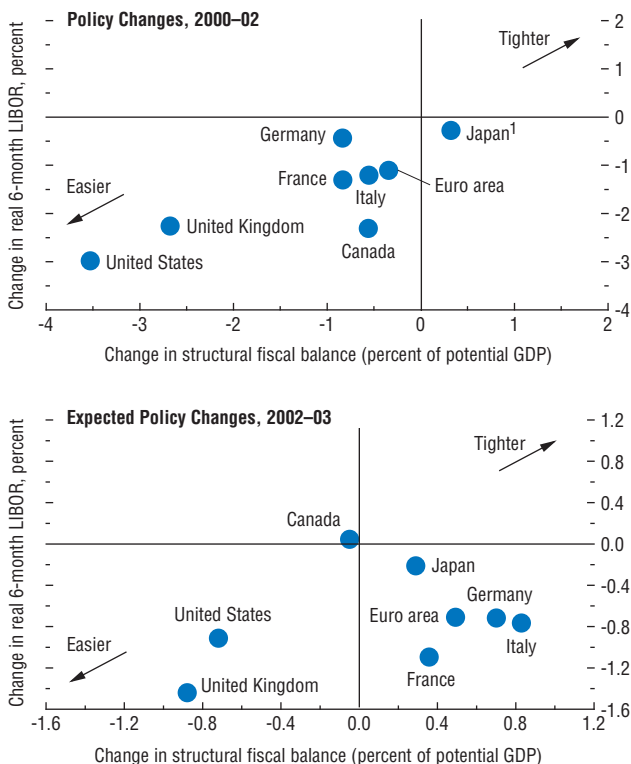


Figure 1.5. Fiscal and Monetary Easing in the Major Advanced Countries

(Percent)

Monetary and fiscal policies have been eased significantly more in the United States and the United Kingdom than in the euro area and Japan.



Source: IMF staff estimates.

¹The improvement in Japan's structural fiscal balance during 2000-02 reflects the one-off costs of bank support in the base year amounting to 1.2 percent of GDP in 2000 compared with 0 percent in 2002. Excluding such support (and including social security), the structural balance actually deteriorated by about 1 percent of GDP.