

Boumans, Dorine; Garnitz, Johanna

Article

ifo World Economic Survey May 2019

ifo World Economic Survey

Provided in Cooperation with:

Ifo Institute – Leibniz Institute for Economic Research at the University of Munich

Suggested Citation: Boumans, Dorine; Garnitz, Johanna (2019) : ifo World Economic Survey May 2019, ifo World Economic Survey, ISSN 2511-784X, ifo Institut – Leibniz-Institut für Wirtschaftsforschung an der Universität München, München, Vol. 18, Iss. 2, pp. 1-25

This Version is available at:

<https://hdl.handle.net/10419/199062>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

ifo WORLD ECONOMIC SURVEY

II
2019

May
Vol. 18

World Economic Climate

ifo World Economic Climate Recovers Slightly

Advanced Economies

Economic Momentum in Advanced Economies Continues at a Meager Pace

Emerging and Developing Economies

Economic Climate in Emerging Markets and Developing Economies Improves Slightly

Special Topic

Changing World Trade Landscape



All time series presented in this document plus additional series for about 70 countries may be ordered from the ifo Institute. For further information please contact Mrs. Ikonomou-Baumann (surveydata@ifo.de)

Authors of this publication:

Dorine Boumans, Ph.D., e-mail boumans@ifo.de (ifo Center for Macroeconomics and Surveys)

Johanna Garnitz, e-mail garnitz@ifo.de (ifo Center for Macroeconomics and Surveys)



ifo World Economic Survey

ISSN 2511-7831 (print version)

ISSN 2511-784X (electronic version)

A quarterly publication on the world economic climate

Publisher and distributor: ifo Institute

Poschingerstr. 5, D-81679 Munich, Germany

Telephone ++49 89 9224-0, Telefax ++49 89 985369, e-mail ifo@ifo.de

Annual subscription rate: €40.00

Single subscription rate: €10.00

Shipping not included

Editor of this issue: Dorine Boumans, Ph.D., e-mail boumans@ifo.de

Reproduction permitted only if source is stated and copy is sent to the ifo Institute.

ifo World Economic Climate Recovers Slightly

Economic Momentum in Advanced Economies Continues at a Meager Pace	3
Economic Climate in Emerging Markets and Developing Economies Improves Slightly	8
Changing World Trade Landscape	12
Figures	16

NOTES

The World Economic Survey (WES) assesses global economic trends by polling transnational and national organizations worldwide on current economic developments in their respective countries. Its results offer a rapid, up-to-date assessment of the current economic situation internationally. In April 2019, 1,281 economic experts in 119 countries were polled.

METHODOLOGY AND EVALUATION TECHNIQUE

The survey questionnaire focuses on qualitative information: assessments of a country's general economic situation and expectations regarding key economic indicators. It has proven a useful tool, since it reveals economic changes earlier than conventional business statistics.

The qualitative questions in the World Economic Survey have three possible categories: "good / better / higher" (+) for a positive assessment or improvement, "satisfactory / about the same / no change" (=) for a neutral assessment, and "bad / worse / lower" (-) for a negative assessment or deterioration. The individual replies are combined for each country without weighting as an arithmetic mean of all survey responses in the respective country. Thus, the respective percentage shares (+), (=), and (-) are calculated for the time t for each qualitative question and for each country. The balance is the difference between (+) and (-) shares. As a result, the balance ranges from -100 points to +100 points. The mid-range lies at 0 points and is reached if the share of positive and negative answers is equal.

The survey results are published as aggregated data. The weighting factors used to aggregate the country results into country groups or regions are calculated using each country's gross domestic product based on purchasing power parity.

ifo World Economic Climate Recovers Slightly

The ifo World Economic Climate has recovered somewhat. In the second quarter of 2019, the indicator rose from -13.1 points to -2.4 points, having previously fallen four times in a row (see Figure 1). Expectations for the coming months have brightened considerably. In contrast, the assessment of the current situation has deteriorated only slightly. This means the global economy should gradually strengthen again over the course of the year. The experts expect the global economy to grow by 3.4 percent this year (see Figure 6). The economic climate recovered in almost all regions of the world as economic expectations brightened (see Figure 2). In most emerging and developing countries, the experts' assessment of the current economic situation was better than it has been recently. This contrasts with a deterioration in the assessment of the current situation in advanced economies. Only in Latin America did the economic climate continue to deteriorate, with the assessment of the situation and the outlook for the coming months both less favorable (see Figure 10.2). Economic momentum in private consumption, investment, and world trade should recover slightly over the course of the year (see Figure 8). Unlike three months ago, experts no longer expect interest rates to rise (see Figure 9). Growing income inequality is the most frequently cited problem for the global economy (see Table 1).

ECONOMIC MOMENTUM IN ADVANCED ECONOMIES CONTINUES AT A MEAGER PACE

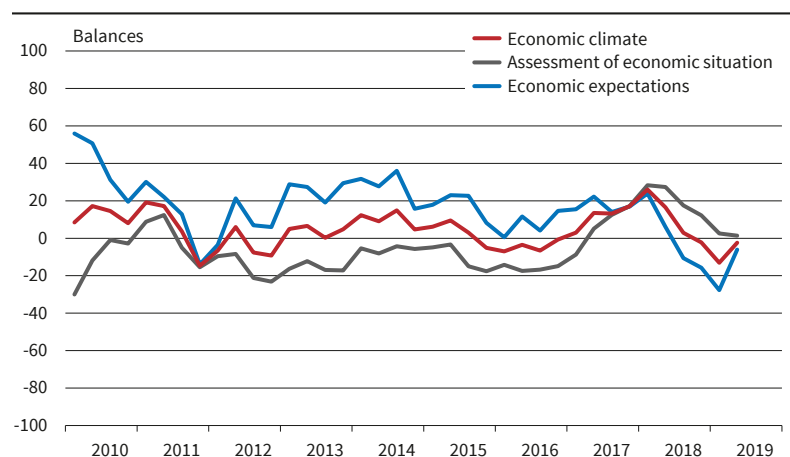
In the second quarter of 2019, economic momentum in advanced economies is likely to expand at a meager pace. Although the economic climate indicator for advanced economies recovered slightly from -10.3 points to -2.2 points, this points nonetheless to below-

trend growth (see Figure 10.1). The economic outlook brightened considerably due to more optimism among panelists in the US and the euro area. However, the indicator for the present economic situation fell for the fifth time in a row. Trade tensions continue to give headwinds to economic growth in this country group, but experts are nevertheless more optimistic regarding trade volumes in the coming months (see Figure 8).

The economic climate indicator for the **euro area** has recovered somewhat, rising from -11.1 to -6.3 points (see Figure 2). This improvement was driven purely by less pessimistic expectations. In contrast,

Figure 1

ifo World Economic Climate



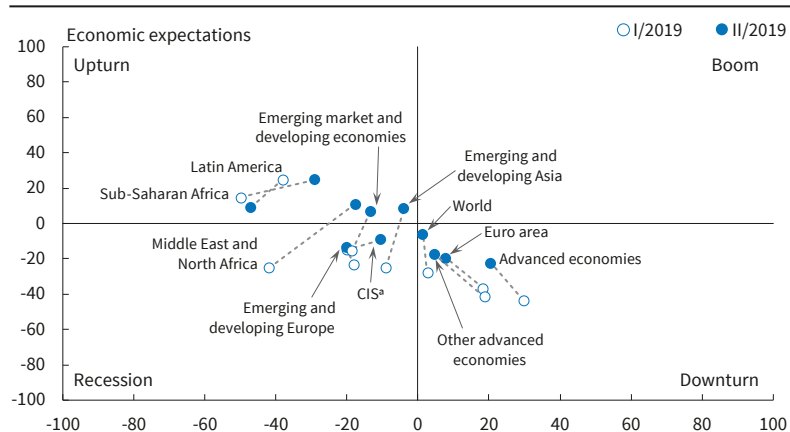
Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 2

ifo Business Cycle Clock for Selected Aggregates

Change from I/2019 to II/2019; balances



^a Commonwealth of Independent States.

Source: ifo World Economic Survey (WES) II/2019.

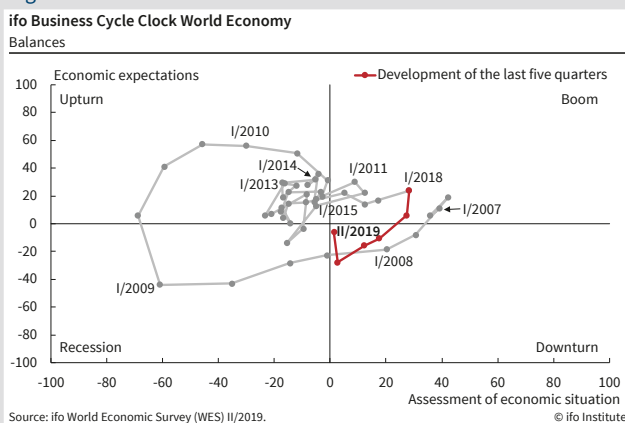
© ifo Institute

IFO BUSINESS CYCLE CLOCK FOR THE WORLD ECONOMY

A glance at the Ifo Business Cycle Clock, showing the development of the two components of the economic climate in recent years, can provide a useful overview of the global medium-term forecast. The business cycle typically proceeds clockwise in a circular fashion, with expectations leading assessments of the present situation.

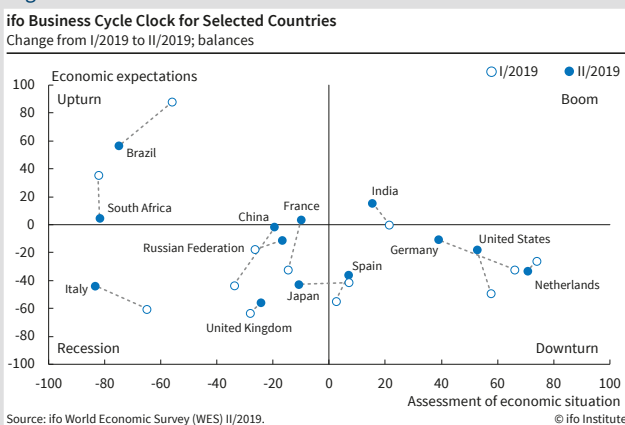
According to the April 2019 survey, the Ifo indicator for the world economy improved for the first time since January 2018 (see Figure 3.1). This upturn was driven mainly by experts' economic expectations, which were less negative than in the previous quarter. As a result, the indicator moved upwards in the downturn quadrant.

Figure 3.1



To further analyze which countries are the main drivers behind this slight improvement, we took the main advanced economies and key emerging markets in the Business Cycle Clock above and plotted them below to visualize the change from the previous quarter to the current quarter (see Figure 3.2). In most advanced economies, respondents revised their economic expectations upwards but scaled back their assessments of the current situation. In France, both indicators improved and the country moved from the recession into the upturn quadrant. The other advanced economies remain in either the recession or the downturn quadrant. In the downturn quadrant, Germany, the US, and Spain moved upwards, mainly due to better economic expectations. In the Netherlands, both indicators dropped slightly. Italy and the United Kingdom remain in the recession quadrant. Of the key emerging markets, South Africa and Brazil remain in the upturn quadrant, but with worse economic conditions than in the previous quarter. India and China have both moved upwards, with India now in the boom quadrant and China about to enter the upturn quadrant. The global general trend shows a brighter economic outlook. It remains to be seen if this will translate into a softer downturn than previously expected.

