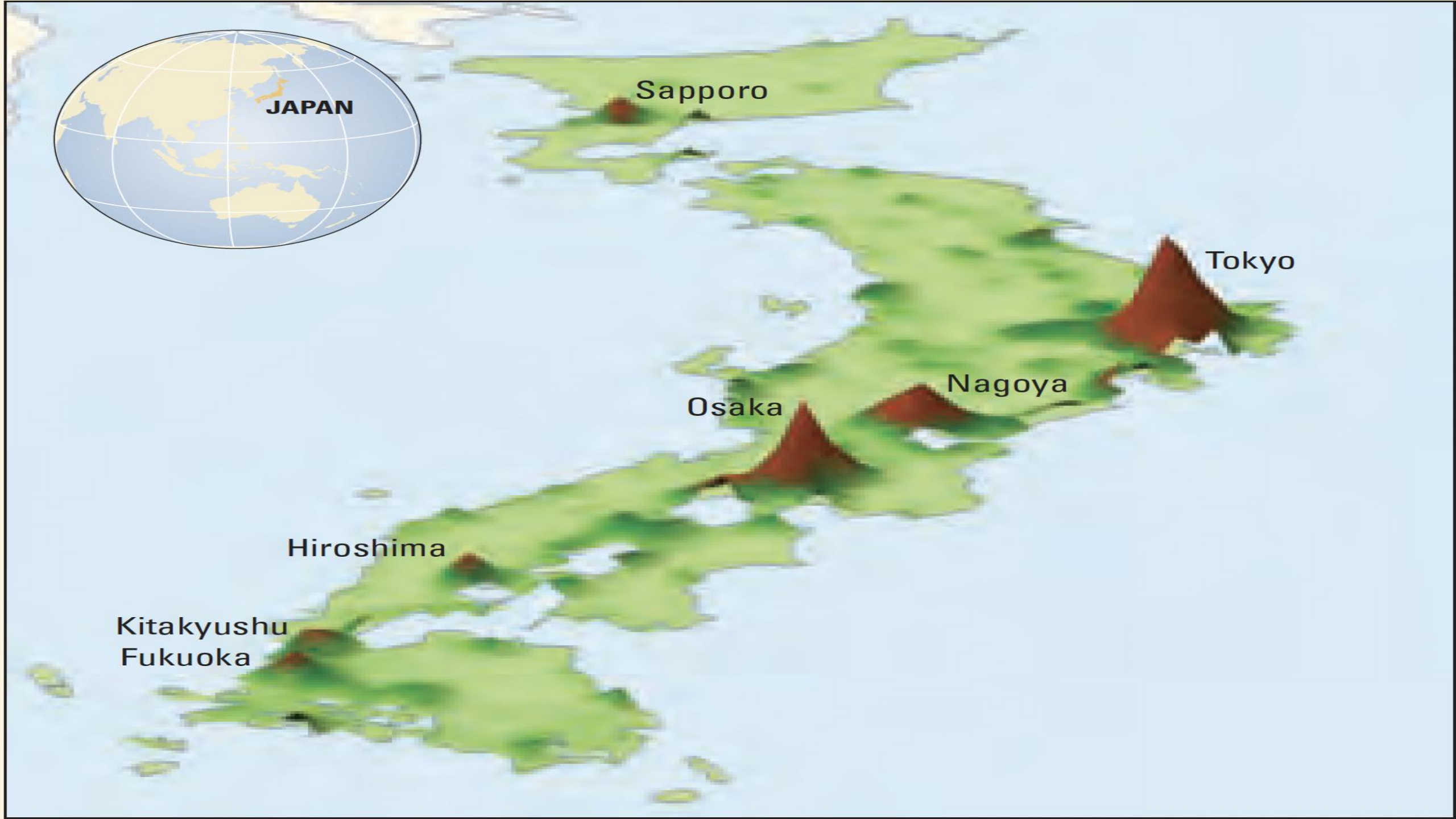


Source: Huang and Luo 2008, using data from the population census of China.

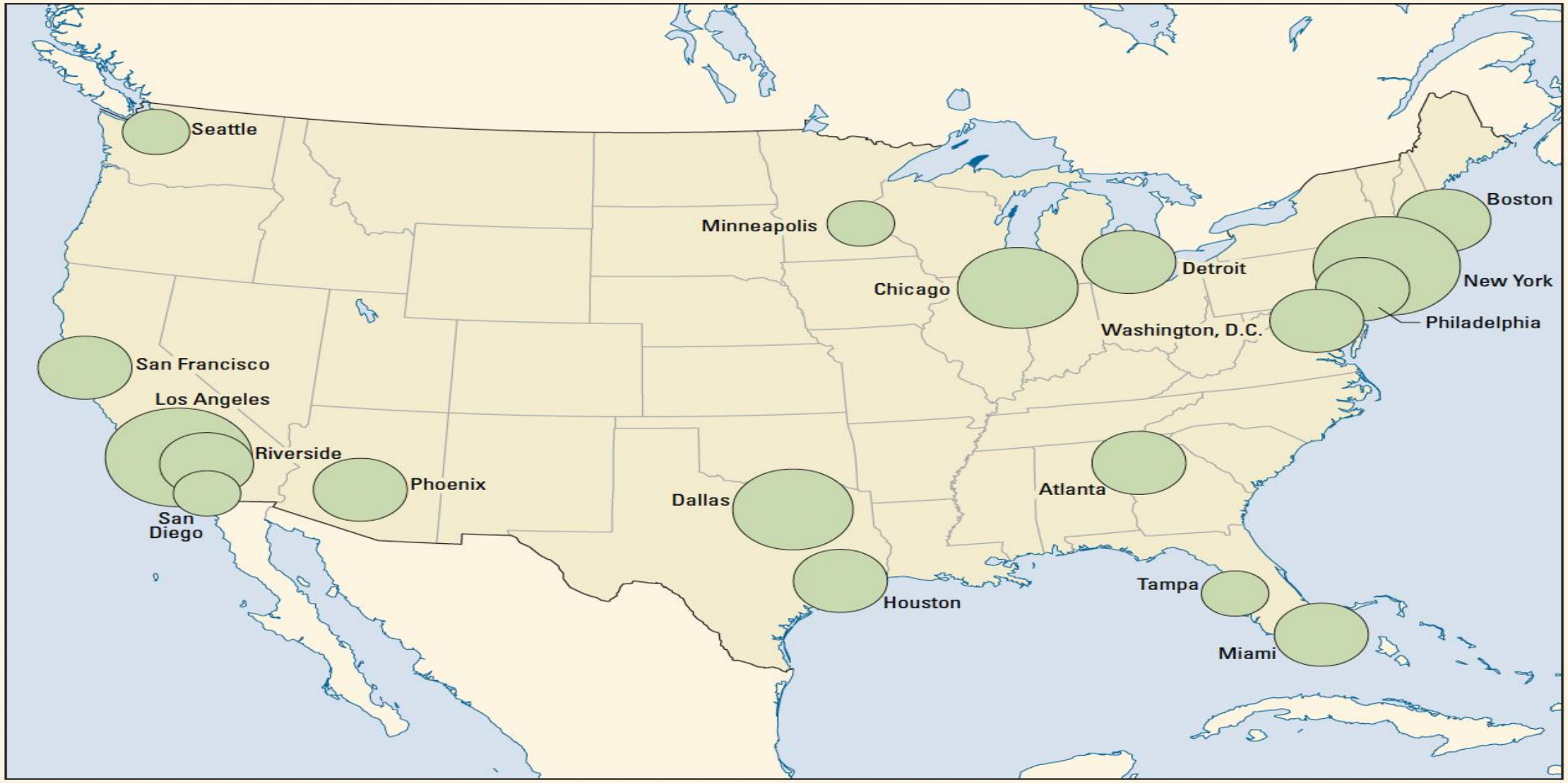
Map 5 Migrating to reduce distance to density: Migration in India has been less frenetic



Source: WDR 2009 team, based on census data from the Census of India.


JAPAN
Sapporo
Tokyo
Nagoya
Osaka
Hiroshima
Kitakyushu
Fukuoka

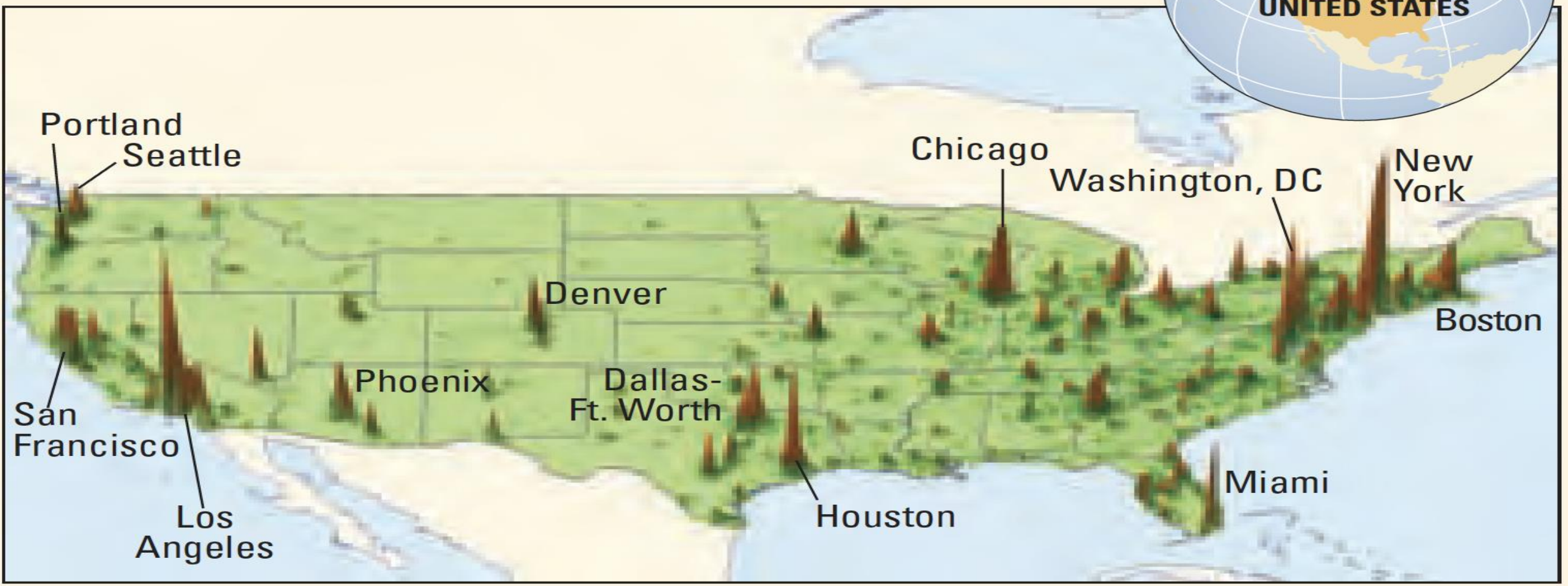
Map G1.2 America's large cities are in the Northeast and on the two coasts



