Growth was tepid across the Middle East, North Africa, Afghanistan, and Pakistan (MENA) in 2013, as high public spending was offset by declines in oil supply and weak non-oil exports amid continued sociopolitical upheaval. Robust non-oil activity on high public spending and recovery in oil production, however, should accelerate activity this year.

Figure 2.8. Middle East, North Africa, Afghanistan, and Pakistan: Turning a Corner?

Sources: Haver Analytics; IMF, Direction of Trade Statistics database; International Energy Agency; national authorities; PRS Group, Inc., International Country Risk Guide; and IMF staff estimates.

Note: MENAP oil exporters (MENAPOE) = Algeria (DZA), Bahrain (BHR), Iran (IRN), Iraq (IRQ), Kuwait (KWT), Libya (LBY), Oman (OMN), Qatar (QAT), Saudi Arabia (SAU), United Arab Emirates (ARE), and Yemen (YEM); MENAP oil importers (MENAPOI) = Afghanistan (AFG), Djibouti (DJI), Egypt (EGY), Jordan (JOR), Lebanon (LBN), Mauritania (MRT), Morocco (MAR), Pakistan (PAK), Sudan (SDN), Syria (SYR), and Tunisia (TUN). FDI = foreign direct investment; GCC = Gulf Cooperation Council. Data from 2011 onward exclude SYR. Country group aggregates for panel 1 and exports of goods in panel 4 are weighted by purchasing-power-parity GDP as a share of group GDP; panel 2 shows simple averages (excludes AFG, DJI, and MRT); panel 3 and FDI (for EGY, MAR, PAK, and TUN) in panel 4 show sums.

1Consumer confidence on the left scale and political stability on the right scale. Higher values of the consumer confidence measure (political stability rating) signify greater consumer confidence (political stability).

2Prices at which the government budget and current account are balanced, respectively. YEM data are for 2013.

3Bubble size is relative to each country’s 2013 purchasing-power-parity GDP.