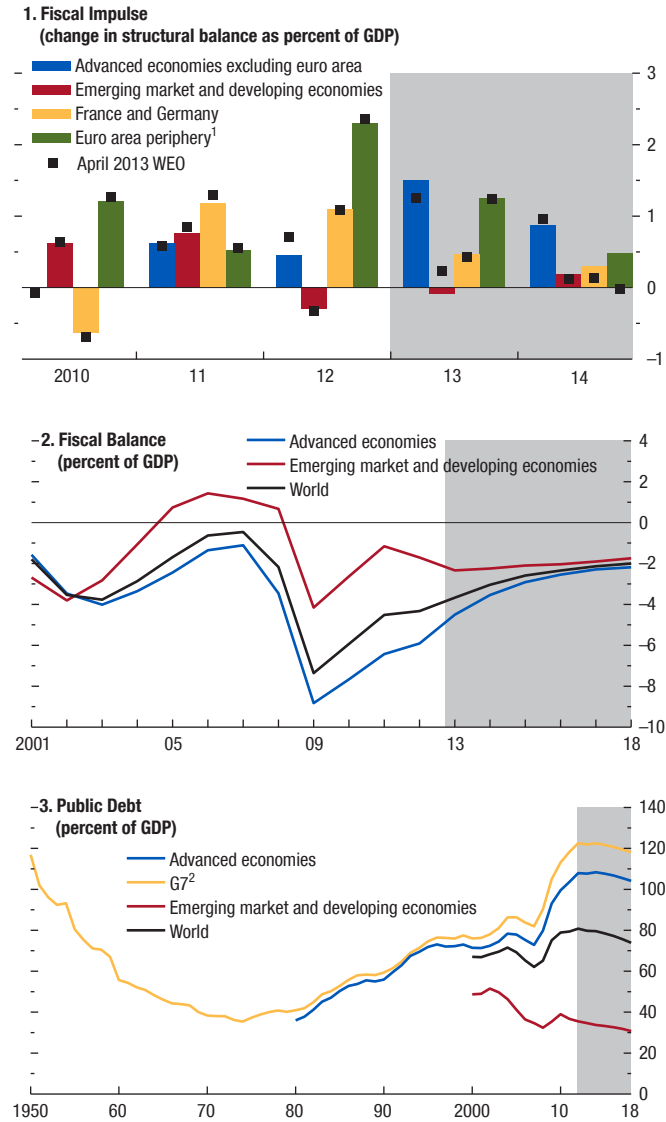


Figure 1.5. Fiscal Policies

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.



Source: IMF staff estimates.

¹Greece, Ireland, Italy, Portugal, Spain.

²G7 comprises Canada, France, Germany, Italy, Japan, United Kingdom, and United States.