Source: Population of Metropolitan Statistical Areas: U.S. Census Bureau

Map G0.2 Distance—why Americans must be mobile

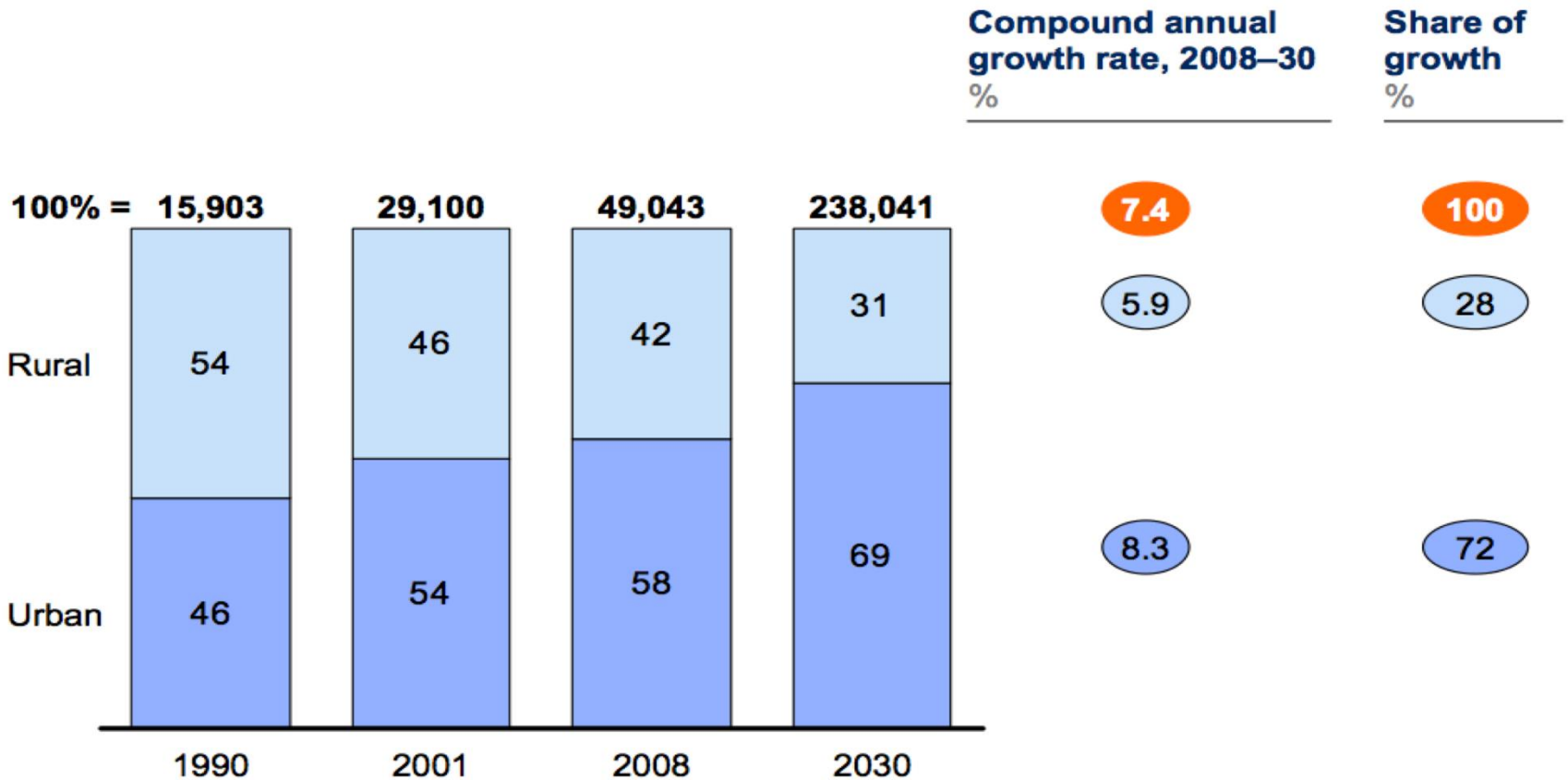
Economic production per square kilometer in the United States



Source: WDR 2009 team and World Bank Development Research Group based on subnational GDP estimates for 2005. See also Nordhaus (2006).

Cities will account for nearly 70 percent of India's GDP by 2030

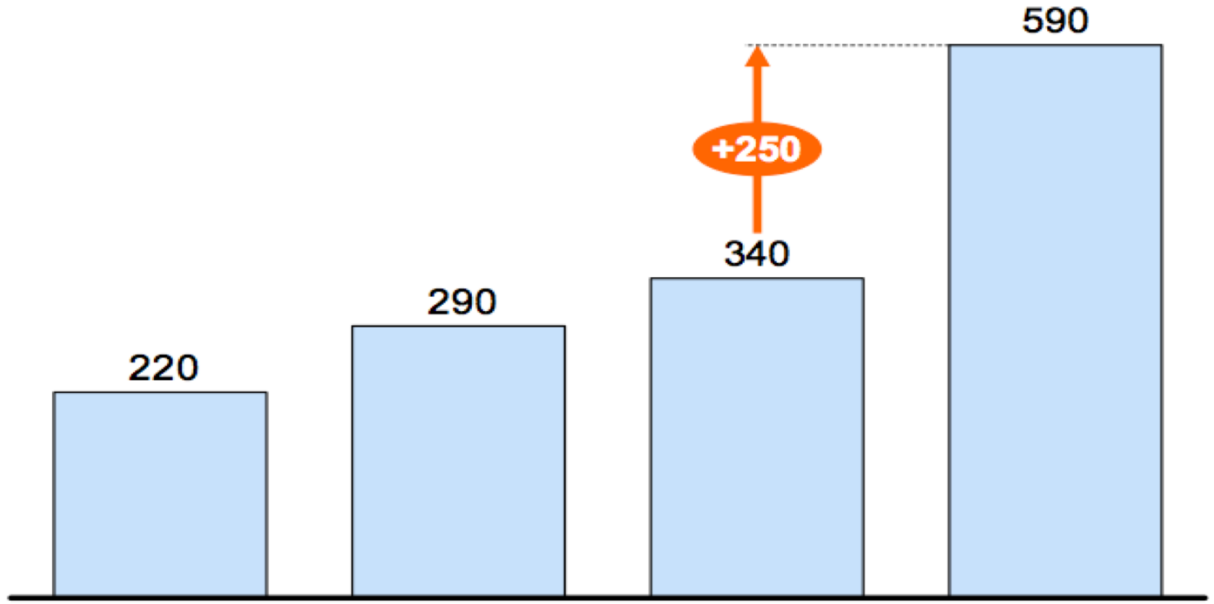
Share of India's GDP
%; rupees billion, real 2008



SOURCE: India Urbanization Econometric Model; McKinsey Global Institute analysis

In MGI's base-case scenario, cities are likely to house 40 percent of India's population by 2030

Urban population
Million

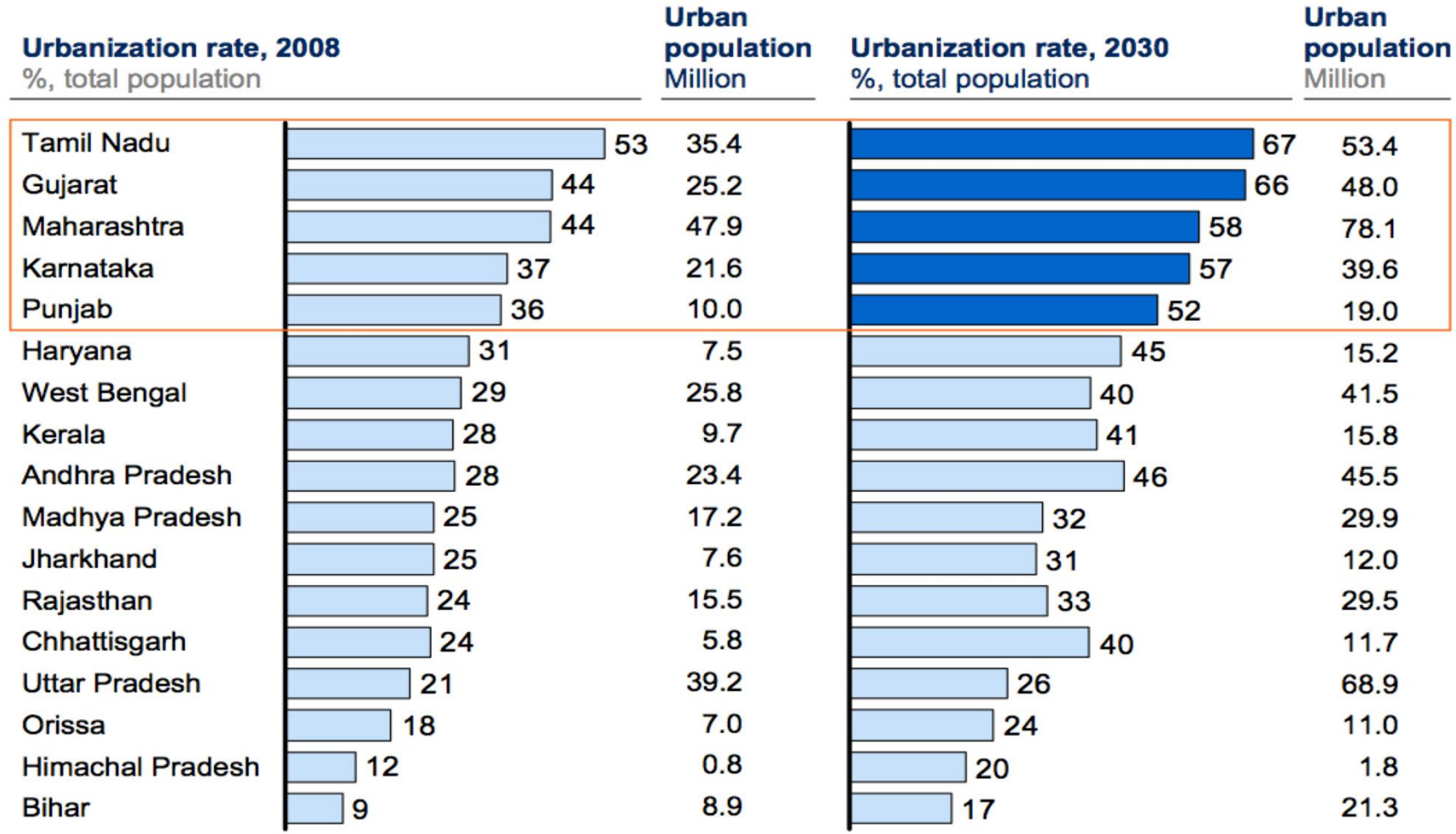


	1991	2001	2008	2030
Total population Million	856	1,040	1,155	1,470
Urbanization rate[1] %	26	28	30	40

1 Defined as the ratio of urban to total population based on the census definition of urban areas; population >5,000; density >400 persons per square kilometer; 75 percent of male workers in nonagricultural sectors; and other statutory urban areas.

