Theoretical and Applied Economics
Volume XXXIII (2026), No. 3(648), Autumn, pp. 55-70

Have we truly transitioned from industrial to service-based economies? An analysis of the economic sectoral distribution

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Abstract. *Since the mid-20th century, it has been argued that countries would transition from industrial economies to service-based economies. This study assesses this transition by analyzing the sectoral composition of GDP in 2024 across 205 countries and territories, with a multi-scale analysis of the world, the Americas, and Mexico. Results show that services are the main sector in over 90% of countries, although development levels remain highly unequal. In Mexico, services have increased while industry has relatively declined, suggesting relative deindustrialization. Overall, although the transition to service economies is confirmed, it masks unequal structural trajectories and dynamics between countries.*

Keywords: sectoral composition, tertiarization, GDP, economic structure, México.

JEL Classification: F63, O10, L16.

1. Introduction

The three-sector theory, also known as tripartite economics, posits that economies are structured around three main types of activities: a) those related to agriculture and the direct extraction of natural resources (primary sector), b) those focused on transforming raw materials into tangible intermediate or final goods, such as manufacturing industries (secondary sector), and c) those linked to the provision of services, whose intangible nature helps to facilitate, organize, or complement both production and consumption (tertiary sector). This classification was emphasized by Clark (1940) in his treatise on the conditions of economic progress, laying the groundwork for understanding the sectoral composition of modern economies.

Beyond this tripartite division, several authors have pointed out the importance of analyzing not only the existence of these sectors, but also their relative weight and their evolution over time. In this sense, the three-sector growth hypothesis holds that economic development entails structural change and a productive transition, in which the participation of the primary sector tends to decrease, while the secondary and, subsequently, the tertiary sectors gain greater relevance (Krüger, 2008; Sonis, Azzoni and Hewings, 2008). It was Bell (2006) who further developed this idea, pointing out that in the pursuit of advanced economies, there would be this productive transition toward services, a sector that would become predominant over the others.

Both the distribution and the sectoral predominance are not only structural characteristics of nations' economic performance (Krüger, 2008), but they also play a role in shaping multiple dimensions of economic and social development, such as territorial specialization, interaction between regions and countries, sociocultural dynamics and urban mobility (Quiroz Santiago, Sánchez-Zárate and Santiago, 2025). They can even affect individual lives, particularly in the work and family spheres.

However, given that more than eight decades have passed since the tripartite economic model was proposed, a fundamental question arises: have we truly transitioned from industrial economies to advanced service-based economies? In this regard, the objective of this research is to assess whether the transition from industrial to service economies has been consolidated and to what extent this process is homogeneous or differentiated across countries and regions.

Based on the 2024 Gross Domestic Product (GDP) by economic sector, the study examines the distribution across the primary, secondary, and tertiary sectors (CIA, 2024b; 2024a). A multi-scale analytical approach is employed, encompassing three levels of analysis: the global level, covering 205 countries and territories; the Americas; and Mexico, where a three-decade longitudinal analysis examines the sectoral transition at the national level, complemented by sector analysis of its federal entities for 2024.

The study's main contribution to the literature is challenging the widely accepted narrative of a linear transition from industrial economies to advanced service-based economies and post-industrial societies. The findings indicate that, while the service sector is statistically dominant, this does not imply a homogeneous structural replacement or the disappearance of industrial bases. Rather, it reveals hybrid, differentiated, and territorially unequal trajectories.

The document is structured into sections: first, the theoretical framework; then, the methodology; next, the results; and finally, the conclusions.

2. Theoretical framework

2.1. Tripartite economy

The three-sector theory, also known as tripartite economics, was emphasized by Colin Clark (1940) in his treatise on the conditions of economic progress, laying the groundwork for understanding the sectoral composition of economies. It posits that economies are organized around three types of activities: agriculture, industry, and services. This classification has evolved, with these activities now referred to as the primary, secondary, and tertiary sectors. For example, in 2024, Mexico's economy was composed of 3.4% in the primary sector, 33.4% in the secondary sector, and 63.2% in the tertiary sector (INEGI, 2024a). To provide a clearer understanding of this classification, the economic activities comprising each sector are detailed below:

- Primary activities (agriculture) are associated with agriculture and the direct extraction of natural resources, without these having undergone complex industrial transformations. This also includes animal husbandry and farming, forestry, fishing, and hunting. Its central function is to provide basic inputs and raw materials, which constitute the material basis for the development of other economic activities (INEGI, 2024a).
- Secondary activities (industry) are dedicated to the physical, chemical, or mechanical transformation of raw materials into tangible intermediate or final goods. They are generally associated with manufacturing industries, but in Mexico's classification also include construction, mining, certain forms of energy production, and the supply of both water and natural gas (INEGI, 2024a). Through these activities, economic value is added to natural resources, allowing their adaptation for consumption, productive use, or infrastructure.
- Tertiary activities (services) are linked to the provision of services, whose intangible nature contributes to facilitating, organizing, or complementing both production and consumption; acting as a link between the different economic sectors and society. In the SCIAN, the adaptation for Mexico of the North American Industry Classification System (NAICS), the tertiary sector includes trade (wholesale and retail), a wide range of services (mass media information, financial, real estate and accommodation, professional, business support, corporate, waste management, remediation, educational, health and social assistance, recreational and sports, food and beverage preparation), legislative, governmental and other activities (INEGI, 2023).

