

Honduras

Archetype **Stalled middle**GDP / person **\$4k**Population **11.01M**10-yr trend **3.4%**Gradual **7.5%** · #90Fast **7.4%** · #94

WHERE HONDURAS STARTS

Honduras enters the AGI era as a stalled middle economy: middling income, middling scores, and growth that never quite breaks away. Neither frontier nor fragile. Its strengths are human. Demographics and migration score 4.5, among the highest in the region, and catch-up headroom is 4, so there is plenty of ground it could still cover. Language inclusion is 3.9. The constraints are physical and digital. Compute and energy access scores 1, the floor. Cyber resilience is 1.4 and AI diffusion capacity 1.8. The real economy runs on apparel maquilas around San Pedro Sula, Puerto Cortés (Central America's largest port), coffee, and remittances from workers in the United States. At about \$3,598 per person, this is a lower-middle-income country. Ten-year trend growth of 3.4% a year has not closed the gap.

THE THREE PATHS

These are simulations, not forecasts. The Modest path is the baseline; the two AGI scenarios fork from it. Under the **Modest** scenario, AI stays a normal technology. Honduras would hold near trend at 3.5% growth a year, 57th of 157, its best world rank of the three. Under **Gradual** takeoff, growth would build for two decades and reach 7.5% a year once AGI matures around 2045. An economy at that rate doubles in under ten years. Yet its rank would fall to 90th, because faster countries pull away even as Honduras improves. Under **Fast** takeoff, growth would reach 7.4% a year from the early 2030s, again a doubling in roughly a decade, and the rank would slip further to 94th. The paradox is real: Honduras grows faster under AGI but ranks lower, because a fast world rewards the compute and frontier access it does not hold. Its gains would arrive imported and late. Politics could slow or redirect any of these paths. How Hondurans and their government respond to transformative AI is a variable the model holds constant.

HOW YOU WOULD KNOW WHICH WORLD YOU ARE IN

The scenarios look almost the same until about 2030. The late 2020s add only fractions of a point to growth in all three. So watch leading indicators, not GDP, and watch them live. Three global signals matter most. First, whether the METR task-horizon curve keeps doubling every four to five months through 2027–28; METR publishes it at metr.org. Second, whether frontier-lab revenue and capital spending keep compounding; Epoch AI tracks both at epoch.ai. Third, whether growth in the ten to twenty most-ready economies — the United States and China above all — breaks above

trend in the early 2030s. Double-digit growth there within a couple of years of 2030 would signal a fast world; a point or two above trend by the mid-2030s a gradual one; a fade back to trend a modest one. Honduras's own signals would arrive earlier than the GDP data: the order books of the San Pedro Sula maquilas, nearshoring investment decisions, and remittance flows from a US labor market being reshaped by automation.

IF GROWTH GOES EXPLOSIVE

For Honduras, explosive is relative, and modest by world standards. At 7.5% growth a year it would run at double its own history, but below the regional median and far behind a frontier compounding at 19.5% or more. This is catch-up by Honduras's own record, and relative decline against everyone moving faster. Still, an economy doubling every decade changes lives: a child starting school now would finish it in a country roughly twice as rich. Rising labor demand and wages at home would ease the long pressure to emigrate. Here is the honest downside. Honduras would host little compute of its own. The intelligence driving growth would be rented from abroad and priced by others, who could throttle or reprice it, and its most skilled workers could be pulled toward faster economies. The hedge is to keep talent at home and buy capacity on terms it can defend. Even then, the pace-setter shifts to the state, testing ENEE's indebted power grid, the permitting offices, the courts and the tax authority.

WHAT HONDURAS CAN DO NOW

Three levers follow from the scores, and two pay off whether or not AGI arrives. The first is AI diffusion capacity, low at 1.8. Digital skills, permissive deployment rules and digitized government services raise productivity in the skeptic's world too, so this is a no-regret move a cautious government can start today. The second is physical build speed, at 2.5. Statutory time limits on permits, one-stop approvals and land zoned in advance help under every scenario, and they are the groundwork any data-center project would need. This too is largely no-regret. The third lever is the bet. Compute and energy access, at the floor of 1, barely moves growth if AI stays ordinary, but under a fast takeoff it becomes the single biggest factor. Closing it means fixing generation and the grid, then packaging power and land to attract investment. Honduras can adapt a model from its own archetype: Mexico turned nearshoring demand into hyperscaler data-center regions around Querétaro by pairing reliable power with pre-zoned land. Open the atlas's [policy editor](#) to see how moving these scores reshapes Honduras's path under each scenario.

The three levers — and which pay off regardless

AI diffusion capacity

score 1.8 / 5 · weight 24 under skeptic → 13 under fast takeoff

Counts under the Modest scenario too (24→13). Closing this gap pays off whether or not AGI arrives.

