

[General EU statistics](#)

[Debt % vs GDP](#)

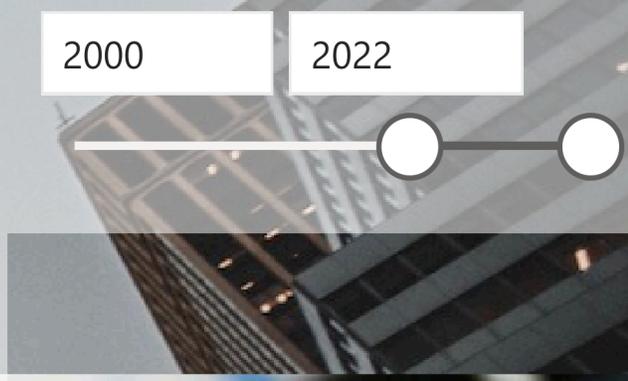
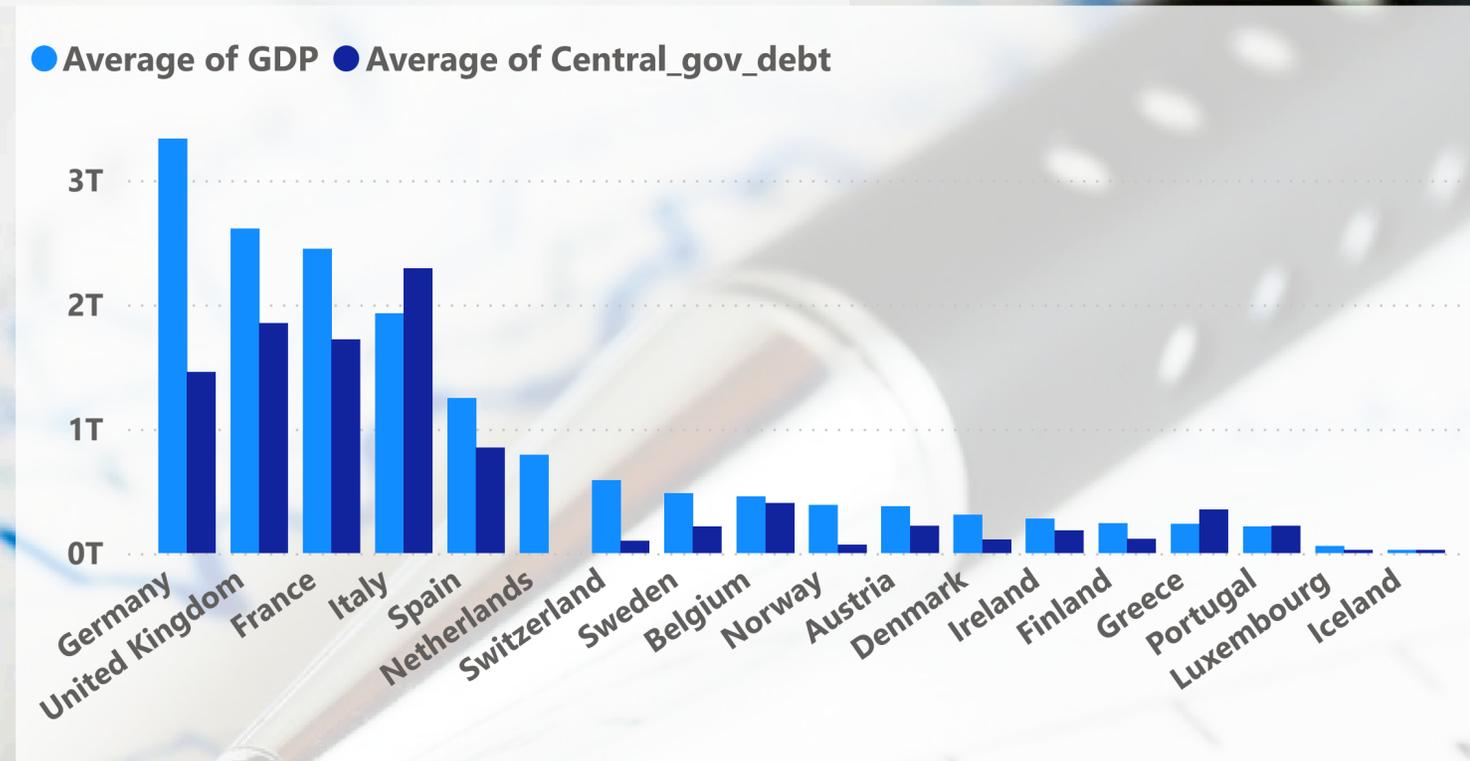
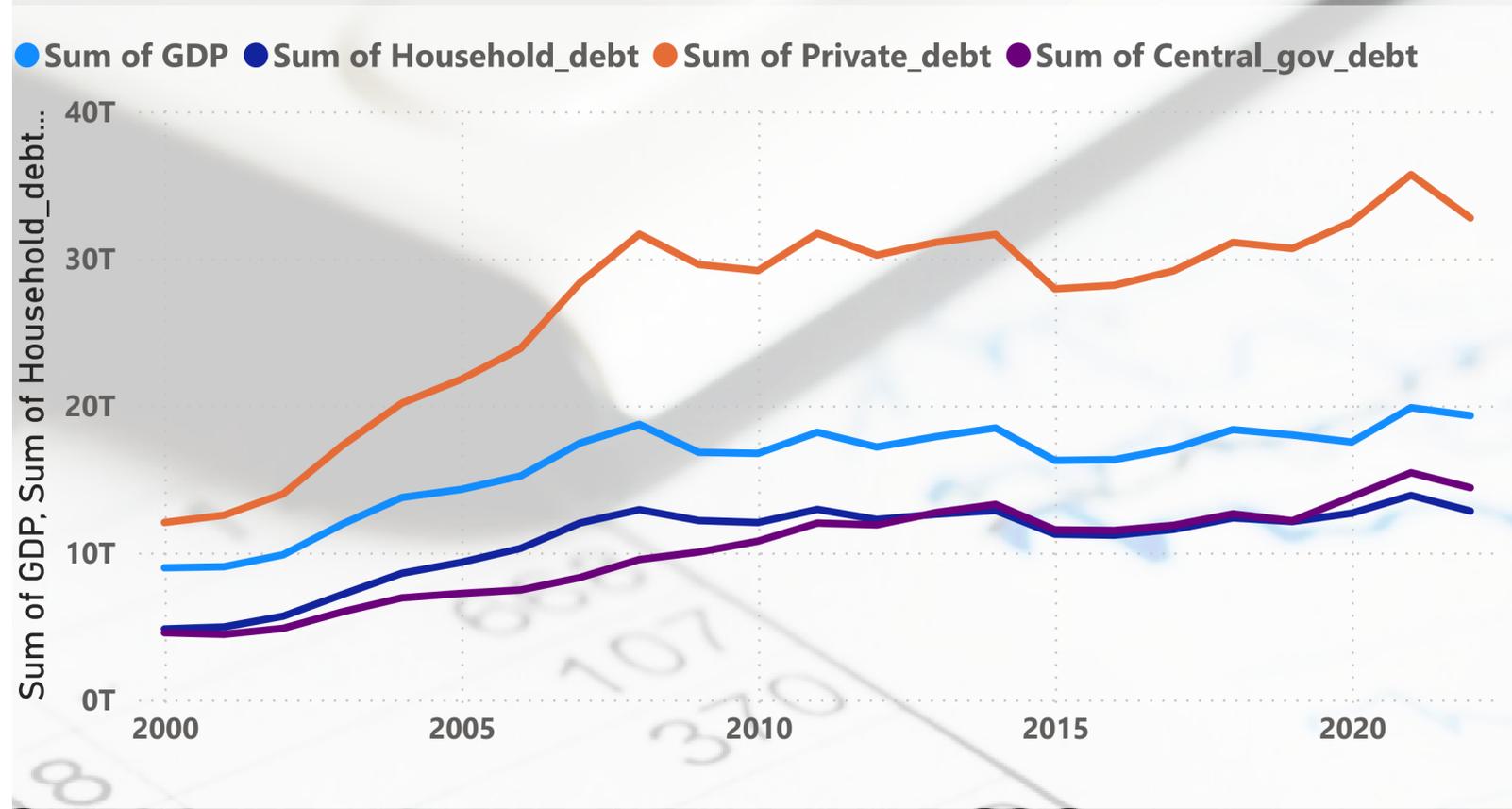
[GDP growth and gov\\_debt](#)