These three sectors constitute the main components of an economy’s sectoral structure and contribute to its gross domestic product (GDP), which measures "the monetary value of the final goods and services produced by an economy in a given period” (INEGI, 2017) For example, Mexico's GDP increased from 20.1 to 25.4 trillion Mexican pesos between 2010 and 2024. Until 2018, it shows sustained growth (20.1 to 24.2), stagnation in 2019 (24.1), and a decline in 2020 (22.1), likely associated with the economic effects of the COVID-19 pandemic. Subsequently, it experienced a continuous recovery that surpassed previous levels (23.4 to 25.4) (INEGI, 2024a).

Historically, GDP dates to the 17th century, when William Petty developed a basic version for fiscal purposes. The concept was formalized in the 1930s by Simon Kuznets, who presented the Kuznets curve twenty years later, which helps us understand how economic development affects income and inequality. It posits that during the transition from agrarian to industrialized economies, inequality first increases, peaks, and then declines. This inequality, including in the transition to a service-based economy, tends to increase due to the skills and opportunities gap. However, with economic maturity, education, and technological progress, this gap narrows.

GDP estimates consider four components: consumption, investment, government spending, and exports. The result can be expressed in nominal terms, when calculated at current prices, or in real terms, when adjusted for inflation. However, to understand a country's economic structure, net product taxes are also calculated alongside measures of the three economic activities. Taxes represent the sum of taxes levied on goods and services minus subsidies, thus measuring the impact of fiscal intervention on the economy.

Thus, GDP, in addition to being an indicator of the economic health and structure of countries, allows us to measure production growth or decline and business competitiveness. Furthermore, it helps guide the formulation of public policies, support investment decisions, analyze —with certain limitations— its implications for social welfare, and make international comparisons (CIA, 2024a; 2024b).

2.2. Problems with sectoral classification and GDP

Although the tripartite classification of the economy has been widely used in economic and territorial studies, due to its analytical clarity, international comparability —albeit with its due equivalences— and ability to offer a synthetic view of the productive structure; nevertheless, this same structure has been subject to theoretical and empirical questioning, mainly due to its limited capacity to capture the functional and territorial complexity of contemporary economies.

In the economic sphere, criticisms focus on the limited disaggregation of diverse activities and the insufficient incorporation of changes inherent to contemporary economies. As for GDP, the criticisms are varied: it fails to capture real well-being, tends to prioritize economic growth over environmental issues, and overlooks inequality by relying on averages that assume a uniform distribution and can mask significant gaps. Furthermore, it does not account for informal work, domestic labor, or care work.

Regarding the service sector, Schafran et al. (2018) have noted that grouping services into a single category can obscure substantial differences among service types, particularly those related to knowledge and innovation. They also note that this typology does not explicitly include activities associated with urbanization and control processes.

Furthermore, the technological and cultural changes of recent decades, associated with globalization, the reconfiguration of production chains, and digitalization, have significantly transformed the nature of economic activities. As a result of these transformations, there is a growing shift from economies previously based on industry to knowledge-based models (Cervelló-Royo et al., 2026).

This has led to proposals for a more detailed breakdown of the tertiary sector and even the incorporation of new analytical categories, such as quaternary activities (Selstad, 1990), associated with knowledge, information, and advanced services (Schafran et al., 2018). These proposals seek to address the growing functional heterogeneity of economic activities and the classification of the resulting jobs. They also incorporate other indices, such as the Human Development Index (HDI) and the Real Progress Index (RPI).

2.3. Economic transition, service sector and advanced economies

The three-sector growth hypothesis argues that as economies develop, they undergo structural changes that lead to productive transitions. The foundations of this process can be traced back to the 17th century with Petty's Law, which stated that incomes were higher in manufacturing than in agriculture, and even higher in goods than in manufacturing. (Petty, 1676 in Hull, 1899). Although there was no explicit formulation of the three-sector economy at that time, structural transformation and cost reduction were already recognized.

The law was revisited and refined, resulting in the Petty-Clark Act, which posited that this transition was also reflected in the structure of employment, with a shift of the workforce from agriculture to industry and, subsequently, to services (Clark, 1940). Along these lines, Fourastié (1949) emphasized that this productive transition, coupled with technological progress and increased labor productivity, would bring various benefits, such as improvements in quality of life, educational and cultural development, increased job skills, and reduced unemployment (Sonis, Azzoni and Hewings, 2008).

Bell (2006) further developed this idea by suggesting that, on their quest to become advanced economies, countries might experience a transition towards the dominance of the service sector. From this perspective, it is hypothesized that the least developed countries with an agricultural or pre-industrial base would become developing countries with an industrial base and, eventually, developed countries with a predominance of the service sector.

3. Methodology

To answer the central question: have we truly transitioned from industrial economies to advanced service-based economies? A quantitative and descriptive-structural approach has been adopted, focusing on the sectoral percentage distribution of global economies. The aim is to assess whether the transition from industrial to service-based economies has taken hold and whether this process is homogeneous or differentiated across countries by their respective levels of development.

The analysis is developed from a multi-scale perspective, integrating information at the global, American, and Mexican scales from two databases. First, GDP figures for 2024 are used, along with the percentage shares of the three economic sectors, across 205 countries and territories(1). These figures were obtained from the World Bank and published by CIA (2024b, 2024a). In this tripartite classification, agriculture also includes fishing, hunting, and forestry; industry encompasses mining, manufacturing, power generation, and construction; while services include government activities, communications, transportation, finance, and others (CIA, 2024a).

Secondly, for the specific study of Mexico, the sectoral distribution from 1993 to 2024 is analyzed longitudinally, as well as the structure by Mexican federal entity for the year 2024, based on the GDP information obtained by the INEGI (2025), which uses a classification composed of primary, secondary, tertiary activities, and taxes.

The results of these analyses are presented in the following section.