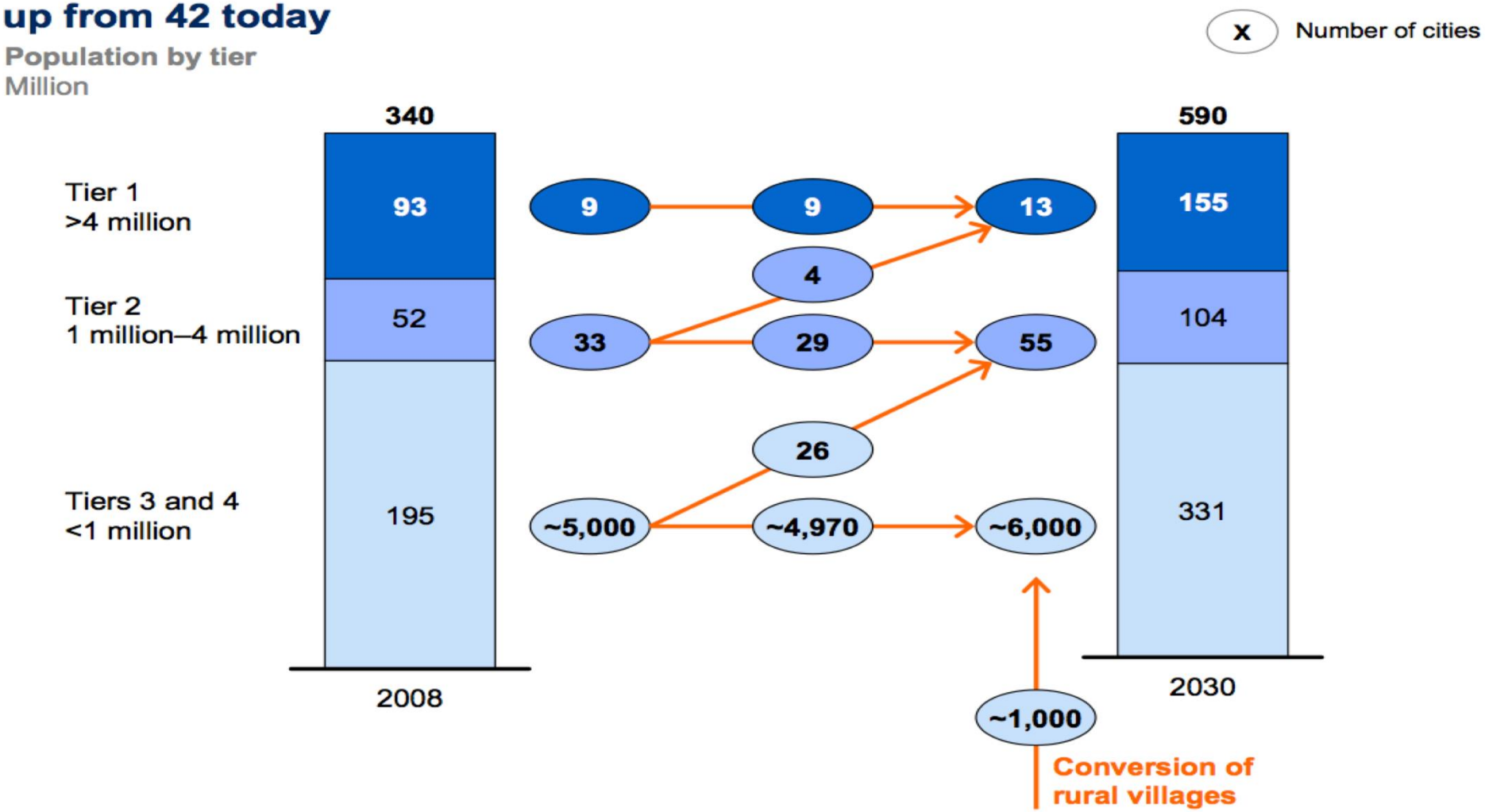
SOURCE: India Urbanization Econometric Model; McKinsey Global Institute analysis

Five states are likely to be more than 50 percent urbanized



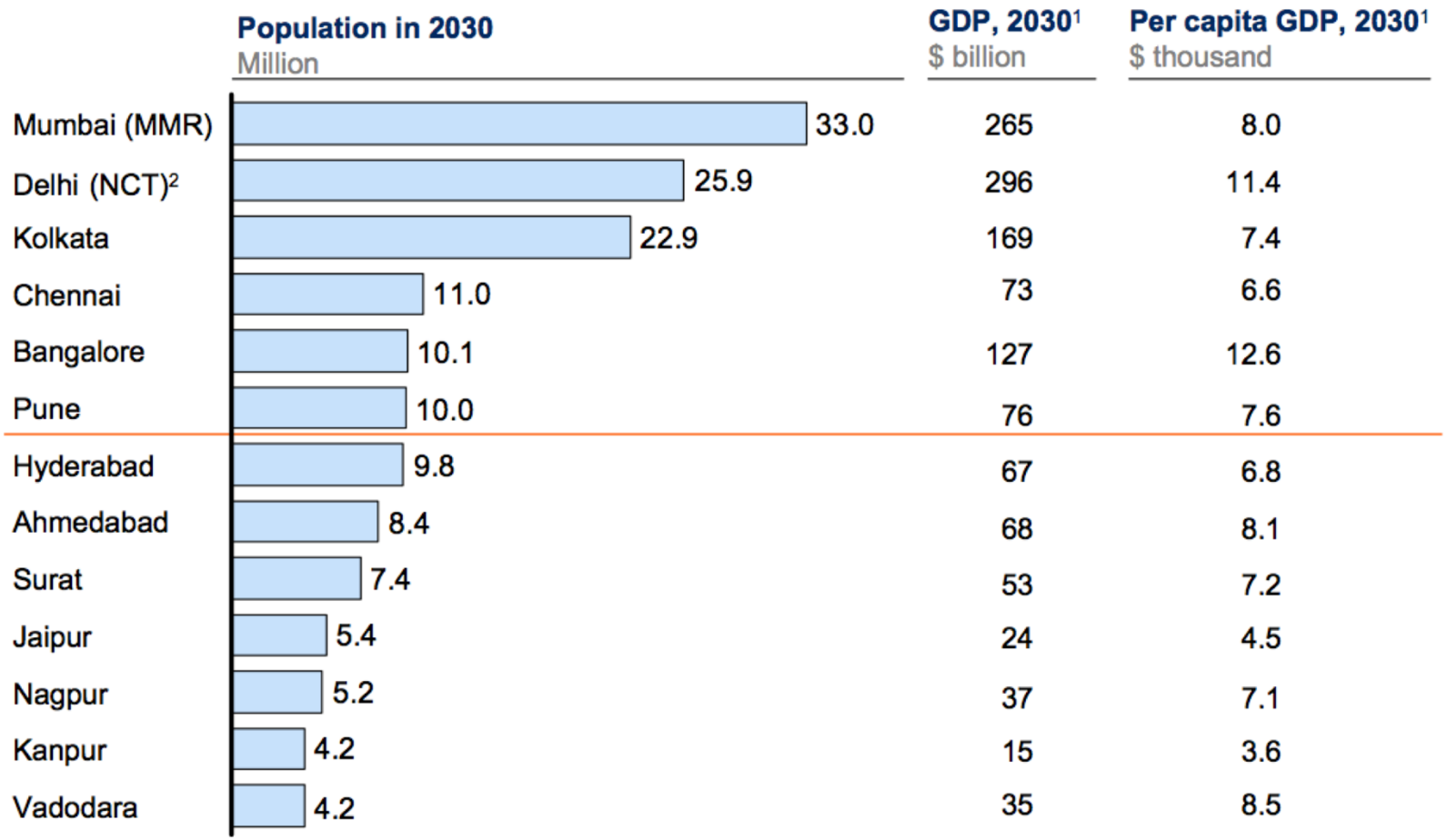
SOURCE: India Urbanization Econometric Model; McKinsey Global Institute analysis

India will have 68 cities with population of more than 1 million by 2030, up from 42 today



SOURCE: India Urbanization Econometric Model; Census 2001; McKinsey Global Institute analysis

