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、米大統領経済諮問委員会などで要職を務め、大手
コンサルティング会社での役職経験も持つ。

先進国は成長加速のため今こそ積極財政を

08年以来続く緊縮政策は景気の足を引っ張り金融政策への過度の依存を生んだだけだ

Remedying The Misprescription of Austerity

At the yearly gathering of the world's top economic officials--the Annual Meeting of the IMF and World Bank—which took place earlier in October here in Washington DC, there was little optimism about the growth of the world economy. Indeed, the forecast unveiled by the IMF at the Annual Meeting punctuated the malaise. The IMF revealed they actually have downgraded the growth prospects at the global level for both 2016 and 2017.

The IMF now expects global growth in 2016 to be 3.2 percent, and in 2017 to be 3.5 percent. But one year ago they had projected the world economy in 2016 would expand by 3.6 percent, and in 2017 it would expand by 3.8 percent. What's going on here?

For one, growth of the advanced economies is projected to be half that of the emerging economies—a trend that actually has been underway for two decades but has attracted little attention. In fact, emerging markets now account for 60 percent of the world's economic growth, whereas a decade ago they accounted for 50 percent.

But there's more. Emerging markets have contributed 80 percent to the increase in the size of the pie, and the advanced economies' contribution was only 20 percent. The clout of the advanced economies in global economic governance has shrunk considerably.

More critically, there was the realization at the Annual Meeting was that the theological prescription of 'growth through austerity' as a remedy for the 2008 crisis actually worsened the economic prospects of many countries. Any economist worth his or her salt saw austerity as a recipe for constraining--not propelling--growth. And many of us voiced our concern at the time. Simply put, you cannot make a flower bloom more brilliantly by cutting back on its watering.

Worse still—driven by the misplaced embrace of austerity—fiscal policy was made to be put on hold. Although the executive branch of several governments pressed for fiscal expansion, their legislative branches wanted none of that. So what was the result? Undue reliance on monetary policy to drive economic growth. This meant that Central Banks were forced to rely on extraordinary means for economic stimulation. Frankly, some of the monetary policies executed were downright innovative. 'Quantitative easing', once thought of as a policy of last resort, became mainstreamed.

The time for fiscal expansion is long overdue. Even Central Bankers—who are independent from other branches of government—have been increasingly and explicitly vocalizing this.

Let me give one example that is literally 'close to home': poor, dilapidated and outdated infrastructure—especially in transport but it is also characteristic of the underground pipe networks for water, gas and other substances--is the US economy's Achilles Heel. The resiliency and competitiveness of the geographically large US economy derives from our ability to operate as an integrated market.

This year the nation's capital has had to shut down large portions of its subway—a system that is only 40 years old. This follows several subway car accidents as well as underground fires—including a few that resulted in fatalities. The Washington DC authorities brought in a new manager for the system, and he revealed that not only has there been an appalling lack of maintenance but there were also fundamental defects, heretofore not made public. His only choice was to shut down portions of the system on a roving basis to make the needed corrections and renovations. To this day, this process is continuing. As you can imagine he is not popular with the public; but he is surely doing the 'right' thing.

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