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## Nota di contenuto

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5. Fiscal Adjustment and CDS Spreads with Alternative Fiscal Multipliers  
6. Effect on Growth of Higher Debt to GDP Ratio; 7. Potential Revenue Increases in Advanced G7 Countries; 8. Public Sector Wages in Selected G7 Countries; 9. Pension Spending Increase, 2010-30; IV. Policy Conclusions; 10. Long-term Average of Primary Balance and Real GDP Growth; 11. Effect of Growth on Debt Stabilizing Primary Surplus; Introduction; Background; Appendix; Short-run Determinants of CDS Spreads in Advanced Economies; Empirical Model Estimation; Estimation Results; Conclusions; References

## Sommario/riassunto

Implementation of fiscal consolidation by advanced economies in coming years needs to take into account the short and long-run interactions between economic growth and fiscal policy. Many countries must reduce high public debt to GDP ratios that penalize longterm growth. However, fiscal adjustment is likely to hurt growth in the short run, delaying improvements in fiscal indicators, including deficits, debt, and financing costs. Revenue and expenditure policies are also critical in affecting productivity and employment growth. This paper discusses the complex relationships between fiscal policy and growth both in the short and in the long run.