WORLD ECONOMIC OUTLOOK
October 2001

The Information Technology Revolution
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A number of assumptions have been adopted for the projections presented in the World Economic Outlook. It has been assumed that real effective exchange rates will remain constant at their average levels during July 23–August 17, 2001, except for the currencies participating in the European exchange rate mechanism II (ERM II), which are assumed to remain constant in nominal terms relative to the euro; that established policies of national authorities will be maintained (for specific assumptions about fiscal and monetary polices in industrial countries, see Box A1); that the average price of oil will be $26.80 a barrel in 2001 and $24.50 a barrel in 2002, and remain unchanged in real terms over the medium term; and that the six-month London interbank offered rate (LIBOR) on U.S. dollar deposits will average 4.1 percent in 2001 and 3.7 percent in 2002. These are, of course, working hypotheses rather than forecasts, and the uncertainties surrounding them add to the margin of error that would in any event be involved in the projections. The estimates and projections are based on statistical information available through early September, 2001.

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- – between years or months (for example, 1997–98 or January–June) to indicate the years or months covered, including the beginning and ending years or months;
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The analysis in the World Economic Outlook draws extensively on the ongoing work of the IMF’s area and specialized departments, and has been coordinated in the Research Department under the general direction of Michael Mussa and Kenneth Rogoff, former and current Economic Counsellors and Directors of Research. The World Economic Outlook project is directed by David Robinson, Senior Advisor in the Research Department, together with Tamim Bayoumi, Chief of the World Economic Studies Division.

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