4. Results

4.1. Sectors on a global scale

In 2024, global GDP reached $173.163 trillion, with a predominantly tertiary-sectoral distribution(2), in which services accounted for 66.2%, followed by industry (26%) and, to a lesser extent, agriculture (4%). This configuration demonstrates a structural transition towards service-oriented economies worldwide, since, of the 205 countries studied, services are the main contributor to GDP in 191 (93.17%). When investigating the level of development of these countries, it is discovered that this is not a homogeneous group, since approximately 1 in 4 are developed countries (23.56%, 45), approximately 1 in 2 are developing countries (48.17%, 92) —Mexico is in this category, ranking 13th in world GDP in 2024—, approximately 1 in 5 are least developed countries (19.9%, 38) and approximately 1.6 in 10 are special territories (8.38%, 16).

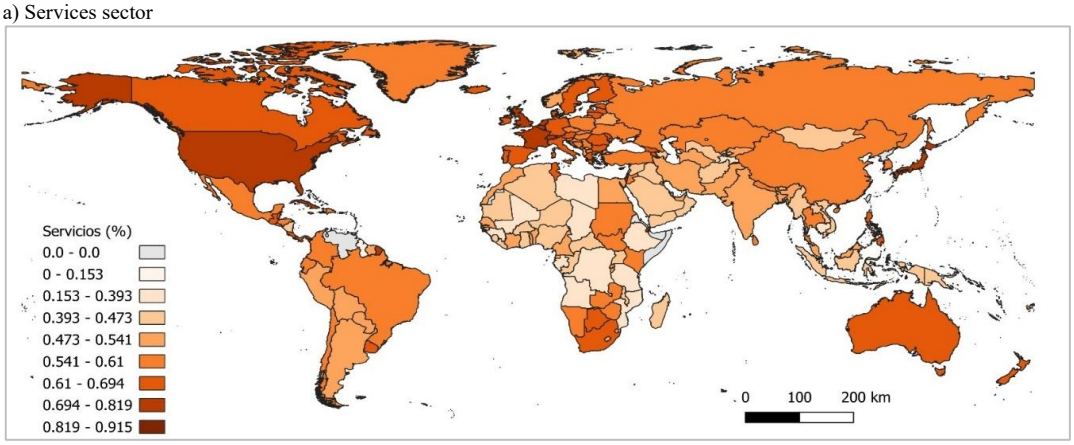
The highest percentages of economic activity attributable to the services sector are found in Bermuda (91.50%), Hong Kong (91.40%), and Macau (91.40%). When analyzed by region (see Map 1.a), in Europe, the following stand out: United Kingdom (72.80%), France (70.40%), Netherlands (70.30%), Spain (69.10%), Italy (65.60%), Germany (63.90%), among many others. In Africa: São Tomé and Príncipe (76.6%), Djibouti (75.5%), Botswana (63.50%), South Africa (62.70%), Egypt (48.90%), Nigeria (47%), and others. In Asia: Japan (69.8%), Philippines (63.2%), Thailand (59.2%), South Korea (58.4%), China (36.5%), and many others. In Oceania: New Zealand 67.4% and Australia 65.5%. In North America: United States 79.7% and Canada 66.40%; and in Latin America: Costa Rica 68.8%, Panama 68.8%, Uruguay 65.3%, El Salvador 61%, Brazil 59.30%, Colombia 58.2%, Mexico 58.20%, Chile 56.1%, Argentina 53.4% and many others.

Regarding industry as the main sector (see Map 1.b), only 13 of the 205 countries—equivalent to 6.34% of the total and ranked between 43rd and 140th in the world GDP ranking—have it. Of these, only three (1.46% of the total) are developed countries located in Asia (Qatar—59th in world GDP in 2024—, Kuwait, and Brunei); eight are developing countries located in Asia, Africa, and one in Latin America (Guyana); while the remaining two are least developed countries in Africa.

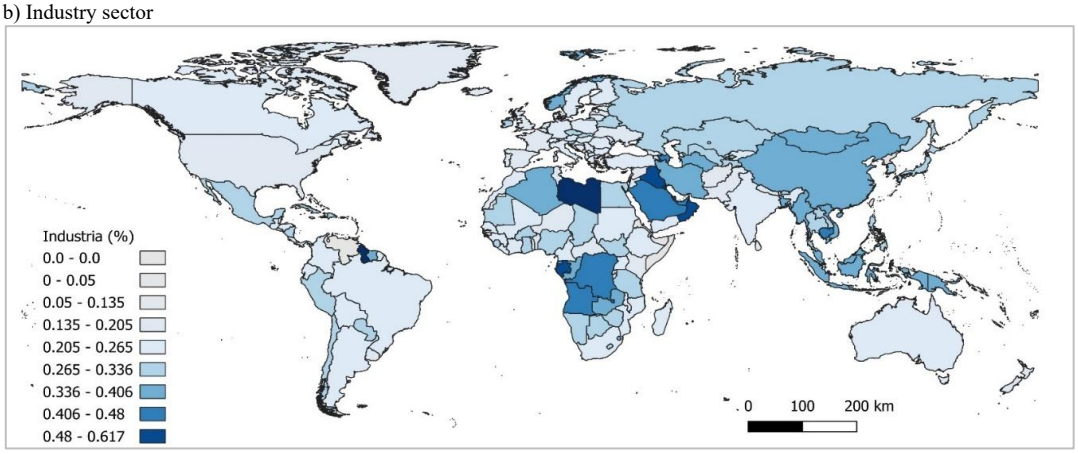
Regarding the economic dominance of agriculture (see Map 1.c), only Chad, located in Central Africa, has it. However, it is important to note that its economic distribution is quite balanced (agriculture 32.20%, industry 29.70%, and services 31.60%); this suggests the need to analyze not only the main sector but also the percentage distribution of the three sectors.

