Figure 1.17. Oil Price Cycles and Fiscal Policy in the Middle East

Adjusting government expenditure in response to oil price fluctuation has been key to reducing fiscal deficits in the oil-exporting countries of the Middle East.

Source: IMF staff calculations.


2Cooperation Council of the Arab States of the Gulf: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates.

3Islamic Republic of Iran and Libya.