Figure 3.2

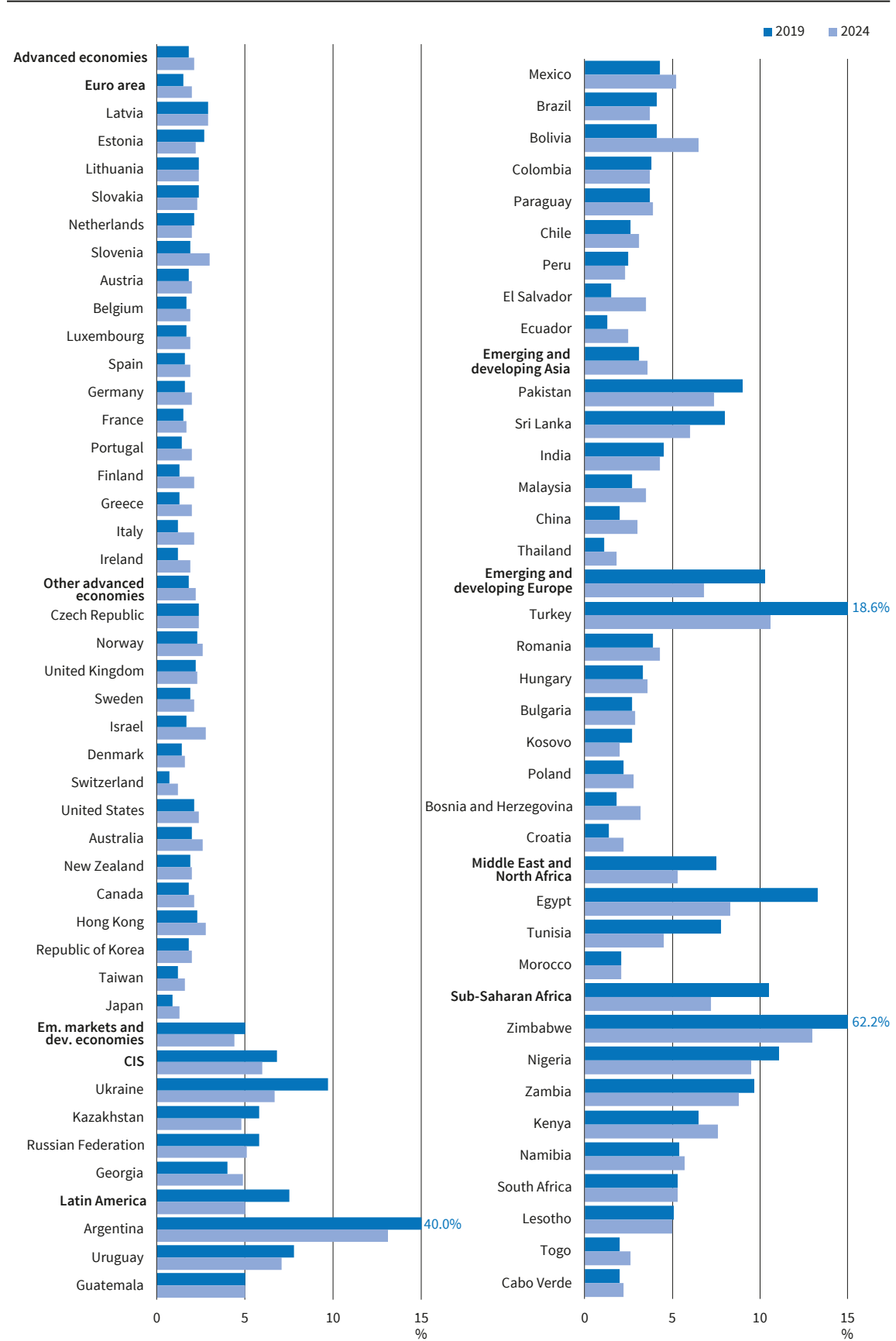


The Ifo World Economic Climate is the geometric mean of the assessments of the current situation and economic expectations for the next six months. The correlation of the two components can be illustrated in a four-quadrant diagram (the Ifo Business Cycle Clock). The assessments of the present economic situation are positioned along the X-axis, the responses on economic expectations on the Y-axis. The diagram is divided into four quadrants, representing the four phases of the business cycle. For example, the upturn phase (top left quadrant) represents negative assessments and at the same time positive expectations.

the assessment of the current situation has deteriorated again. The experts expect GDP growth of 1.3 percent for the current year (see Figure 6); this is 0.6 percentage points lower than the growth rate achieved in 2018 (Eurostat, 2019). The outlook for the coming half year brightened in many euro countries. Expectations improved most notably in **France, Belgium, and Greece**, but they also rose strongly in **Germany, Italy, and Spain. Ireland, the Netherlands, and Portugal** are among the countries reporting a further deterioration in the economic outlook. WES experts were less positive about the current situation in most countries, except for France, Spain, and **Lithuania**. Particularly for Germany, **Austria, and Italy**, the present economic situation saw a sharp downward revision. For Italy, projected growth for 2019 is set at 0.1 percent, staying just barely on the positive side (see Figure 6). GDP growth achieved in 2018 was 0.9 percent (Eurostat, 2019). In general, the economic experts in the euro area are less pessimistic about future investment, private consumption, and exports. They expect inflation to be 1.5 percent for the current year, a slightly lower rate than they expected three months ago (see Figure 4). Moreover, far fewer experts expect short- and long-term interest rates to rise. The shortage of skilled workers is the most frequently cited problem for the euro area (see Table 1). In **Greece**, experts expect the economic situation to improve in the coming six months, mainly because they project that investment and domestic consumption will pick up. This is also seen in their growth forecast for 2019, which is set at 1.9 percent (see Figure 6). This is similar to growth in 2018; if this forecast is achieved, it would mark the third consecutive year of expansion for Greek GDP (Eurostat, 2019). Experts' assessment of the current economic situation has followed an upward trend since 2016, but still remains at a negative level (see Figure 11.2). As to problems hindering the economy, 95.2 percent of the Greek panelists point to insufficient demand and 100 percent name capital shortage. The economic climate indicator for **Finland** moved sideways, with both the assessment of the current situation and expectations staying constant (see Figure 11.1). The assessment of the current situation is still at a higher level than the average for the euro area. Also, the expectations are less pessimistic than in many other euro area countries. Almost all respondents consider the shortage of skilled workers to be a problem for the Finnish economy. The Finnish respondents downgraded their GDP growth expectations for 2019 to 1.6 percent compared to 2.7 percent in 2018 (see Figure 6). This is, however, still above the average expected GDP growth rate of 1.3 percent for the euro area. **Latvia** is the only country in the euro area where GDP growth is projected to be higher than it was last year (see Figure 6). However, at 3.7 percent, the forecast of the Latvian experts is still 1.1 percentage points lower than GDP growth achieved in 2018 (Eurostat, 2019).

Figure 4

Inflation Rate Expectations for 2019 and in 5 Years (2024)
 Aggregates^a and countries



^a To calculate aggregates, country weights are based on gross domestic product based on purchasing-power-parity (PPP) in international dollars (database IMF's World Economic Outlook).
 Source: ifo World Economic Survey (WES) II/2019.

The economic climate in the **United States** brightened, as respondents turned less pessimistic regarding the months ahead. The assessment of current economic performance, supported by strong domestic consumption, is still at a high level (see Figure 11.3). Although a further slowdown of economic momentum is expected for the coming year, this might be less pronounced than previously assumed. Expected GDP for 2019 was set by the American respondents at 2.3 percent (see Figure 6), which is 0.6 percentage points lower than the 2.9 percent growth rate achieved in 2018 (Bureau of Economic Analysis, 2019). Far fewer respondents than in the previous survey expect the Federal Reserve to raise interest rates (see Figure 9).

The economic climate indicator for **Japan** is at its lowest point since the second quarter of 2016, with a balance of -27.5 points (see Figure 11.2). In contrast to the other advanced economies, where economic expectations were revised upwards, respondents in Japan did not correct their pessimistic outlook. In addition, assessments of the current economic situation also turned negative on balance. According to WES experts, current investment performance fell to a three-year low; this can be related back to subdued global demand, which is central to Japan's manufacturing sector. The uncertain economic outlook, which has now been negative four times in a row, may have started to dampen domestic consumption: this indicator also fell considerably, indicating weaker performance in the months ahead. Economic growth for 2019 was forecast to reach 0.8 percent (see Figure 6), which is unchanged from the growth rate achieved in 2018 (OECD, 2019). Inflation is expected to amount to 0.9 per-

cent, which is 0.1 percentage points higher than the experts' forecast in the first quarter. However, out of the advanced countries, only experts in Switzerland expect a lower inflation rate for 2019 (see Figure 4). Lack of innovation was considered by 71.4 percent of the Japanese respondents as a problem for the economy.

The economic climate indicator for **Canada** moved sideways, with the current situation appraised less positively while economic expectations improved (see Figure 11.1). The outlook indicator reached zero on balance, indicating no change in economic conditions in the months ahead. Noticeably fewer WES analysts believe that short- or long-term interest rates will increase soon. This is in line with expectations in other key economies and around the world (see Figure 8). Correspondingly, only 5 percent of the Canadian experts report capital shortage as a problem hindering the economy now. In contrast, 80 percent of the panelists report trade barriers to exports as an economic problem. This is the highest percentage of respondents viewing trade restrictions as a problem for the economy since 1991.

The economic climate in the **United Kingdom** remains subdued (see Figure 11.3). WES experts for the UK still assess the present economic situation as unfavorable and the economic outlook as clearly pessimistic. However, both indicators marginally improved. As the WES panelists comment, uncertainty surrounding Brexit has a considerable influence on economic forecasts. The indicators for investment and domestic consumption improved, but remain at a low level. Real GDP growth for 2019 is expected to be 1.1 percent (see Figure 6), which is 0.3 percentage points lower than the growth

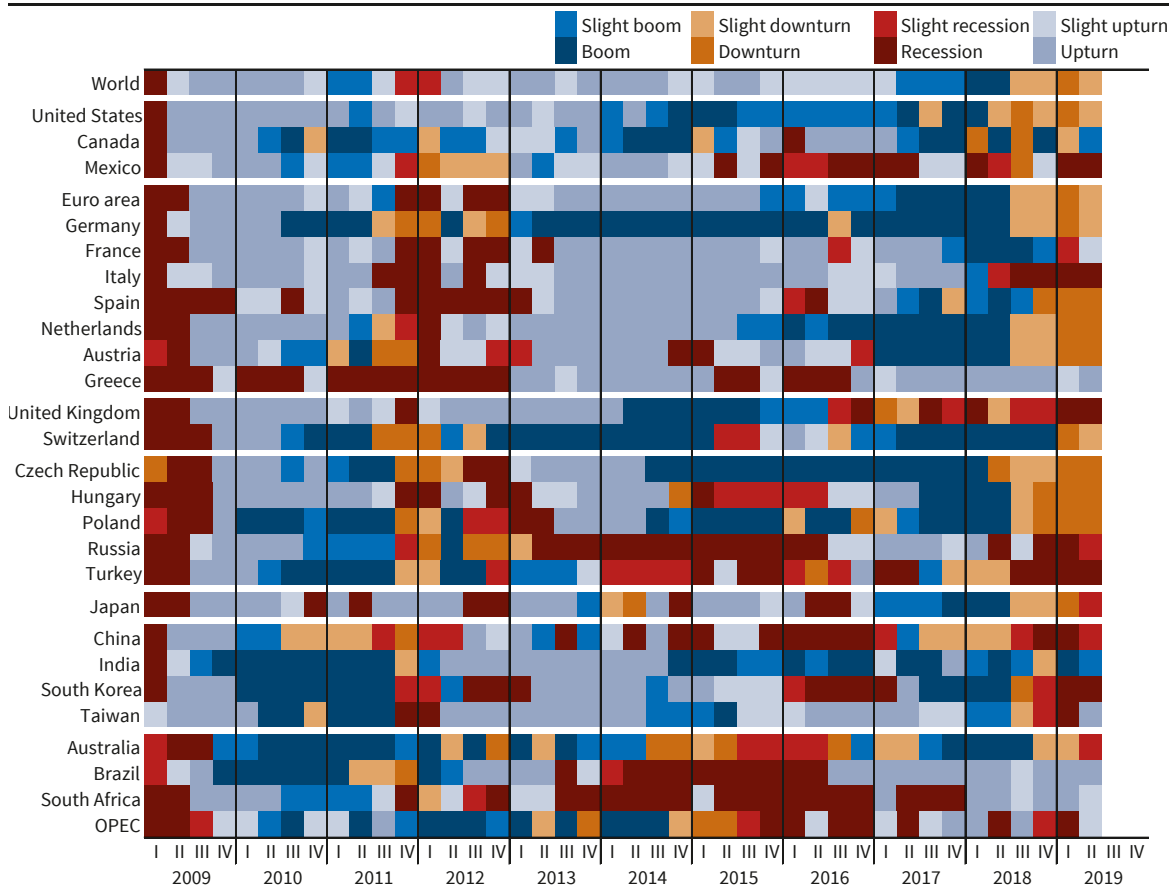
Table 1
Economic Problems Ranked by World Importance*

	World	Advanced economies	Emerging and developing economies	EU	Developing Europe	Developing Asia	Latin America	CIS	MENA	Sub Saharan Africa
Widening income inequality	75.7	66.5	82.9	57.3	64.8	88.9	64.9	75.1	84.1	92.6
Lack of skilled labor	59.3	59.0	59.6	66.5	63.8	54.5	61.1	65.5	82.0	73.1
Corruption	54.6	28.6	74.5	31.7	65.0	69.0	85.0	94.9	77.4	95.8
Lack of confidence in government's econ. policy	51.6	59.6	45.5	64.4	79.3	27.7	66.6	80.7	75.4	71.7
Lack of innovation	55.0	47.8	60.6	60.2	78.6	45.7	84.0	88.8	91.4	71.3
Legal and administrative barriers for business	52.4	36.4	64.7	45.8	47.3	62.2	63.3	79.5	79.3	80.8
Inadequate infrastructure	57.1	55.2	58.5	52.0	56.4	47.0	84.5	85.5	60.5	96.3
Lack of international competitiveness	44.1	34.1	51.7	43.5	45.7	40.7	63.4	85.6	79.5	77.0
Trade barriers to exports	42.8	34.3	49.4	17.8	19.4	60.2	39.0	48.5	22.1	19.2
Unfavorable climate for foreign investors	43.5	28.1	55.4	37.3	65.2	51.9	49.5	78.6	65.5	49.5
Inefficient debt management	37.3	29.9	43.0	23.3	53.0	42.0	34.7	17.9	78.9	52.5
Insufficient demand	40.2	26.0	51.2	31.0	47.6	42.5	60.7	81.8	66.5	71.4
Political instability	31.5	38.9	25.7	47.2	57.3	13.5	51.0	22.6	54.6	31.4
Capital shortage	28.6	10.8	42.2	25.9	73.8	30.0	40.7	64.8	72.3	82.4
Lack of credible central bank policy	20.4	9.1	29.3	9.6	54.6	29.7	15.3	23.9	38.5	29.3

*Based on percentages of experts indicating their country is facing this problem at the moment. The weighting factors used to aggregate the country results into country groups or regions are calculated using each country's gross domestic product based on purchasing power parity (database IMF's World Economic Outlook). Highlighted problems are the top 3 most important economic problems for each country group.
Source: ifo World Economic Survey (WES) II/2019.