No-regret

Compute & energy access

score 1 / 5 · weight 8 under skeptic → 24 under fast takeoff

Weight climbs from 8 to 24 as takeoff nears. It barely moves growth if AI stays ordinary — the lever that needs a view on the takeoff.

AGI bet

Physical build speed

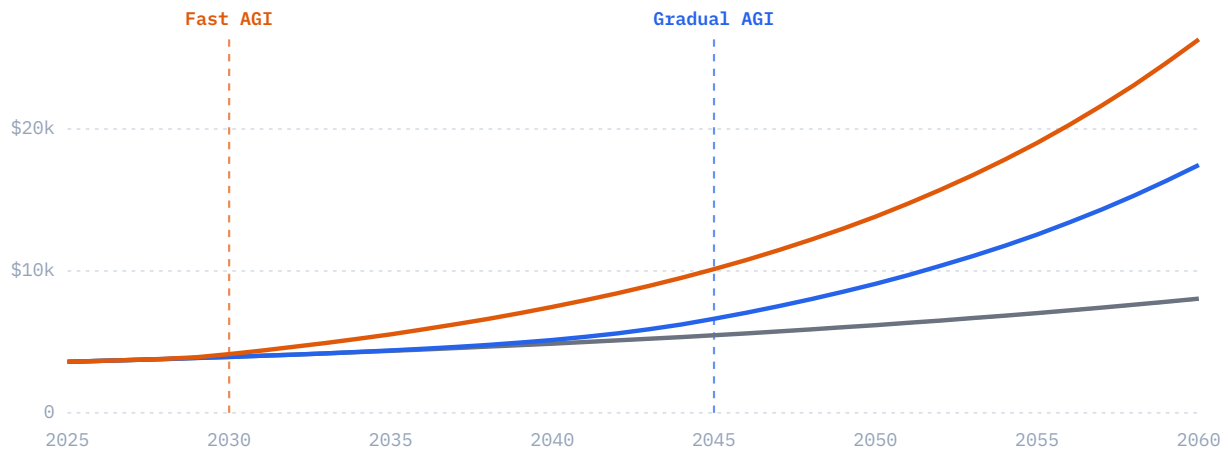
score 2.5 / 5 · weight 8 under skeptic → 17 under fast takeoff

Weight climbs from 8 to 17 as takeoff nears. It barely moves growth if AI stays ordinary — the lever that needs a view on the takeoff.

AGI bet

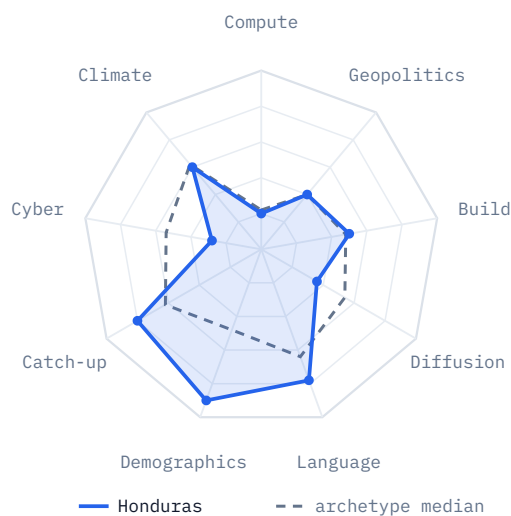
The no-regret levers pay off in every scenario, so a cautious government can act on them today. The AGI bets become decisive only if takeoff is real.

GDP per person to 2060, by scenario



Linear scale; solid lines are the three scenarios, dashed grey the no-AI baseline. Growth ramps from 2027 to each scenario's rate at its AGI year (Fast ~2030, Gradual ~2045), then holds. Timing and divergence are the point, not end levels; steep paths exit the top of the capped axis.

The nine factors



Solid: Honduras. Dashed: the median of its archetype. Scores are relative to the other 156 countries (3 ≈ global median, 5 = leading today).

Outcomes under each scenario

SCENARIO	GROWTH / YR	WORLD RANK	INDEX	DOUBLING
Modest	3.5%	57 / 157	53.8	20.1 yrs
Gradual	7.5%	90 / 157	51.5	9.6 yrs
Fast	7.4%	94 / 157	45.4	9.7 yrs

Post-AGI growth rate, rank among 157 countries, AGI Growth Index (0–100, scenario-weighted), and the implied economy doubling time. The Modest path is the baseline the AGI scenarios fork from.

THE THREE SCENARIOS

Modest the Acemoglu view

AI as a normal productivity tool

Intelligence was never the binding constraint on growth, so AI delivers real but ordinary gains. Each country gets a one-time boost of a couple of percent of GDP, phased in through 2035; growth then returns to trend. The mainstream-economics view.

