



World Economic Situation Prospects

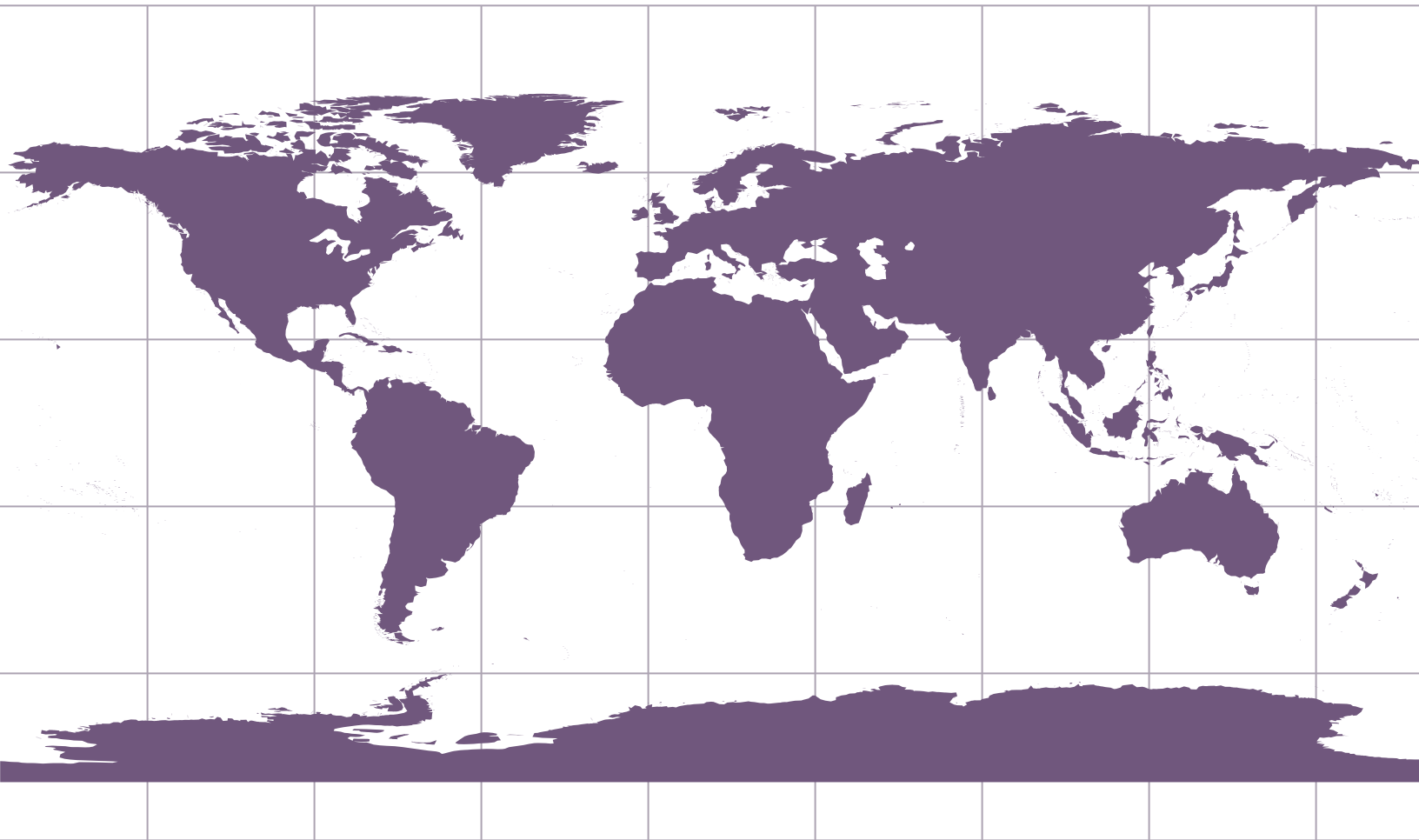


2017



United Nations

World Economic Situation and Prospects 2017




United Nations
New York, 2017


The report is a joint product of the United Nations Department of Economic and Social Affairs (UN/DESA), the United Nations Conference on Trade and Development (UNCTAD) and the five United Nations regional commissions (Economic Commission for Africa (ECA), Economic Commission for Europe (ECE), Economic Commission for Latin America and the Caribbean (ECLAC), Economic and Social Commission for Asia and the Pacific (ESCAP) and Economic and Social Commission for Western Asia (ESCWA)). The United Nations World Tourism Organization (UNWTO) also contributed to the report.

For further information, see <http://www.un.org/en/development/desa/policy/wesp/index.shtml> or contact:

DESA


MR. WU HONGBO, *Under-Secretary-General*
Department of Economic and Social Affairs
Room S-2922
United Nations
New York, NY 10017
USA


 +1-212-9635958

 wuh@un.org

UNCTAD


DR. MUKHISA KITUYI, *Secretary-General*
United Nations Conference on Trade
and Development
Room E-9042
Palais de Nations
1211 Geneva 10
Switzerland

 +41-22-9175806

 sgo@unctad.org

ECA


DR. ABDALLA HAMDOK, *Executive Secretary*
United Nations Economic Commission for Africa
Menelik II Avenue
P.O. Box 3001
Addis Ababa
Ethiopia


 +251-11-5511231

 ecainfo@uneca.org

ECE


MR. CHRISTIAN FRIIS BACH, *Executive Secretary*
United Nations Economic Commission for Europe
Palais des Nations
CH-1211 Geneva 10
Switzerland


 +41-22-9174444

 info.ece@unece.org

ECLAC


MS. ALICIA BÄRCENA, *Executive Secretary*
Economic Commission for Latin America
and the Caribbean
Av. Dag Hammarskjöld 3477
Vitacura
Santiago, Chile
Chile


 +56-2-22102000

 secepal@cepal.org

ESCAP