Figure 5

ifo World Economic Survey – Heatmap^a



^a The assessments of the current situation and economic expectations for the next six months are visualised by a four color scheme that illustrates the four phases of a business cycle: boom, downturn, recession, upturn. The transition areas between these four phases are illustrated with lighter colors and are defined as follows: Slight boom when the current situation is smaller than +20. Slight downturn when expectations are between 0 and -20. Slight recession when the current situation is between 0 and -20. Slight upturn when expectations are smaller than +20.

Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

rate (1.4 percent) seen in 2018 (Eurostat, 2019). Over 90 percent of experts surveyed see a lack of confidence in the government’s economic policy and political instability as paralyzing the economy at present. This is an even greater share than in the survey six months ago.

Experts within the **other advanced economies** report a less pessimistic economic outlook, and as such see a slight recovery in their economic climate. This is the first upward movement of the indicator since January 2018, but it remains negative at -6.8 points on the balance scale, which suggests growth below trend (see Figure 10.1). Experts’ assessments of the current situation have worsened by 14.0 points and the indicator dropped to the lowest level in the past two years. This trend can be seen in all countries within the country group where the climate has improved. In **Taiwan, Switzerland, Sweden, Norway, and Israel**, the economic outlook was revised upwards. The climate indicator in Taiwan saw an especially sharp improvement of 31.7 points. Again, this was driven by an increase of 82.3 points in expectations, while the indicator for the present situation declined by 11.8 points. Norway saw only a moderate increase of its climate, of 3.9 points, but remains at a favorable level of 40.4 points on the

balance scale. Experts in Norway expect GDP to grow by 2.4 percent in 2019, this is 0.4 percentage points more than the GDP growth achieved in 2018 (Eurostat, 2019). The Norwegian experts are the only respondents within the other advanced economies group who expect a higher GDP growth rate this year than last year (see Figure 6). In **Australia, the Czech Republic, New Zealand**, and the Republic of **Korea**, on the other hand, the economic climate clouded over (see Figures 11.1 and 11.2). In the Czech Republic, the indicator dropped by -24.9 points, as experts expressed more pessimism regarding the months ahead. After GDP growth of 2.9 percent in 2018 (Eurostat, 2019), Czech panelists downgraded their projections for 2019 to 2.5 percent (see Figure 6). In Australia and New Zealand, the economic climate indicator fell sharply by -20.1 and -21.7 points respectively. However, the indicator remains positive overall for New Zealand, as the current economic situation was again assessed favorably. All experts agree that inadequate infrastructure and a lack of skilled labor are hindering the economy presently. In Australia, on the other hand, 81.3 percent of experts cite insufficient demand as a current prevailing economic problem.

ECONOMIC CLIMATE IN EMERGING MARKETS AND DEVELOPING ECONOMIES IMPROVES SLIGHTLY

The economic climate in the **emerging markets and developing economies** as a group recovered slightly, after three quarters of economic weakness. Economic expectations reached slightly positive territory, while the assessment of the present economic situation remained negative on balance at -13.4 points (see Figure 10.1). Momentum in trade should also recover slightly (see Figure 8). At 4.6 percent, growth perspectives in 2019 for emerging and developing markets are considerably lower than the figure estimated one year ago (5.0 percent, see Figure 6). The economic climate remains negative in nearly all subgroups of this aggregate (see Figure 10). The regions are in different stages of the business cycle, following the classification of the ifo Business Cycle Clock (see Figure 2). **Emerging and developing Europe** and the **Commonwealth of Independent States** remain in “recession”, as experts’ assessments of the present situation and economic expectations both remain pessimistic. In the **Middle East and North Africa** as well as in **emerging markets in Asia**, economic expectations turned positive, so that these groups shifted into the upturn phase of the Business Cycle Clock. **Latin America** and **Sub-Saharan Africa** are still situated in the upturn phase, albeit on different trajectories. Assessments of both the present economic situation and economic expectations improved in Sub-Saharan Africa. Latin America, in contrast, is the only subgroup of emerging markets where economic conditions started to deteriorate again.

The economic climate for important emerging markets (**Brazil, Russia, India, China, and South Africa – BRICS**) continued to improve and, at -5.6 balance points, remains only just in negative territory (see Figure 10.1). Out of this group, the sharpest improvement in the economic climate was seen in **China** (see Figure 12.1). Assessments of the present economic situation are less negative than in three months ago. Economic expectations also brightened and reached their most optimistic value in three years. According to the ifo Business Cycle Clock, China seems to have bottomed out and is about to enter the upturn phase (see Figures 3.2 and 5). Economic momentum in private consumption, investment, and exports should recover slightly over the course of the year. Growth perspectives are robust at 6.1 percent in 2019 (previous year: 6.5 percent, see Figure 6), which remains one of the highest growth rates in the emerging markets. However, the fastest-growing economy in Asia is **India** with an estimated GDP growth rate of 7.1 percent for this year. India is also the only BRICS country to be found in the “boom” quadrant of the ifo Business Cycle Clock (see Figures 3.2 and 5). All economic climate indicators add up to 15.4 balance points, indicating a satisfactory present situation with a positive economic outlook (see Figure 12.2). In a change from the previous three surveys, Indian experts no longer expect short- and long-term interest rates to rise within the next six

months. **Russia** also saw an improvement both in the present economic situation and in economic expectations. Despite this, economic sentiment in Russia remains subdued overall. The country is still located in the recession quadrant of the ifo Business Cycle Clock, however it is slowly heading towards the upturn phase (see Figures 3.2 and 5). Inflation rate expectations for 2019 and in five years’ time eased somewhat from 6.2 to 5.8 percent and from 6.3 to 5.1 percent respectively (see Figure 4). Unlike in the previous two surveys, experts no longer expect interest rates to rise, and some even expect them to fall in the coming six months. According to WES experts, corruption again ranks high on the list of prevailing economic problems, followed by a lack of innovation. Once again, insufficient demand was cited most often as one of the important economic issues for the Russian economy. The experts surveyed expect GDP growth of 1.5 percent for 2019 (see Figure 6). **Brazil** suffered a setback: in the second quarter, the economic climate indicator turned negative again, falling from +3.6 points to -21.0 balance points (see Figure 12.1). With a very weak present economic situation and far less positive economic expectations, Brazil has lost some ground in the upturn quadrant of the ifo Business Cycle Clock (see Figures 3.2 and 5). WES experts reported an unchanged inflation expectation for 2019 of 4.1 percent and a slightly lower figure in five years’ time (3.7 percent, see Figure 4). They again don’t expect an increase in short- and long-term interest rates, and more experts than three months ago expressed the opinion that interest rates will instead decrease in the months ahead (see Figure 9). Inadequate infrastructure and a high level of corruption were unanimously cited by all Brazilian WES experts as important economic obstacles. In South Africa, the economic climate continued to deteriorate (see Figure 12.3). The assessment of the present economic situation was as weak as in the first quarter of 2019. In combination with far less positive economic expectations, South Africa lost ground in the upturn quadrant of the Business Cycle Clock and is heading back towards the recession quadrant (see Figures 3.2 and 5). In the coming months, WES experts expect no fresh impetus from investments, private consumption, or the export sector. In contrast to the previous three surveys, experts don’t anticipate a rise in short- and long-term interest rates (see Figure 9). The South African rand is now regarded as being at proper value against the main four currencies – US dollar, euro, yen, and British pound. According to WES experts, confidence in the government’s economic policy is increasingly waning. However, they also see corruption, inadequate infrastructure, and a lack of skilled labor as current prevailing problems for the South African economy.

OTHER EMERGING MARKETS

In emerging and developing Asia, the climate indicator improved to +2.1 balance points from -17.0 in the previous quarter. This figure mainly reflects the positive eco-

conomic developments in China and India.¹ The ASEAN-5 countries (comprising **Indonesia**, Malaysia, the Philippines, Thailand, and Vietnam) saw a considerable upturn in the economic climate. The present economic situation deteriorated slightly but remained at a satisfactory level. Economic expectations were clearly revised upwards and turned optimistic again (see Figure 10.1). At 5.2 percent, growth rate expectations for 2019 are somewhat higher than the growth figure estimated for 2018, 4.9 percent. Corruption was again mentioned as a threat to the economy in these countries, but a lack of skilled labor was also cited as an obstacle to the economy. The economic climate in **Pakistan** continued to deteriorate, falling from -48.5 to -56.1 balance points. Economic expectations turned negative again, signaling no major improvements in the current weak economic conditions over the months ahead. Inflation is expected to rise further in the next six months, with WES experts expecting a rate of 9.0 percent for 2019 – among the highest in emerging Asia (see Figure 4).

The economic climate in **emerging and developing Europe** continued to improve slightly from -20.7 to -17.0 points on the balance scale, due to upward revisions to economic expectations. In contrast, the present economic situation was more negatively assessed than three months ago. The country group remains in the recession quadrant of the ifo Business Cycle Clock (see Figure 3.1). Experts report that the citizens of these respective countries have lost confidence in the economic policies of their governments. Besides a lack of innovation, most of emerging and developing Europe faces capital shortages as a further economic stumbling block (see Table 1). GDP growth for 2019 is predicted to be 1.9 percent, which is considerably lower than the 2018 figure of 4.4 percent. This is mainly due to a strong downward revision of growth perspectives for **Turkey**, which were set at 0.0 percent this quarter, while the figure estimated one year ago was 4.9 percent (see Figure 6). Assessments of the present economic situation and, even more so, economic expectations continue to recover slightly, but remain at a negative level. As a result, the climate indicator recovered by 10.5 balance points to -42.8 (see Figure 12.3 and 5). Both investment and private consumption are considered to be weak at present, with no recovery expected over the next six months. Inflation rate expectations for 2019 are unchanged at 18.6 percent, and thus among the highest in emerging markets (see Figure 4). The percentage of experts who report a lack of credibility for central bank policy increased clearly from 80 percent in October 2018 to 93.8 percent in April 2019. The economic climate indicator for **Poland** improved slightly from 0.6 to 10.0 points on the balance scale. Although the present economic situation marginally deteriorated, it remains favorable overall. In contrast, economic expectations were clearly revised upwards by WES experts but stayed negative; the outlook thus remains cautious (see Figure 11.3). According to the ifo heatmap, the economy in

Poland is in a cyclical downturn (see Figure 5). While private consumption and exports are likely to gain momentum in the next six months, the current weak performance in capital expenditure is expected to slow down the economy further. More experts now than in January anticipate long-term interest rates to rise in the next six months. The economic climate for **Romania** continued to cloud over and the indicator slipped from -3.5 to -18.4 balance points, resulting in the worst economic climate in five years. The present economic situation deteriorated significantly according to WES experts; the six-month economic outlook is also slightly more pessimistic than in the previous survey. According to WES experts, private consumption is performing satisfactorily at present, but it, too, is likely to lose impetus in the months ahead. Capital expenditure is considered to be weak at present, with no signs of any recovery in the coming months. At least the export sector is likely to strengthen somewhat in the course of the year. Estimated GDP growth for 2019 is considerably lower than was estimated in 2018 and is now set at 3.5 percent (see Figure 6). Inadequate infrastructure is unanimously perceived as an important economic bottleneck.

