

# Economic Experts Survey

Q1  
2024

Evaluating Global Economic  
Policy Worldwide



**ifo** INSTITUT



## **Evaluating Global Economic Policy Worldwide**

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Dear Reader,

we are very happy to present the results of the EES Q1 wave in 2024. The survey was conducted between 12 March and 26 March 2024. Experts around the world perceive economic policy and political stability more optimistically than in the previous quarter. There is, however, heterogeneity across the assessments in the individual continents. Experts in the ‘global south’ continue to provide more positive ratings than experts in the ‘global north’.

Geopolitical risks and military conflicts are very likely to influence experts’ assessments. This report’s spotlight therefore deals with the implications of the Russian invasion of Ukraine. We examine experts’ assessments in European countries neighboring Ukraine and Russia: the Baltic countries, the Nordic countries, Hungary, and Poland. Experts who refer to the Russian invasion of Ukraine in their open-text questions assess the political situation, economic policies, and expectations regarding economic performance more negatively than experts who did not relate to the Russian invasion of Ukraine.

I hope you will enjoy reading the report!



*Niklas Potrafke*  
*ifo Institute and LMU Munich*

# Executive Summary: Key Trends in Q1 2024

These are the key findings of the EES in Q1, 2024:

- **Experts around the world are optimistic about the political stability in their countries.**
  - Political stability has increased in many regions globally, despite the conflicts in Ukraine and the Middle East. The world average is the highest recorded in the EES so far.
  - In most parts of Europe and Northern America, however, experts rate political stability and government performance negatively.
  
- **Economic policy is globally perceived more optimistically.**
  - In most regions, the general assessment of economic policy and the judgment of how well policies tackle future challenges has improved.
  - One exception is Western Europe, where economic policy is rated worse and has declined further. Other parts of Europe also still record negative assessments of economic policy, but there has been a recent upward trend.
  
- **Spotlight on the implications of the Russian invasion of Ukraine.**
  - In Eastern Europe, ratings of economic policy and its ability to address future challenges have been in constant decline between Q1 2022 and Q1 2024.
  - Salience of the conflict was highest at the beginning of 2022 and has since declined in countries neighboring Ukraine and Russia.
  - Salience of the conflict is reflected in the assessments: Experts who reference the conflict rate both political situation and economic policy more negatively.
  
- **Special module on inflation: Global inflation expectations continue to decline in the short run, but show an increase in the long run.**
  - Inflation expectations declined globally by 0.4 percentage points for the short-term (now at 4.6% for 2024), but started to increase again for the long-term (now at 4.0% for 2027) compared to the previous quarter.

# 1. OVERVIEW AND METHODOLOGY

## 1.1 The Economic Experts Survey (EES)

The Economic Experts Survey (EES) is regularly conducted by the ifo Institute in Munich and the Institute for Swiss Economic Policy (IWP) and comprises a survey of around 8,000 economic experts from more than 130 countries. The survey aims to gather the opinions of economic experts on various economic policy measures and the political situation in their host countries. Expectations and assessments of current economic indicators, such as economic growth and inflation expectations, are also recorded. The survey is conducted quarterly and succeeded the World Economic Survey (WES), which focused primarily on the economic outlook and surveyed around 1,500 experts from 100 countries. The EES includes the 1,500 WES experts and a further 6,500 experts recruited through the CESifo research network, the ifo Institute's international networks, and the RePEc research network. With participants from countries covering 99% of the world's GDP, 95% of the world's population, and 92% of the global land area, the EES is significantly larger than any other comparable international expert panel (for a detailed description of the EES, see Gründler et al., 2023b).

The participants in the EES are influential experts who coin the public debate in their home countries. Most of the experts hold a Ph.D. in economics. The experts participating play an important role both in academia and in policy advisory, including also members of national expert councils and other influential committees. The influence of the experts on the scientific community, on the formation of public opinion, and on policy advice can also be measured by quantitative criteria. For example, the scientific papers of the participants from Europe were cited an average of 4,000 times (according to Google Scholar). The Twitter accounts of the experts in the European sample are followed by around 1,300 followers.<sup>1</sup>

The primary objective of the EES is to contribute to the public debate. The results are published on the ifo Institute's website and prepared in press releases to inform the public about the results. The survey is conducted with Qualtrics, the most widely used survey experiment software (Fuster and Zafar, 2023). The survey is also designed to provide up-to-date expert opinions on current economic policy debates, such as the drastic increase in inflation in 2022.