Thirteen cities will have a population of more than 4 million

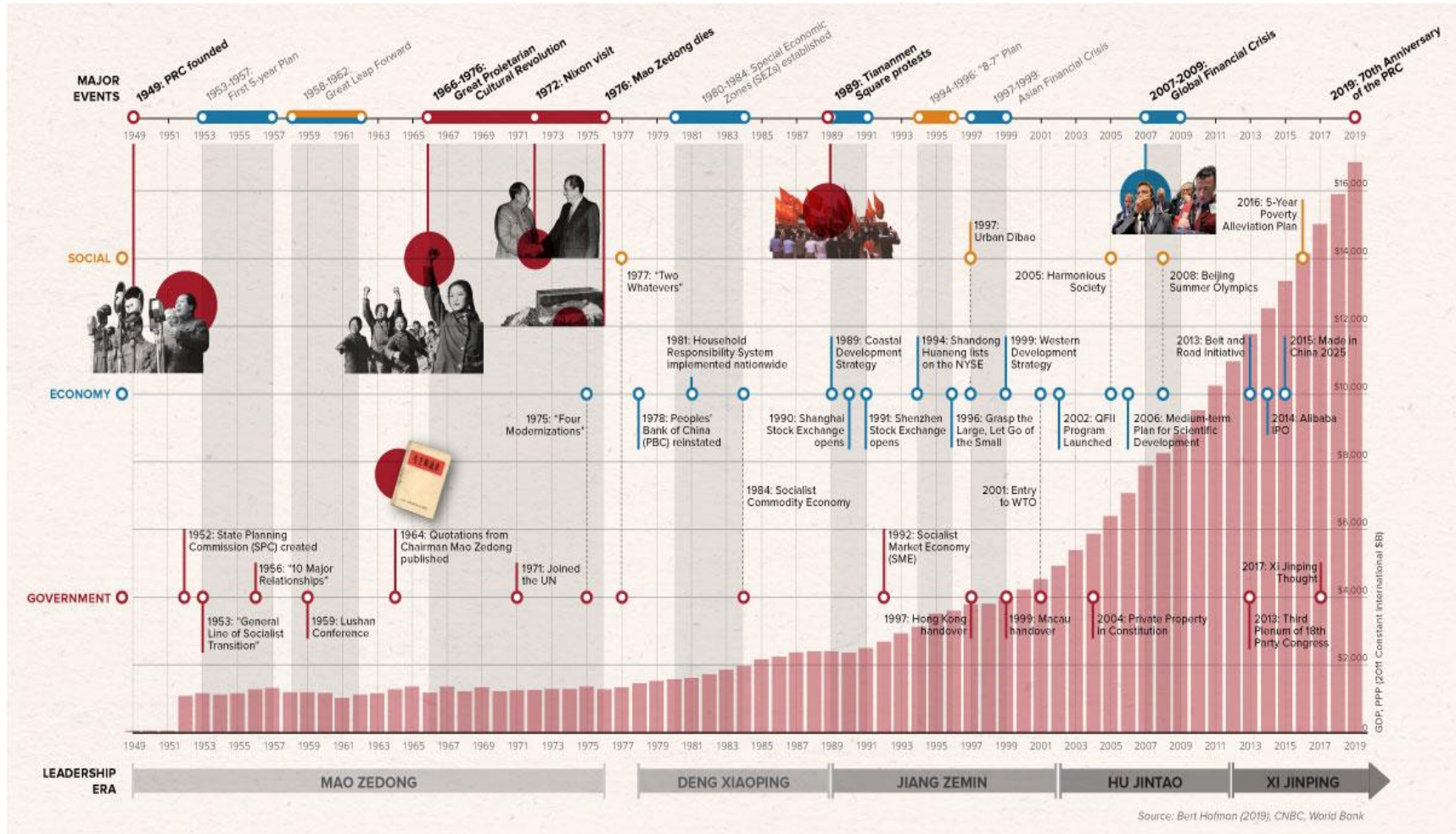


1 2008 prices.
2 National Capital Territory; excludes Noida, Gurgaon, Greater Noida, Faridabad, and Ghaziabad.

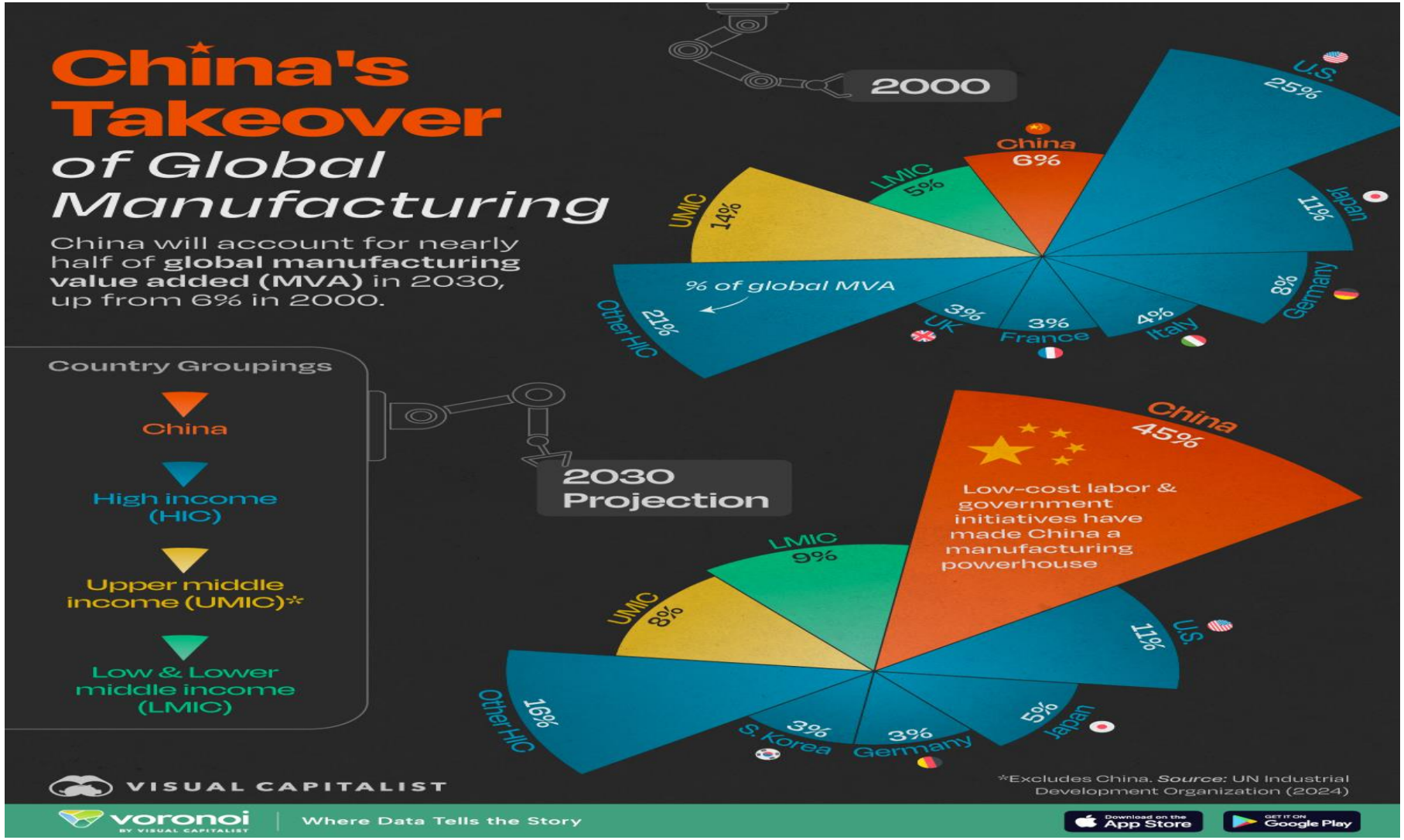
SOURCE: India Urbanization Econometric Model; McKinsey Global Institute analysis

China


Global trade is
rigged by China ,
Europe, Japan,
South Korea


MAJOR EVENTS
1949: PRC founded
1953-1957: First 5-year Plan
1958-1962: Great Leap Forward
1966-1976: Great Proletarian Cultural Revolution
1972: Nixon visit
1976: Mao Zedong dies
1980-1984: Special Economic Zones (SEZs) established
1989: Tiananmen Square protests
1994-1996: "8-7" Plan
1997-1999: Asian Financial Crisis
2007-2009: Global Financial Crisis
2019: 70th Anniversary of the PRC
1949 1951 1953 1955 1957 1959 1961 1963 1965 1967 1969 1971 1973 1975 1977 1979 1981 1983 1985 1987 1989 1991 1993 1995 1997 1999 2001 2003 2005 2007 2009 2011 2013 2015 2017 2019
SOCIAL
1977: "Two Whatevers"
1997: Urban Dibao
2005: Harmonious Society
2008: Beijing Summer Olympics
2016: 5-Year Poverty Alleviation Plan
ECONOMY
1975: "Four Modernizations"
1978: Peoples' Bank of China (PBC) reinstated
1981: Household Responsibility System implemented nationwide
1984: Socialist Commodity Economy
1989: Coastal Development Strategy
1990: Shanghai Stock Exchange opens
1991: Shenzhen Stock Exchange opens
1994: Shandong Huaneng lists on the NYSE
1996: Grasp the Large, Let Go of the Small
1999: Western Development Strategy
2001: Entry to WTO
2002: QFII Program Launched
2006: Medium-term Plan for Scientific Development
2013: Belt and Road Initiative
2014: Alibaba IPO
2015: Made in China 2025
GOVERNMENT
1952: State Planning Commission (SPC) created
1953: "General Line of Socialist Transition"
1956: "10 Major Relationships"
1959: Lushan Conference
1964: Quotations from Chairman Mao Zedong published
1971: Joined the UN
1992: Socialist Market Economy (SME)
1997: Hong Kong handover
1999: Macau handover
2004: Private Property in Constitution
2013: Third Plenum of 18th Party Congress
2017: Xi Jinping Thought
$16,000
$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
0
GDP, PPP (2011 Constant International $B)
LEADERSHIP ERA
MAO ZEDONG
DENG XIAOPING
JIANG ZEMIN
HU JINTAO
XI JINPING
Source: Bert Hofman (2019), CNBC, World Bank


Kazakhstan
Uzbekistan
Kyrgyzstan
Mongolia
Tajikistan
China
South Korea
Japan
Turkmenistan
Afghanistan
Pakistan
Bhutan
Nepal
India
Taiwan
Myanmar
Laos
Hong Kong
Macao
Bangladesh
Vietnam
Philippines
Thailand
Cambodia
Sri Lanka
Maldives
Malaysia
Brunei
Singapore
Indonesia
Timor-Leste
CHINA'S ECONOMY
Outweighs the Rest of Asia's
2024 GDP | Population
$18.3T China 1.42B people
$16.5T Rest of Asia 2.96B people
VISUAL CAPITALIST
Figures rounded. Rest of Asia includes Macau and Hong Kong but not the Middle East. Data unavailable for North Korea.
Sources: UN World Population Prospects, International Monetary Fund (2024).


China's Takeover of Global Manufacturing
China will account for nearly half of global manufacturing value added (MVA) in 2030, up from 6% in 2000.
2000
% of global MVA
U.S. 25%
Japan 11%
Germany 8%
Italy 4%
France 3%
UK 3%
Other HIC 21%
UMIC 14%
LMIC 5%
China 6%
Country Groupings
China
High income (HIC)
Upper middle income (UMIC)*
Low & Lower middle income (LMIC)
2030 Projection
China 45%
Low-cost labor & government initiatives have made China a manufacturing powerhouse
U.S. 11%
Japan 5%
Germany 3%
S. Korea 3%
Other HIC 16%
UMIC 8%
LMIC 9%
VISUAL CAPITALIST
*Excludes China. Source: UN Industrial Development Organization (2024)
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Who Controls the Solar Panel Supply Chain?

The Manufacturing Process for Solar PV Panels

POLYSILICON

The primary material for solar PV manufacturing which is melted and cast into ingots.

INGOT

Polysilicon ingots are sliced into thin wafer sheets ranging from 150-280 micrometers in thickness.