[Summary](#)



Select all	Belgium	Finland	Germany	Iceland	Italy	Netherlands	Portugal	Sweden	United Kingdom
Austria	Denmark	France	Greece	Ireland	Luxembourg	Norway	Spain	Switzerland	

2000 2022

When looking at debt and GDP in Europe, a few main tendencies can be quickly noted:

1. More often than not, private debt is significantly larger than household and government debt and is pretty much double the GDP.
2. There is a clear correlation between GDP, private, household and government debt, with it being strongest between GDP and household debt.
3. Italy and Greece are the only two countries where government debt overtakes private debt.

It comes as little surprise that since the 1996, the 4 largest European economies are Germany, United Kingdom, France and Italy, by GDP and by the size of their government debt.

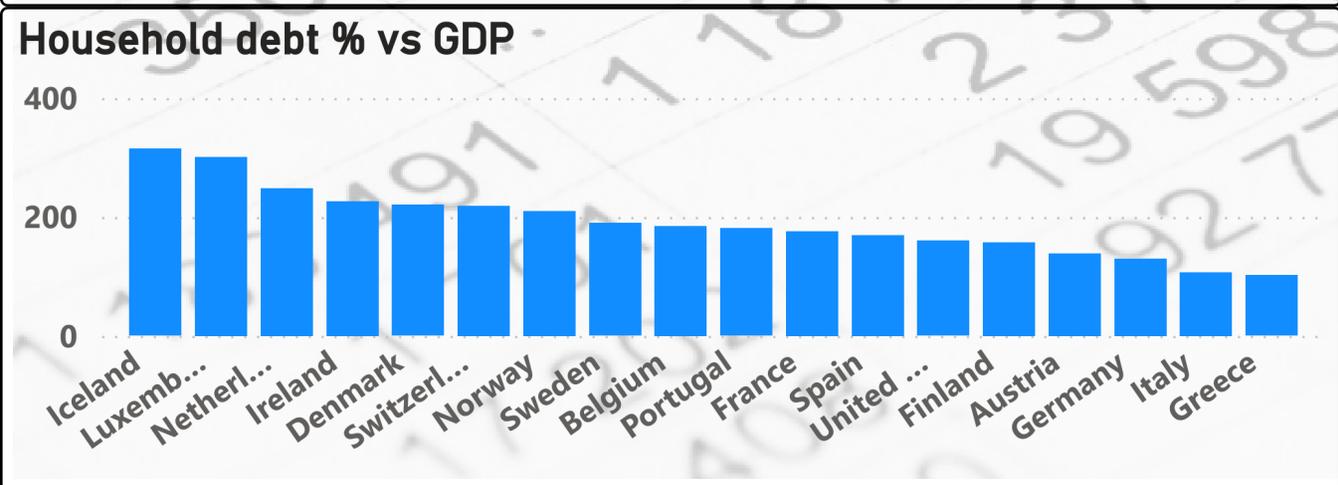
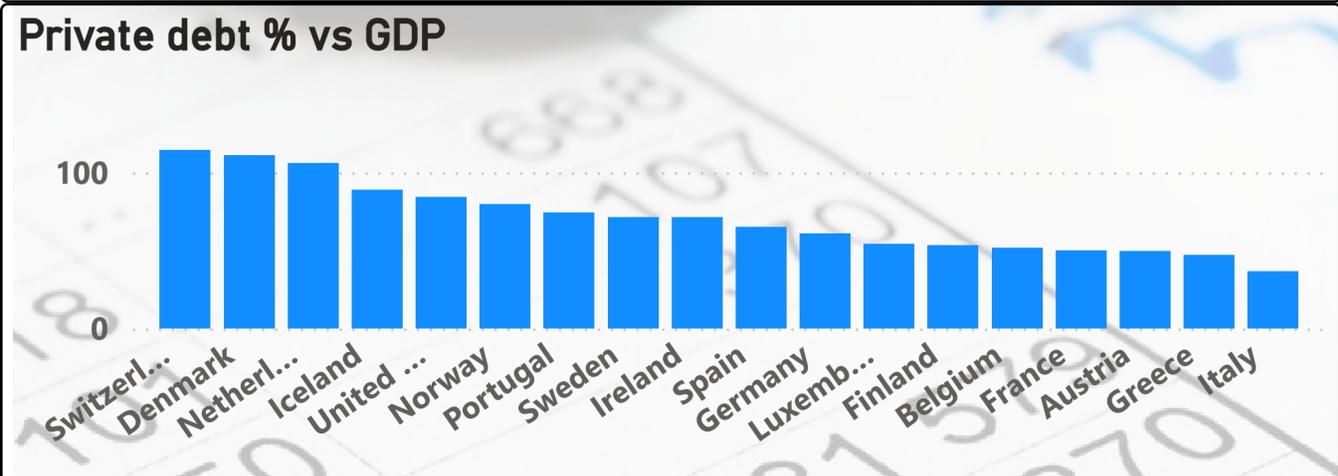
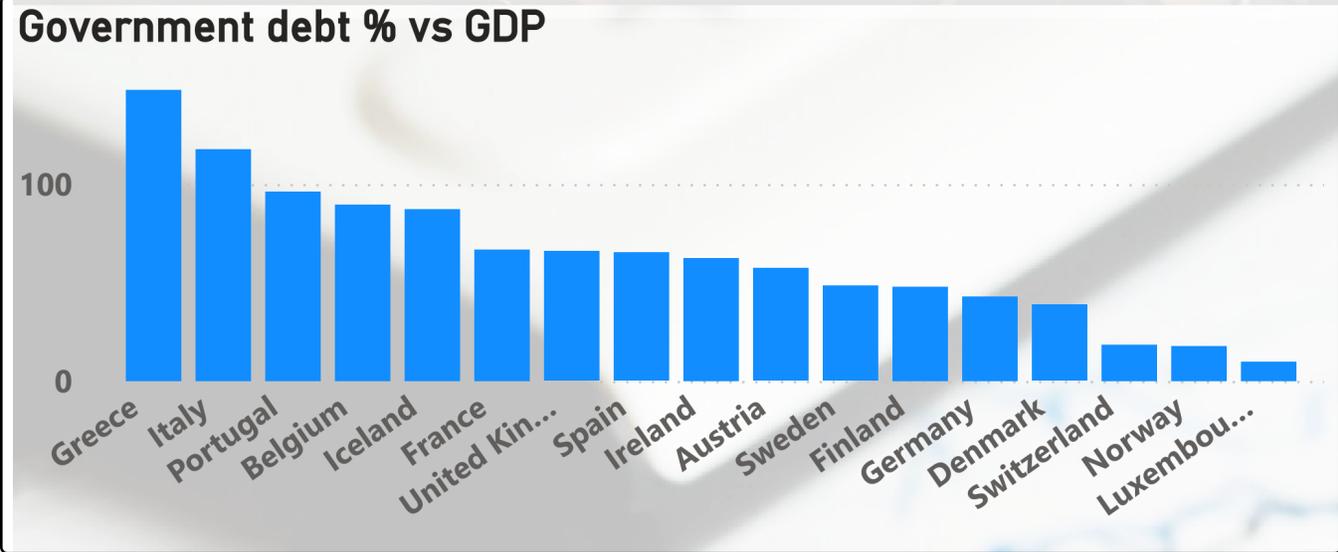
Naturally, by numbers alone, the same 4 are also the countries with the largest government debts.