## 1.2 Methodology

To monitor the global political situation, the EES asks its global experts about their assessment of the political situation in their country of expertise and their views on economic policies. Both key pillars are further divided into two elements. For the **political situation**, we ask experts to rate the performance of the government and the political stability in their host country. For **economic**

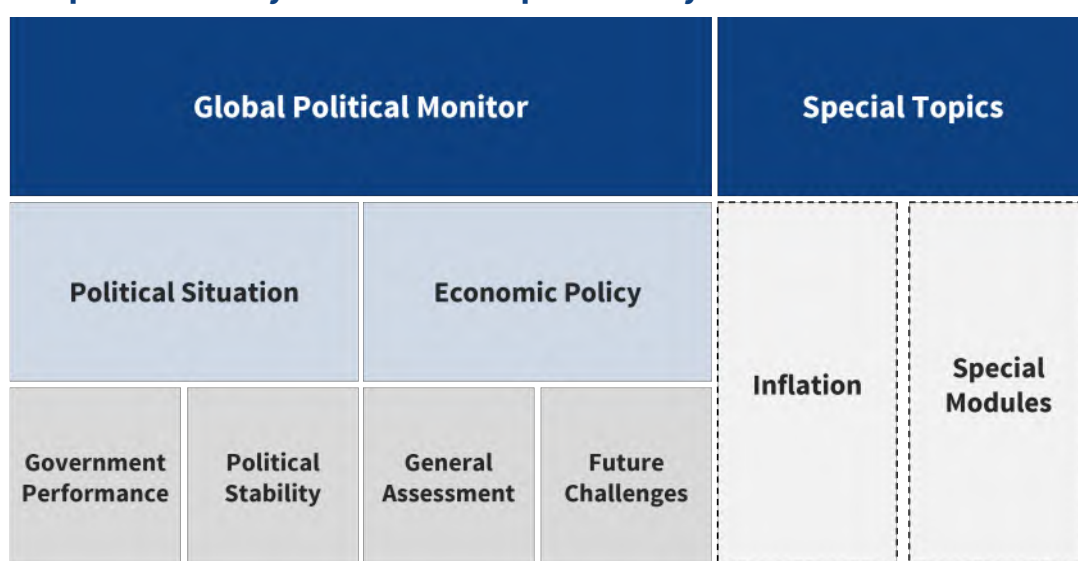
<sup>1</sup>The figures refer to the sample of participants with Google Scholar accounts and Twitter accounts.

## 1. OVERVIEW AND METHODOLOGY

**policies**, the EES asks experts about their general assessments and their views on how they believe the government currently copes with the challenges of the future.

The global political situation is monitored regularly by the EES on a quarterly basis. The EES also regularly measures the inflation expectations of international experts. Moreover, the EES includes special ad hoc modules that address special topics and are relevant from an international perspective. Special modules included, for instance, the development of housing prices or the global economic impact of the US Inflation Reduction Act (see Gründler et al., 2023a).

**Figure 1: Topics covered by the Economic Experts Survey**



*Notes: The figures illustrate the key topics included in the Economic Experts Survey (EES). The Global Political Monitor is measured regularly every quarter, consisting of two pillars: (1) the political situation and (2) economic policy. The EES also covers special topics, including regular monitoring of inflation expectations and special modules that are asked in individual waves.*

**Experts as sources of information:** The strategy to elicit the assessment of experts exploits the fact that experts have profound knowledge and information about their home countries' economies, political environments, and current developments. Aggregating expert assessments provide us with access to manifold sources of information that would otherwise not be possible to acquire or process.

**Evaluation of changes:** We ask experts to provide their assessment of the change in our variables of interest compared to the previous quarter. This analysis shows how government performance and political stability have developed over time within countries. The rationale behind looking at changes over time is that for a rating of the level, experts would need to compare their



## 1. OVERVIEW AND METHODOLOGY

host country to all other countries globally, which would involve information requirements that are most likely not met.

**Open-ended text questions:** An important pillar of the EES is that the quantitative questions are accompanied by open-ended text questions, providing experts the opportunity to give a qualitative assessment of the situation in their country. These assessments are particularly valuable, because they illustrate the motivation of experts for providing a specific rating, and they provide information about the key developments in their country that are decisive for their evaluation.

Details on the methodology of the EES can be found in Appendix A. A detailed methodological description is provided in Gründler et al. (2022).

