



Uruguay

Archetype **Stalled middle**GDP / person **\$25k**Population **3.4M**10-yr trend **1.2%**Gradual **6.5%** · **#101**Fast **7.9%** · **#87**

WHERE URUGUAY STARTS

Uruguay enters the AGI era in the stalled middle: high-income by the region's standards, middling on the scores that shape an AI economy, and slow-growing. At about \$25,200 per person, it is one of Latin America's richest and most stable democracies. Its strengths are soft and real. Language inclusion is 4.3 out of 5, because Spanish is well served by today's models. AI diffusion capacity is 3.7 and cyber resilience 3.7, built on a digital state that includes Plan Ceibal and the Agesic e-government agency. Its grid runs almost entirely on wind and hydro. The constraints are physical and strategic. Compute and energy access scores just 1: Uruguay has abundant clean power but almost no data-center capacity. Geopolitical positioning is 2, build speed 2.2, and demographics 1.8 for an aging, emigrating population. Ten-year trend growth is 1.2% a year.

THE THREE PATHS

These are simulations, not forecasts. The Modest path is the baseline, and the two AGI scenarios fork from it. Under the **Modest** scenario, AI stays a normal technology. Uruguay would barely move: 1.4% growth a year, 134th of 157. Its gains would arrive imported and late, as the archetype implies. Under **Gradual** takeoff, growth would build over two decades and reach 6.5% a year once AGI matures around 2045, lifting Uruguay to 101st. An economy at that pace doubles in about eleven years. The long ramp gives its digital state and Spanish-language services time to absorb the technology. Under **Fast** takeoff, growth would reach 7.9% a year from the early 2030s, a doubling roughly every nine years, and Uruguay would climb to 87th — a rise of fourteen places. Even so, both AGI rates would trail the region's median. Regulation and politics could slow or redirect any of these paths. How Uruguayans and their government respond to transformative AI is a variable the model holds constant.

HOW YOU WOULD KNOW WHICH WORLD YOU ARE IN

The three scenarios look almost identical until about 2030, 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. Uruguay's own signals would arrive earlier than the growth figures: financial close and a settled water plan for Google's Canelones data center, fresh hyperscaler or cloud-region commitments, and the order books of its software and shared-services exporters in zones like Zonamerica.

IF GROWTH GOES EXPLOSIVE

For Uruguay, explosive is the wrong word. Even under Fast takeoff, 7.9% growth a year would trail the region's median and fall far behind a frontier compounding near 39%. By its own history it would be transformative, since trend growth is 1.2%, but against faster neighbors the gap would widen. That drift is the stalled middle's central risk. An economy doubling every nine years would still change lives: a child starting school would finish it in a country twice as rich. Services and clean-power-backed computing could join beef and software as export pillars. Uruguay ages and loses young workers, so faster growth and higher wages at home would ease the pressure to emigrate, not reverse it. The honest downside is drift compounded by brain drain. If compute is rented from abroad and skilled Uruguayans leave for faster economies, gains stay thin and imported. The hedge is to own capacity and retain talent. Either way, the pace-setter shifts to the state: UTE's grid connections, water permits and environmental courts would set the speed.

WHAT URUGUAY CAN DO NOW

Three levers follow from the weakest high-weight scores, and two pay off whether or not AGI arrives. The first no-regret move is physical build speed, at 2.2. Statutory permitting deadlines, one-stop approvals and transmission built ahead of demand help the economy under every scenario, and they are the groundwork any data-center build would need. The second no-regret move is geopolitical positioning, at 2. Uruguay is stable and investment-grade; deepening ties with chip-supplying partners and protecting capital-market access matters even in the skeptic's world. Protect the digital-state and language strengths too, rather than let them erode. The third lever is the bet: compute and energy access, at 1. It barely moves growth if AI stays ordinary, but under fast takeoff it becomes Uruguay's largest lever. The country has the clean power; it lacks the chips and the centers. Brazil shows one path, building hyperscaler cloud regions and backing them with a national AI plan. A cautious government can act on the two no-regret levers today at no loss. Open the atlas's [policy editor](#) to see how shifting these scores moves Uruguay's path under each scenario.

The three levers — and which pay off regardless

Compute & energy access

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

AGI bet

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.

Physical build speed

score 2.2 / 5 · weight 8 under skeptic → 17 under fast takeoff

AGI bet

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.