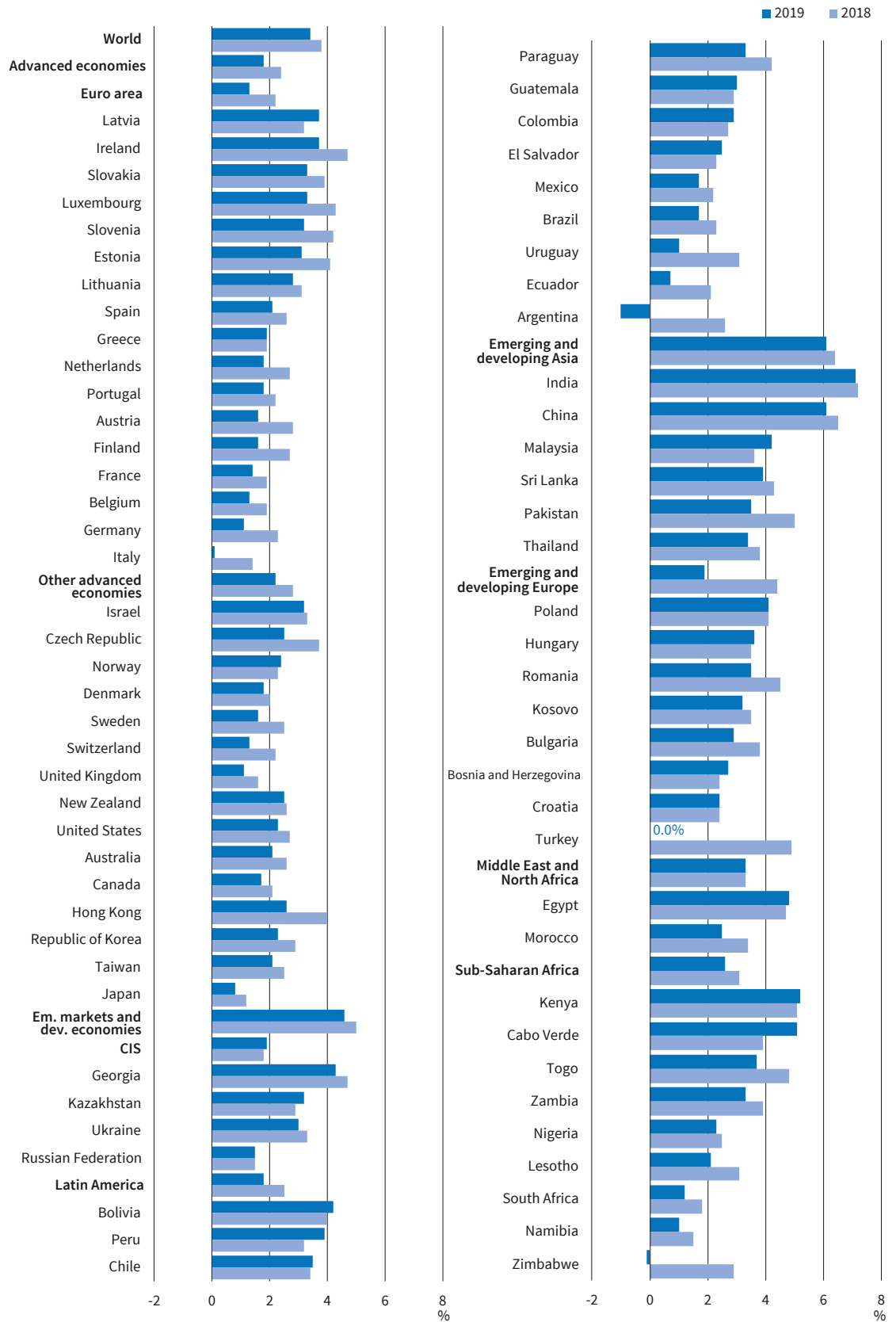
Latin America is the only aggregate of emerging and developing markets where the economic climate continued to deteriorate, from -9.1 to -21.1 balance points. The assessment of the situation remains in negative territory. In combination with a less favorable but still positive economic outlook, the aggregate remains in the upswing phase of the ifo Business Cycle Clock (see Figure 2). The region's most pressing economic problems currently are corruption, inadequate infrastructure, and a lack of innovation (see Table 1). **Argentina** saw a similar pattern in the direction of its economic climate indicators to **Brazil**², however at a considerably lower level: after improving at the beginning of the year, the indicators have again started to deteriorate significantly. The present economic situation is considered to be very weak. Economic expectations point to no substantial improvement in economic conditions soon (see Figure 11.1). The expected inflation rate for 2019 rose to 40.0 percent; the figure in the previous survey was 30.8 percent (see Figure 4). WES experts do not any longer expect short- and long-term interest rates to rise in the next six months. Confidence in the government's economic policy remains very low, but experts also reported insufficient demand as an economic constraint. The GDP growth rate for 2019 is expected to be -1.0 percent (see Figure 6). The economic climate for **Mexico** remains just as weak as in the previous quarter. Both climate indicators – the present economic situation and economic expectations – continue to be in deeply negative territory (see Figure 12.2). The forecast GDP growth rate for 2019 was set at 1.7 percent (see Figure 6). A high level of corruption remains the key economic problem according to WES experts, but confidence in the government's economic policy is also increasingly waning. **Colombia** and **Peru** were the only countries in Latin America where

¹ For a more detailed description of China and India, see the BRICS section.

² For a more detailed description of Brazil, see the BRICS section.

Figure 6

GDP Growth Rate Expectations in 2019 and 2018
Aggregates^a and countries



^a To calculate aggregates, country weights are based on gross domestic product based on purchasing-power-parity (PPP) in international dollars (database IMF's World Economic Outlook).
Source: ifo World Economic Survey (WES) II/2019.

the economic climate indicators rose considerably. Assessments of the present economic situation turned positive on balance in both countries. The economic outlook remains confident for Colombia and is even optimistic for Peru (see Figures 12.1 and 12.2). Inflation rate expectations for 2019 remain stable, at 3.8 percent in Colombia and 2.5 percent in Peru (see Figure 4). Growth rate expectations for Peru in 2019 are set at 3.9 percent, one of the highest figures in this region. Colombia's GDP growth expansion is expected to be somewhat lower at 2.9 percent (see Figure 6).

The economic climate for the **Commonwealth of Independent States (CIS)** improved slightly but remains negative overall at -9.8 balance points. The survey results continue to indicate weak economic performance with no signs of recovery in the months ahead (see Figures 2 and 10.2). This pattern certainly reflects economic developments in **Russia**, whose weight accounts for nearly 80 percent of this aggregate.³ In **Ukraine**, assessments of the present economic situation improved again and are now in slightly positive territory. The economic outlook, however, clouded over and WES experts' caution returned regarding the next six months (see Figure 12.3). The economic climate in **Georgia** and **Kazakhstan** improved marginally. In both countries, the present economic situation was assessed slightly less positively than three months ago. The expectations for the next six months, however, brightened. GDP growth rates for Ukraine, Kazakhstan, and Georgia for 2019 are forecast to be 3.0 percent, 3.2 percent, and 4.3 percent respectively (see Figure 6).

The economic climate indicator for countries in the **Middle East and North Africa (MENA)** rose considerably, but still stands in negative territory at -3.8 balance points. Experts in this region revised their assessments of the current situation upwards and became optimistic regarding the months ahead (see Figures 2 and 10.2). Impetus for growth is expected to come most likely from the expected increase in oil prices in the coming year, due to the continuation of US sanctions on oil exporting countries Venezuela and Iran. Inflation for this region is set at 7.5 percent, which is an increase of 2.2 percentage points compared to the previous quarter. Price pressures remain especially high in **Egypt** (see Figure 4). In this country, the assessment of the current economic situation is less negative than it was three months ago. The economic outlook remains unchanged at a positive level, which points to some improvement in the weak current economic conditions in Egypt. In **Sub-Saharan Africa**, the economic climate improved from -20.4 to -4.1 balance points. Assessments of both the present situation and the economic expectations were revised upwards, indicating an improving economic environment (see Figures 2 and 10.2). The most cited economic problem in Sub-Saharan Africa is inadequate infrastructure (see Table 1). In **Namibia**, the economic climate continued its upward path, as respondents were less pessimistic about the current economic situation (see Figure 12.2). This trend is

also visible in **Nigeria**, where the economic climate recovered considerably, with both the present situation and the outlook for the coming months much more positive than in the previous survey (see Figure 12.2). The economic situation in **Zimbabwe** saw no change compared to the previous survey and continues to be very weak. Experts' economic expectations remained pessimistic and signal a further deterioration in the weak current economic conditions (see Figure 12.3).

REFERENCES

- Bureau of Economic Analysis. (2019). Gross Domestic Product by State: Fourth Quarter and Annual 2018 | U.S. Bureau of Economic Analysis (BEA). Retrieved 6 May 2019, from <https://www.bea.gov/news/2019/gross-domestic-product-state-fourth-quarter-and-annual-2018>
- Eurostat. (2019). Eurostat - Tables, Graphs and Maps Interface (TGM) table. Retrieved 6 May 2019, from <https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=de&pcode=tec00001&plugin=1>
- OECD. (2019). GDP and spending - Real GDP forecast - OECD Data. Retrieved 6 May 2019, from the OECD website: <http://data.oecd.org/gdp/real-gdp-forecast.htm>

³ For a more detailed description of the situation in Russia, see the BRICS section.

THE CHANGING WORLD TRADE LANDSCAPE

Countries constantly need to adapt to international or external developments. The global trade landscape has recently seen particularly profound changes, creating new challenges and risks. Although most economists believe international trade supports growth, development, and poverty reduction, it has lately faced increasing criticism. This encourages certain countries to turn towards protectionism (e.g. the trade disputes between the US and China). Nonetheless, China is expanding its international activity in the form of foreign direct investment (FDI) – which, in turn, has drawn growing criticism. This raises the question of the extent to which the changing trade landscape influences perceptions of globalization. In the second quarter of 2019, we asked the WES experts about the possible impact of the ongoing trade disputes between the United States, China, and the European Union on their country. In addition, we posed the question of whether FDI from China is perceived differently than FDI from other countries. We asked the experts to specify their answers according to investment type as well as different aspects associated with FDI. Then, to put these questions in a wider context, we asked them to what extent they believe that globalization has reached its limits of acceptance among the wider population of their country.

Many international organizations recognize that changes in the world trade landscape represent a risk to economic growth. The ongoing trade disputes will affect not just the US and China, but other countries as well. For example, in its 2019 report the European Economic Advisory Group identified the shift in US economic policy towards protectionism and the rise of China as the two most important international developments that could affect the European economy (Andersen et al., 2019). The recently published Asian Economic Outlook also mentions the ongoing trade disputes between China and the United States as a factor that could undermine investment and growth in Asia

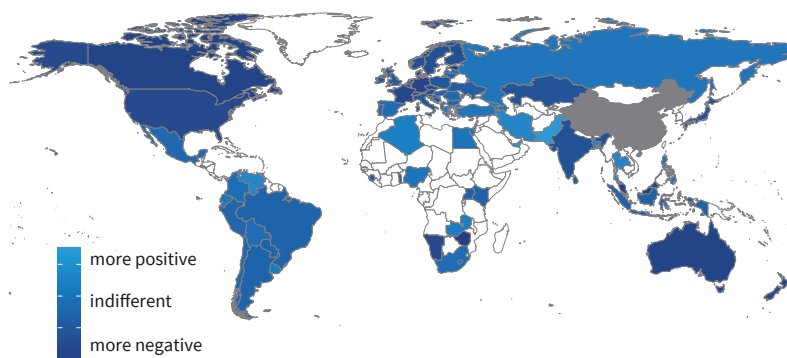
(Asian Development Bank, 2019). Moreover, the African Development Bank mentions in its economic outlook that the possibility of further escalation in trade tensions is a risk clouding macroeconomic forecasts for Africa (African Development Bank Group, 2019). This is something the WES experts also acknowledge. In all regions of the world except the Middle East and North Africa, more than 50 percent of the experts surveyed see their economy impacted by the ongoing trade disputes. Within the European Union, other advanced economies, and Latin America, more than 70 percent of experts see their economy affected. Among the leading export nations, Germany, the Netherlands, as well as Finland, where 40 percent of GDP is dependent upon trade, more than 90 percent of respondents say that their country is affected by the escalating trade disputes.¹ Countries around the world will be faced with less trade in general, meaning companies will have to adapt their supply and value chains and take increasing costs into consideration (see Table 2). Experts within the advanced economies also see the recent imposition of tariffs as a measure to protect against foreign competition. Meanwhile, experts in emerging and developing economies fear the higher prices for goods and services that the tariffs imposed will bring, as well as the associated higher costs. The latter point is also seen as the most significant impact on the US economy. In contrast, China will suffer most as a result of there being less trade in general. Only the experts in emerging and developing countries in Asia and Europe consider trade diversion to be among the most likely impacts.

FOREIGN DIRECT INVESTMENT FROM CHINA COMPARED TO OTHER COUNTRIES

Besides international trade – buying and selling products across borders – another form of linkage between countries is foreign direct investment (FDI), which is characterized by influence and control over business activities abroad. In recent years, Chinese investors have increased their FDI activities significantly, especially in the form of mergers and acquisitions. In many countries, but especially in the US and in Europe, Chinese acquisitions arouse suspicion. Critics claim that such acquisitions enjoy unfair advantages, because they are subsidized by the Chinese government, or that they

Figure 7.1

Experts' Assessments of FDI from China Compared to FDI from Other Countries



Note: The balance is the difference between (+) and (-) shares, where 0 is reached when the shares of positive and negative answers is equal.
Source: ifo World Economic Survey (WES) II/2019.

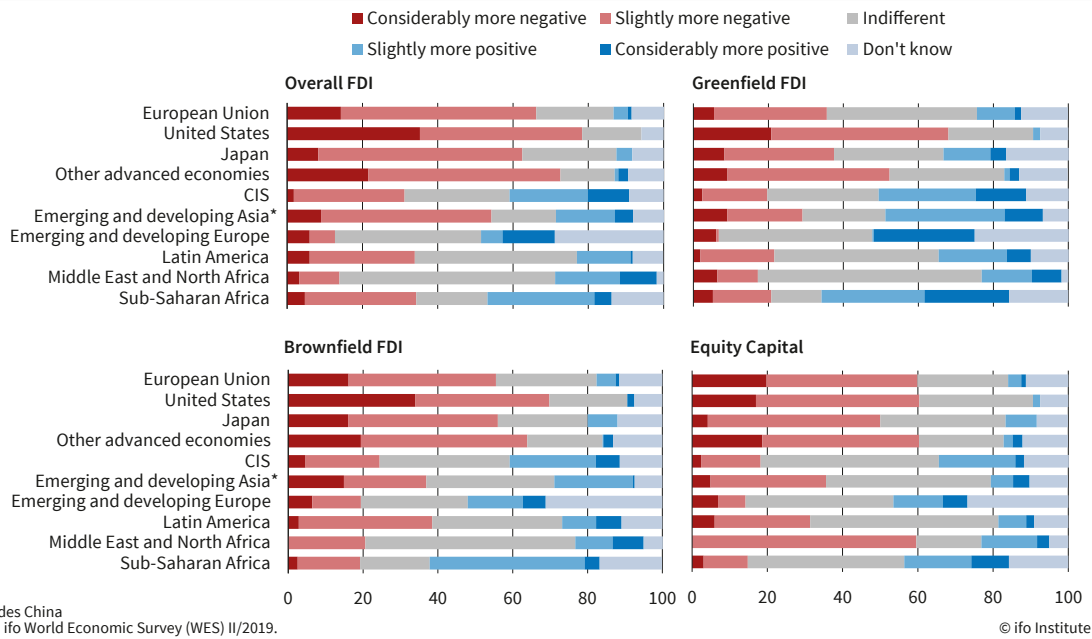
© ifo Institute

¹ We asked the respondents if their country will be affected by the ongoing trade disputes between the US, China, and the European Union with the following possible answers: yes / no / don't know. Experts who agreed that their country will be affected were asked to rank the three most significant impacts from a selection of six possible impacts, with a ranking of one being the most significant and three the least significant. For each country, average ranks were calculated from all experts' opinions.

