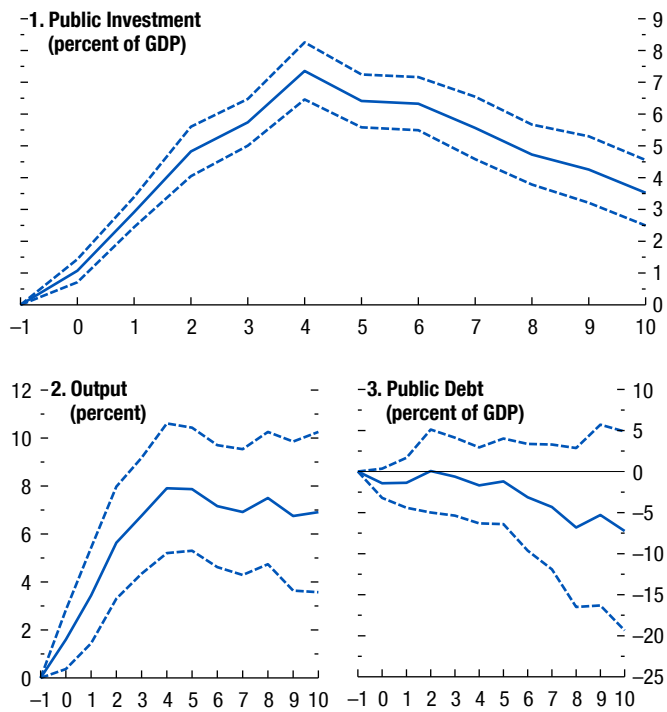


**Figure 3.7. Output and Public Debt in the Aftermath of Public Investment Booms**  
*(Years on x-axis)*

Public investment booms in emerging market and developing economies are associated with higher output.



Source: IMF staff calculations.

Note:  $t = 0$  is the beginning of a public investment boom; dashed lines denote 90 percent confidence bands. See Appendix 3.2 for a definition of public investment booms.