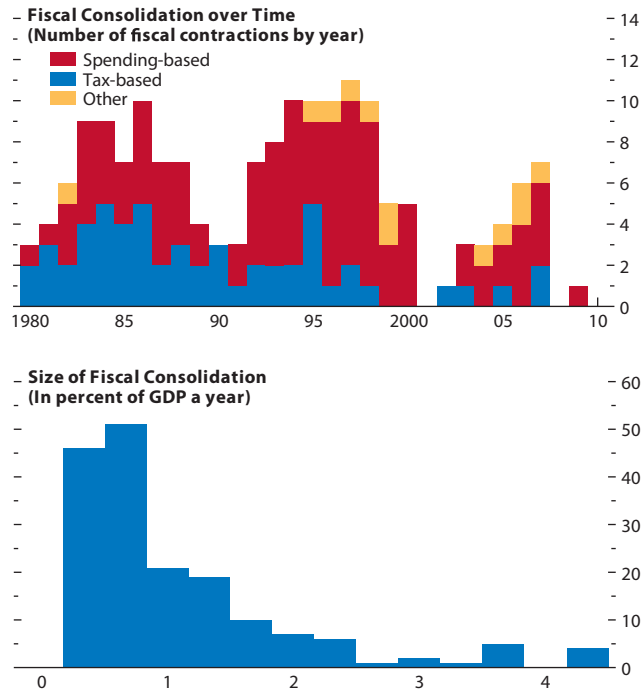


### Figure 3.1. Action-Based Fiscal Consolidation

There were about 170 cases of action-based fiscal consolidation over the past 30 years in advanced economies. Consolidation has often relied primarily on spending cuts. On average, action-based fiscal consolidation amounted to 1 percent of GDP a year, but the range was wide.



Source: IMF staff calculations.

Note: The 15 advanced economies in the sample are Australia, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Portugal, Spain, Sweden, United Kingdom, and United States. "Spending-based" consolidation relied primarily on spending cuts. "Tax-based" consolidation relied primarily on tax hikes. The "other" category denotes contractions for which composition details were either not available or for which no category accounted for the majority of the adjustment.