Interesting points:

1. Germany, out of the 4, remained the largest economy, yet maintained the lowest debt.
2. Italy, meanwhile, is the polar opposite.
3. United Kingdom and France remained the 2nd and 3rd in both regards, respectively.

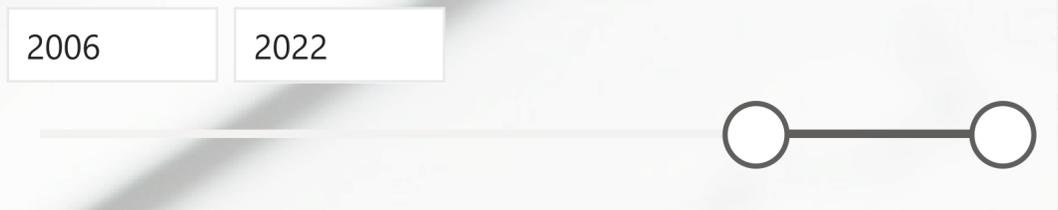
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1998 2022

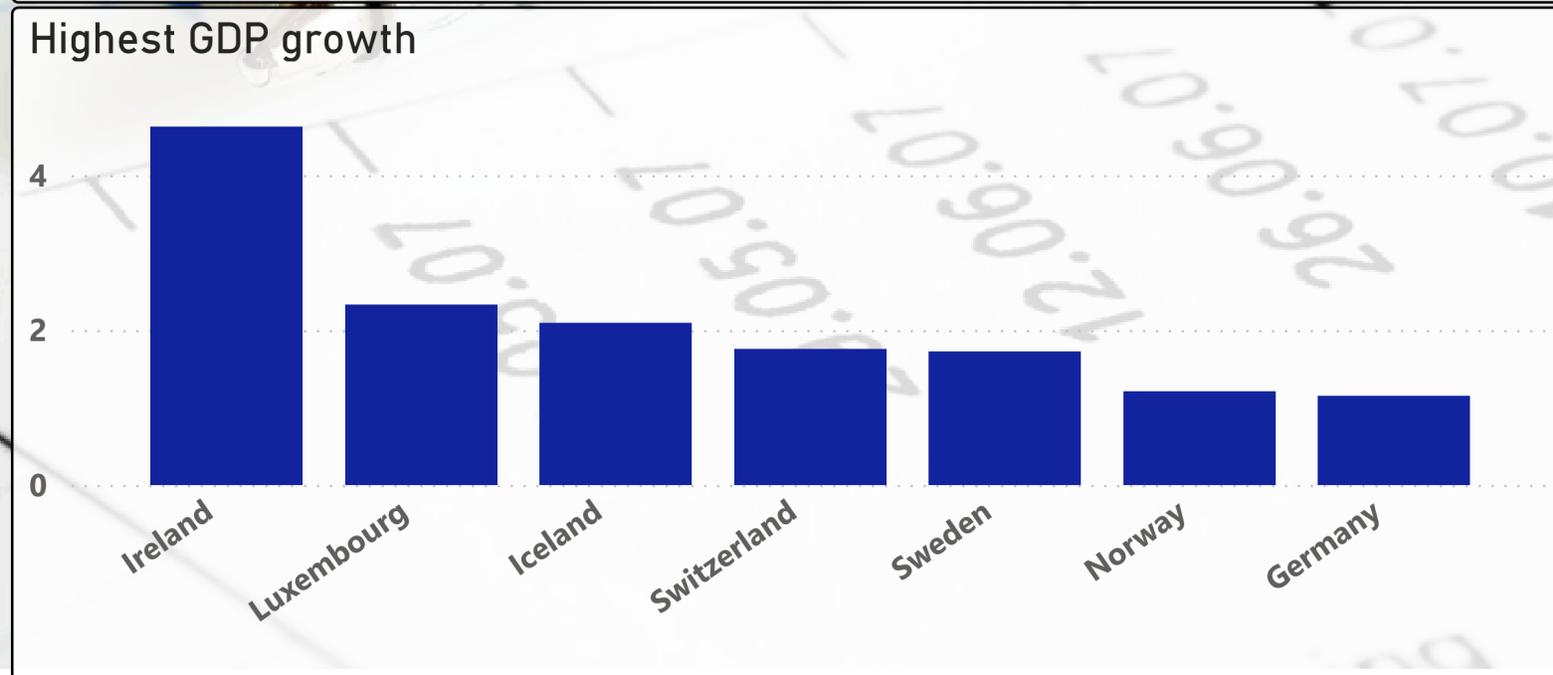
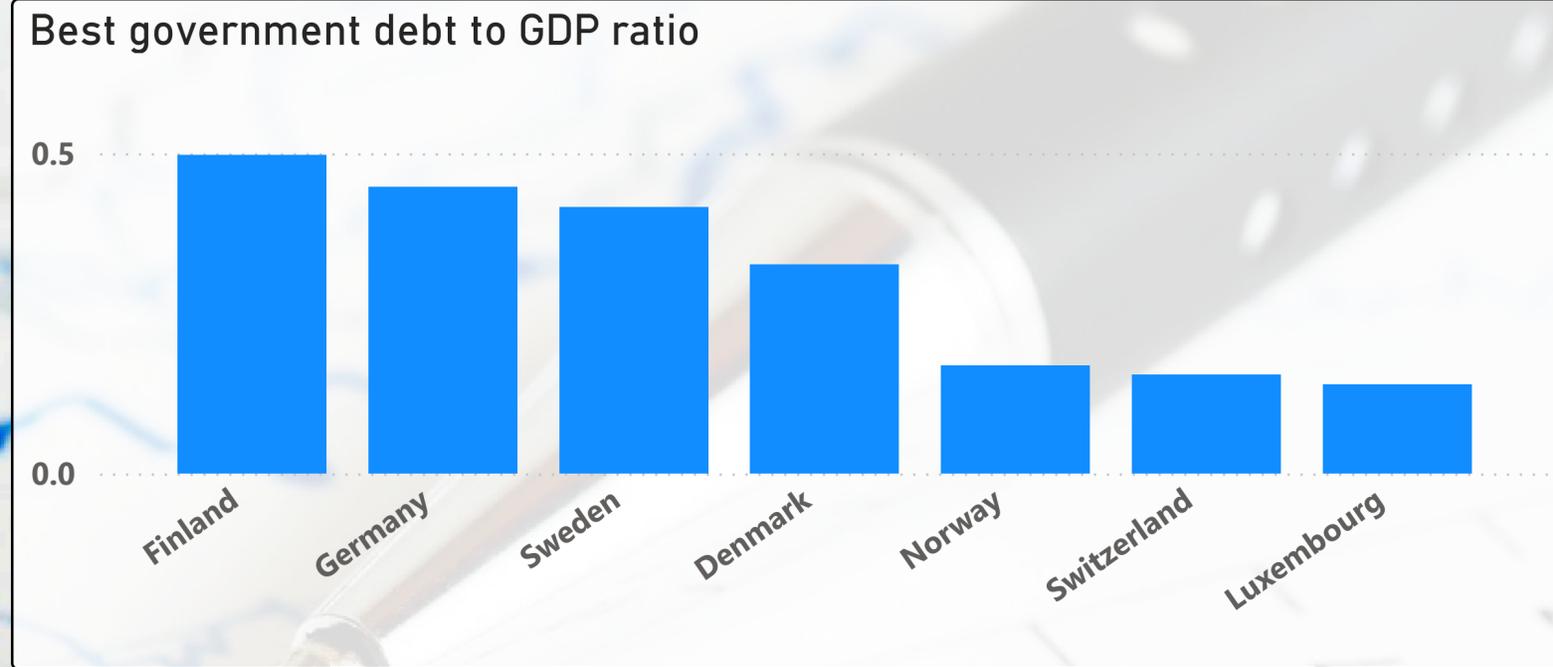
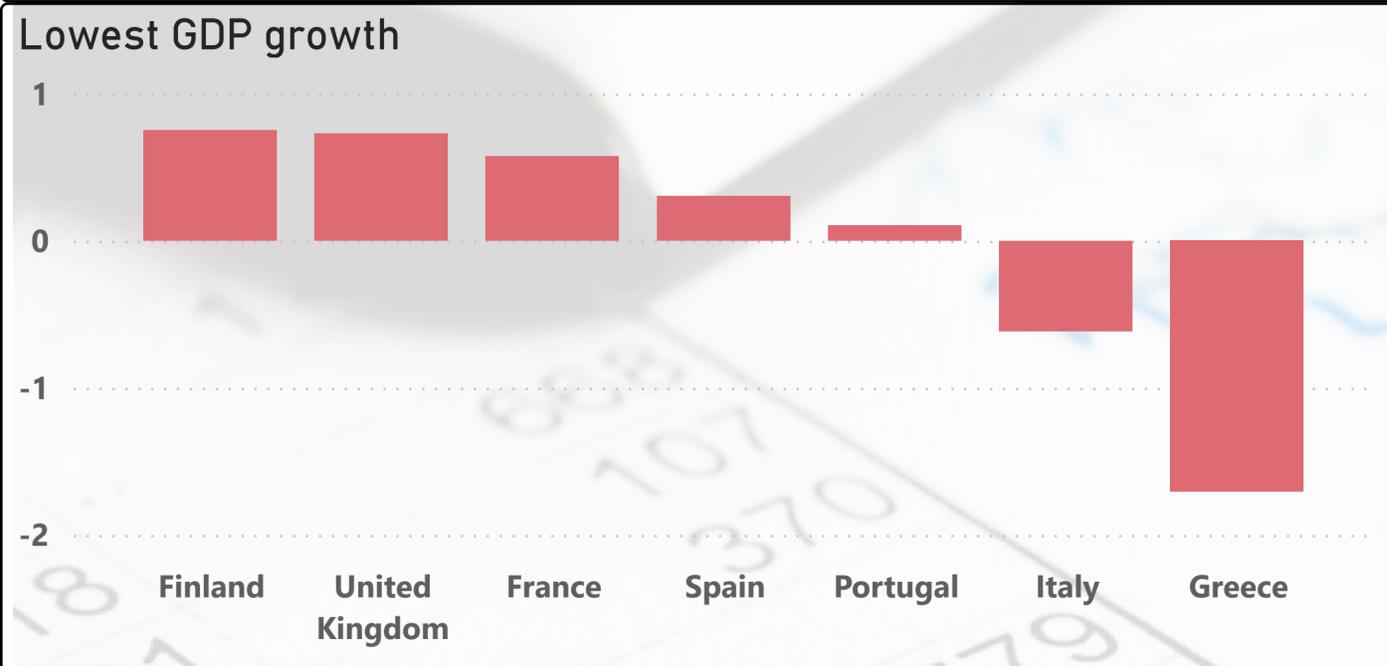
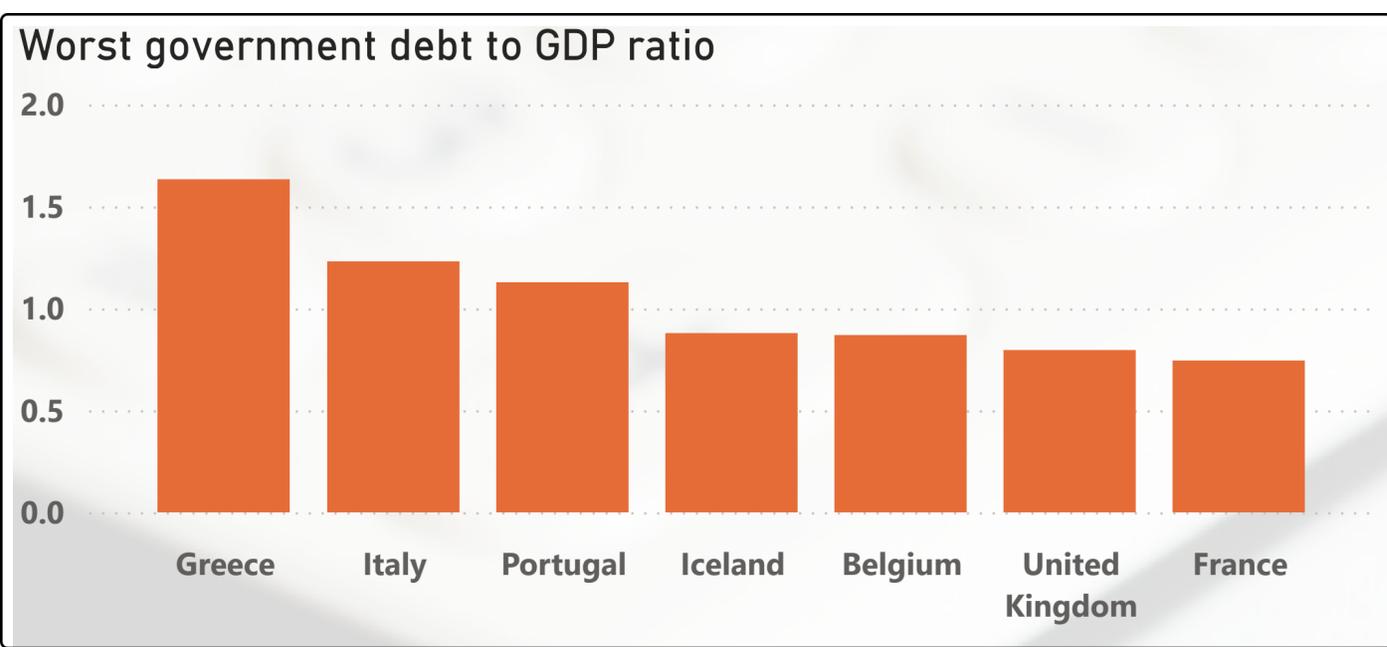