Map 1 *Percentage contribution (%) of GDP by sector*

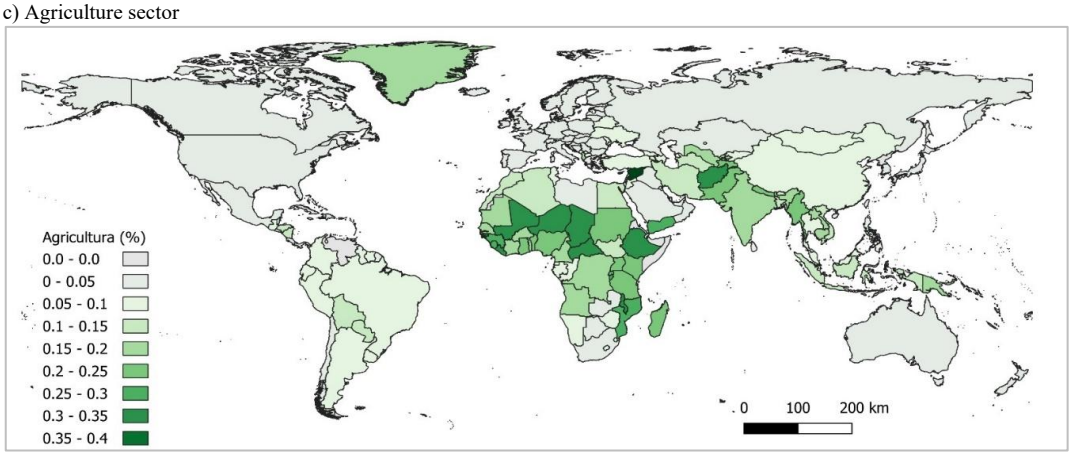
a) Services sector



b) Industry sector



c) Agriculture sector



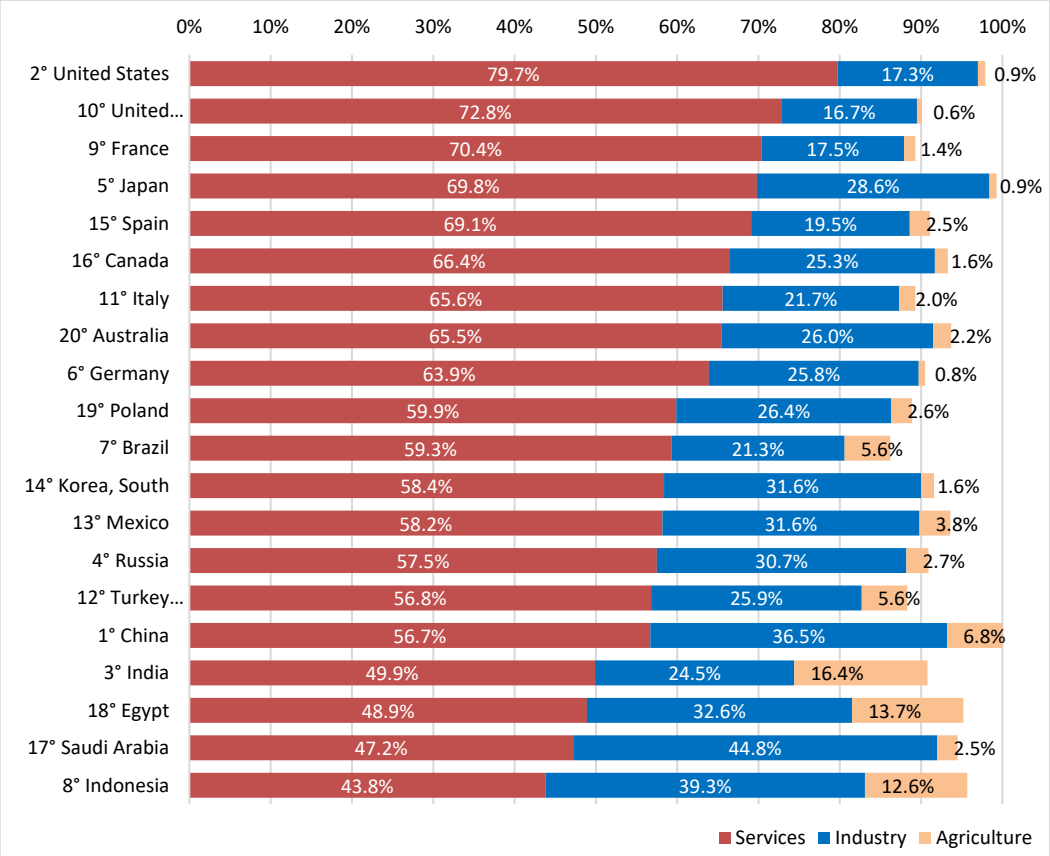
Note: Several countries do not formally participate in the World Bank's PPP project that calculates these measures. Hence, the resulting GDP estimates are inaccurate, or figures are not reported, as is the case in Venezuela.
Source: Prepared by the author using information from CIA (2024b, 2024a).

4.2. Twenty countries with the highest GDP in the world in 2024

Having established the importance of identifying not only the predominant sector in GDP but also the percentage contribution of each of the three economic sectors, twenty countries with the highest GDP in 2024 will be analyzed[3] (Figure 1). In terms of their level of development, almost half of these countries (11) are classified as developed, slightly outnumbering developing countries (9). Regarding sectoral dominance, services are the largest sector in all countries analyzed, with shares ranging from 43.8% in Indonesia (8th) to 79.7% in the United States of America (2nd).

