

AI Boom Drives Strong US GDP, Defying Economic Forecasts

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The United States economy continues to outperform expectations, with artificial intelligence (AI) emerging as a key driver behind the recent surge in gross domestic product (GDP) growth. Despite repeated warnings of a potential downturn, robust investment in AI infrastructure has helped fuel economic expansion, particularly through increased capital expenditure across major industries.

Since the launch of OpenAI's generative AI platform, ChatGPT, in late 2022, American companies have ramped up spending on data centers, graphics processing units (GPUs), server hardware, and energy systems. This renewed focus on physical infrastructure marks a shift away from the previous decade's emphasis on intangible assets. According to Jason Thomas, Chief Investment Strategist at Carlyle, this shift reflects a re-industrialization of corporate America, with AI-related capital expenditure now accounting for more than one-third of U.S. second-quarter GDP growth.

The broader implications are substantial. Spending on data center construction alone has increased fourfold since 2020, offsetting declines in other areas of commercial building activity. For leading firms, particularly AI chip manufacturers like Nvidia, capital expenditure has outpaced revenue growth by a factor of 1.5, with property, plant, and equipment now making up the majority of corporate book value. This realignment suggests businesses are making long-term commitments to AI infrastructure, confident in its role as a driver of innovation and productivity.

However, funding this growth comes with challenges. A report by Morgan Stanley forecasts nearly \$2.9 trillion in global AI infrastructure spending through 2028, with spending broken down into hardware and facility investments. Morgan Stanley analysts estimate a significant financing gap likely to be filled through bonds, private equity, and asset-backed securities.

While the sustainability of this pace remains uncertain, current data indicates that the AI boom is providing a powerful tailwind for the U.S. economy. As quarterly earnings from major tech firms roll in, investors and analysts will continue to assess whether this surge is a long-term transformation or a peak in the hype cycle. Regardless, AI has firmly established itself as a key pillar of America's economic strength in the digital age, defying conventional forecasts and reaffirming the country's technological leadership.