The world's economies are more synchronised than ever before

THIS is proving to be a vintage year for the global economy. Not only is world GDP growing at its fastest rate for almost 30 years, but growth is also being more evenly shared. Each week The Economist tracks the economic fortunes of 55 countries (see our indicators). For the first time since at least 1980, all 55 economies are growing. Hitherto at least one has been in recession.

Indeed, growth rates around the world are currently more synchronised than ever, according to the J.P. Morgan global growth dispersion index (see chart). This is based on the standard deviations of annual growth rates of 30 countries for which GDP figures are available since 1971. Over the past few years the degree of growth dispersion has fallen to half that in the 1970s. Based on the bank's forecasts for 2005, growth will become even more synchronised next year, as American and Asian economies slow down and some European countries perk up.

Two forces lie behind all this. First, in recent years many economies have been driven by common factors: the boom and bust in information-technology shares, followed by unusually loose monetary policies almost everywhere. Second, countries' business cycles are also becoming more closely correlated, as greater integration through trade, investment and financial markets causes economies to move more closely in step. This trend may be bad news for economists: in future investment banks (and magazines) may need fewer of them to keep tabs on the world economy.