The sectoral distribution analysis reveals that, although China ranks first globally, its share in the services sector (56.7%) is lower than that of the second-placed United States (79.7%). Similarly, it is nearly on par with Turkey (56.8%). In the industrial sector, China ranks third globally (36.5%), surpassed only by Indonesia (39.3%, second) and Saudi Arabia (44.8%, first). This highlights the importance of sectoral distribution in each country's economy.

Figure 1. *Countries with the highest GDP in 2024 (descending order by services sector)*



Notes: Figures may not add up to 100% because unallocated consumption has not been captured in the sector-reported data. GDP information is for 2024, except for Japan and South Korea, whose GDP data is for 2023; and for Canada, whose sector-specific information is for 2021.
Source: Prepared by the author using information from CIA (2024b, 2024a).

4.3. Sectoral distribution in the American continent

Continuing the analysis at the continental level, the focus now shifts to the Americas. As shown in Table 1, services constitute the predominant sector across all countries, with shares ranging from 46.8% to 79.7%. Guyana is the sole exception, with industry representing the largest share at 74.3%.

Table 1*Americas: Percentage distribution of GDP by economic sector*

Country	Year	GDP	Agriculture (%)	Industry (%)	Services (%)	Main sector	%/100
2° United States**	2024	$25.676 trillion	0.90%	17.30%	79.70%	Services	81.41%
7° Brazil	2024	$4.165 trillion	5.60%	21.30%	59.30%	Services	68.79%
13° Mexico	2024	$2.883 trillion	3.80%	31.60%	58.20%	Services	62.18%
16° Canada*	2021	$2.341 trillion	1.60%	25.30%	66.40%	Services	71.17%
28° Argentina	2024	$1.213 trillion	6.00%	24.00%	53.40%	Services	64.03%
31° Colombia	2024	$978.592 billion	9.30%	23.10%	58.20%	Services	64.24%
42° Chile	2024	$596.556 billion	3.90%	30.10%	56.10%	Services	62.26%
46° Peru	2024	$535.911 billion	6.10%	32.20%	52.70%	Services	57.91%
64° Dominican Republic	2024	$276.884 billion	4.50%	28.70%	59.80%	Services	64.30%
67° Equator	2024	$252.728 billion	9.50%	26.50%	57.20%	Services	61.37%
70° Guatemala	2024	$232.673 billion	9.80%	21.70%	61.80%	Services	66.24%
79° Panama	2024	$164.484 billion	2.60%	26.30%	68.80%	Services	70.42%
85° Puerto Rico	2024	$141.344 trillion	0.70%	48.00%	51.50%	Services	51.40%
86° Costa Rica	2024	$138.371 trillion	3.60%	19.70%	68.80%	Services	74.70%
91°Bolivia	2023	$120.531 trillion	13.50%	24.20%	51.10%	Services	57.55%
92° Paraguay	2024	$112.919 trillion	10.70%	32.50%	48.70%	Services	52.99%
94° Uruguay	2024	$108.502 trillion	6.40%	16.80%	65.30%	Services	73.79%
104° Cuba	2023	$81.985 trillion	1.30%	27.50%	70.00%	Services	70.85%
106° El Salvador	2024	$73.961 trillion	4.40%	22.40%	61.00%	Services	69.48%
108° Honduras	2024	$71.297 trillion	11.20%	26.10%	58.40%	Services	61.02%
118° Guyana	2024	$58.423 trillion	8.00%	74.30%	15.30%	**Industrial**	76.13%
122° Nicaragua	2024	$52.989 trillion	14.40%	27.60%	46.80%	Services	52.70%
137° Trinidad and Tobago	2023	$42.658 trillion	0.80%	35.00%	59.90%	Services	62.59%
145° Haiti***	2024	$32.971 trillion	15.90%	33.40%	48.30%	Services	49.49%
148° Jamaica	2024	$29.13 billion	9.80%	18.30%	60.30%	Services	68.21%
157° Bahamas	2024	$14.544 trillion	0.50%	9.60%	77.20%	Services	88.43%
180° Belize	2023	$2.657 trillion	1.90%	19.00%	69.10%	Services	76.78%

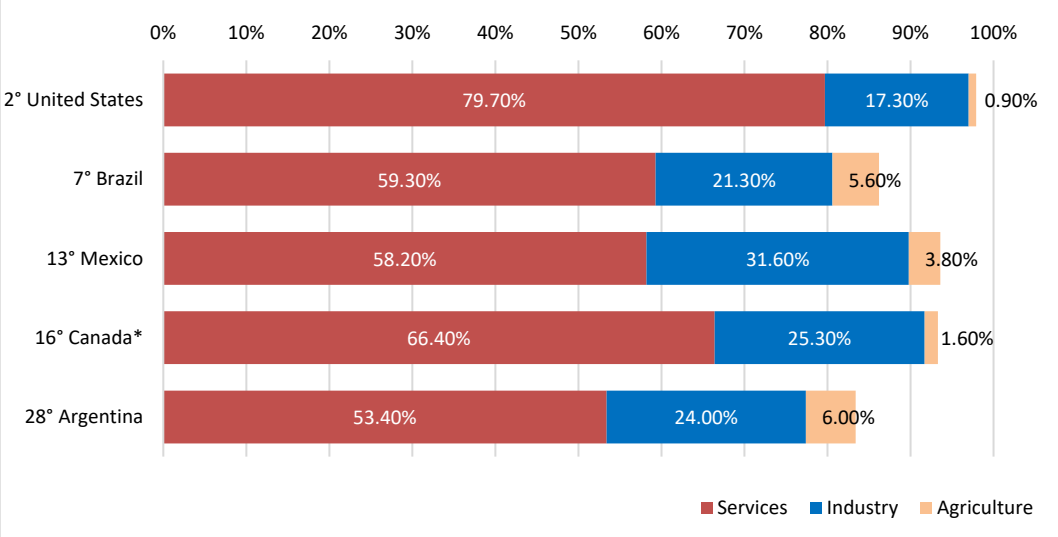
Notes: The total figures for the three sectors may not add up to 100% because unallocated consumption has not been captured in the sector-reported data. *2021 GDP, **Developed country, ***Least developed country. Several countries do not formally participate in the World Bank's PPP project that calculates these measures, so the resulting GDP estimates are not accurate. Figures for Venezuela are unavailable.
Source: Prepared by the author using information from CIA (2024b, 2024a).