WAFER

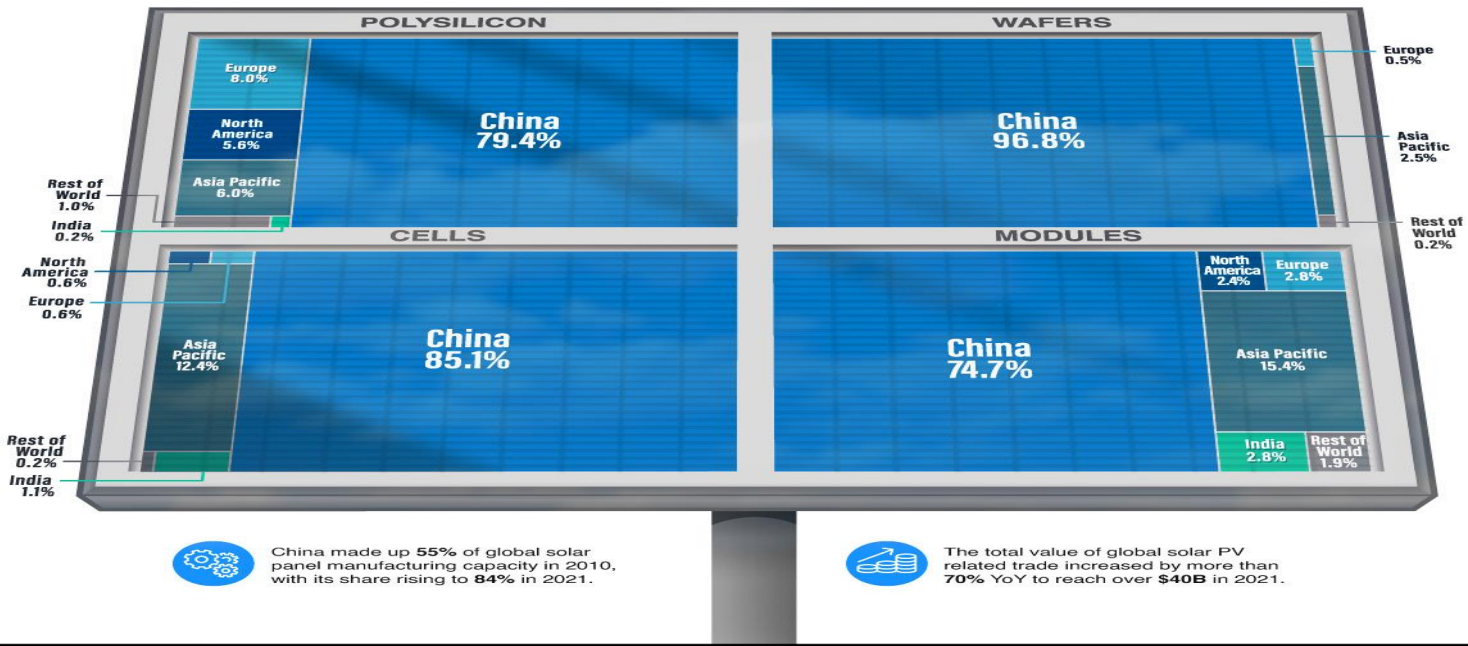
The wafer is then cleaned and doped to manufacture a crystalline solar cell.

CELL

MODULE / PANEL

Multiple cells are wired together and laminated to form modules, before being connected to panels.

Share of Manufacturing Capacity by Country/Region in 2021



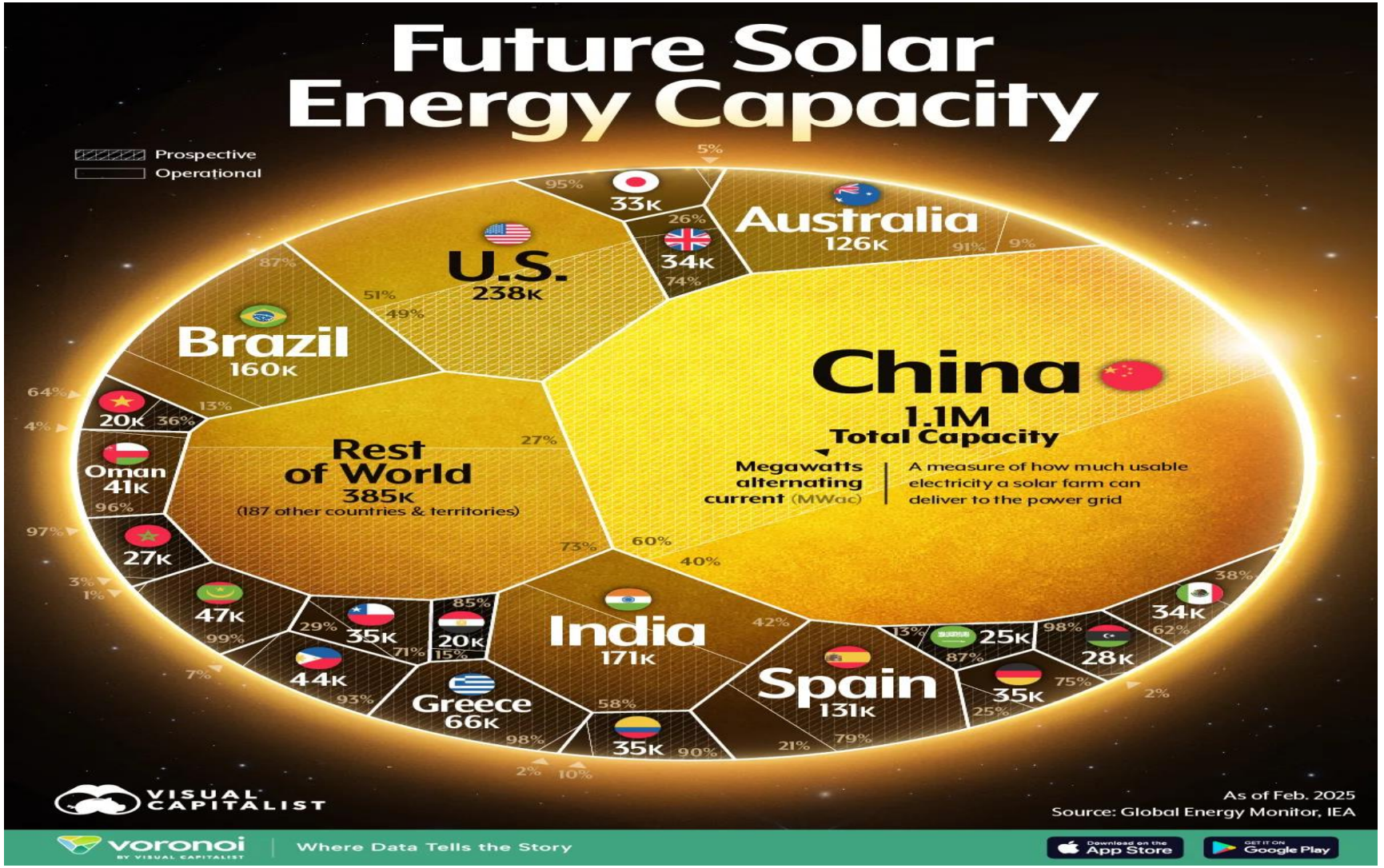
China made up **55%** of global solar panel manufacturing capacity in 2010, with its share rising to **84%** in 2021.

The total value of global solar PV related trade increased by more than **70%** YoY to reach over **$40B** in 2021.

ELEMENTS

Source: IEA

ELEMENTS.VISUALCAPITALIST.COM


Future Solar Energy Capacity
Prospective
Operational
China
1.1M
Total Capacity
Megawatts alternating current (MWac)
A measure of how much usable electricity a solar farm can deliver to the power grid
U.S.
238K
Australia
126K
Brazil
160K
India
171K
Spain
131K
Greece
66K
Rest of World
385K
(187 other countries & territories)
Oman
41K
34K
33K
20K
27K
47K
35K
20K
44K
35K
25K
28K
35K
34K
As of Feb. 2025
Source: Global Energy Monitor, IEA
VISUAL CAPITALIST
voronoi
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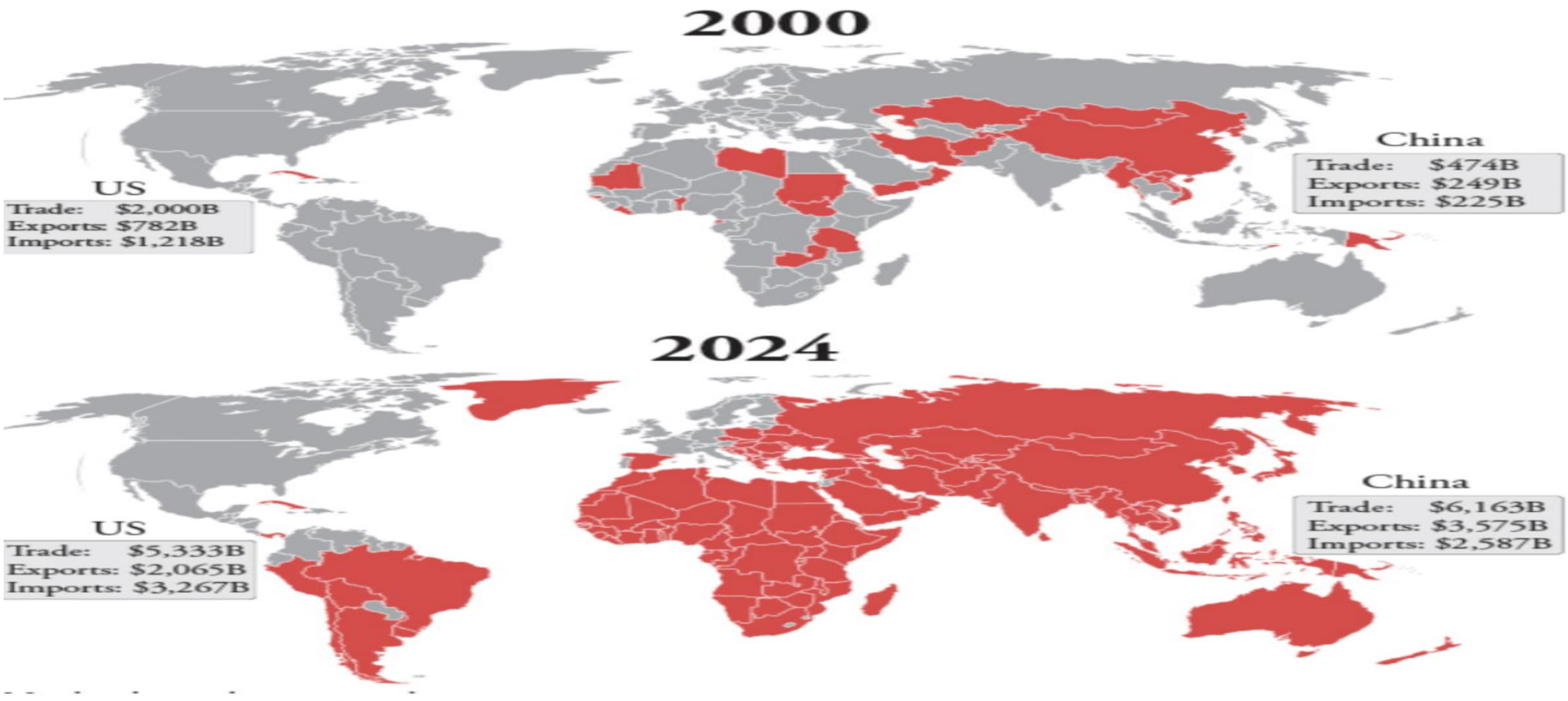
Global Trade Dominance:
US vs. China

In 2000, US, trade totaled $2.0 trillion—more than four times China's $474 billion. From 2000 to 2024, US trade expanded by 167% (4.2% CAGR), while China's trade surged by 1,200% (11.3% CAGR), surpassing the US in 2012. By 2024, total trade reached $5.3 trillion for the US and $6.2 trillion for China.