Trusted chip & tech access

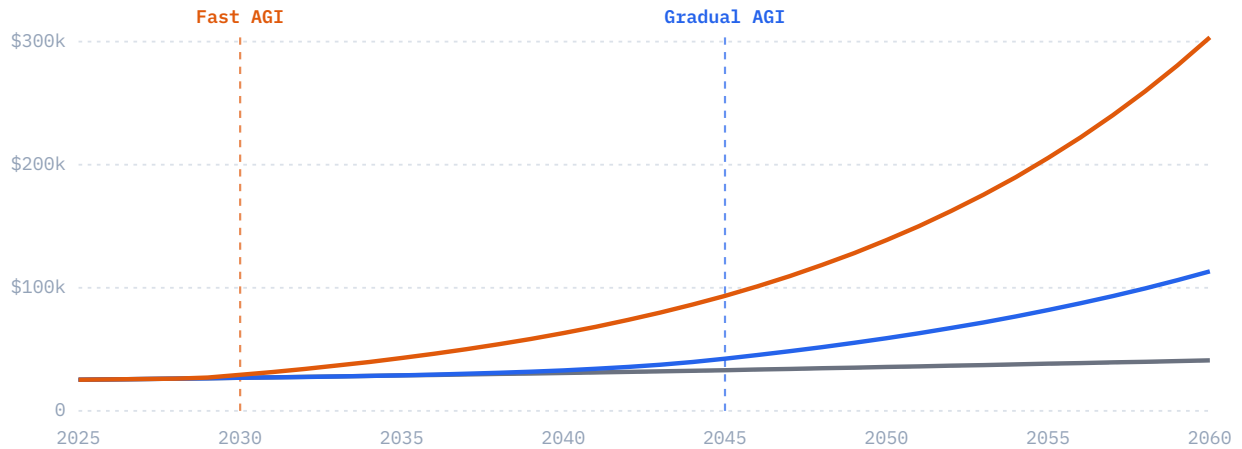
score 2 / 5 · weight 8 under skeptic → 12 under fast takeoff

AGI bet

Weight climbs from 8 to 12 as takeoff nears. It barely moves growth if AI stays ordinary — the lever that needs a view on the takeoff.

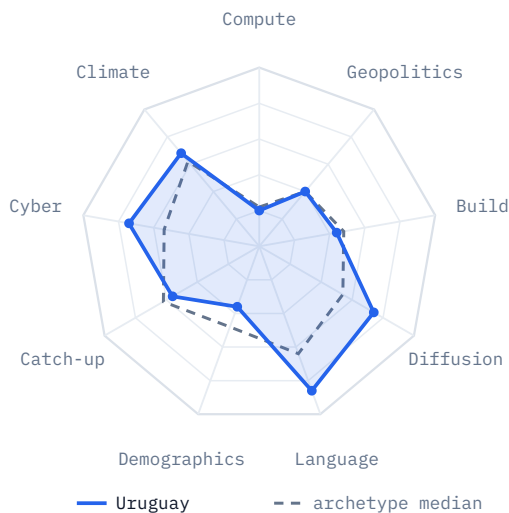
The no-regret levers pay off in every scenario, so a cautious government can act on them today. The AGI bets become decisive only if takeoff is real.

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: Uruguay. 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	1.4%	134 / 157	57.5	—
Gradual	6.5%	101 / 157	52.9	11 yrs
Fast	7.9%	87 / 157	49	9.1 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

Uruguay: 1.4% growth a year · #134 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

Uruguay: 6.5% growth a year · #101 of 157

Fast Erdil & Besiroglu, fast takeoff

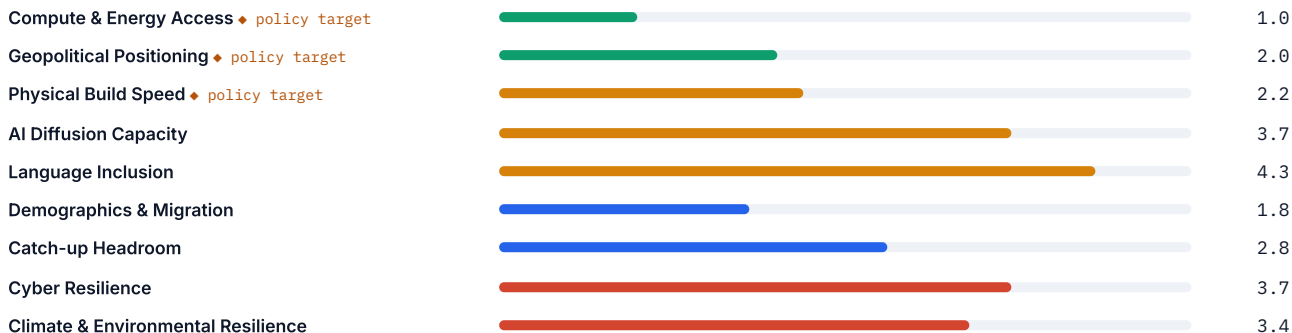
Fast takeoff — today's infrastructure decides

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

Uruguay: 7.9% growth a year · #87 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