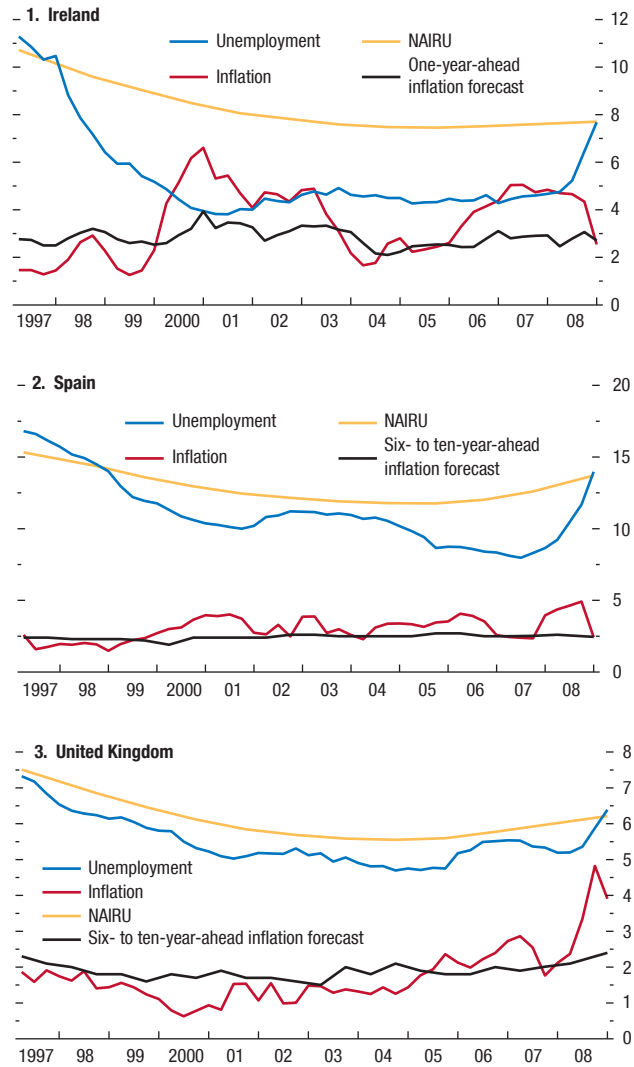


Figure 3.9. Unemployment and Inflation in Selected Economies
(Percent)

Despite unemployment below the NAIRU for about a decade, inflation and inflation expectations remained remarkably stable and well anchored in Ireland, Spain, and the United Kingdom.



Sources: *Consensus Forecasts*; Organization for Economic Cooperation and Development; and IMF staff calculations.
Note: NAIRU = nonaccelerating inflation rate of unemployment (from Organization for Economic Cooperation and Development).