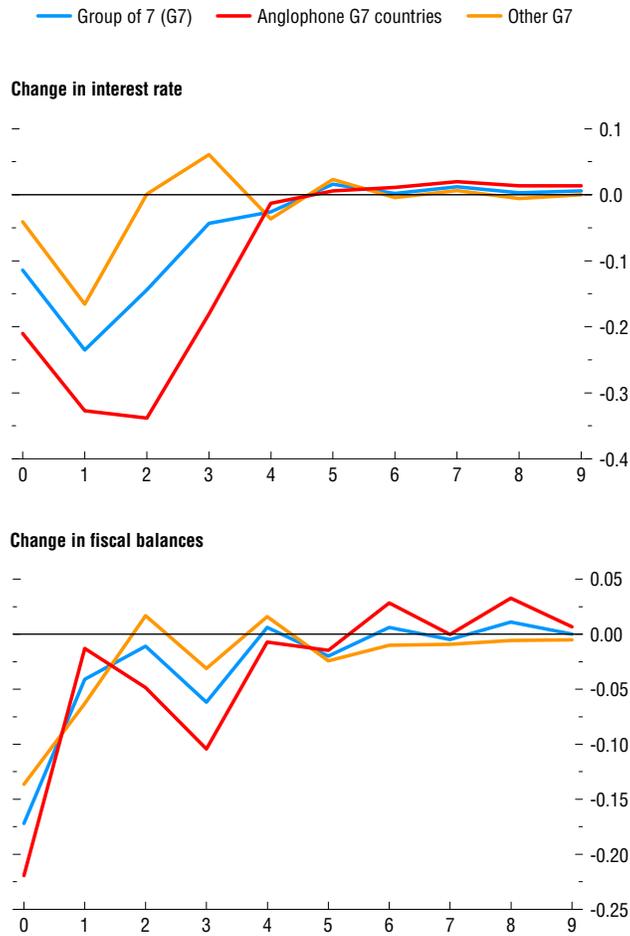


### Figure 5.5. Did G7 Economies Respond to Erroneously Perceived Downturns?

(Percentage point deviation; quarters on x-axis; shock occurs in period zero)

Following an erroneously perceived 1 percentage point fall in growth, both discretionary fiscal policy and monetary policy have eased, particularly in Anglophone countries. The figure displays policy responses for the late sample (1992:Q1–2007:Q4).



Source: IMF staff calculations.