Figure 7.2

Experts' Perception of FDI from China Compared to FDI from Other Countries

In percent



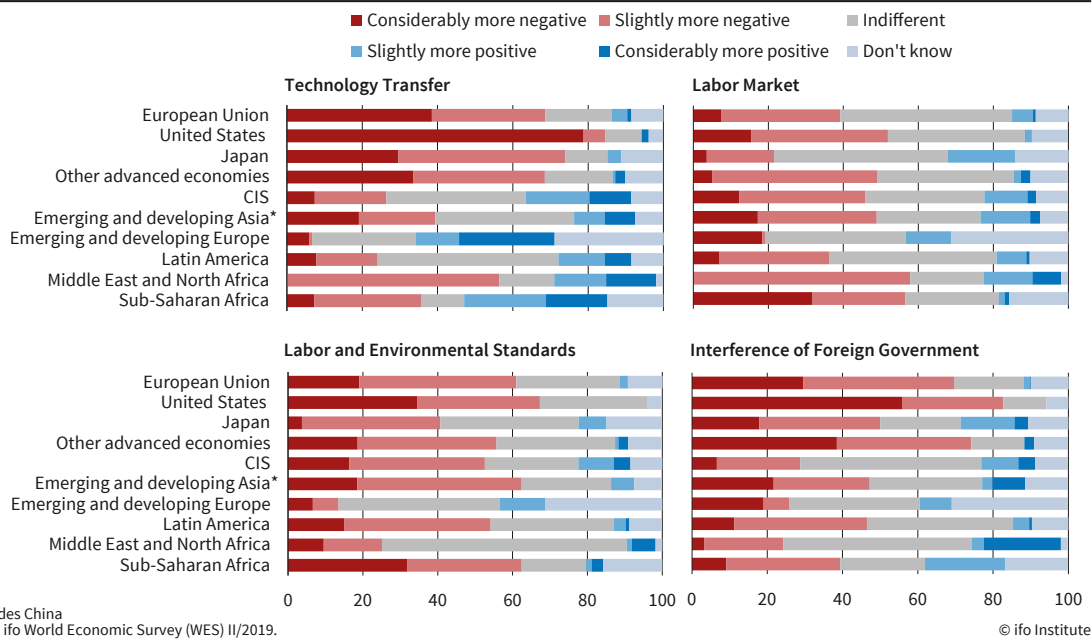
*excludes China
Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 7.3

Perceptions on Different Aspects of FDI from China Compared to FDI from Other Countries

In percent



*excludes China
Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

are strategically motivated, with the objective of gaining market dominance, increasing political influence in the host countries, or dividing European countries and undermining the coordination of policies towards China and the EU (Fuest, Hugger, Sultan, and Xing, 2019). At the same time, China's current investment strategy is a way for the country to diversify its investments and ensure access to customers and key suppliers. Nevertheless, this growth in Chinese investment activity has led several countries to tighten regulations and impose restrictions on foreign acquisitions. Calls are emerging on a European level to restrict these investments even

further. Fuest et al. (2019) confirm that Chinese investment is different than investment from other countries. It is highly influenced by China's strategic initiatives: the Belt and Road Initiative and "Made in China 2025." This assures Chinese companies of more government support, as does the fact that many of them are state owned. To our knowledge, there are no studies that explore the extent to which this is beneficial or harmful for the receiving country. Public fear of Chinese investors is likely to be exaggerated, as not all investment takes the form of mergers and acquisitions; one-quarter goes into greenfield investments, which enhance eco-

conomic activity. Moreover, the Chinese FDI peak might already have passed; investment volume fell in 2018 (Felbermayer, Goldbeck, and Sandkamp, 2019). Nevertheless, it is still at a high level, and investments in companies with critical infrastructure and new technology have risen.

This negative attitude towards Chinese direct investment compared to FDI from other countries is echoed among the WES experts.² The world map in Figure 7.1 gives an overview of experts' perceptions of overall FDI when it comes from China;³ Figures 7.2 and 7.3 present country group results of the different types of investment and aspects.

WES experts in 75 percent of the countries are more critical of FDI from China than of FDI from other countries. Only in 10 percent of the countries surveyed – namely in Azerbaijan, Armenia, Ecuador, Egypt, Greece, Latvia, Nigeria, and the Philippines – did WES experts report that there is no difference between FDI from China and FDI from other countries. The remaining 13 countries, among them Pakistan, Georgia, Turkey, and Russia, are more positive about Chinese investment. As Figure 7.2 shows, experts in emerging and developing economies have fewer reservations towards FDI from China (compared to FDI from other countries) than their colleagues in advanced economies. Of the emerging markets, Asian experts are most reserved when it comes to FDI from China. Regarding the type of investments, brownfield FDI (purchasing or leasing existing production facilities to launch a new production activity) and equity capital (buying shares in an existing company) are viewed more critically in advanced economies than greenfield FDI (creating a new enterprise or economic activity rather than acquiring an existing company). In the US, however, Chinese greenfield FDI is viewed slightly more critically than equity capital investments. Even though WES experts in the Middle East and North Africa are generally indifferent or positive about Chinese FDI compared to FDI from other countries, they do have some doubts regarding equity capital coming from China.

Figure 7.3 shows the different indirect effects of FDI and the respondents' perception of the extent to which those effects

differ for FDI from China. Technology transfer and government interference stand out as the effects that advanced economies fear the most, while Sub-Saharan Africa sees effects on its labor market and on labor and environmental standards as a risk. After analyzing individual country results, the most critical voices regarding direct investments from China came from Australia, Germany, Canada, Belgium, France, the Netherlands, and the United States. While Australia, Canada, and the US fear possible government interference the most, WES experts from Germany, Belgium, and again the US stated that technology transfer is their biggest concern.

To get a balanced picture, we also asked Chinese panelists about their opinion on FDI.⁴ While the Chinese respondents, with 70 percent positive voices, are generally in favor of FDI, they are slightly more concerned about brownfield FDI. In contrast to their colleagues in other countries, Chinese experts are relatively indifferent to FDI in the form of equity capital. Turning to the aspects of FDI, the Chinese experts are most positive about technology transfer, but have more reservations about the interference of foreign governments as well as labor and environmental standards.

GLOBALIZATION UNDER PRESSURE?

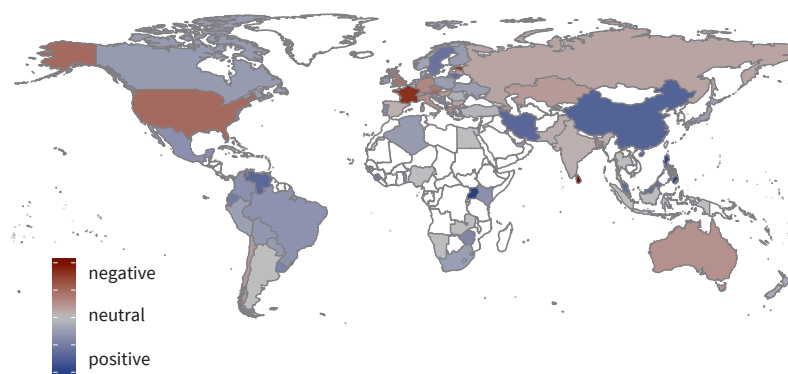
For world trade to operate well, some sort of supranational governance (for instance arbitration courts, harmonized product standards, or environmental standards) is necessary. In accepting the jurisdiction of these international government bodies or treaties, states give up some part of their own sovereignty and decision-making freedom. This is one aspect of globalization that has come under pressure not only in relation to the ongoing trade disputes between China and the

⁴ The exact wording of the question for the Chinese respondents was 'How is FDI perceived in your country?' with the answer categories 'negative', 'slightly negative', 'indifferent', 'slightly positive', 'positive' and 'don't know'. Besides an overall assessment, experts were also asked to consider type of investments (Greenfield FDI, Brownfield FDI and equity capital) as well as different aspects like technology transfer, labor market, labor and environmental standards and interference of foreign government.

² The exact wording of the question to assess this was 'Is foreign direct investment (FDI) from China viewed in a different light than FDI from other countries?' with the answer categories 'considerably more negative', 'slightly more negative', 'not different', 'slightly more positive', 'considerably more positive' and 'don't know'. Besides an overall assessment, experts were also asked to consider type of investments (Greenfield FDI, Brownfield FDI and equity capital) as well as different aspects like technology transfer, labor market, labor and environmental standards and interference of foreign government.

³ For the country comparison in the world map, the shares 'slightly more negative' and 'considerably more negative' were added and were subtracted from the sum of the two positive shares 'slightly more positive' and 'considerably more positive'. This methodology allows a general overview, if positive or negative answers predominate on balance.

Figure 7.4
Countries' Attitudes Towards Globalization



Note: The balance is the difference between (+) and (-) shares, 0 points is reached if the share of positive and negative answers is equal.
Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Table 2

The Three most Significant Impacts of the Trade Disputes by Country Group*

Country Groups	Increasing prices for goods and services	Increasing costs due to tariffs	Trade diversion	Adaption of supply and value chains	Less trade in general	Protection against foreign competition
European Union	2.3	1.9	2.3	2.1	1.6	2.0
United States	2.4	1.6	2.4	1.9	2.2	2.0
China	2.8	1.9	2.7	1.7	1.6	2.0
Other advanced economies	2.2	2.2	2.1	1.9	1.7	1.8
CIS	1.7	2.3	2.1	1.9	1.4	2.3
Emerging and developing Asia	1.8	2.2	1.9	1.9	2.1	2.2
Emerging and developing Europe	1.8	1.7	1.7	2.4	2.1	2.0
Latin America	2.0	2.2	2.2	2.2	1.6	2.2
Middle East and North Africa	1.5	2.5	0.0	0.0	1.0	3.0
Sub-Saharan Africa	1.8	1.9	2.1	2.4	1.8	2.3
Total	2.2	2.0	2.2	2.0	1.7	2.0

Note: Ranking of the most significant impacts of the trade disputes, where 1 means most significant and 3 least significant.

Source: ifo World Economic Survey (WES) II/2019.

US, but also in relation to free trade agreements. Figure 7.4 shows the countries' attitudes towards globalization as perceived by the WES experts.⁵

Experts in 34 percent of the countries surveyed agreed that globalization has reached the limits of acceptance among their country's population. In particular, WES experts in France, Estonia, Austria, the United States, and the United Kingdom reported that the wider population in the respective country has a negative stance towards globalization. On average, the European Union is also negatively inclined towards globalization, with the exception of Lithuania, Sweden, Ireland, Portugal, Finland, and Poland. These countries belong to the 55 percent of countries surveyed⁶ that see globalization in a more positive light. Meanwhile, 11 percent of the countries were more neutral towards the proposed statement.⁷ Canada as well as countries in Latin America (except for Chile) are also on the positive side, while in Australia, India, Russia, and Switzerland, as in the EU and the US, experts are more of the opinion that the acceptance of globalization has reached its limits. According to WES experts, the countries with the most positive attitude towards globalization are China and Korea.

CONCLUSION

Trade conflict and the increasing presence of China have put some pressure on the acceptance of free trade and globalization in general. WES experts in advanced economies in particular are of the opinion that ongoing trade disputes will negatively impact their country. However, experts in all countries around the world are

expecting less trade in general. Advanced economies are also more critical of investment from China than from other countries. Consequently, as stated by the respondents, acceptance of globalization has reached its limits in most of these countries, especially in France and the US. Respondents from China, on the other hand, have a more positive stance regarding inwards FDI and globalization. Experts from emerging and developing economies are on average more positive about investment from China than their colleagues in advanced economies. In emerging and developing countries, greenfield and brownfield investments are more welcome than equity capital. Of the aspects that are indirectly related to FDI, perceptions are negative concerning the influence that Chinese FDI can have on labor and environmental standards and the labor market, whereas technology transfer is regarded with more skepticism in advanced economies. It is beyond the scope of this analysis to determine the extent to which the ongoing trade disputes and China's increasing FDI activity relate back to the attitude towards globalization per se. However, to conclude, advanced economies are more critical of the current developments in trade, with a more negative attitude towards globalization among the wider population in their respective countries. The increasingly apparent public fear in advanced economies concerning investment activity from China is echoed in experts' perceptions of Chinese FDI compared to FDI from other countries.

REFERENCES

- African Development Bank Group. (2019). *African Economic Outlook*. Retrieved from <https://www.afdb.org/en/knowledge/publications/african-economic-outlook/>
- Andersen, Bertola, Driffill, Fuest, Harold, Sturm, and Urosevic. (2019). *CESifo Group Munich - EEAG Report on the European Economy 2019: A Fragmenting Europe in a Changing World* (No. EEAG Report on the European Economy). Retrieved from Cesifo Group website: https://www.cesifo-group.de/ifoHome/publications/docbase/DocBase_Content/ZS/ZS-EEAG_Report/zs-eeag-2019/11152019001000.html
- Asian Development Bank. (2019). *Asian Development Outlook (ADO) 2019: Strengthening Disaster Resilience*. <http://dx.doi.org/10.22617/FLS190070-3>
- Felbermayer, G., Goldbeck, M., and Sandkamp, A. (2019). CESifo Group Munich - Feindliche Übernahme? Chinas Auslandsinvestitionen unter der Lupe. *ifo Schnelldienst*, pp. 27–39.
- Fuest, C., Hugger, F., Sultan, S., and Xing, J. (2019). Chinese acquisitions abroad: are they different?, *CESifo Working Paper*(7585), 37.