Figure 2 analyzes the five largest economies in the Americas by GDP. The country at the top of the American ranking is the United States (2nd in the world), with the highest share of economic activity concentrated in the service sector (79.7%). Meanwhile, industry plays a secondary role (17.3%), while agriculture accounts for only a marginal share (0.9%). Canada, though with a slightly larger industrial presence (24%), follows the USA in terms of distribution, with a similar pattern reinforcing the fact that North America has advanced, highly service-oriented economies.

Brazil, Mexico, and Argentina occupy an intermediate position, where the service sector remains the largest (ranging from 53.4% to 59.3%) while coexisting with a significant industrial base. Mexico stands out for its high industrial share (31.6%), higher than those of Brazil (21.3%) and Argentina (24%), reflecting its role as a manufacturing economy in

the region. In other words, this profile reflects Mexico's role as an intermediate economy, with a significant industrial base (almost one-third) and a growing orientation toward tertiary activities (almost two-thirds). In contrast, Argentina has a higher relative proportion of agriculture (6%), suggesting the persistence of primary activities with some structural weight.

Figure 2. *Five countries with the highest GDP in the Americas in 2024*



Notes: The total figures for the three sectors may not add up to 100% because unallocated consumption has not been captured in the sector-reported data.
Source: Prepared by the author using information from CIA (2024b, 2024a).

4.4. Sectoral distribution in Mexico from 1993 to 2024

From the preceding analysis of the five countries with the highest GDP in the American continent, Mexico stands out for its significant industrial base (31.6%) and strong orientation toward tertiary activities (58.2%). Therefore, due this duality, the analysis now turns to Mexico in greater depth, beginning with its classification as a developing country in Latin America. In 2024, Mexico had a GDP of $2.883 trillion, ranking 13th worldwide.

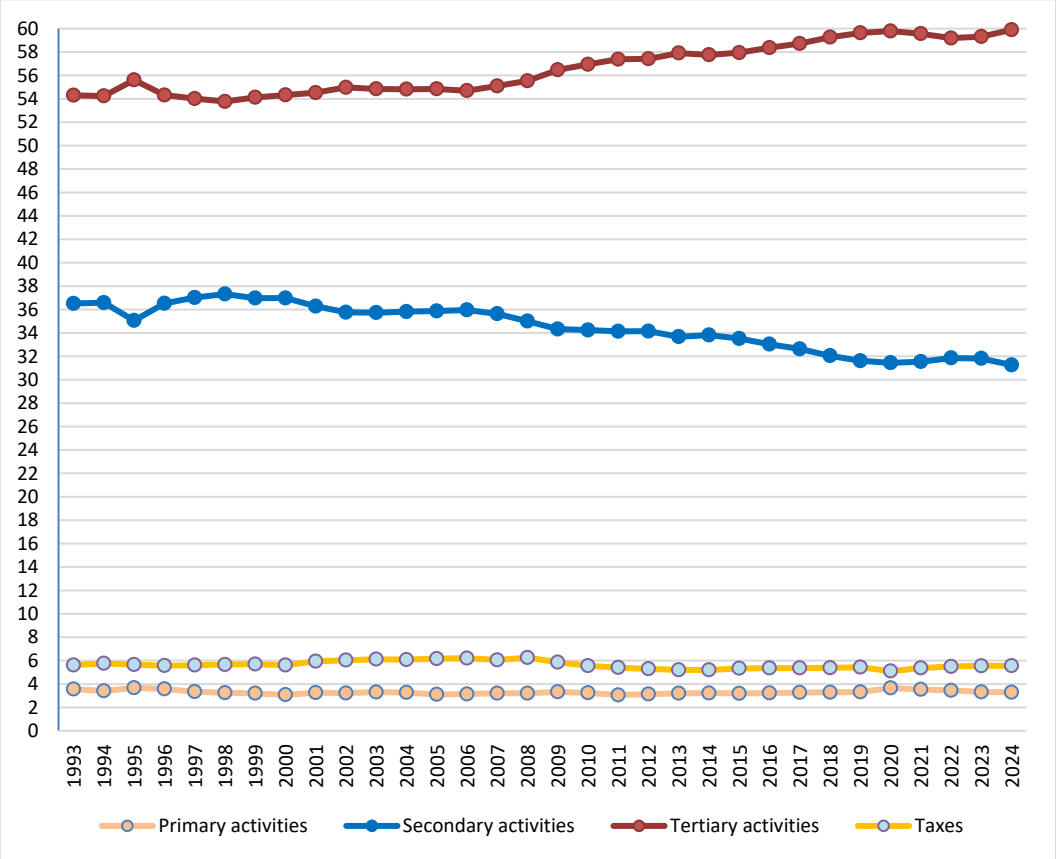
For the past three decades, the Mexican agency that has measured the percentage contribution of different sectors to the economy (GDP) has been the INEGI (2025). It is important to clarify that it does not do so through the World Bank's sectoral classifications (agriculture, industry, and services), but rather through three categories: primary, secondary, and tertiary activities.