DR. SHAMSHAD AKHTAR, *Executive Secretary*
Economic and Social Commission for Asia
and the Pacific
United Nations Building
Rajadamnern Nok Avenue
Bangkok 10200
Thailand

 +66-2-2881234

 unescap@unesap.org

ESCWA

MS. RIMA KHALAF, *Executive Secretary*
Economic and Social Commission for Western Asia
P.O. Box 11-8575
Riad el-Solh Square, Beirut
Lebanon

 +961-1-981301

 <http://www.escwa.un.org/main/contact.asp>

ISBN: 978-92-1-109175-5

eISBN: 978-92-1-059945-0

United Nations publication
Sales No. E.17.II.C.2

Copyright © United Nations, 2017
All rights reserved

Acknowledgements

The *World Economic Situation and Prospects 2017* is a joint product of the United Nations Department of Economic and Social Affairs (UN/DESA), the United Nations Conference on Trade and Development (UNCTAD) and the five United Nations regional commissions (Economic Commission for Africa (ECA), Economic Commission for Europe (ECE), Economic Commission for Latin America and the Caribbean (ECLAC), Economic and Social Commission for Asia and the Pacific (ESCAP) and Economic and Social Commission for Western Asia (ESCWA)). The United Nations World Tourism Organization (UNWTO) contributed to the report. The report also benefited from inputs received from the national centres of Project LINK and also from the deliberations in the Project LINK meeting held in Toronto on 19-21 October 2016. The forecasts presented in the report draw on the World Economic Forecasting Model (WEFM) of UN/DESA.

Under the general guidance of Lenni Montiel, Assistant Secretary-General for Economic Development in UN/DESA, and the management of Pingfan Hong, Director of Development Policy and Analysis Division (DPAD), this publication was led by Dawn Holland, Matthias Kempf, and Ingo Pitterle in the Global Economic Monitoring Unit of DPAD.