US as the Larger Trading Partner China as the Larger Trading Partner



Global trading system rigged

- The global trading system has been rigged for decades, and almost no one noticed until it was too late. Nearly every major trading partner developed rigid systems to exclude imports while flooding the US market.
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- Japan. South Korea. Germany. China. They subsidize exporters, block consumer and agricultural imports, and manipulate currencies to stay artificially cheap. This is not accident. It is strategy. They accumulate reserves. They protect industries.
- They prosper at America's expense.
- The US is the world's largest consumer market, growing at 3 percent annually. Every country wants access. But they do not reciprocate. They trade for market access, not fair exchange.
- They accumulate reserves. They protect industries. They prosper at America's expense. The US is the world's largest consumer market, growing at 3 percent annually. Every country wants access. But they do not reciprocate. They trade for market access, not fair exchange.

China 90% model

- China’s economic model is designed to destroy competitors, not just outcompete them.
- This strategy was invisible because it was insidious. Only those whose supply chains were destroyed, whose prices were trashed, or who were forced into joint ventures felt the pain early. Everyone else—consumers, retailers, CEOs, Wall Street—saw only benefits. Lower costs. Better margins. Higher returns. Who would complain?
- At the heart of the 90 Percent Excess Production Capacity Model. understood it. China’s : Build enough industrial capacity to meet 90 percent of global demand in a targeted sector.
- Undervalue the currency by about 20 percent to make exports unbeatable on price.
- Flood the market with subsidized exports priced at or below marginal cost. Force competitors out of business. Dominate the sector. Then move to the next one.
- China has already done this in apparel, furniture, toys, and solar panels. Now it is targeting the industries that matter most: automobiles, defense, semiconductors, critical minerals, pharmaceuticals, chemicals, telecom, and others. Industries.
- Almost all of this high-quality, high-tech manufacturing in China has been built in the last 10 years. All of it is funded by trade surpluses accumulated through currency manipulation. And the know-how? It came from America and its allies.

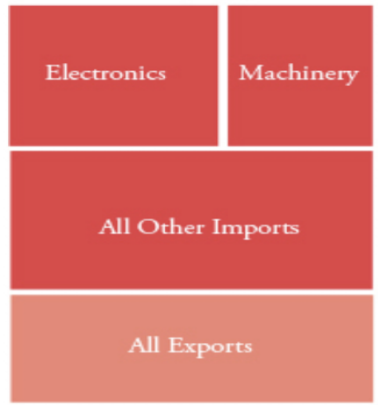
US Trade Imbalance: With China, Its Proxies, Even Allies

Value of Goods in 2024 by US Trading Partner (USD, Billion)

Imports Exports

CHINA

Exports	$143.5
Imports	$438.9
Balance	-$295.4

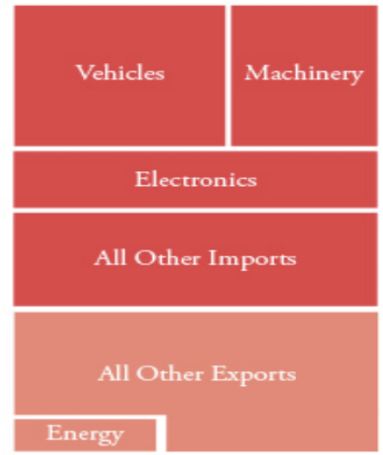


EUROPEAN UNION

Exports	$370.2
Imports	$605.8
Balance	-$235.6

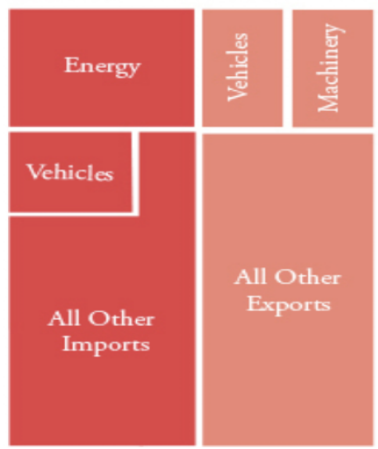
MEXICO

Exports	$334.0
Imports	$505.9
Balance	-$171.8



CANADA

Exports	$348.5
Imports	$412.7
Balance	-$64.2



VIETNAM

Exports	$13.1
Imports	$136.6
Balance	-$123.5

SOUTH KOREA

Exports	$65.5
Imports	$131.5
Balance	-$66.0

TAIWAN

Exports	$42.3
Imports	$116.3
Balance	-$73.9

JAPAN

Exports	$79.7
Imports	$148.2
Balance	-$68.5

China 90 % strategy

- Identify a key industry, build hyperscale capacity to produce 90 percent of global demand, and flood the market at marginal (the cost of producing one additional unit) or below variable cost pricing.
- Then push prices even lower by exploiting a chronically undervalued currency giving Chinese exports an artificial edge.
- All of this is funded by almost unlimited subsidies drawn from China’s trillion-dollar trade surplus. No one can compete against this model.
- The result? Entire industries collapse. Companies disappear. And whole towns or even states are economically ravaged.

USA industry destroyed

- This model has already wiped out or marginalized at least 10 major industries in the US, including furniture, textiles, toys, and consumer electronics.28 Entire regions—Michigan, Ohio, Pennsylvania—have been devastated.
- The next wave is already underway: EVs, renewables, advanced agriculture, maritime equipment, biopharma, new materials, advanced rail transit, aerospace, artificial intelligence, and robotics.
- These are the 10 sectors named in the Made in China 2025 plan. And they are being targeted with precision.

Chinese State-backed dominance

- DJI controls over 90 percent of the global consumer drone market.
- CATL is the world's largest EV battery maker, powering everything from Tesla to European commercial fleets.
- Haier has displaced legacy American and European brands in appliances across key markets.
- CRRC manufactures 44 percent of the world's trains, dwarfing all competitors.
- WuXi AppTec and WuXi Biologics now dominate the outsourced pharma manufacturing space. They serve all of the top 20 global pharmaceutical companies and support over 1,000 active clinical trials.
- Chinese chemical producers now account for more than 40 percent of global basic chemicals output, tightening control on precursors essential across critical industries.

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USA 10 Industries destroyed

Industry	Examples
Furniture	Home, Office, Outdoor Furniture
Toys	Children's Toys, Dolls, Scooters
Consumer Electronics	Phones, Small Appliances, Game Consoles
Basic Chemicals	Bulk Chemicals, Industrial Inputs
Solar Panels / Photovoltaics	Modules, Wafers, Cells, Polysilicon
Rare Earth Processing	Magnet Processing, Rare Earth Refining
Textiles / Apparel	Garments, Fast Fashion, Fabric Processing
Pharmaceutical Ingredients	APIs, Generics, Core Ingredients
Lithium Battery Manufacturing	EV Batteries, Cell Manufacturing
Telecom Infrastructure	Mobile Networks, Switching Gear, Core Systems

Made in China 2025—10 Targeted Industries

Industry	Focus Areas
 Next-Generation Information Technology / Artificial Intelligence	AI, IoT, Cloud Computing, Semiconductors
 Robotics & High-End Automation	Industrial Robots, Service Robots, Automation Systems
 Maritime Equipment & High-Tech Ships	Ocean Engineering, High-Tech Ships
 Advanced Rail Transit Equipment	High-End Speed Trains, Smart Transportation System
 New Energy Vehicles & Equipment	Electrical Vehicles, Fuel Cells, Autonomous Driving Technology
 Power Equipment	Smart Grid Technology, Renewable Energy Equipment

China : exports more , consumes less .