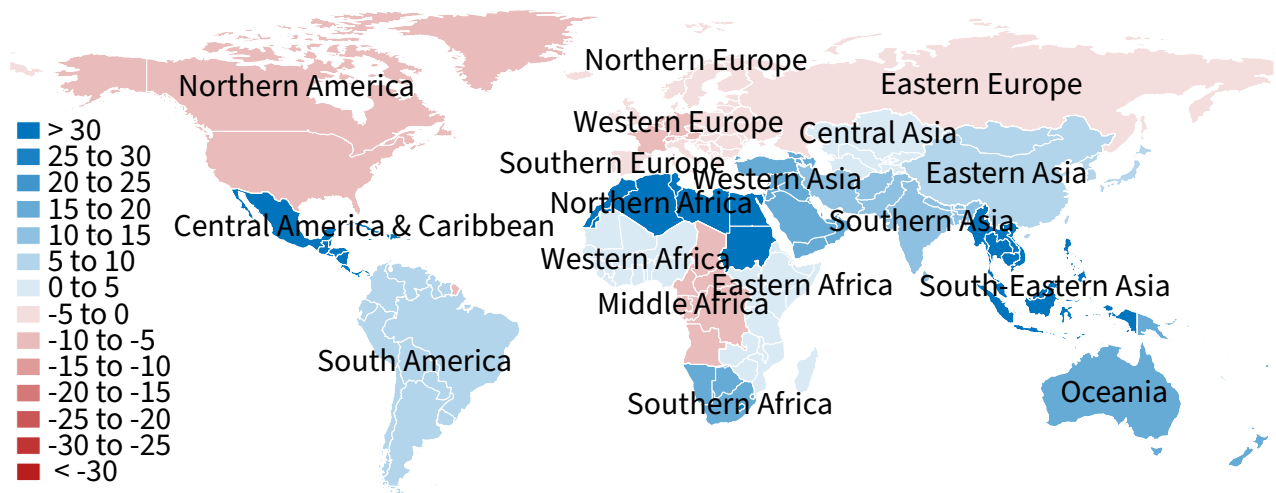
## 2. THE GLOBAL POLITICAL LANDSCAPE

### 2.1 Global Political Assessment

Figure (2) shows experts' assessments of the political situation in their countries of expertise worldwide. This assessment is derived by combining experts' scores on the performance of governments and political stability. Experts are asked to compare the situation in Q1 2024 to that of the previous quarter (the report for Q4 can be accessed [here](#)). Positive evaluations compared to the previous quarter (Q4 2023) are colored in blue, and negative evaluations are colored in red.

Globally, there has been minimal change from the previous quarter. On average, experts note modest improvements in the current political situation compared to the previous quarter. The global average of the overall political indicator for the current political situation takes value +8 on a scale from -100 to +100 in Q1 of 2024.

**Figure 2: Experts' Assessment of Changes in the Political Situation**



Source: Economic Experts Survey Q1 2024.

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*Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total, N = 1508 participants participated in the survey.*

Focusing on the global regions, the data reveals significant heterogeneity across regions. Distinct geographic patterns stand out. Experts in Europe and Northern America tend to hold pessimistic views about the political situation, and perceive a decline compared to the fourth quarter of 2023. Conversely, experts in almost all of the regions within the 'Global South' report improvements in their countries' political situation. Experts in Central America and the Caribbean, Northern Africa,

## 2. THE GLOBAL POLITICAL LANDSCAPE

and South-Eastern Asia are particularly positive about the political situation compared to the previous quarter. Middle Africa stands out as an exception, with experts perceiving a decline in the political situation. Since our survey was fielded in March 2024, it was conducted before the Iranian air strike on Israel and the retaliation of Israel took place.

**The global divide in political assessment:** Considering the world map depicting the political situation, a clear division emerges along geographic and socioeconomic lines: Experts within the Global North report a deterioration in the political situation, while experts within the Global South report improvements.

### 2.2 Trends in Experts' Political Assessment

Figure (3) shows the evolution of expert assessments regarding the political situation over time. The figure visualizes the global political situation for all sub-regions included in the EES over the period from Q1 2022 until Q1 2024. Given that the EES asks experts to evaluate the political situation compared to the past quarter, levels below (above) zero reflect a decrease (increase), and a downward (upward) sloping trend suggests that the negative (positive) situation has intensified.