Based on the information from INEGI (2025), Mexico's sectoral distribution[(4)] from 1993 to 2024 (32 years) (see Figure 3) has maintained a clear predominance of tertiary activities (56.6%), followed by secondary activities (34.5%), while primary activities maintain a marginal weight (3.3%); this is less than taxes on products, which contribute 5.6%. Therefore, the country has had, over the last three decades, an economy primarily oriented towards services, but with a still-relevant industrial base.

A closer examination of the sectoral evolution reveals an upward trend in tertiary activities. After remaining relatively stable at around 54–55% since the 1990s, their share began to increase more markedly in 2009, reaching approximately 57% and approaching 60% by 2024. This pattern indicates a sustained process of tertiarization, further consolidating the services sector as the central component of the economy.

Secondary activities show a downward trend. After reaching levels close to 37% at the end of the 1990s, their share has gradually and almost continuously decreased, settling at around 31% by 2024. The general pattern indicates a relative loss of weight for the industrial sector, consistent with processes of relative deindustrialization and a shift of value added to other sectors.

Figure 3. *Economic sectors (percentage) in Mexico from 1993 to 2024*



Notes: Given the differences in the sectoral classifications of the World Bank and INEGI, a conceptual equivalence is established—with corresponding restrictions—so that agriculture is classified as a primary activity, industry as a secondary activity, and services as a tertiary activity.
Source: Prepared by the author using information from INEGI (2025).

Primary activities remain low and remarkably stable, fluctuating between 3.1% and 3.7%, indicating the absence of significant structural changes in this sector. A slight downward trend is observed from the mid-1990s to the late 2000s, followed by a temporary increase

in 2020, which diminished in subsequent years, returning to its historical average (3.3%). Overall, the data reflects stable performance with marginal variations, confirming the residual nature of the primary sector within the economic structure.

Finally, regarding product taxes, these maintain a relatively stable share, fluctuating between approximately 5.1% and 6.3%. A slight increase is observed during the first half of the 2000s, followed by a gradual reduction from 2009 onwards and a moderate rebound in more recent years, returning to its historical average (5.6%). Overall, their behavior suggests a constant contribution to the total, without substantially altering the general trend of the sectoral structure.

4.5. Sectoral distribution (GDP 2024) by federal entity of Mexico

To analyze Mexico's sectoral distribution by federal entity (see Figure 4), the 2024 GDP is used as the base (INEGI, 2024b). Of the 32 federal entities (31 states and the capital, Mexico City) that make up the country, the majority (27 out of 32) have a predominance of the tertiary sector, indicating that the Mexican economy is largely service based at the subnational level. Of the remaining entities, only five have the secondary sector as their main sector; in contrast, none have the primary sector as dominant, which demonstrates the marginal nature of primary activities in the state economic structure.

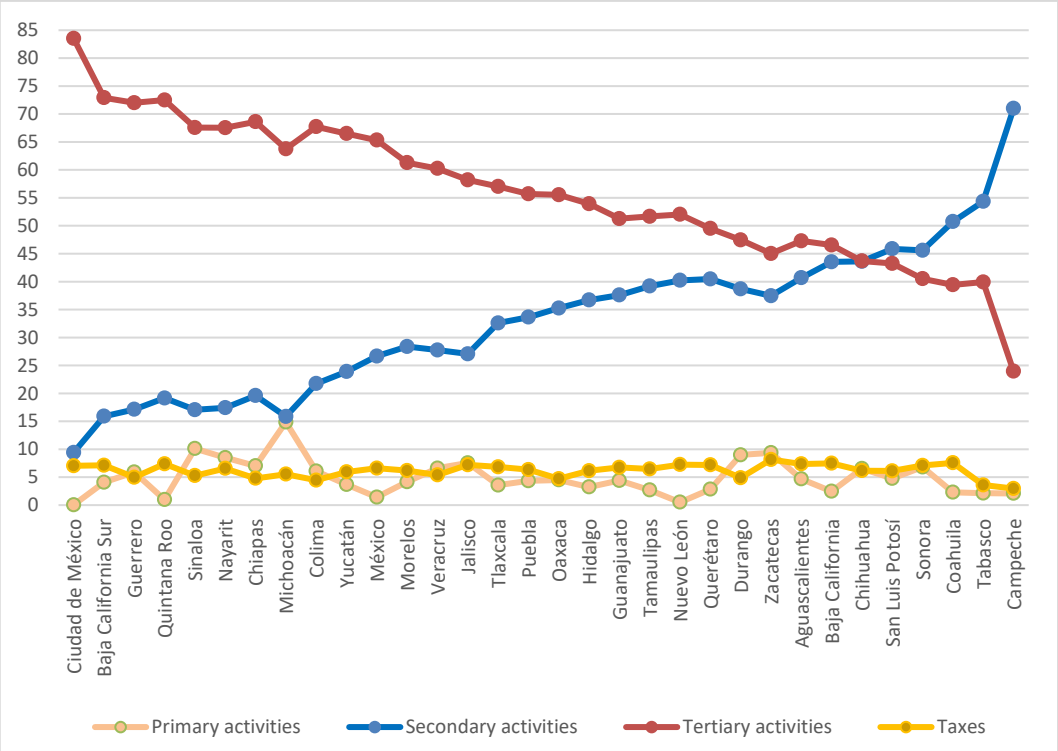
Of the states with a high concentration of service-based industries, Mexico City stands out as the most extreme case, with 83.52% of its GDP concentrated in tertiary activities, a very small fraction of secondary activities (9.41%), and virtually no participation from primary activities (0.04%). This reflects its role as the main national hub for advanced services and command functions.

