Gapminder Documentation 001

GDP per capita, constant PPP dollars

Version 26

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Documentation – version 26

Data » Online spreadsheet with data for countries, regions and global total-v26

Summary documentation of v26

GDP per capita measures the value of everything produced in a country during a year, divided by the number of people. The unit is in international dollars, fixed 2011 prices. The data is adjusted for inflation and differences in the cost of living between countries, so-called PPP dollars.

The end of the time series, between 1990 and 2018, uses the GDP per capita data from the World Bank, published in July 2019 in their World Development Indicators. To go back in time before the World Bank series starts in 1990, we have used several sources:

Maddison Project Database: The Maddison Project has been initiated in March 2010 by a group of close colleagues of Angus Maddison, with the aim to support an effective way of cooperation between scholars to continue Maddison's work on measuring economic performance for different regions, time periods and subtopics. The MPD builts on Angus Maddison's original dataset. The original estimates are kept intact, and only revised or adjusted when there is more and better information available. Currently, the database is maintained and improved by the Groningen Growth and Development Centre. We have used the data in their 2018 version which provides information on

comparative economic growth and income levels over the very long run. The 2018 version covers 169 countries and the period up to 2016.

Penn World Table: We use data from the Penn World Table version 9.1 of the Groningen Growth and Development Centre which is a platform for research on economic growth and development. PWT version 9.1 is a database with information on relative levels of income, output, input, and productivity, covering 182 countries between 1950 and 2017.

Gapminder v25: We used Gapminder historical estimates compiled in the GM-GDP per Capita v25. This version lifted up historical estimates of v14, which was in PPP2005,constant US $ to PPP 2011,constant US $. Gapminder v14 was based mainly on Angus Maddison. For more details, see the documentation below.

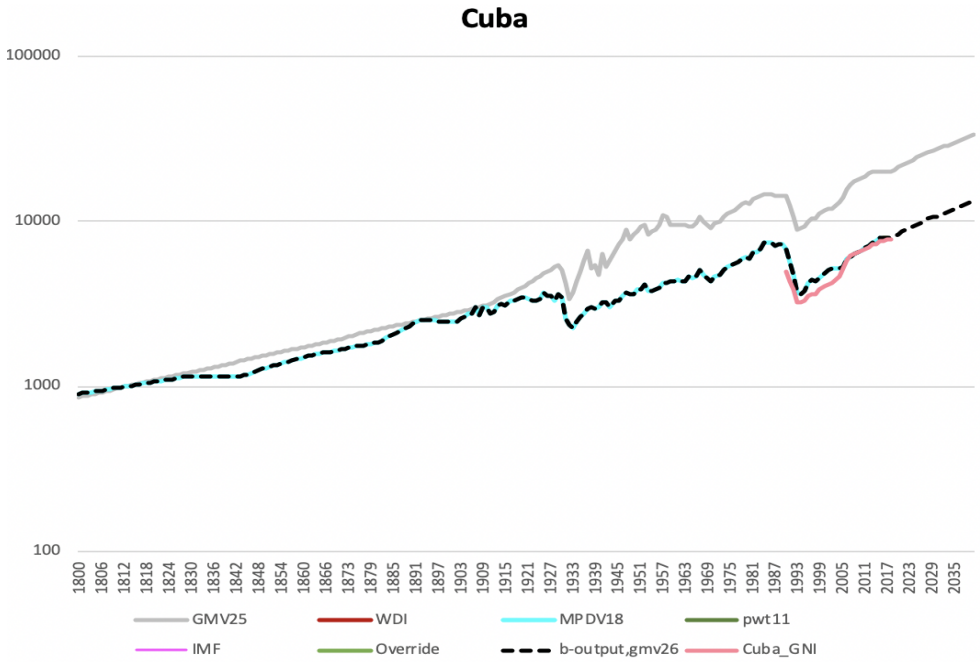
How were the sources combined?

All our sources have GDP per capita data in the same unit, i.e PPP 2011, constant International US dollar. We have first updated our historical estimates based on the new data released by the Maddison Project (MPD) and Penn World Table (PWT).

We used MPD data wherever we have data otherwise we used PWT estimates. In general, we connected Gapminder historical data in version25 to MPD/ PWT data and adjusted the data based on the earliest available year with data in MPD or PWT. We made an exception for countries-etc with MPD data available for the year 1820 or earlier where we used MPD data without any adjustment.

After we have connected the historical estimates to World Bank data by smoothly transitioning our historic trend over a period of 30 years to reach World Bank data for the first year it is available.

We have made a special exception for Cuba, as the World Bank estimates haven't been updated for several years because, partly, because market prices in Cuba are very hard to compare internationally. For Cuba we instead use the data form the Maddison project during the period 1990 to 2017 where we in previous versions used outdated World Bank data. These numbers are also very similar to estimates used by the UNDP here. We made this decision because those estimates fit better with the poverty levels reported by many sources, which doesn't motivate claiming that Cuba is on roughly the same income level as Costa Rica and Chile, as we had it before. That being said, we still doubt these new estimates as well. Here's a comparison of our underlying series for Cuba, with a gray line showing the previous estimates; data that can be found in the detailed xlsx-file linked above.



Our time-series continue into the future, based on forecasts from the IMF, in their World Economic Outlook 2021, April edition. Economic forecasts are never very reliable, and we do these projections only to visualize an "if-then-scenario". If the current trends for each country continued up to 2026, and if all countries at the end of IMF's forecast will converge to a common global (and modest) growth rate of 2% per year – if so - then: What would the world look like? Answering this question visually helps us show how much richer the world would become even with a modest growth rate. We're not claiming that this is what will happen.

In some cases, the new estimates and forecasts made countries much richer than previous releases. This means that many countries moved their position in our bubble charts as the updated data changed drastically. For more details about the changes between versions the detailed data file for v25 here.

Detailed documentation and feedback

For transparency, we provide the files that we used to calculate this data, which can be found here. *Any questions about the data and suggestions for how to improve it are always very welcome in our data forum.*

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Thanks!
:) Gapminder