Overall, the global average has been improving since the third quarter of 2023. A closer examination of global regions reveals notable improvements in Africa and Oceania. While experts in Northern Africa were among the most negative in mid-2023, the recent waves show significant improvements in the perceived political situation. The positive average score for the Americas is driven by highly positive ratings in Central America and the Caribbean. Experts in South America have also indicated improvements in the last two quarters. In Asia, the average assessment of the political situation also continues on a steady positive track. Experts particularly in South-Eastern Asia continuously rate the political situation very highly. Central Asia stands as an exception in the region, with experts noting no changes in the political situation in the three most recent waves, following a previous decline.

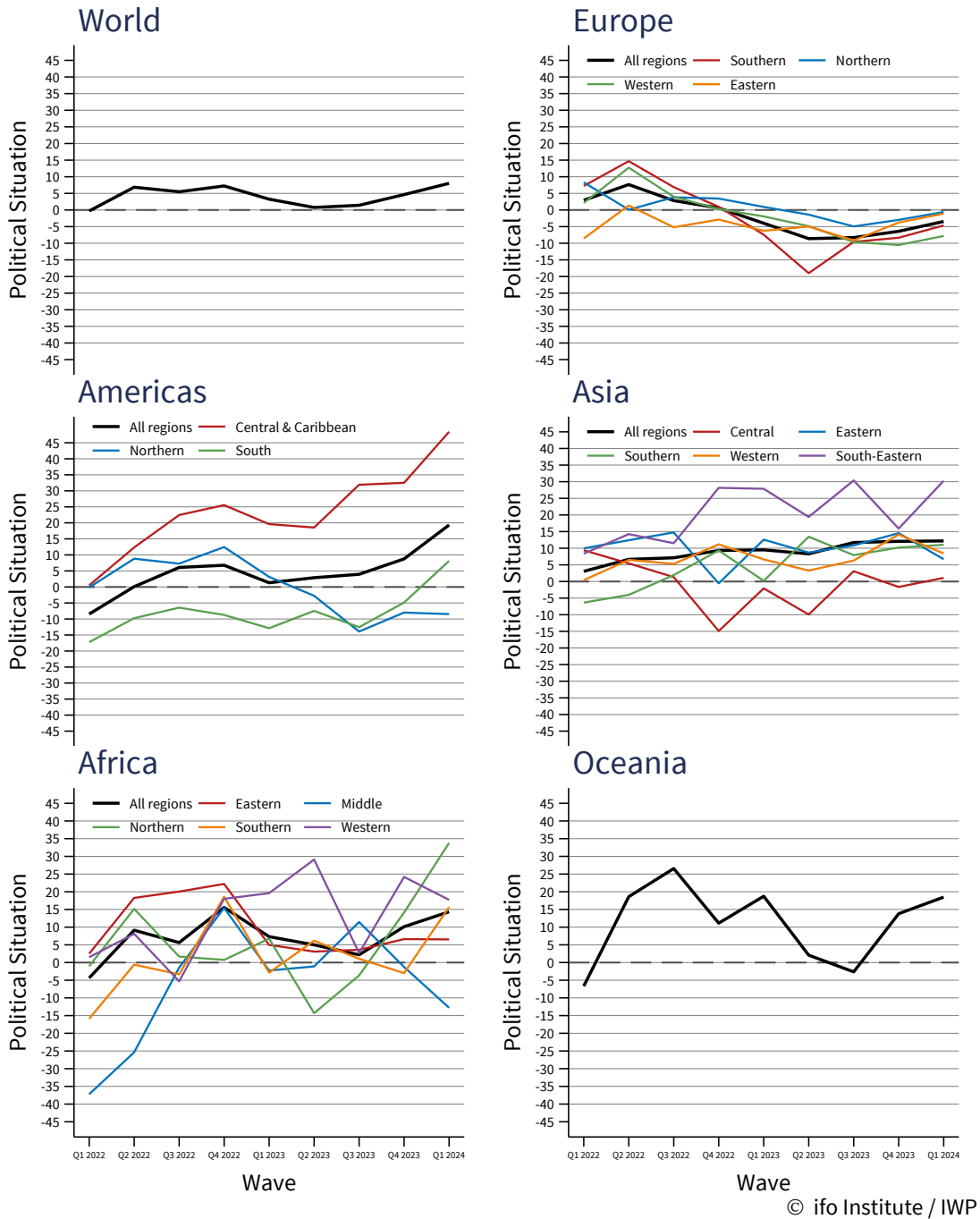
In contrast, Europe has seen a steady downward trend across all sub-regions, despite initial optimism at the beginning of the EES in 2022. Although this trend appears to have slowed down, experts' assessments remain negative, with Experts in Western Europe being the most pessimistic regarding the political situation. A similar pattern is observed in Northern America, where the negative trend has halted in the current wave, but experts' ratings are still well below zero.