When looking at the various debt % in Europe, we can notice a few tendencies:

1. There seems to be a trend in Italy and Greece, where both countries have a lot of government debt, but very low private/household debt. Which might imply a stagnation in the private sector and a high tendency to save in households.
2. Switzerland and Luxembourg are, interestingly, very low in government debt to GDP, but their private/household debt is the top 3 highest comparing to GDP, respectively. A similar trend can be seen in Norway as well.
3. Iceland is the odd one out, with high debt in all regards.



Likewise, where it comes GDP growth and healthy government debt to GDP ratio, countries will tend to fall into both metrics.



In modern day and especially so in developed economies, debt is often considered with high economic activity and growth.

However, here we can see the opposite:

The worse government debt vs GDP ratio a country has, the more likely it will end up low in GDP growth, especially since 2000.



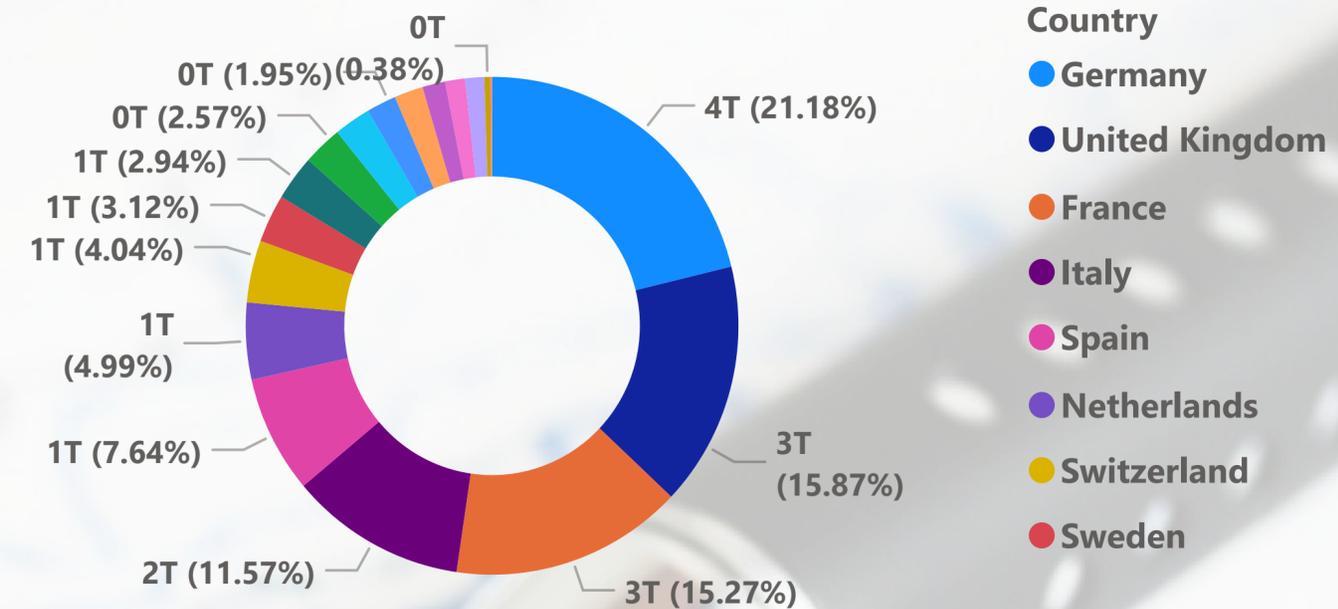
Here we can see that of the whole European market (primarily western parts of it), the big 4 take up more than half of the GDP pool (~60%), yet, if we look at their average GDP growth, things don't look as amazing.

Out of the 4, only Germany barely walls into the top 7 western European countries when it comes to GDP growth, while the other 4 countries manage to fit into the top 7 when it comes to worst growth and Italy is the second worst overall, with GDP actually falling since 2010, overall.

