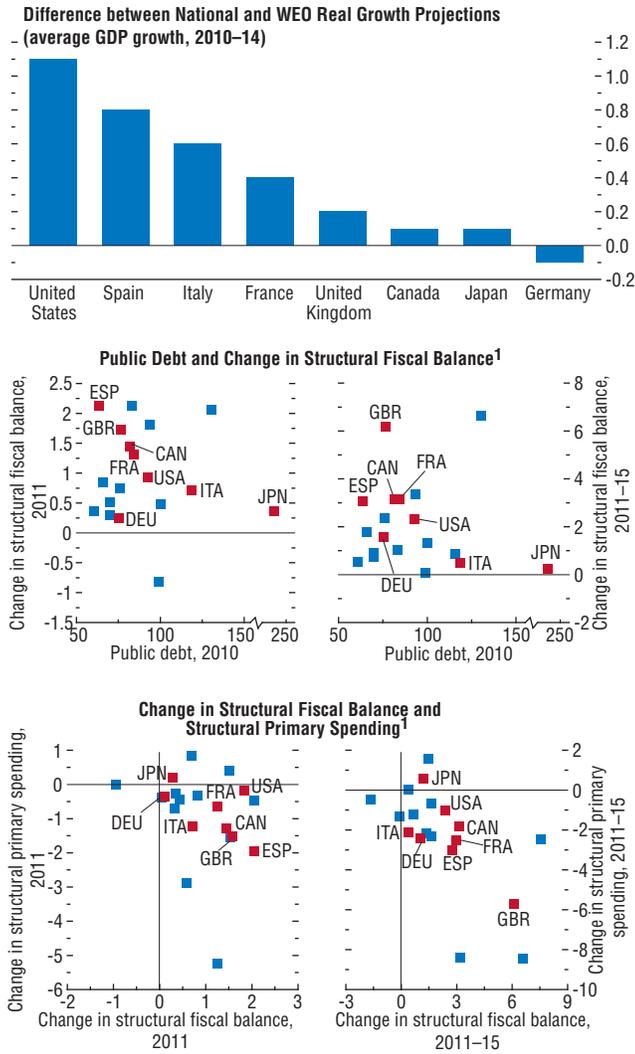


**Figure 1.18. Medium-Term Fiscal Policies**

Some economies' medium-term economic growth projections appear optimistic, posing risks to their consolidation plans. These plans often emphasize expenditure cuts. However, WEO projections suggest that not all countries will achieve an expenditure ratio appreciably lower than before the crisis, suggesting that room for further cuts remains.



Source: IMF staff estimates.

<sup>1</sup>Percent of GDP, except structural fiscal balance, which is in percent of potential GDP. All advanced economies with 2010 public debt greater than 60 percent of GDP. CAN: Canada; FRA: France; DEU: Germany; ITA: Italy; JPN: Japan; ESP: Spain; GBR: United Kingdom; USA: United States.