### 2.3 Government Performance and Political Stability

The assessment of the political situation is an aggregate that is based equally on two components: (i) the experts' assessments of government performance and (ii) their views on the degree of politi-

## 2. THE GLOBAL POLITICAL LANDSCAPE

**Figure 3: Experts' Assessment of Changes in the Political Situation over Time**



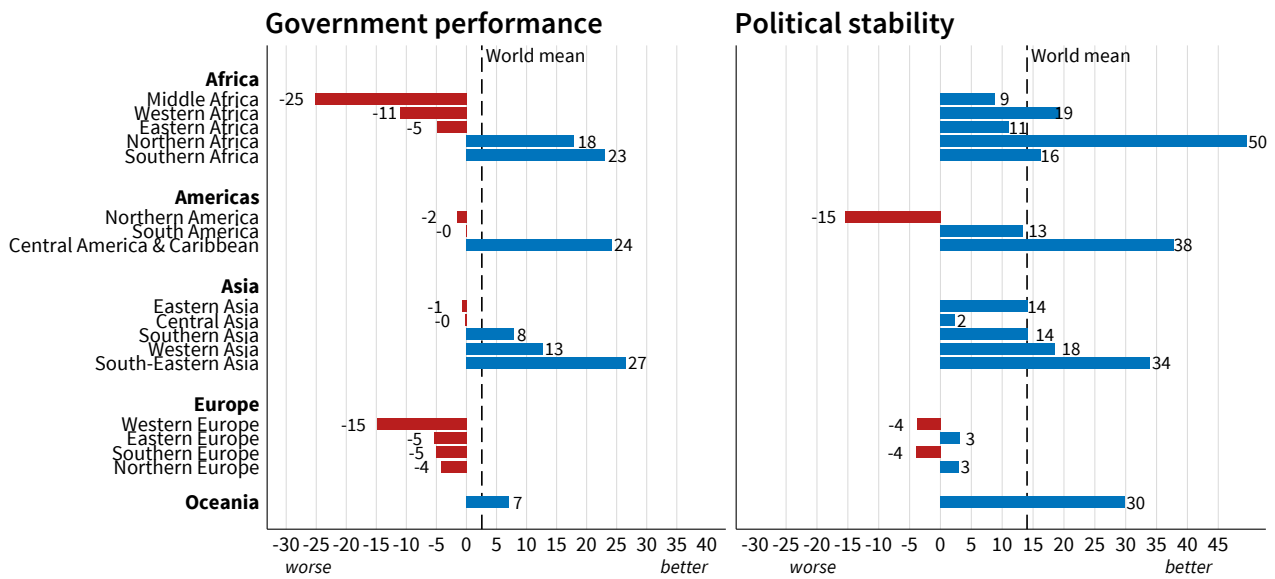
Notes: The figure shows the results of the EES waves Q1 2022 until Q1 2024. In total, N = 1508 participants participated in the most recent survey, which was conducted between 12 March and 26 March 2024.

## 2. THE GLOBAL POLITICAL LANDSCAPE

cal stability in their country of expertise. Figure (4) shows the results separately for each sub-index and sub-region. The figure shows that improvements in the political situation are especially strong regarding ratings of political stability (+14), but overall ratings regarding government performance are also positive (+3). The individual values are reported in Table (1) in Appendix C.

**Figure 4: Experts’ Assessment of Changes in the Political Situation – Government Performance and Political Stability**

### Political Assessment



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Source: Economic Experts Survey Q1 2024.

Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total,  $N = 1508$  participants participated in the survey.

Expert assessments of **government performance** reveal clear regional patterns. Experts in Europe express growing concerns about government performance in their countries of expertise, while experts in many parts of Asia indicate either minimal changes or clear improvements in government performance. Similarly, experts in Northern America and South America perceive a small decline in government performance, whereas ratings in Central America and the Caribbean are positive. The picture is more mixed for Africa, with positive evaluations in Northern and Southern Africa in contrast with negative ratings in Middle, Western, and Eastern Africa.

