Figure 1.5. Fiscal Policies

Fiscal policy will tighten less in the advanced economies in 2014 and stay broadly neutral in emerging market and developing economies. Among advanced economies, the pace of tightening will fall off appreciably in the euro area and the United States. However, this will be partly offset by tightening in Japan. Public debt will remain very high in the advanced economies in the medium term, while declining to about 30 percent of GDP in the emerging market and developing economies.

1. Fiscal Impulse
(change in structural balance as percent of GDP)

- Advanced economies excluding euro area
- Emerging market and developing economies
- France and Germany
- Euro area periphery

Advanced economies excluding euro area
Emerging market and developing economies
France and Germany
Euro area periphery

April 2013 WEO

2. Fiscal Balance
(percent of GDP)

Advanced economies
Emerging market and developing economies
World

1950 60 70 80 90 2000 10 18

3. Public Debt
(percent of GDP)

Advanced economies
G7
Emerging market and developing economies
World

Source: IMF staff estimates.
1Greece, Ireland, Italy, Portugal, Spain.
2G7 comprises Canada, France, Germany, Italy, Japan, United Kingdom, and United States.