Figure 6.5. Growth Takeoffs
(Percent of GDP; simple average; years before and after crisis on x-axis)

The growth takeoff in emerging Europe since 1995 was associated with larger current account deficits and significantly higher net FDI inflows relative to comparable growth-takeoffs in other countries.

Sources: IMF, Balance of Payments Statistics; and IMF staff calculations.

1The takeoff year for emerging Europe is assumed to be 1995.
2For earlier EU entrants the takeoff years are as follows: Greece (1996), Ireland (1985), Portugal (1985), and Spain (1984).
3Growth takeoff is defined as the onset of a growth acceleration characterized by an increase in the real per capita growth rate of at least 2 percent and an average growth rate of at least 3.5 percent sustained over an eight-year horizon based on Hausmann, Pritchett, and Rodrik (2005). The figure shows the median value for each variable across all growth accelerations (excluding those in emerging Europe).
4Asian Tigers comprise Indonesia, Malaysia, Philippines, and Thailand, for which the takeoff year is 1973.