Regarding **political stability**, experts are generally much more optimistic compared to the previous quarter. Especially in Asia and Africa, improvements are reported across all regions. The largest improvements are observed in Northern Africa, followed by South-Eastern Asia, Central America and the Caribbean, and Oceania. However, experts in Northern America, Western Europe,

## 2. THE GLOBAL POLITICAL LANDSCAPE

and Southern Europe report lower political stability in their countries of expertise, consistent with the findings from the previous wave.

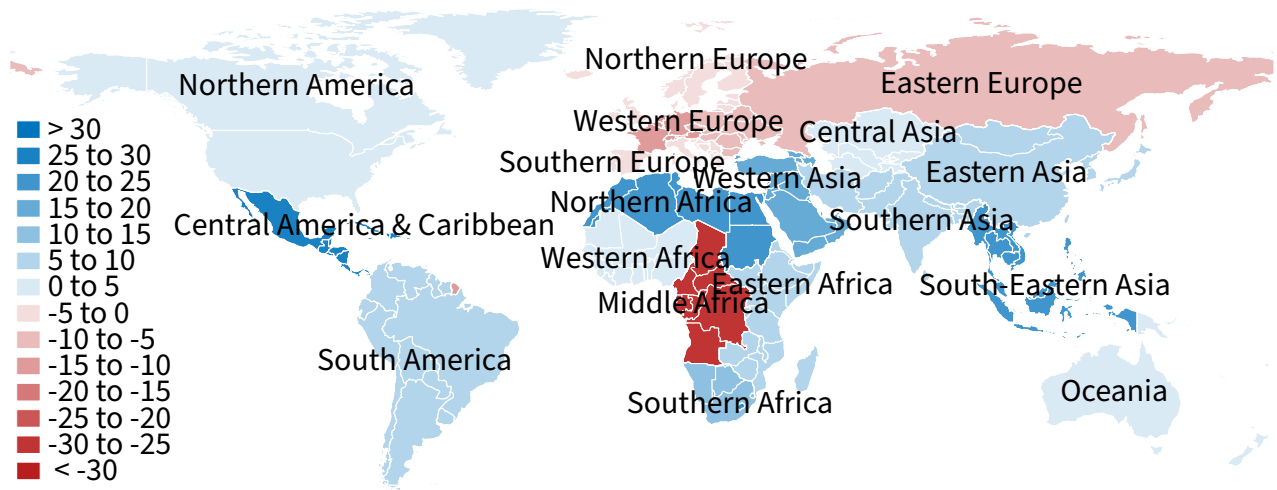
### 3. GLOBAL MONITOR OF ECONOMIC DEVELOPMENTS

#### 3.1 Global Economic Policy Assessment

Figure (5) shows the global assessment of the economic policy situation. It is obtained by combining experts' scores on the general assessment of current economic policies of governments and how well policies address future challenges. Positive evaluations compared to the previous quarter (Q4 2023) are colored in blue, and negative evaluations are colored in red.

Globally, experts' assessments of the economic policy in their country of expertise are slightly more positive compared to the previous quarter. The global average of the overall economic policy indicator takes value +5 on a scale from -100 to +100 in Q1 of 2024.

**Figure 5: Experts' Assessment of Changes in the Economic Policy**



Source: Economic Experts Survey Q1 2024.

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*Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total, N = 1508 participants participated in the survey.*

The global average conceals significant variation across different regions of the world. In many parts of Africa, economic policies are viewed more favorably by experts. The largest improvements in Africa are recorded in Northern Africa. At the same time, experts in Middle Africa represent a large outlier; recording the most negative assessments globally. Across Asia, experts share an optimistic outlook on economic policy. Globally, Central America and the Caribbean exhibit the largest overall improvements, while South America also shows noticeable progress.

Conversely, experts across Europe report considerable declines in their evaluations of economic

### 3. GLOBAL MONITOR OF ECONOMIC DEVELOPMENTS

policy, with Western Europe experiencing the largest decline.

#### 3.2 Trends in Experts' Economic Policy Assessment

Figure (6) shows the evolution of expert assessments regarding economic policy in their countries of expertise. Covering the period from Q1 2022 to Q1 2024, the figure visualizes the economic policy assessments across all sub-regions included in the EES. Given that the EES asks experts to classify their evaluation compared to the past quarter, levels below (above) zero reflect a decrease (increase), and a downward (upward) sloping trend signifies an intensification of the negative (positive) sentiments.