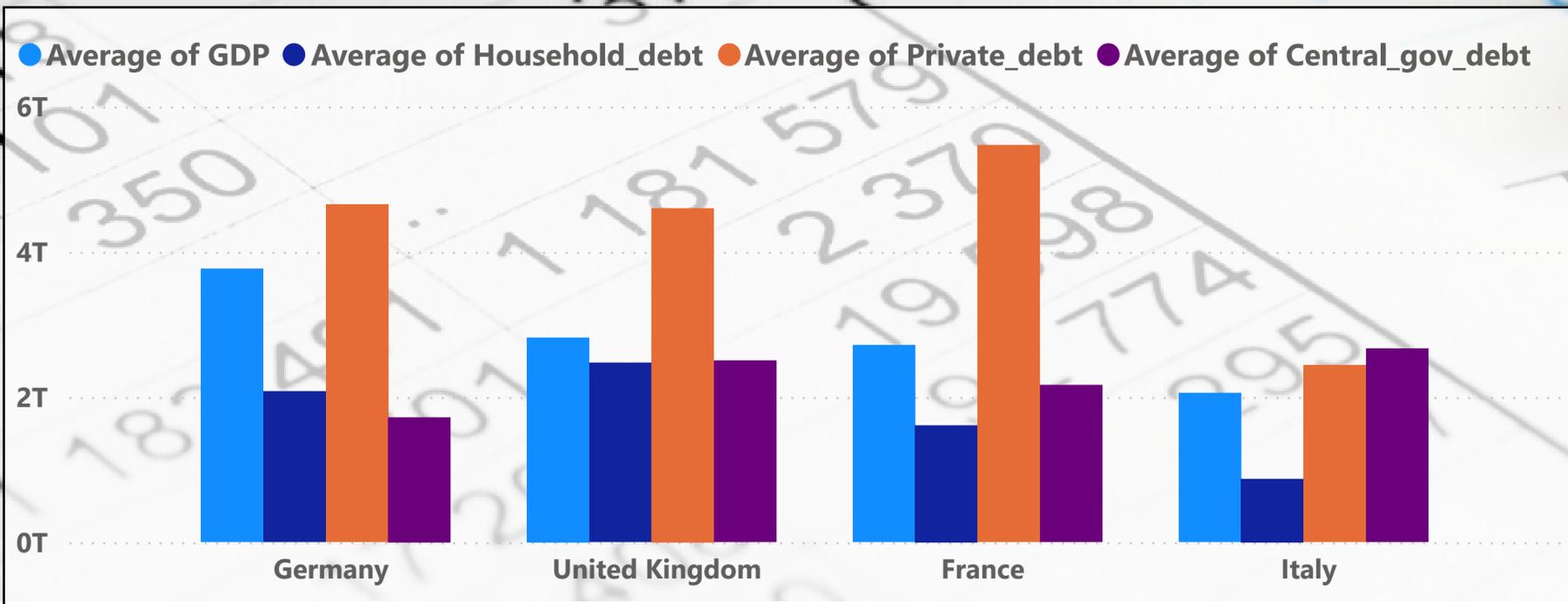
When it comes to debt, no obvious pattern emerges, besides:

1. The lower government debt a country has, the better their overall GDP will look. (Germany as the prime example)
2. Higher private debt might correlate to a certain extent with GDP growth, as the private sector often stimulates the economy to a positive degree.
3. Household debt seems to have the lowest impact, overall. Though, when it drops to a certain threshold, like in Italy, it might imply a big saving tendency and a lack of money movement within the country. Like in Italy and Greece (as seen in debt % vs GDP tab).

### Average of GDP by Country



### Average of GDP growth % by Country



Smallest GDP

# Iceland

Worst GDP growth

# Spain

Highest % household debt

# Denmark

Highest % private debt

# Iceland

Highest % government debt

# Greece

Highest government debt to GDP

# Greece

Biggest GDP

# Germany

Best GDP growth

# Ireland

Lowest % household debt

# Italy

Lowest % private debt

# Greece

Lowest % government debt

# Luxembou...

Lowest government debt to GDP

# Luxembou...



**In summary, we had 5 points to verify and they are as follows:**

1. As seen in General EU statistics, there is definitely a correlation between debt and GDP, with falls and rises almost identical, but private debt, out of the rest, correlates the least.
2. Without a doubt, the 4 biggest economies in EU are Germany, United Kingdom, France and Italy, in that sequence, by raw numbers alone.
3. Whether lower government debt leads to high/medium private debt remains inconclusive. Private debt seems to be on the high end in the whole of western EU, but struggling economies, like Italy and Greece have it much lower than the rest.
4. Although not true all across the board, exceptionally high government debt does lead to much lower GDP growth, which can be seen with both Italy and Greece, who have the highest debt to GDP ratio and the lowest growth.
5. the opposite is also somewhat true, but not exceptionally. Norway, Luxembourg and Switzerland have one of the lowest debt to GDP ratio, but their growth isn't as obvious. All 3 fall into the 7 highest GDP growth countries in western Europe, however.
6. Being the biggest economies, does not lead to the best GDP growth as seen from our top 4. Only Germany barely falls into the top 7 western European countries when it comes to growth., while Italy is one of the lowest growing ones.

All in all, there are definitely some correlations between government debt and being a healthy or struggling economy, but household and especially private debt can sometimes be a good thing for growth, instead of the opposite. What can be said for sure that just looking at the various debt and GDP is not enough to identify any certain patterns and more datapoints are necessary to be certain.