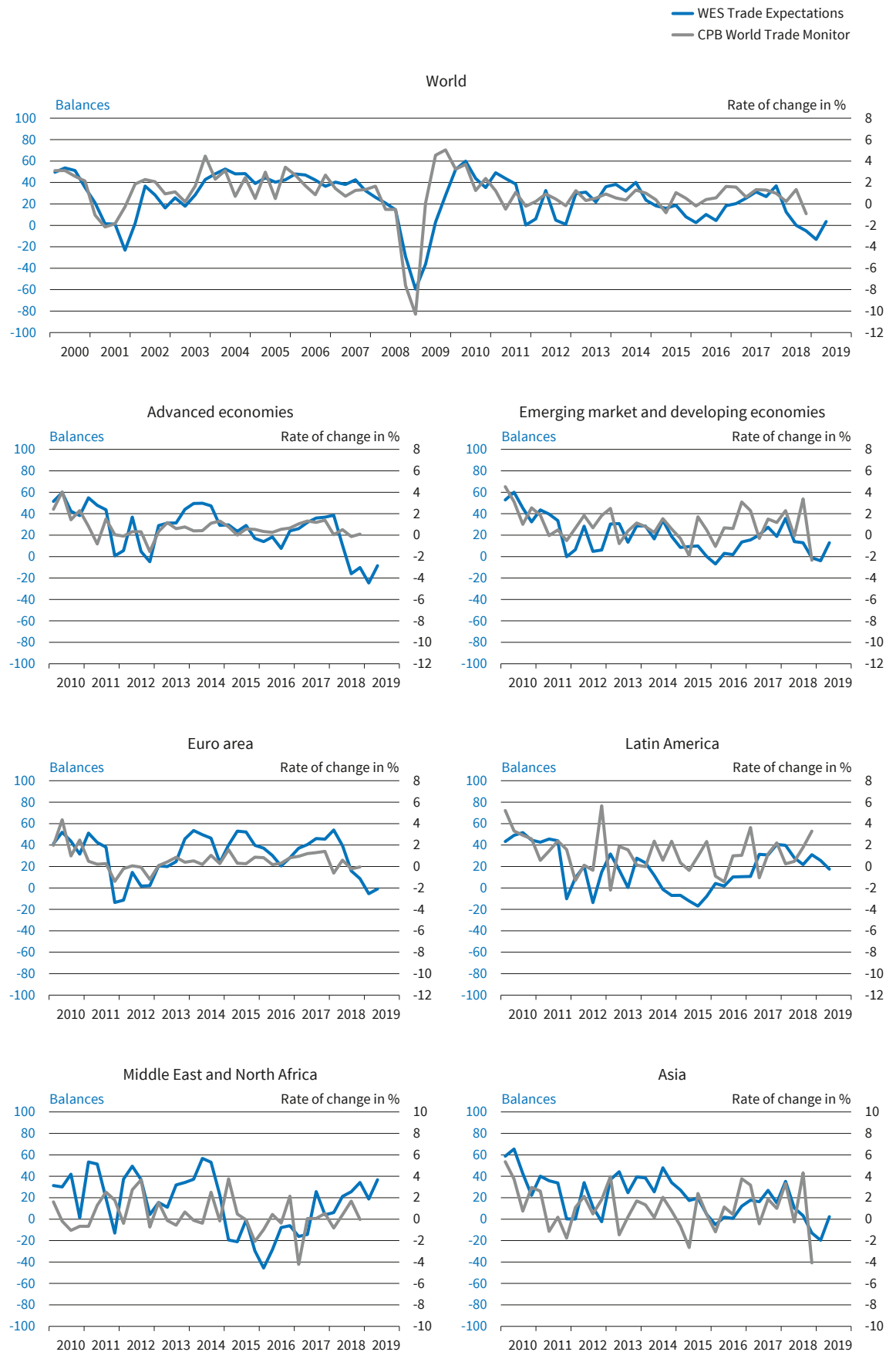
⁵ The exact wording of the question was: "To what extent do you agree with the following statement: 'Globalization has reached the limits of its acceptance among the wider population of my country.'" The six response categories were: completely disagree / somewhat disagree / neither agree nor disagree / somewhat agree / completely agree / don't know. For the country comparison in the world map, the shares for 'completely agree' and 'somewhat agree' were added and were subtracted from the sum of the two disagreement shares, 'somewhat disagree' and 'completely disagree'. This methodology allows a general overview of whether the attitude towards globalization in the country is negative or positive on balance. We included only countries from which we received more than 3 responses.

⁶ This corresponds to 45 countries.

⁷ This group includes countries such as Argentina, Georgia, Namibia, Slovakia, and Zambia.

Figure 8

Comparison of WES Experts Trade Expectations and the CPB World Trade Monitor in Selected Aggregates

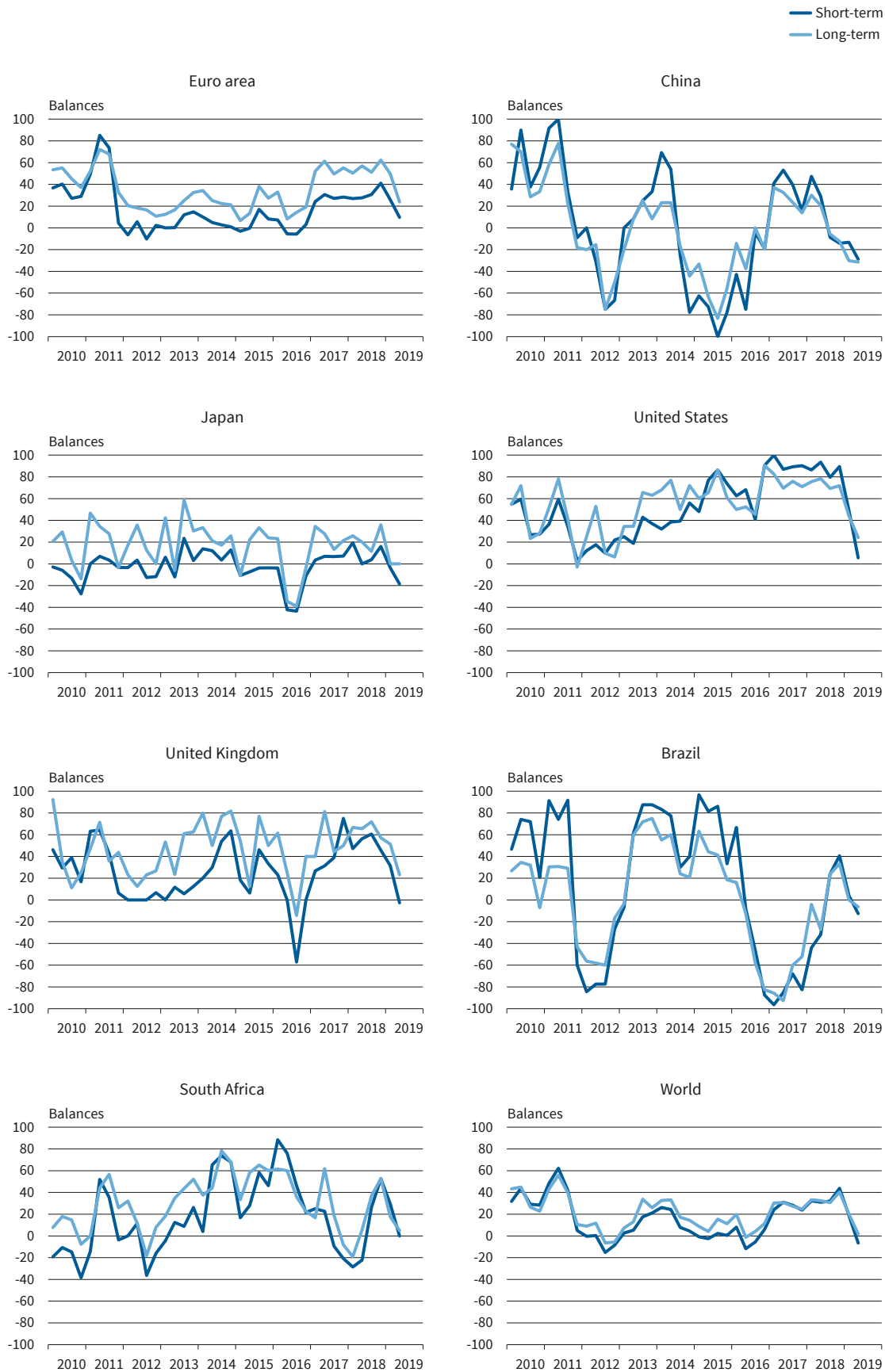


Source: ifo World Economic Survey (WES) II/2019; CPB Netherlands Bureau for Economic Policy Analysis (CPB).