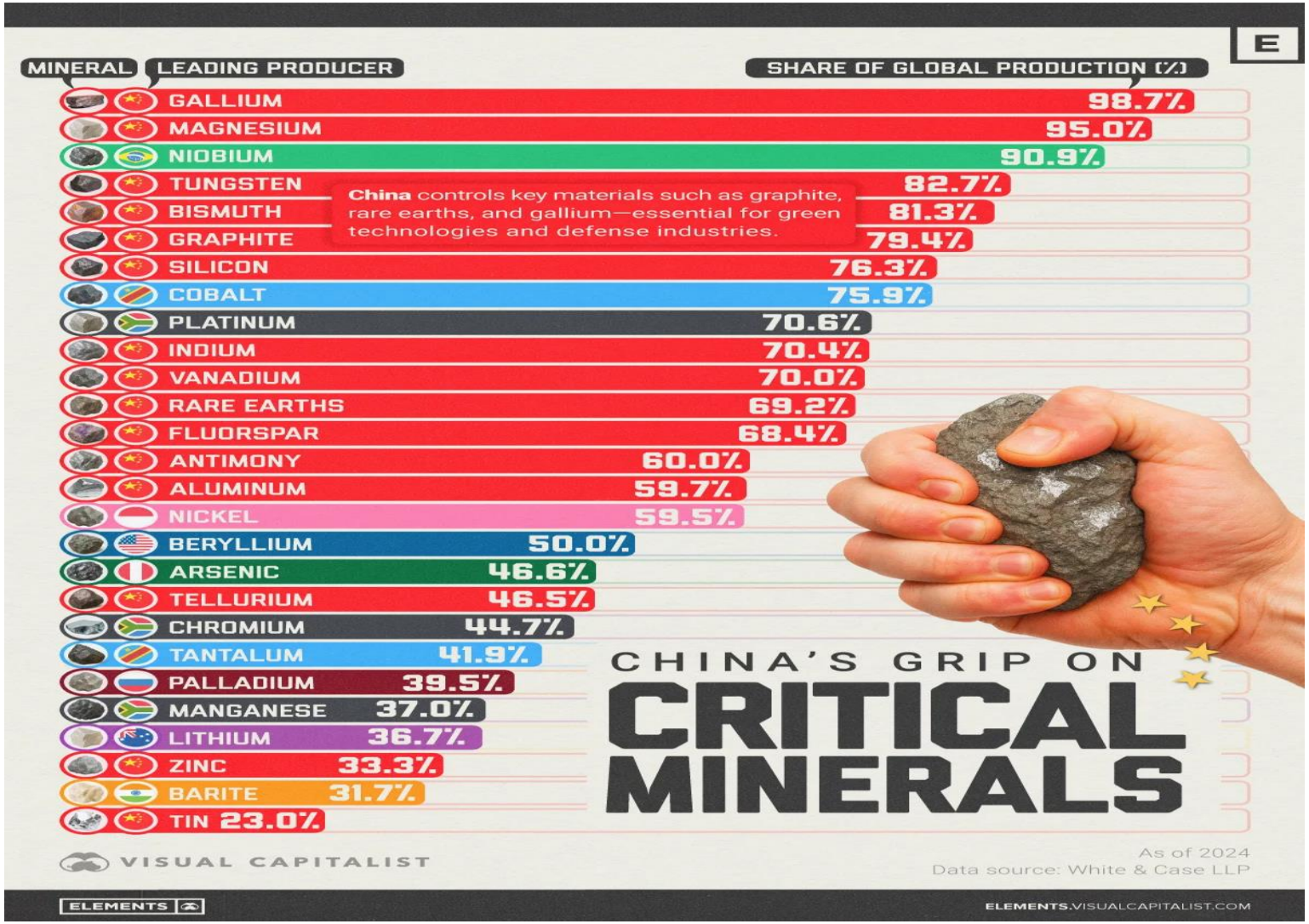
- China is deeply embedded in every walk of American life like a spiderweb. They are inside the arteries of American commerce—digitally, financially, and physically.
- The numbers tell the story. China produces almost a third of global manufactured goods—more than the US, Germany, Japan, and South Korea combined. Yet it consumes just 15 percent of what it produces. That's not a flaw. It's the model.
- In 730 of 5,000 globally traded product categories, China accounts for more than 50 percent of world exports—three times more than the EU, and nearly eight times more than the US.
- China continually invents new methods using AI to advance manufacturing; it now commands the steepest AI-driven experience curve on the factory floor.
- 90 percent of US microwaves come from China. So do three-quarters of phones, game consoles, and small appliances. China makes 75 percent of American toy imports—dolls, scooters, tricycles. Even Mattel still produces 40 percent of its global output there, despite tariffs remaining punishingly high.

China : New frontier technologies

- China now dominates critical inputs, the raw materials, components, and manufacturing capabilities that underpin modern life and national security. These aren’t just economic assets. They are potential choke points.
- A single export ban could freeze Western industries, paralyze supply chains, and weaken military readiness. The warning lights are already flashing.
- Consider just a few examples: Rare earths: China refines 85–90 percent of global rare earth elements and produces 92 percent of rare earth magnets essential for missiles, aircraft, EVs, and electronics. Lithium-ion batteries: China controls 60–90 percent of the entire supply chain across mining, processing, cell components, and battery assembly.

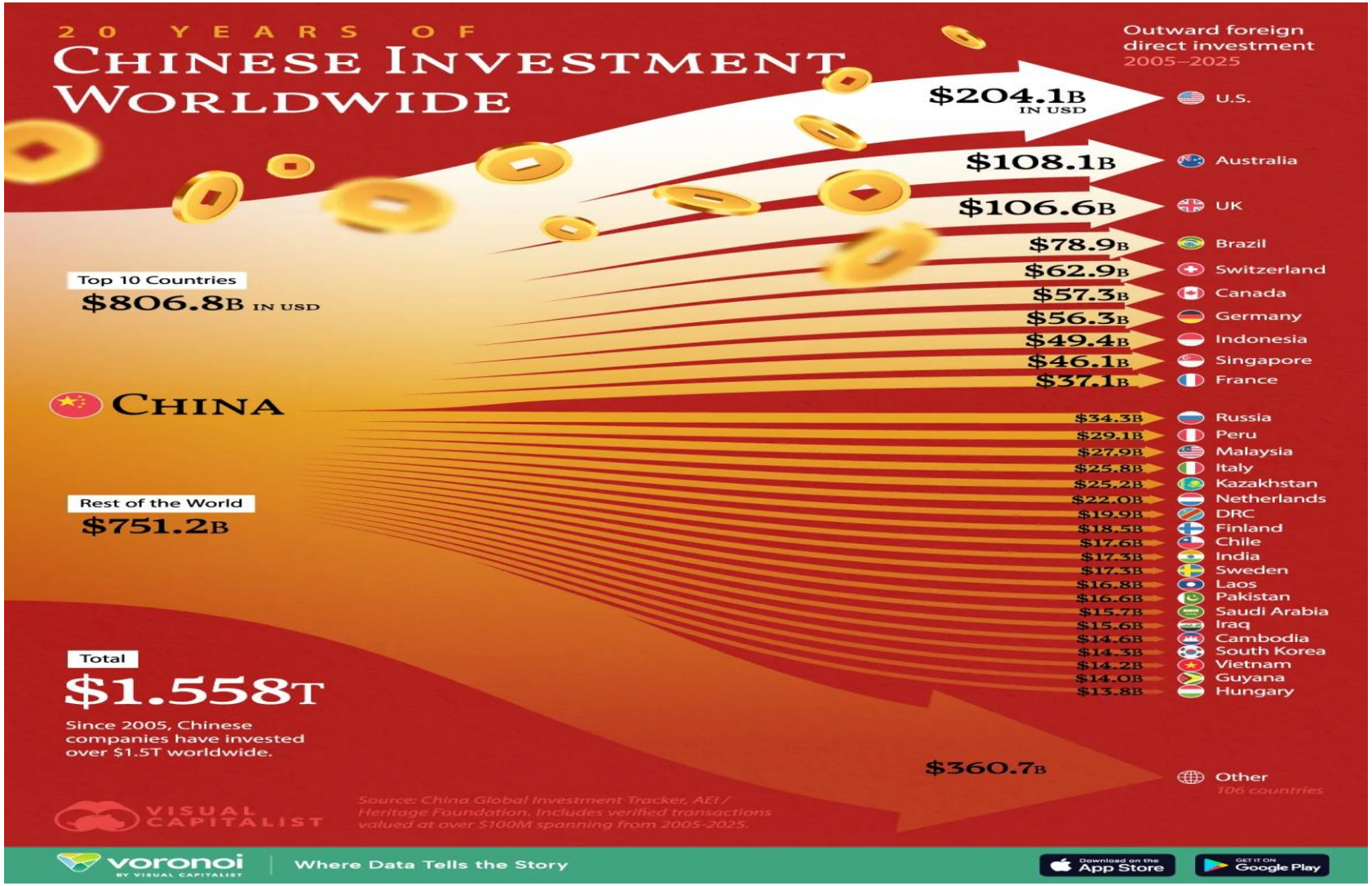
China : New frontiers

- Pharmaceuticals: China controls roughly 80 percent of the global supply of generic active pharmaceutical ingredients.
- Defense metals: Nearly 80 percent of US weapon systems rely on materials like antimony, gallium, and tungsten—all dominated by China.
- Chemicals: China controls nearly 40 percent of global chemical sales and is a top exporter of base chemicals, polymers, and critical inputs like.
- Solar panels: China holds over 80 percent of global production, even while many suppliers operate at crushing debt and cash losses.


E
MINERAL
LEADING PRODUCER
SHARE OF GLOBAL PRODUCTION (%)
GALLIUM 98.7%
MAGNESIUM 95.0%
NIOBIUM 90.9%
TUNGSTEN 82.7%
BISMUTH 81.3%
GRAPHITE 79.4%
SILICON 76.3%
COBALT 75.9%
PLATINUM 70.6%
INDIUM 70.4%
VANADIUM 70.0%
RARE EARTHS 69.2%
FLUORSPAR 68.4%
ANTIMONY 60.0%
ALUMINUM 59.7%
NICKEL 59.5%
BERYLLIUM 50.0%
ARSENIC 46.6%
TELLURIUM 46.5%
CHROMIUM 44.7%
TANTALUM 41.9%
PALLADIUM 39.5%
MANGANESE 37.0%
LITHIUM 36.7%
ZINC 33.3%
BARITE 31.7%
TIN 23.0%
China controls key materials such as graphite, rare earths, and gallium—essential for green technologies and defense industries.
CHINA'S GRIP ON
CRITICAL MINERALS
VISUAL CAPITALIST
As of 2024
Data source: White & Case LLP
ELEMENTS
ELEMENTS.VISUALCAPITALIST.COM

China strategy must be defeated

- For decades, American leaders assumed that economic integration would make China a responsible stakeholder in the global system. That trade would soften authoritarianism. That openness would win.
- China took everything the West offered—technology, capital, market access—and used it to build a system designed to replace the American-led world order.
- Not reform it. Replace it. American leaders, all leaders other than Trump, hesitated to take the actions needed. They feared a war of global proportions. Without cogent ally coordination, one cannot stop the march of President Xi.
- Tariffs alone will not work. Why? Because unless you address the root cause, currency manipulation, China will always have an advantage. China's deliberate 52 percent currency devaluation—from 4.8 renminbi (RMB) per dollar in 1990 to 7.3 in 2024—is how Chinese exports remain artificially cheap. That is how China sustains its trade surplus. That is how it funds its military expansion, its Belt and Road Initiative, and its technological ambitions.


20 YEARS OF
CHINESE INVESTMENT WORLDWIDE
Outward foreign direct investment 2005–2025
$204.1B IN USD
U.S.
$108.1B
Australia
$106.6B
UK
$78.9B
Brazil
$62.9B
Switzerland
$57.3B
Canada
$56.3B
Germany
$49.4B
Indonesia
$46.1B
Singapore
$37.1B
France
Top 10 Countries
$806.8B IN USD
CHINA
$34.3B
Russia
$29.1B
Peru
$27.9B
Malaysia
$25.8B
Italy
$25.2B
Kazakhstan
$22.0B
Netherlands
$19.9B
DRC
$18.5B
Finland
$17.6B
Chile
$17.3B
India
$17.3B
Sweden
$16.8B
Laos
$16.6B
Pakistan
$15.7B
Saudi Arabia
$15.6B
Iraq
$14.6B
Cambodia
$14.3B
South Korea
$14.2B
Vietnam
$14.0B
Guyana
$13.8B
Hungary
Rest of the World
$751.2B
Total
$1.558T
Since 2005, Chinese companies have invested over $1.5T worldwide.
$360.7B
Other
106 countries
VISUAL CAPITALIST
Source: China Global Investment Tracker, AEI / Heritage Foundation, Includes verified transactions valued at over $100M spanning from 2005-2025.
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China Asymmetric power

On Friday, October 10, 2025, something extraordinary happened. A declaration by China that would shake the world. And it went largely unnoticed.