Notably, expert assessments of economic policy repeatedly fall below zero across all regions of Europe, indicating a continuous decline. This trend is aligned with the political ratings, suggesting a widespread negative perception of economic policies in many European countries. However, the downward trend has slowed down, indicating a slight easing of the negative sentiment compared to the previous quarter, except in Western Europe, where pessimism deepens. In contrast, Southern America witnesses increased optimism among experts compared to the previous quarter. Central America and the Caribbean maintain a strong positive trend in expert evaluations.

In Oceania, the previously improving trend in expert assessments halts in the first quarter of 2024. At the same time, experts are positive in many parts of Asia, particularly in South-Eastern Asia, where experts continue to view economic policies favorably. The overall trend in Asia remains stable, with experts consistently rating economic policy positively. Similarly, positive views on economic policy persist among many experts in Africa, with the exception of Middle Africa, where expert assessment dropped sharply in the first quarter of 2024.

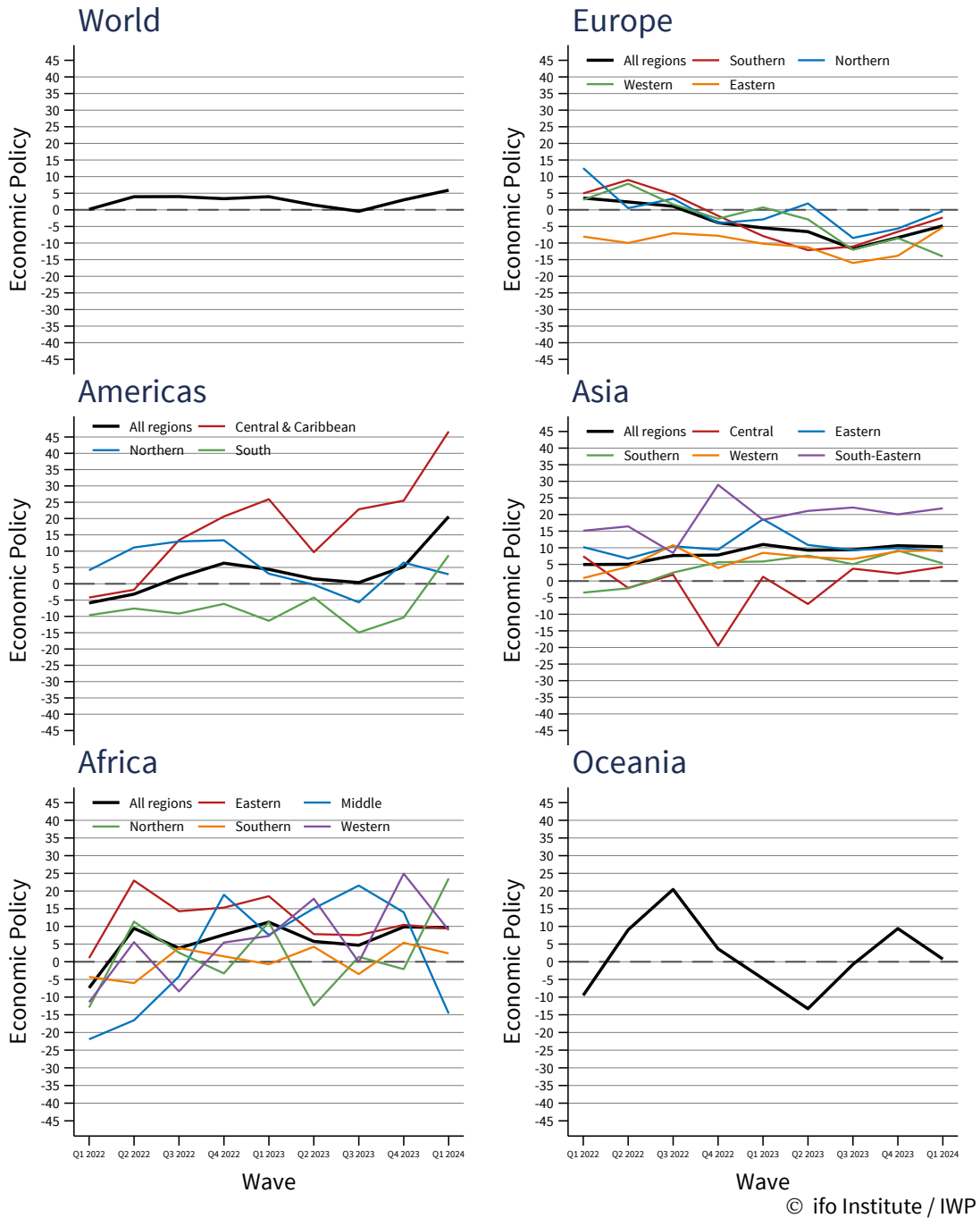
#### 3.3 Economic Policy and Future Challenges