© ifo Institute

Figure 9

Expected Trend for the Next 6 Months for Short- and Long-term Interest Rates

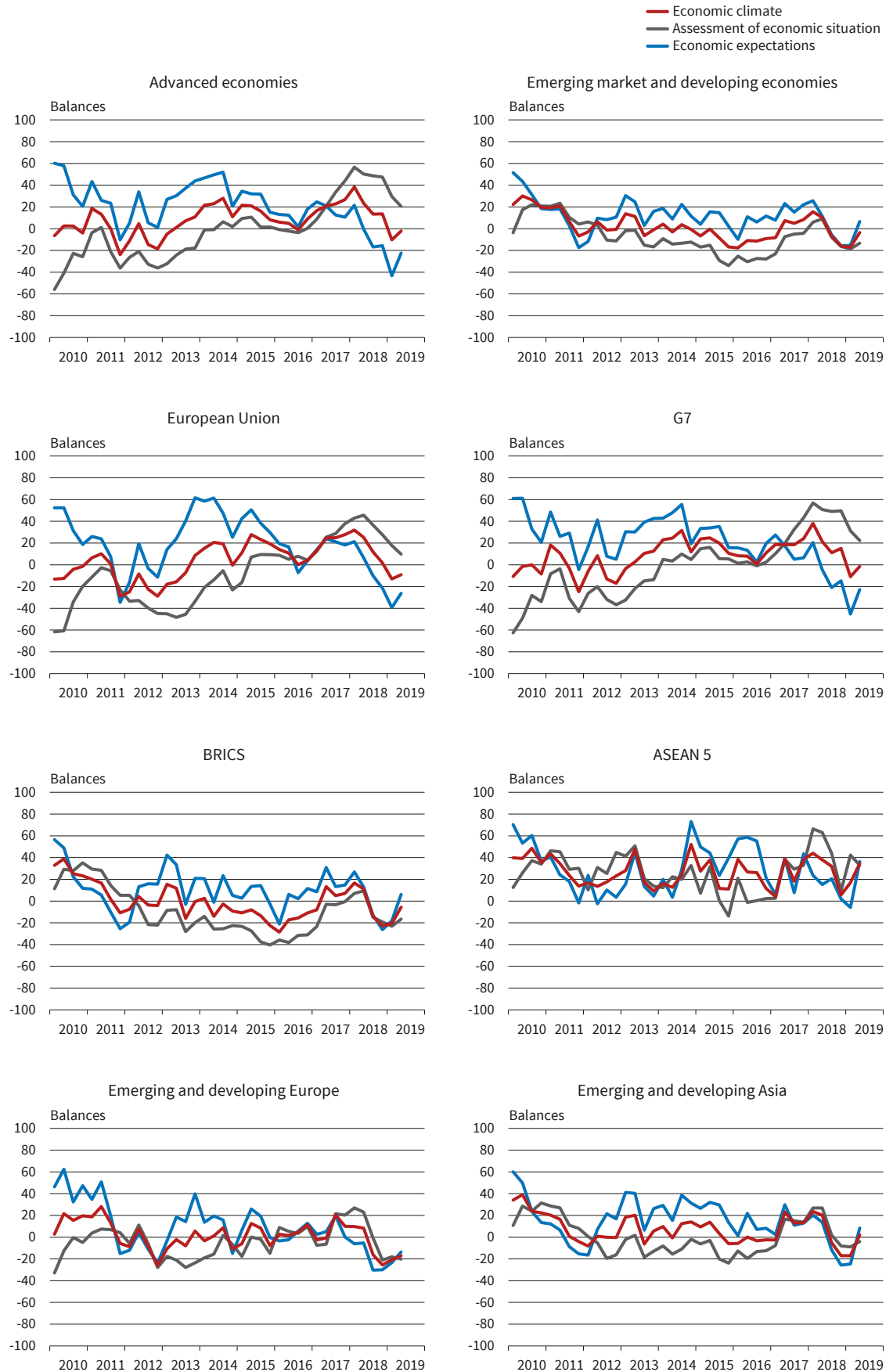


Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 10.1

Selected Aggregates

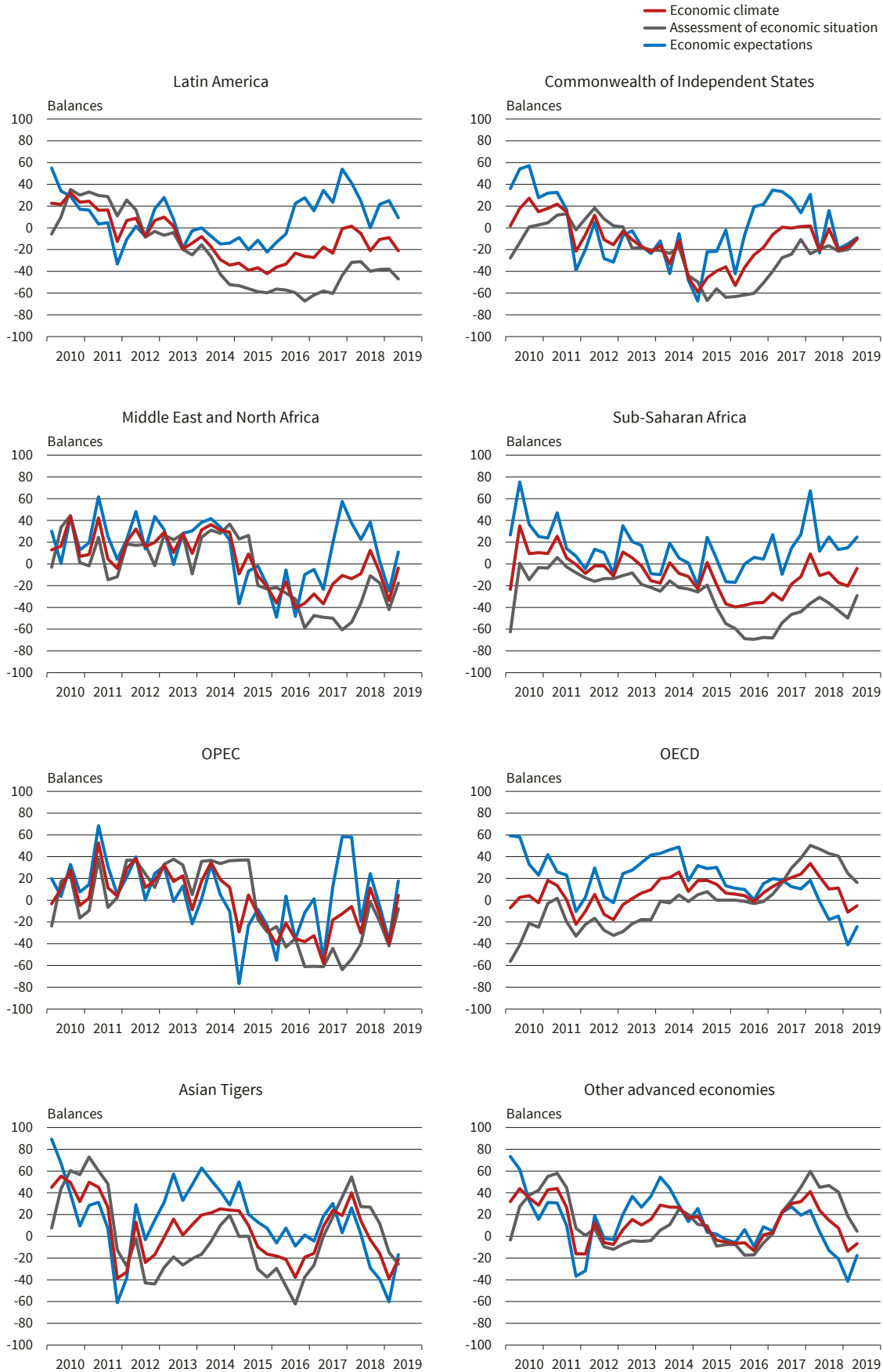


Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 10.2

Selected Aggregates

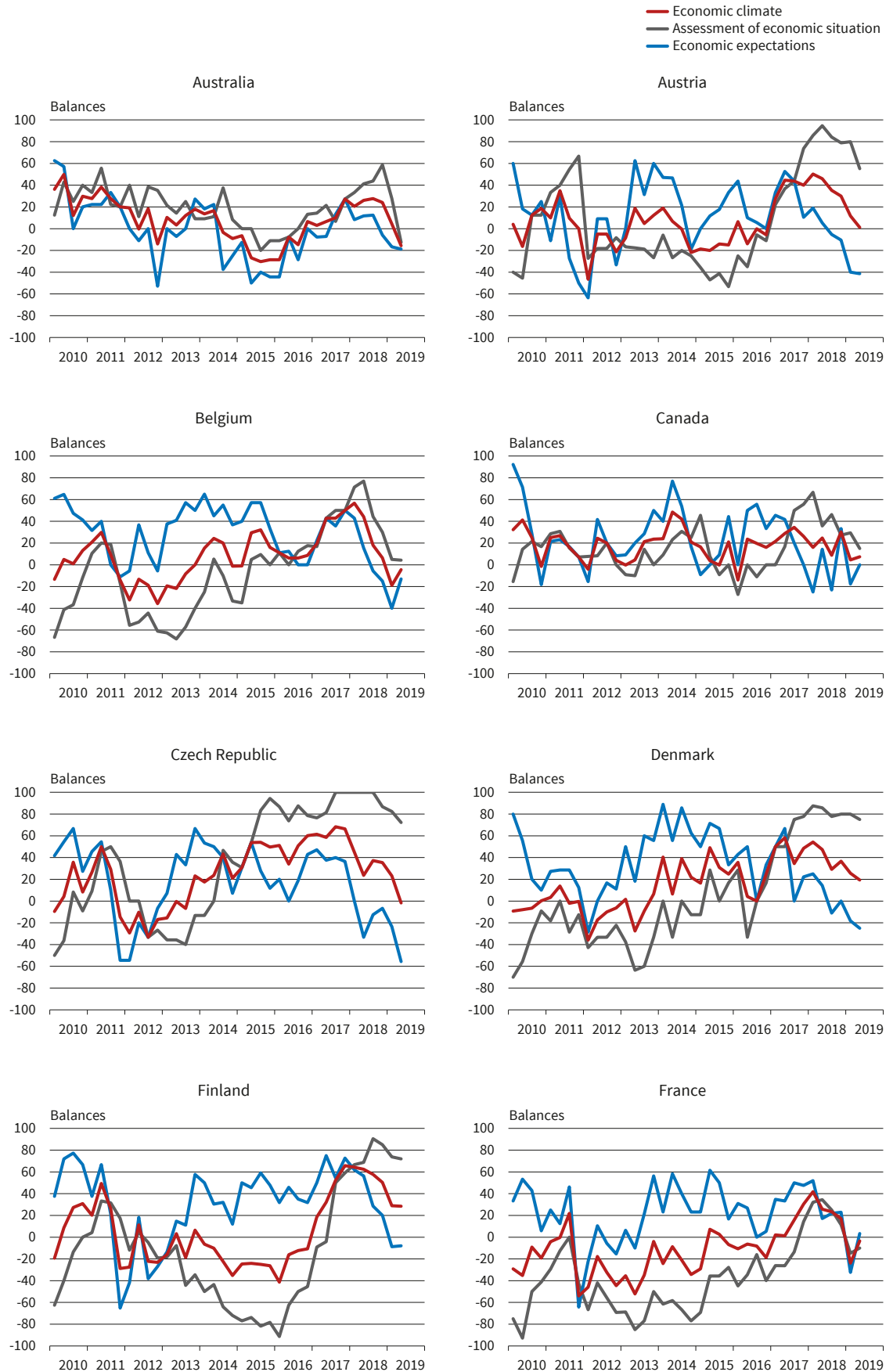


Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 11.1

Advanced Economies

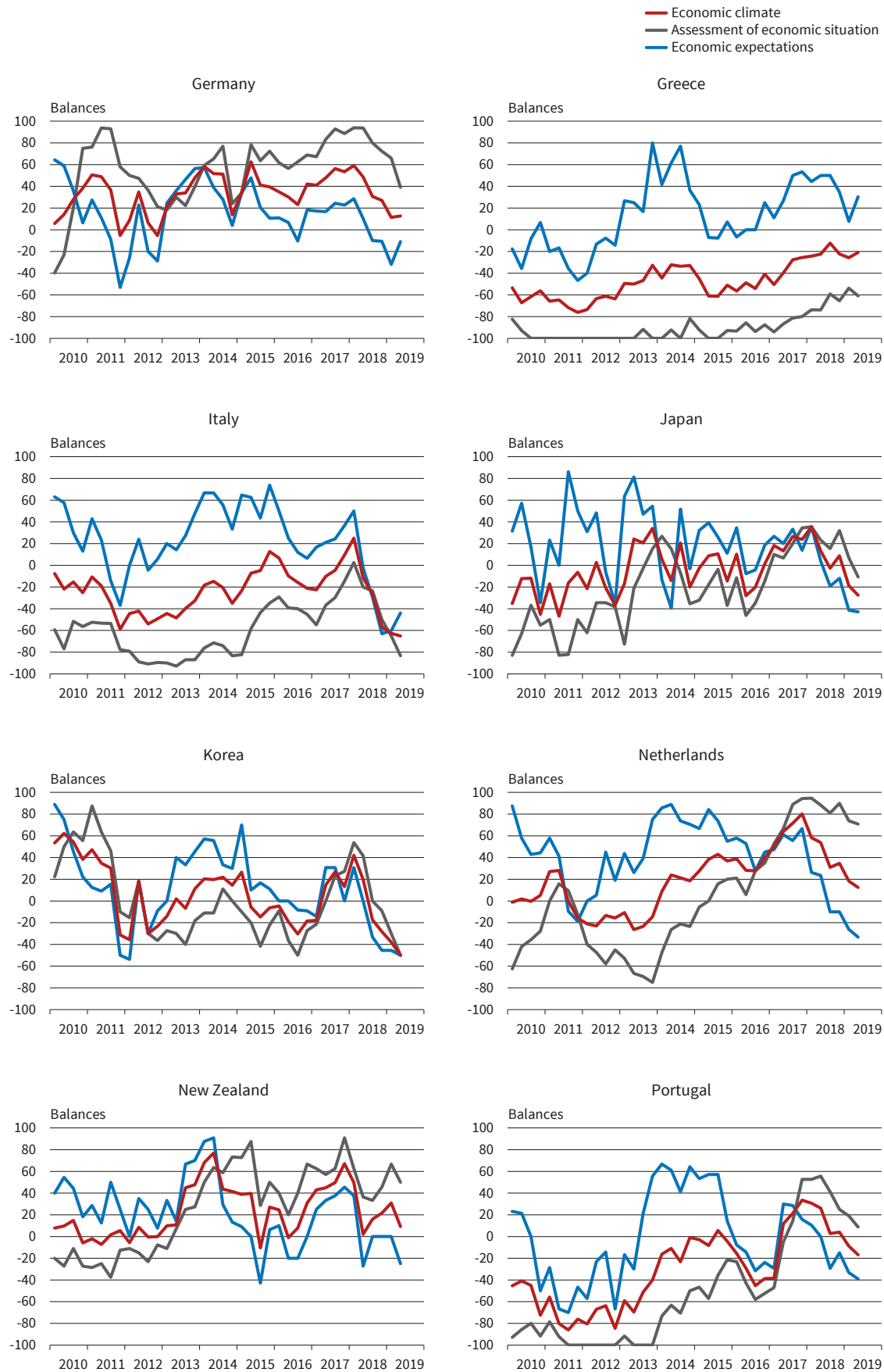


Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 11.2

Advanced Economies

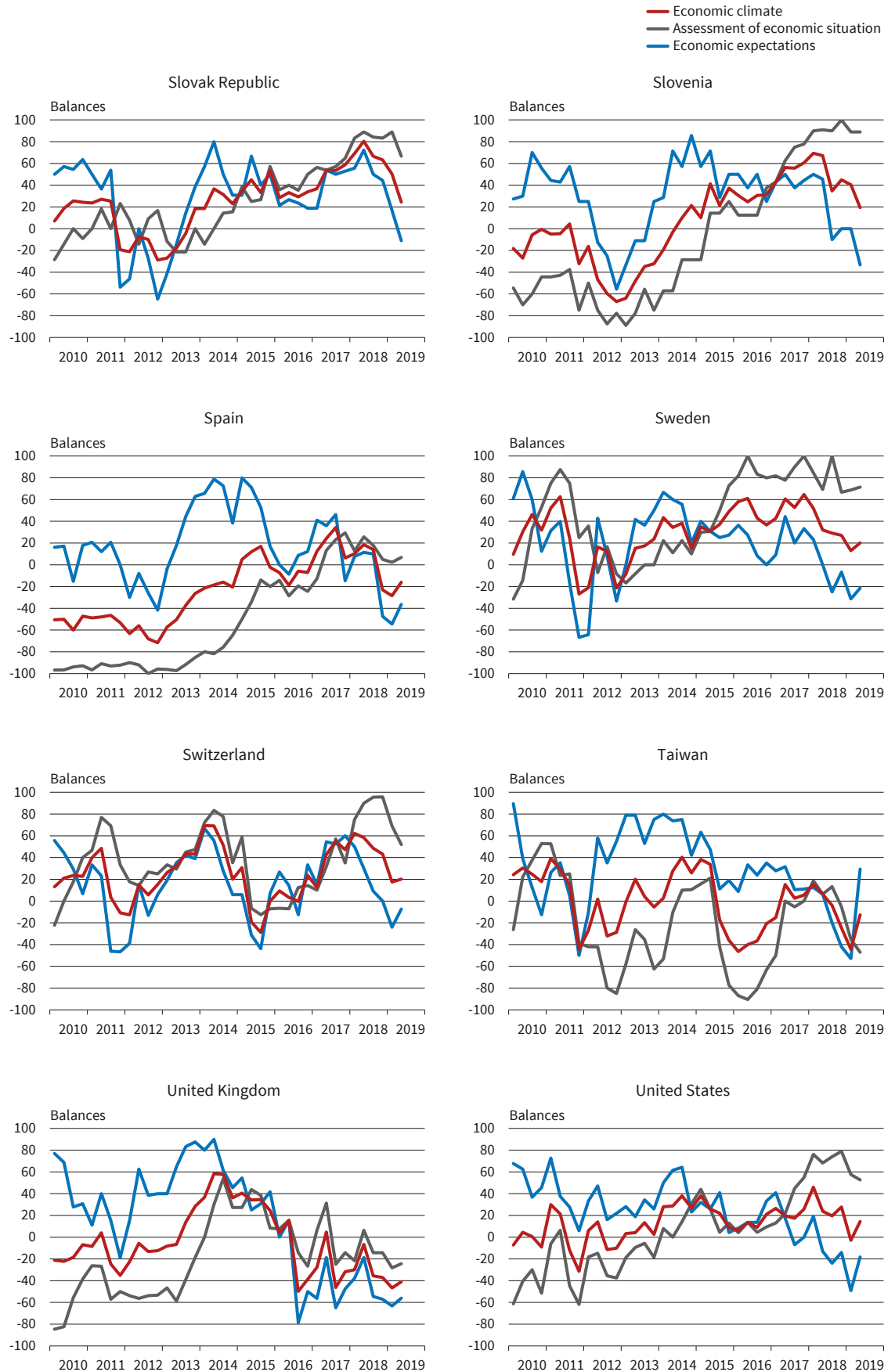


Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 11.3

Advanced Economies

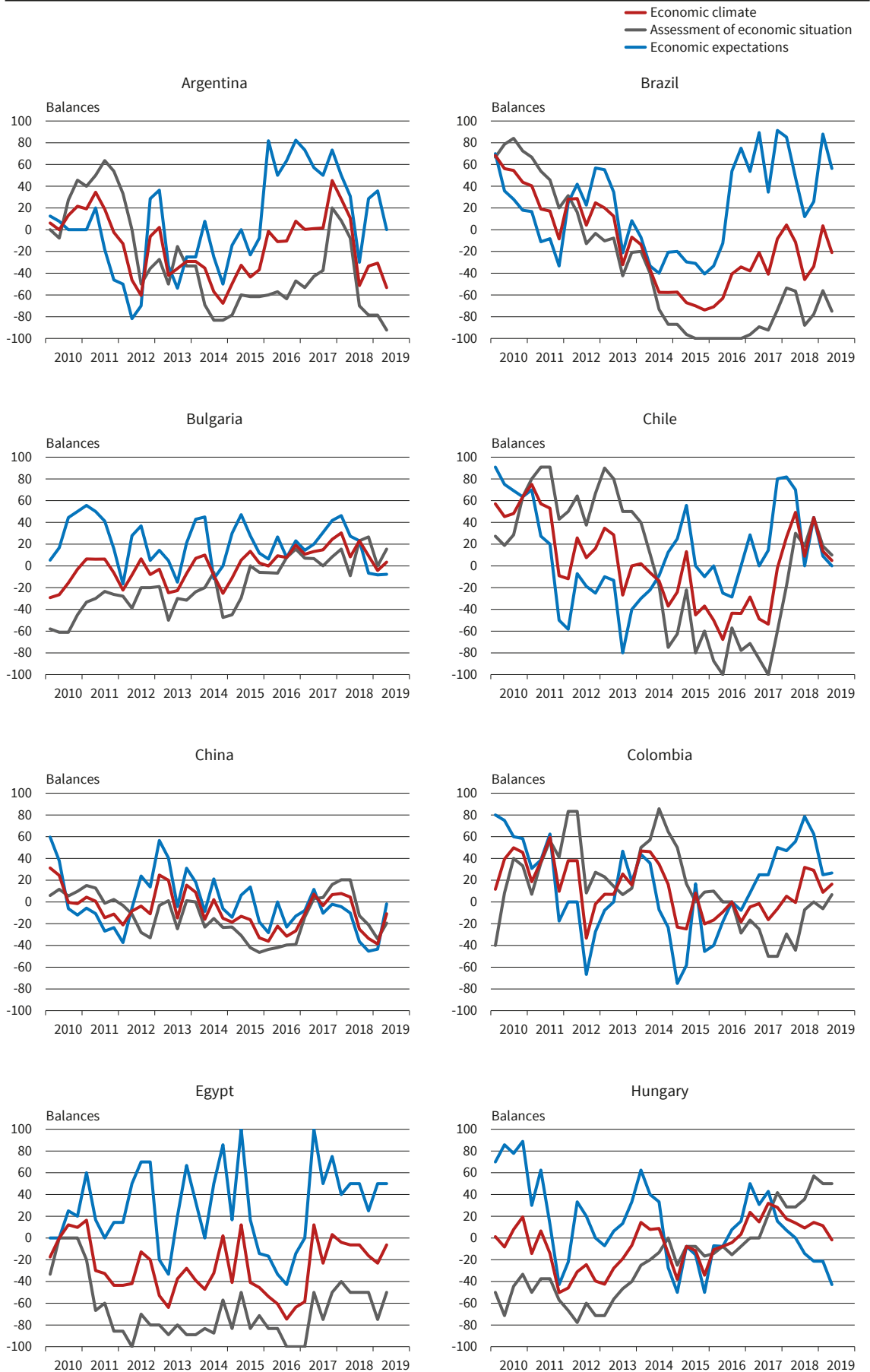


Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 12.1

Emerging Markets and Developing Economies

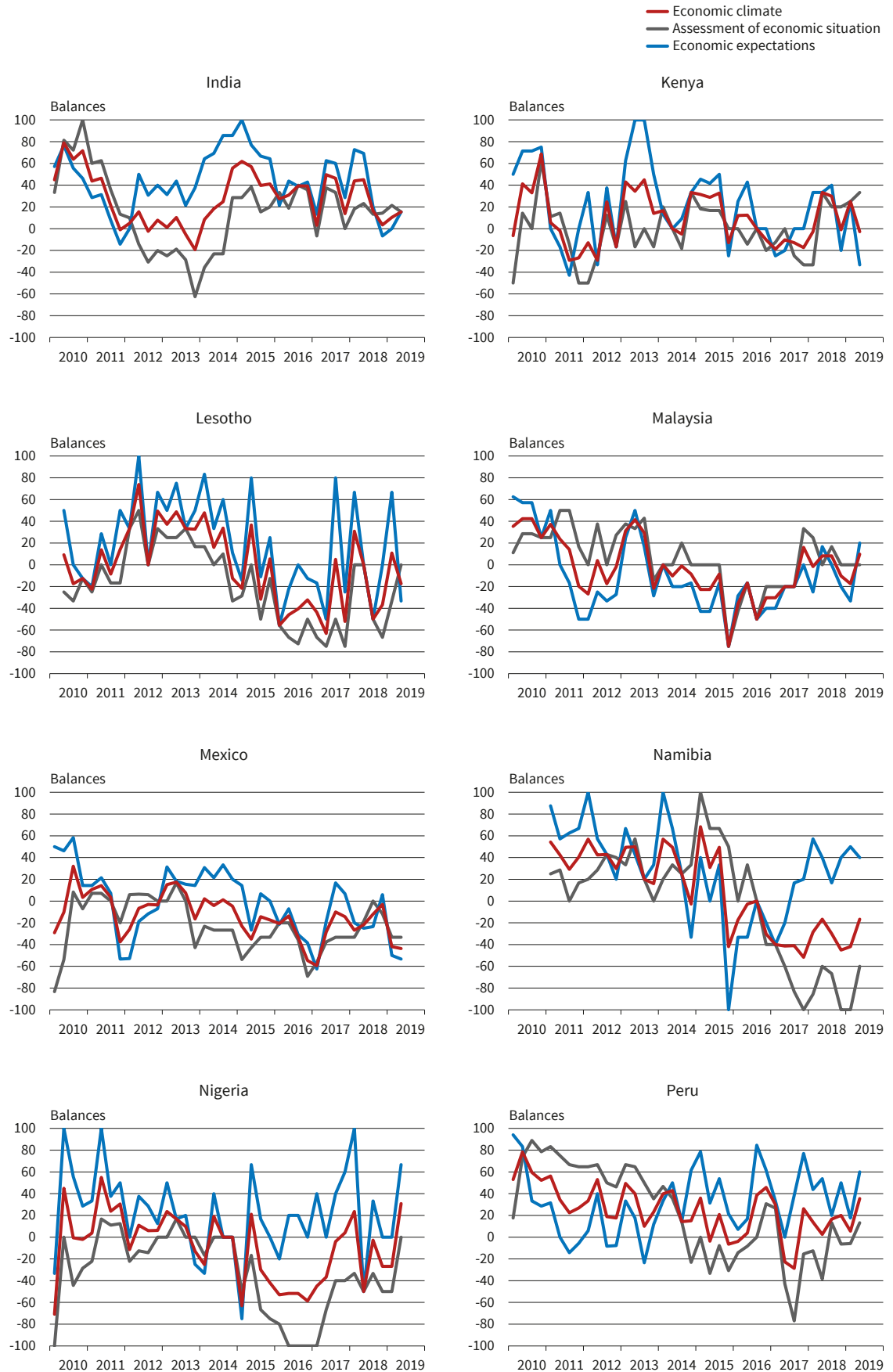


Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 12.2

Emerging Markets and Developing Economies

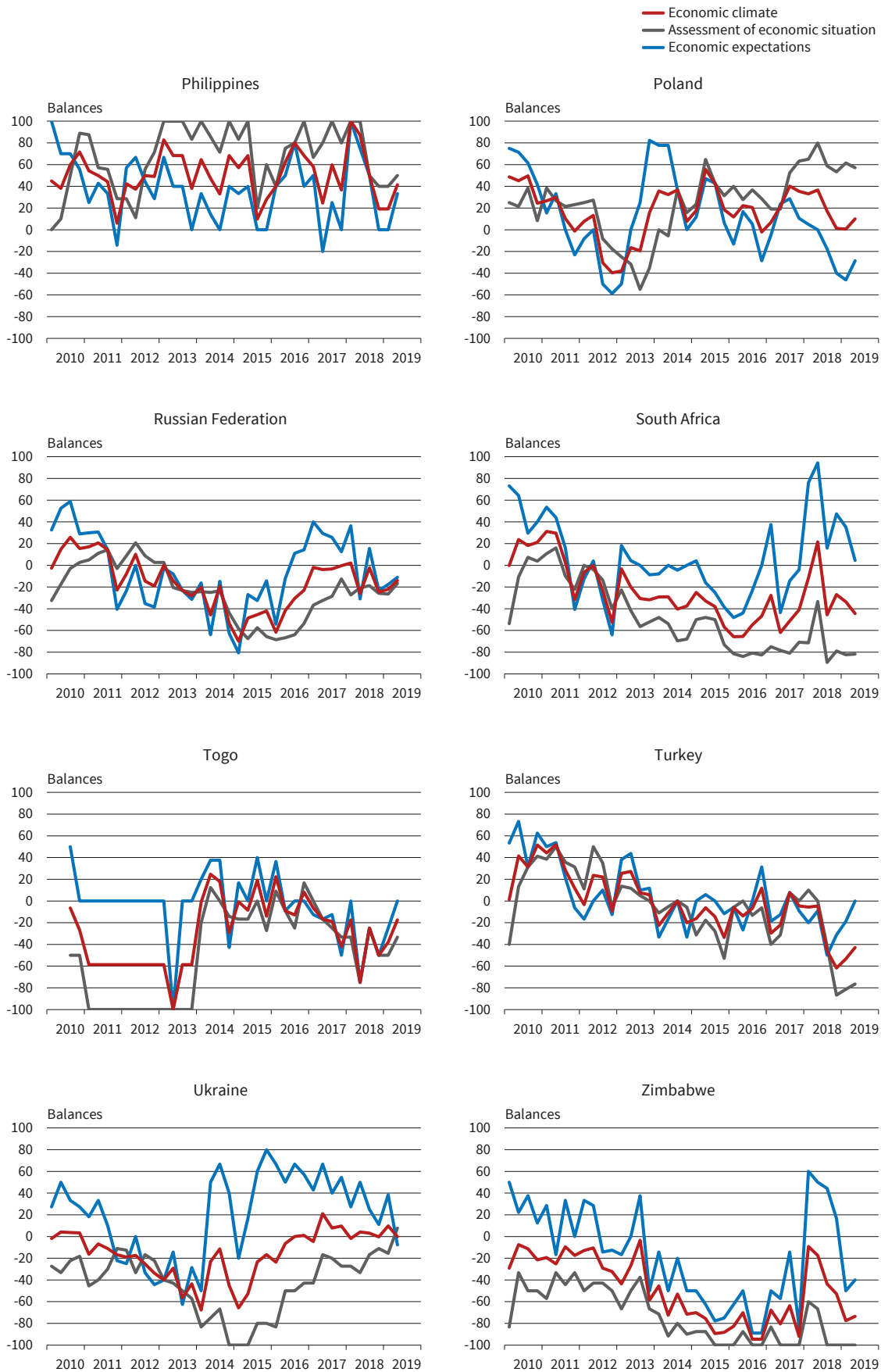


Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute

Figure 12.3

Emerging Markets and Developing Economies



Source: ifo World Economic Survey (WES) II/2019.

© ifo Institute



ifo DICE Report