≤0.66% TFP over a decade – a one-time gain

Honduras: 3.5% growth a year · #57 of 157

Gradual Erdil & Besiroglu, base case

Broad automation, on a long timeline

Broad automation of remote work arrives around 2045, with gains building slowly from the late 2020s. Growth then reaches up to ~20% a year for the best-positioned countries — ten times today's frontier trend. A slow arrival gives countries time to adapt, so the gains are wide but uneven.

up to ~20%/yr after 2045 – 10× the frontier trend

Honduras: 7.5% growth a year · #90 of 157

Fast Erdil & Besiroglu, fast takeoff

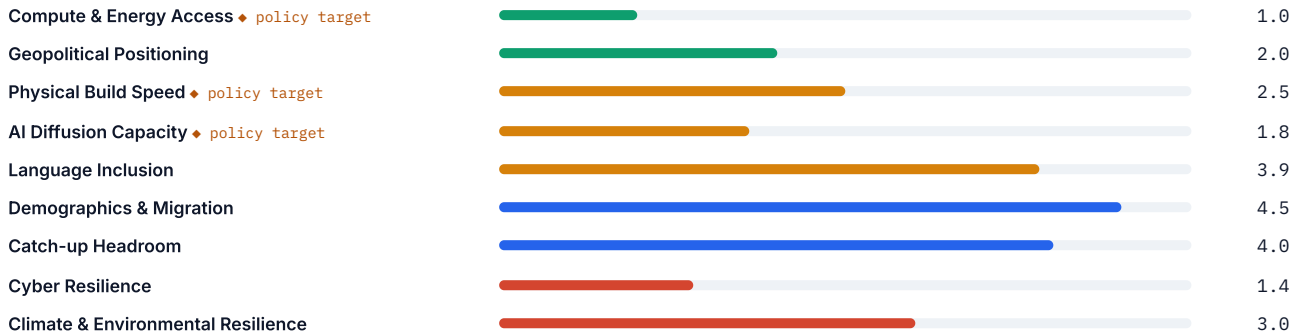
Fast takeoff — today's infrastructure decides

Transformation lands around 2030, before countries can adjust. Whoever already owns compute, capital and the ability to build wins; the gap between countries widens dramatically — and some are left growing slower than they would have without AGI.

up to ~40%/yr from 2030

Honduras: 7.4% growth a year · #94 of 157

Factor scores — and where policy bites



♦ marks this country's highest-leverage policy targets: the weakest factors carrying the most weight under the AGI scenarios. The atlas's interactive policy editor (agigrowth.org/#editor) simulates how raising any score changes growth under each scenario.

Archetype: Stalled middle

Neither frontier nor fragile: middling income, middling scores, slow growth — at every size, from micro-states to Brazil.

Wins: No clean window — gains arrive imported, and late.

Watch: Drift: the gap to every faster group compounds year by year.

Jordan 11.8% · #37

Brazil 11% · #43

Mexico 10.4% · #48

Ecuador 10% · #54

Thailand 10% · #55

Slovakia 9.6% · #59

Argentina 9.5% · #61

Lithuania 9.3% · #63

Cabo Verde 9.3% · #64

Croatia 9.1% · #67

The regional picture — Mid-table, and outside the blocs.

Latin America enters the era mid-table on almost every factor — and mostly outside the blocs that decide access. Chile leads on institutions and hosts real compute; Brazil and Mexico have hyperscaler regions and huge domestic markets but thin R&D; Uruguay and Costa Rica absorb well at small scale; Guyana is converting an oil windfall into the hemisphere's fastest construction boom. The region's twenty-year question is what happens to nearshoring: the manufacturing and services work that moved toward Mexico and Central America on labor costs is the work automation reprices first, and no country here has a plan B at scale. Distance from the US-China rivalry cuts both ways — few export controls apply, and few strategic investments arrive. Under the modest lens the region loses little; under fast takeoff it drifts: gains arrive, mostly imported, mostly late, and the gap to the frontier compounds year by year.

Method, in brief

Each country is scored 1–5 on nine factors from public data (World Bank, Epoch AI, ITU, IMF and national sources). A scenario-weighted average forms the AGI Growth Index (0–100), which maps to a post-AGI growth rate inside ceilings derived from Erdil & Besiroglu (2023): ~20% growth a year for the best-positioned country under Gradual takeoff (AGI ~2045), ~40% under Fast (AGI ~2030); growth ramps convexly from 2027. The scenario sets the growth rates on offer; the index only decides where each country sits within them. The Modest scenario is the skeptics' baseline — a small uplift on each country's own ten-year trend. These are simulations for structured thinking, not forecasts; no probabilities are attached to any scenario.

Watch the global signals live: the METR task-horizon curve at metr.org/time-horizons · frontier-lab revenue at epoch.ai/ai-companies · AI-chip spending at epoch.ai/ai-chip-sales.

Explore further: full methodology agigrowth.org/#methodology · map & rankings agigrowth.org/#explore · country profiles agigrowth.org/#countries · policy editor agigrowth.org/#editor