Other states with a high degree of specialization in the service sector include Baja California Sur, Quintana Roo, Guerrero, Chiapas, Colima, Sinaloa, and Nayarit, where services account for over 67% (two-thirds of their economies). In several of these cases, the weight of the service sector is strongly associated with tourism and consumer-related services, rather than advanced services, demonstrating different types of tertiarization within the sector itself.

Only five of the 32 states had a predominance of secondary activities: San Luis Potosí, Sonora, Coahuila, Tabasco, and Campeche. In these cases, industry clearly surpasses services; that is, the secondary sector exceeds the tertiary sector. This reached particularly high values in Campeche (70.99%) and Tabasco (54.35%), which is closely related to mining activities (49.01% and 38.93%, respectively) and construction (20.28% in Campeche). In Coahuila, Sonora, and San Luis Potosí, the weight is mainly attributed to manufacturing.

As for primary activities, they account for a small share in practically all states, although participation is relatively higher in states such as Chiapas, Jalisco, Nayarit, Durango, Zacatecas, Sinaloa, and Michoacán (with values ranging from 7.02% to 14.86%). Even so, the primary sector does not constitute the central axis of the state economy, but rather a minor, complementary component.

Figure 4. *Sectoral distribution (GDP 2024) by federal entity of Mexico*



Source: Prepared by the author using information from the INEGI (2024b).

Overall, Mexico's sectoral structural trend between 1993 and 2024 reveals a sustained process of service sectorization, accompanied by a relative decline in industrial weight and the marginal persistence of the primary sector. This trend is generally observed across states, supporting the 2024 figures, in which over 84% of states exhibit a shift towards service sectorization as their primary sector. However, an analysis of the distribution reveals marked heterogeneity. Consequently, the transition is not uniform but rather demonstrates territorial differentiation that shapes how value is created, specialized, and distributed in the country.

Conclusions

In response to the question of whether a transition from industrial economies to advanced service-based economies has truly occurred, this study assessed the sectoral distribution of 205 countries and territories (CIA, 2024b; 2024a). The results show that over 90% of countries have the service sector as the main component of their GDP. Despite this predominance, it does not imply the disappearance of other sectors within a country or region; rather, one sector acquires a dominant structural weight that decisively influences both individual and collective development. Furthermore, it does not guarantee a homogeneous level of development or a transition to becoming 'advanced countries'.

Indeed, fewer than a quarter are developed countries, almost half are developing countries, and nearly a fifth are least developed countries.

In the specific case of Mexico, sustained growth of the tertiary sector was identified over more than three decades, suggesting a process of relative deindustrialization (INEGI, 2025). Regarding some states with high tertiary specialization, the analysis indicated that this was linked to tourism and consumer-related services rather than advanced services, demonstrating different types of tertiarization within the sector itself. This encourages further research into the effects of different types of tertiarization on the transition and development of economies.

Overall, the data confirms that the shift towards a service-based economy is a dominant global trend; however, they also show that this process is neither uniform nor linear. The high share of services in GDP masks differentiated trajectories, where productive structures maintain hybrid and unequal configurations both between and within countries. In this sense, the expansion of the service sector does not necessarily imply the complete replacement of industrial bases, but rather their reconfiguration within increasingly complex economic frameworks. This makes it imperative to analyze the percentage and internal distribution of these sectors.

The study has two main limitations: First, although the country coverage was broad, it did not include all territories, nor did the figures always cover the entire GDP. Second, it was necessary to establish conceptual equivalencies across sectoral classifications to ensure comparability, since the CIA presents a tripartite typology (agriculture, industry, and services), whereas INEGI categorizes them as primary, secondary, and tertiary activities, as well as taxes. Despite these differences, the general trends observed remain consistent.

For future research, it is recommended to delve deeper into longitudinal analyses that allow for the evaluation of the temporal evolution of this sectoral transition in more countries, as well as to incorporate additional variables such as employment, the degree of productive specialization, and levels of sectoral investment, in order to understand the structural dynamics of economies more accurately. In conclusion, the study contributes to refining the classic narrative of post-industrialization. While tertiarization is predominant globally, it does not constitute an indicator of development, nor does it represent a homogeneous structural transformation. On the contrary, it reflects a diversity of economic trajectories in which industry persists and is articulated in differentiated ways alongside the service sector.

Acknowledgement

I acknowledge the Manuscript Writing Training Team (CEMAI, for its Spanish acronym) of CONACYT (now SECIHTI) for encouraging and supporting me in writing academic texts in English. I also express my sincere gratitude to Dr. Luis Enrique Santiago for fostering my intellectual curiosity about the structural transition from industrial to service-based economies and the implications for urban mobility.

Notes

(1) Of the total of 205 countries and territories: 48 are developed countries, 100 are developing countries, 41 are least developed countries, and 16 are categorized as special territories. For didactic purposes, from this point forward they will be referred to simply as countries, without diminishing the typology of each other.

(2) The total figures for the three sectors may not add up to 100% (96.2%) due to unallocated consumption, including financial intermediary services measured indirectly (FISIM) not allocated by industry, and taxes less subsidies on products.

(3) Except for Japan and South Korea, whose GDP and sectoral data correspond to 2023. Despite Canada´s GDP being for 2024, the most recent information available on economic sectors is from 2021.

(4) Obtained by calculating the average annual percentage for each economic activity and tax from 1993 to 2024.

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