The contributions of Grigor Agabekian, Helena Afonso, Hoi Wai Cheng, Peter Chowla, Ann D'lima, Cordelia Gow, Andrea Grozdanic, Dawn Holland, Kenneth Iversen, Arend Janssen, Matthias Kempf, Erik Klok (visiting fellow), Poh Lynn Ng, Lara Palmisano, Ingo Pitterle, Gabe Scelta, Oliver Schwank, Nancy Settecasi, Krishnan Sharma, Shari Spiegel, Alex Trepelkov, Sebastian Vergara, Qian Wan (intern) and Jie Wei from **UN/DESA**; Bruno Antunes, Stephanie Blankenburg, Alfredo Calcagno, Stefan Csordas, Samuel Gayi, Taisuke Ito, Mina Mashayekhi, Nicolas Maystre, Alessandro Nicita, Janvier Nkurunziza, and Julia Seiermann from **UNCTAD**; Yesuf Mohammednur Awel, Hopestone Chavula, Adam Elhiraika and Khaled Hussein from **ECA**; José Palacín from **ECE**; Claudia De Camino, Michael Hanni, Daniel Titelman and Cecilia Vera from **ECLAC**; Hamza Ali Malik, Jose Antonio Pedrosa Garcia, Matthew Hammill, Dorothea Lazaro, Swayamsiddha Panda, Nyingtob Pema Norbu and Vatcharin Sirimaneetham from **ESCAP**; Abdallah Al Dardari, Moctar Mohamed El Hacene, Mohamed Hedi Bchir, Nathalie Khaled, Maroun Laoun, John Robert Sloan and Yasuhisa Yamamoto from **ESCWA**; Michel Julian, John Kester and Javier Ruescas from **UNWTO** are duly acknowledged.

The report was edited by Carla Drysdale.

Explanatory notes

The following symbols have been used in the tables throughout the report:

- | | | | |
|----|--|---|---|
| .. | Two dots indicate that data are not available or are not separately reported. | - | A minus sign indicates deficit or decrease, except as indicated. |
| – | A dash indicates that the amount is nil or negligible. | / | A slash between years indicates a crop year or financial year, for example, 2015/16. |
| . | A full stop is used to indicate decimals. | – | Use of a hyphen between years , for example, 2016–2017, signifies the full period involved, including the beginning and end years. |
| - | A hyphen indicates that the item is not applicable. | | |

Reference to “dollars” (\$) indicates United States dollars, unless otherwise stated.

Reference to “billions” indicates one thousand million.

Reference to “tons” indicates metric tons, unless otherwise stated.

Annual rates of growth or change, unless otherwise stated, refer to annual compound rates.

Details and percentages in tables do not necessarily add to totals, because of rounding.

Project LINK is an international collaborative research group for econometric modelling, coordinated jointly by the Development Policy and Analysis Division of UN/DESA and the University of Toronto.

For **country classifications**, see statistical annex.

Data presented in this publication incorporate information available as at **11 November 2016**.

The following abbreviations have been used:

AAAA	Addis Ababa Action Agenda	LBMA	London Bullion Market Associations
ADB	Asian Development Bank	LDCs	least developed countries
AfDB	African Development Bank	LIBOR	London Interbank Offered Rate
AIIB	Asian Infrastructure Investment Bank	LME	London Metal Exchange
BIS	Bank for International Settlements	MC10	tenth Ministerial Conference of the WTO
BoJ	Bank of Japan	MDBs	multilateral development banks
BOP	balance of payments	MFN	most favoured nation
CFTA	Continental Free Trade Area	NDB	New Development Bank
CIS	Commonwealth of Independent States	NTMs	non-tariff measures
CPA	country-programmable aid	ODA	official development assistance
DAC	OECD Development Assistance Committee	OECD	Organisation for Economic Co-operation and Development
DSR	debt service-to-income ratio	OIS	overnight indexed swap
EBRD	European Bank for Reconstruction and Development	OOF	other official flows
ECB	European Central Bank	OPEC	Organization of the Petroleum Exporting Countries
EEU	Eurasian Economic Union	PPP	purchasing power parity
EIB	European Investment Bank	QE	quantitative easing
ETFs	exchange-traded funds	R&D	research and development
EU	European Union	RTAs	regional trade agreements
FDI	foreign direct investment	SDGs	Sustainable Development Goals
Fed	United States Federal Reserve	SIDS	small island developing States
G20	Group of Twenty	SMEs	small and medium-sized enterprises
GCC	Cooperation Council for the Arab States of the Gulf	SOEs	State-owned enterprises
GDP	gross domestic product	SWFs	sovereign wealth funds
GNI	gross national income	TFP	total factor productivity
GVCs	global value chains	TISA	Trade in Services Agreement
HIPC	heavily-indebted poor countries	TOSSD	Total Official Support for Sustainable Development
IBRD	International Bank for Reconstruction and Development	TPP	Trans-Pacific Partnership Agreement
ICT	information and communication technology	UN/DESA	Department of Economic and Social Affairs of the United Nations Secretariat
IDA	International Development Association	UNCTAD	United Nations Conference on Trade and Development
IEA	International Energy Agency	UNWTO	United Nations World Tourism Organization
IFC	International Finance Corporation	WDI	World Development Indicators
IIC	Inter-American Investment Corporation	WGP	world gross product
ILO	International Labour Organization	WTO	World Trade Organization
IMF	International Monetary Fund		
ITA	Information Technology Agreement		

Executive summary

Prospects for global macroeconomic development

The global economy remains trapped in a prolonged episode of slow growth

In 2016, the world economy expanded by just 2.2 per cent, the slowest rate of growth since the Great Recession of 2009. Underpinning the sluggish global economy are the feeble pace of global investment, dwindling world trade growth, flagging productivity growth and high levels of debt. Low commodity prices have exacerbated these factors in many commodity-exporting countries since mid-2014, while conflict and geopolitical tensions continue to weigh on economic prospects in several regions.

World gross product is forecast to expand by 2.7 per cent in 2017 and 2.9 per cent in 2018, with this modest recovery more an indication of economic stabilization than a signal of a robust and sustained revival of global demand. The slight increase in gross domestic product (GDP) growth projected for developed economies in 2017 is largely driven by the end of the destocking cycle in the United States of America and additional policy support in Japan.

Economies in transition are expected to expand by 1.4 per cent in 2017, following two consecutive years of decline, as the region has largely absorbed the sharp terms-of-trade shock that several countries suffered in 2014-2015. Commodity exporters in developing countries are also expected to see some uptick in growth, as commodity prices stabilize and inflationary pressures driven by sharp exchange rate depreciations ease. East and South Asia will continue to grow more rapidly than other regions, benefiting from robust domestic demand and space for more accommodative macroeconomic policy. The outlook remains subject to significant uncertainties and downside risks. If these downside risks were to materialize, the moderate acceleration in growth currently projected would be derailed.

Given the close linkages between demand, investment, trade and productivity, the extended episode of weak global growth may prove self-perpetuating in the absence of concerted policy efforts to revive investment and foster a recovery in productivity. This would impede progress towards the Sustainable Development Goals (SDGs), particularly the goals of eradicating extreme poverty and creating decent work for all.

Weak investment is at the foundation of the slowdown in global growth

Investment growth has slowed significantly in many of the major developed and developing economies, as well as in many economies in transition. Protracted weak global demand has reduced incentives for firms to invest, while economic and political uncertainties have also weighed on investment. Since 2015, many countries have seen sharp contractions in

investment in the oil and extractive industries, although these declines are mostly cyclical, rather than signalling significant structural progress towards a less fossil fuel-intensive economy. Lack of access to finance has also acted as a constraint in some cases, especially in countries where banks remain undercapitalized or where financial markets are under-developed. Despite record-low, often negative bond yields, Governments in developed countries have made steep cuts in public investment since 2010, reflecting fiscal adjustment policies implemented in response to high levels of government debt. Since mid-2014, Governments in many commodity-exporting countries have also curtailed much-needed investment in infrastructure and social services, in response to the sharp loss of commodity revenue. In some other developing countries in East and South Asia and parts of Africa, on the other hand, weaker private sector investment has been partially offset by an expansion of government infrastructure projects.

