

Peterson's Global Economic Prospects

A look back at our record

Adam S. Posen
PIIE Global Economic Prospects Meeting
October 4, 2018

Peterson Institute's Global Economic Prospects



- Forecasting semi-annually since 2006
 - Released in Fall and Spring 7-10 days before IMF WEO
- Always covers US and global growth outlook (two-year horizon) as well as two special topics
- Offers insights vs consensus regarding turning points, data interpretation, balance of risks, and political economy for the major economies
- Now led by Karen Dynan
 - Coordinated with Jason Furman and Adam Posen, and drawing on the entire PIIE team
 - Previously led by Michael Mussa and by David Stockton



Some notable calls since 2012

GEP Presentation

- Adam Posen Nov 2012
- David Stockton Apr 2013
- Jacob Kirkegaard
Apr 2013

Forecast made vs consensus

- Euro Area has a sudden stop, not a fiscal problem
- No US inflation threat from slack or elsewhere
- EU will retain cohesion around policy mix w/o crisis from Greece or Italy



Some notable calls since 2012

GEP Presentation

- David Stockton 2014-16
- Simeon Djankov
Oct 2014
- Adam Posen Oct 2014

Forecast made vs consensus

- US investment will lag not lead the recovery
- Rise of nationalist parties will weaken EU initiatives and slow growth
- Womenomics in Japan will lead to sustained growth



Some notable calls since 2012

GEP Presentation

- Nicholas Lardy, Oct 2015
- Nicholas Lardy, Apr 2016

Forecast made vs consensus

- China's growth is slowing, but the sharp slowdown some forecast is wrong
- PRC will not engineer further devaluation



Some notable calls since 2012

GEP Presentation

- Monica de Bolle, 2014-16
- Adam Posen, Sep 2016

Forecast made vs consensus

- Brazilian recession will be deep and persistent, any recovery tenuous, and financial problems are key
- Trump election means unfunded fiscal boom and trade war – and white female voters may give him the election