President Xi Jinping announced that Chinese exporters would require licenses to export specific items—items that could shut down entire industries in America and other targeted countries at will.

The pace of that shutdown, the magnitude of the damage, would depend entirely on how Beijing chose to exercise that choke hold.

- This is Asymmetric power. And Xi has built it step-by-step.
- December 2025: China's global trade surplus reached $1.08 trillion in just 11 months. A record no country in history has ever achieved.
- In 2025, China solidified its position as the world's largest goods exporter, with its total exports reaching approximately US $3.776 trillion, representing roughly 15.8% of total global exports, a rise from 15.1 % in 2024.
- China achieved a record trade surplus of nearly $ 1.2 trillion, driven by high-tech exports and diversified trade toward Southeast Asia, Africa, and Latin America, despite strong US tariff pressures.

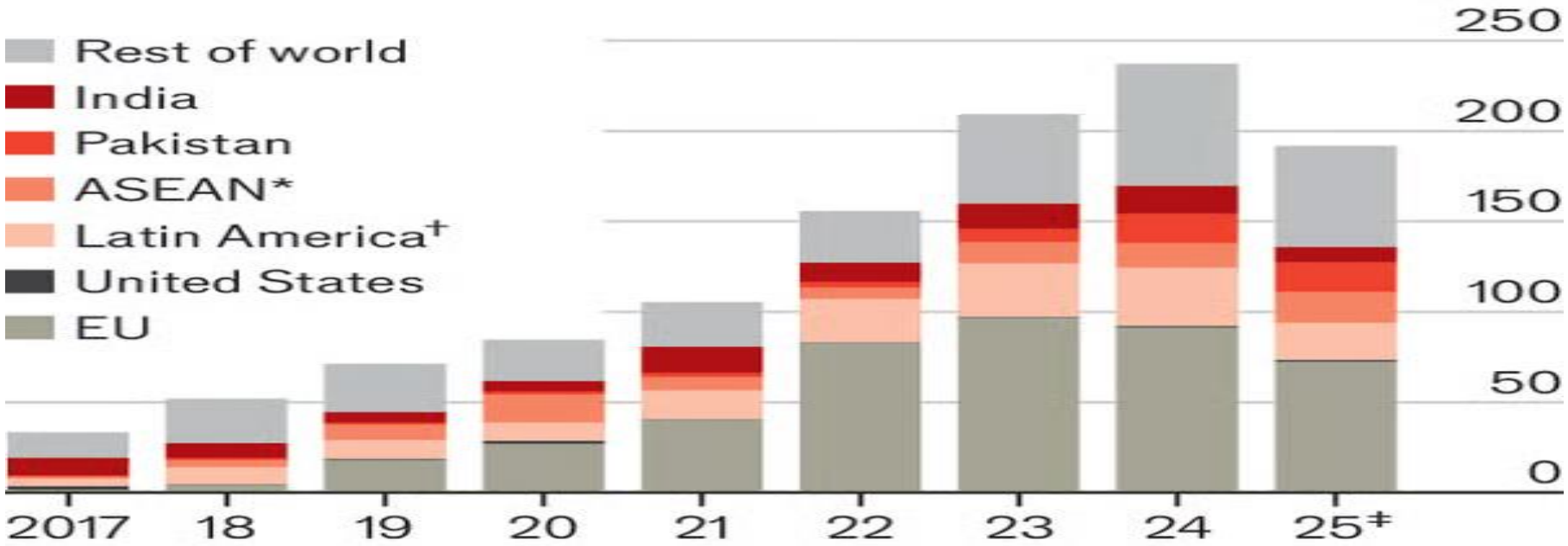
China the great

- China can now shut down entire industries in other countries at will.
- Take the chemical industry. It has reached a point where large segments in Europe and America are suffering, and plants are being closed.
- American companies are finding niche customers just to survive. It is under the radar. The press does not know it. The public does not either. Olin shut major US chlorine and chemical plants,6 citing high costs and overseas competition. BASF shuttered ammonia units and sold off high-value pigment divisions.
- In Europe, LyondellBasell and Tronox have closed Rotterdam plants, blaming Chinese overcapacity.
- The magnet restrictions were just the beginning. In October 2025, Xi made it explicit: China controls the choke points. Rare earths. Battery components. Advanced chemicals. Semiconductor materials.
- If Beijing decides to cut off supply, industries in the United States, Europe, Japan, and South Korea grind to a halt.
- This is power. Asymmetric power. And Xi has built it step-by-step.

Countries	Share of MVA (2000)	Countries	Share of MVA (2030P)
US U.S.	25%	CN China	45% (+39pp)
JP Japan	11%	US U.S.	11% (-14pp)
DE Germany	8%	JP Japan	5% (-6pp)
CN China	6%	DE Germany	3% (-5pp)
IT Italy	4%	KR South Korea	3%
FR France	3%	Other High Income Countries	16%
GB UK	3%	Upper Middle Income Countries	8%

Southern exposure

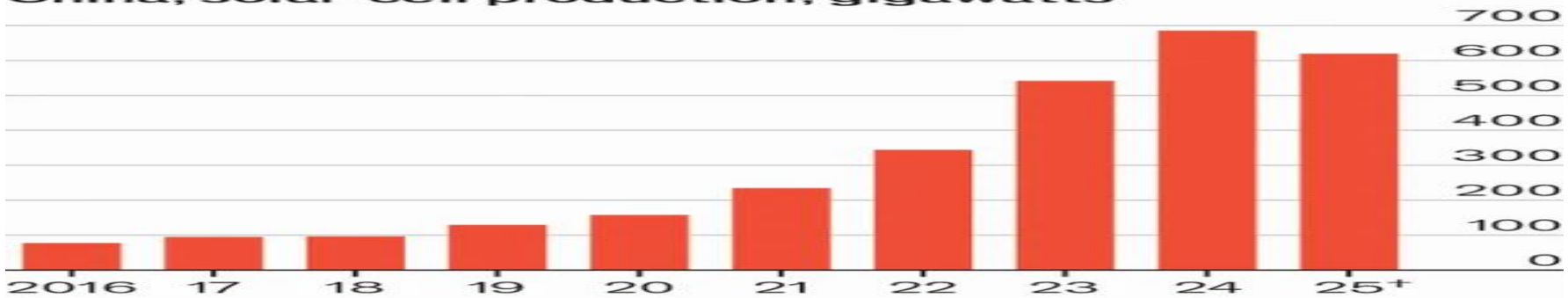
China, solar-panel exports, gigawatts



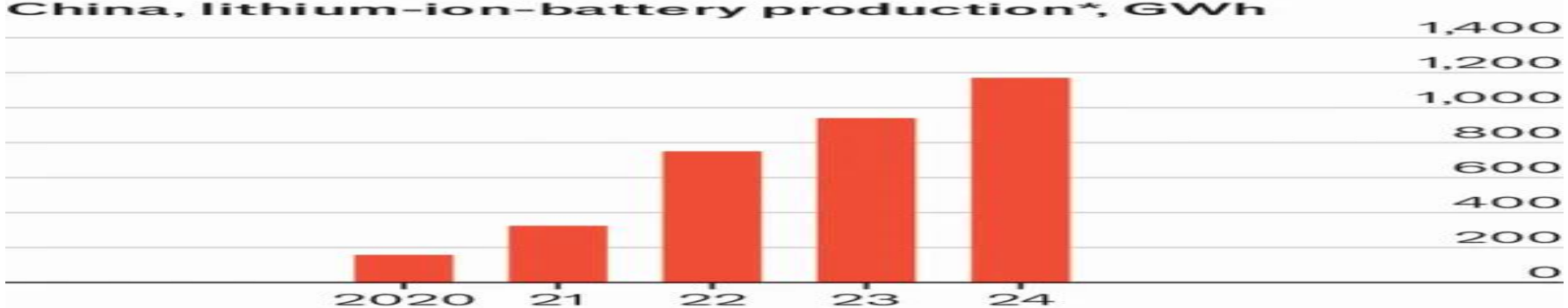
*Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam
†And the Caribbean ‡To September
Source: Ember

Spot the similarity

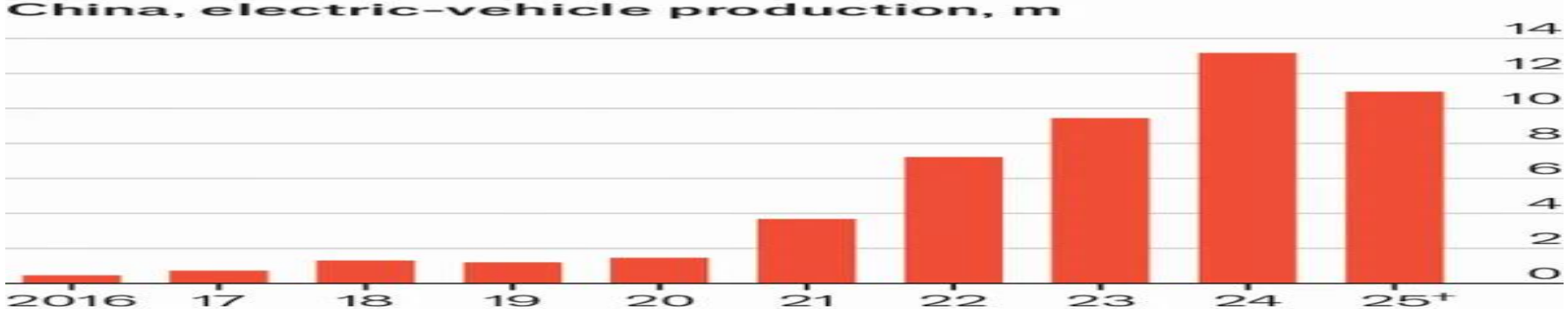
China, solar-cell production, gigawatts



China, lithium-ion-battery production*, GWh



China, electric-vehicle production, m



*Including consumer-electronics, car-power & energy-storage
†To September
Sources: Ministry of Industry and Information Technology; National Bureau of Statistics; Wind