

## Key Quotes and Messages

### *The Long Ascent: Overcoming the Crisis and Building a More Resilient Economy*

**Kristalina Georgieva, IMF Managing Director** said: “The global economy is coming back from the depths of the crisis. But this calamity is far from over. All countries are now facing what I would call ‘**The Long Ascent**’—a difficult climb that will be *long, uneven, and uncertain*. And prone to setbacks.”

- **Global Outlook:** “The IMF in June projected a severe global GDP contraction in 2020. The picture today is less dire. We now estimate that developments in the second and third quarters were somewhat better than expected, allowing for a *small upward revision* to our global forecast for 2020. And we continue to project a *partial and uneven recovery* in 2021.”
  - “We expect global output to remain well below our pre-pandemic projections over the medium term. For almost all countries, this will be a setback to the improvement of living standards.”
- **Uneven Policy Response:** Extraordinary policy measures put a floor under the world economy. “But some were able to do more than others. For advanced economies, it is **whatever it takes**. Poorer nations strive for **whatever is possible**.” *Example:* “Not a single country in Sub-Saharan Africa has been able to issue external debt since March.” The weakest ‘climbers’ need help on the way up.
- **Extraordinary Uncertainty.** “Risks remain high, including from rising bankruptcies and stretched valuations in financial markets. And many countries have become more vulnerable. Their debt levels have increased because of their fiscal response to the crisis and the heavy output and revenue losses. We estimate that **global public debt** will reach a **record-high of about 100%** of GDP in 2020.”

### The Path Forward: Confronting the Crisis and Pushing for Transformations:

**Priority #1**—Safeguard people’s health, step up essential measures.

**Priority #2**—Avoid premature withdrawal of policy support.

**Priority #3**—Flexible and forward-leaning fiscal policy will be critical for the recovery.

**Priority #4**—Deal with debt, especially in low-income countries.

- **Charting New Paths.** “We cannot afford simply to rebuild the old economy, with its low growth, low productivity, high inequality, and worsening climate crisis. That is why we need fundamental reforms to build a *more resilient economy*—one that is greener, smarter, more inclusive—more dynamic. This is where we need to direct the massive investments that will be required for a strong and sustainable recovery.”
- “**New IMF research shows** that increasing public investment by just 1 percent of GDP across advanced and emerging nations can create up to **33 million new jobs**. We know that, in many cases, well-designed green projects can generate more employment and deliver higher returns, compared with conventional fiscal stimulus. We also know that an accelerated digital transformation is underway, promising higher productivity and new jobs with higher wages.”

### The IMF’s Role as ‘Sherpa’: helping member countries with their Long Ascent

- “We have provided **financing** at unprecedented speed and scale to **81** countries. We have reached over **\$280 billion** in lending commitments—more than a third of that approved since March. And we are ready to do more: we still have substantial resources from our **1 trillion** in *total* lending capacity to put at the service of our members as they embark on their ‘ascent’.”