The extended period of weak investment is a driving factor behind the slowdown in productivity growth

Labour productivity growth has slowed markedly in most developed economies, and in many large developing and transition countries. Investment in new capital can affect factors such as the rate of innovation, labour force skills and the quality of infrastructure. These in turn drive the technological change and efficiency gains underpinning labour productivity growth in the medium term.

Government support for public goods, such as combating climate change, remains crucial, as private investors tend to evaluate risk and return over a short-term horizon and under-invest in public priorities. Investment in key areas, such as research and development, education and infrastructure, would serve to promote sustainable development and social and environmental progress, while also supporting productivity growth. While fiscal space to support an expansion of investment remains limited in many countries, especially commodity exporters that have suffered a sharp loss of commodity revenue, some large economies do have the scope to take advantage of low borrowing costs to finance investment.

Aggregate growth in the least developed countries (LDCs) remains well below the Sustainable Development Goal target of “at least 7 per cent GDP growth”

Aggregate growth in the LDCs will remain well below the SDG target in the near term, but is expected to rise modestly from an estimated 4.5 per cent in 2016 to 5.2 per cent and 5.5 per cent in 2017 and 2018, respectively. The below-target growth poses a risk to critical public expenditure on healthcare, education, social protection and climate change adaptation. The latter is all the more critical since the LDCs remain highly vulnerable to natural catastrophes and weather-related shocks.

Further efforts are also needed to diversify exports of the LDCs, which remain highly concentrated in a few primary products vulnerable to price volatility and external shocks. Under the current growth trajectory, nearly 35 per cent of the population in the LDCs may remain in extreme poverty by 2030. Without an acceleration in both GDP growth and progress towards improving income inequality, eradicating the high levels of extreme poverty in the LDCs by 2030 is a formidable challenge.

Garnering the resources to finance the investment needed in the LDCs remains difficult. Investment in these countries would need to expand at an average annual rate of at least 11 per cent through 2030, a significant acceleration relative to recent trends. Foreign direct investment (FDI) continues to bypass many LDCs and remains concentrated in extractive industries. Greater efforts are needed to mobilise domestic and international, public and private resources for achieving the SDGs of these countries.

Sustained improvements in carbon emissions mitigation will require concerted efforts to improve energy efficiency and promote renewable energy

The level of global carbon emissions has stalled for two consecutive years. This positive development reflects the declining energy intensity of economic activities, a rising share of renewables in the overall energy structure, and slower economic growth in major emitters.

However, the world remains some distance from achieving a sustained decoupling between economic growth and carbon emissions growth. Despite advancements, especially in developing countries, where the level of new renewable energy investment exceeded that of developed countries in 2015, renewable energy still accounts for only a small share of global power generation. New renewable investment dropped sharply in the first half of 2016, and the improvements to emissions mitigation witnessed in recent years could easily reverse without concerted efforts from the public and private sectors to improve energy efficiency and promote renewable energy, supported by international cooperation on clean technology transfer and climate finance.

International trade and finance

World trade at a standstill

Dwindling world trade growth is both a contributing factor and a symptom of the global economic slowdown. World trade volumes expanded by just 1.2 per cent in 2016, the third-lowest rate in the past 30 years. Cyclical factors — such as the composition of global demand and heightened uncertainty — continue to restrain global trade growth, while the impact of a number of structural shifts that favoured the rapid expansion of global trade in the 1990s and 2000s have started to wane, coupled with slower progress in trade

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_9352