The assessment of economic policy is made up of two equally weighted components: the experts' assessments of current economic policy and the assessments of economic policy with regard to future challenges. Figure (7) shows the results separately for each sub-index and sub-region. Improvements in the assessment of economic policy are especially strong for general economic policy ratings (+8). A slight increase is also observed in the ratings concerning future challenges (+2). The individual values are reported in Table (1).



### 3. GLOBAL MONITOR OF ECONOMIC DEVELOPMENTS

**Figure 6: Experts' Assessment of Changes in the Economic Policy over Time**



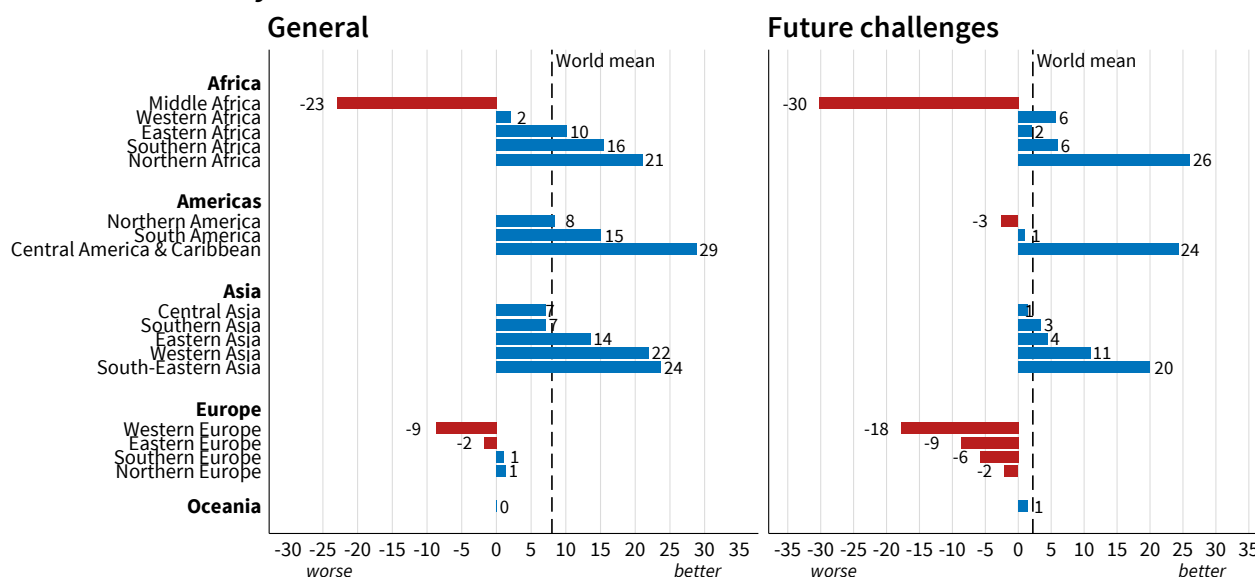
Notes: The figure shows the results of the EES waves Q1 2022 until Q1 2024. In total, N = 1508 participants participated in the most recent survey, which was conducted between 12 March and 26 March 2024.

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### 3. GLOBAL MONITOR OF ECONOMIC DEVELOPMENTS

**Figure 7: Experts’ Assessment of Changes in the Economic Policy – Current and Future Challenges**

#### Economic Policy Assessment



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Source: Economic Experts Survey Q1 2024.

Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total, N = 1508 participants participated in the survey.

Globally, the **general assessments of economic policy** closely align with judgments on how well policies address **future challenges** across all world regions.

In Africa, the overall economic policy assessments are driven by similar ratings in both components of the overall index. Both indicators decrease for Middle Africa, while other African regions, particularly Northern Africa, show increases in both indicators. Across Asia, improvements are observed across the board in both indicators.

Conversely, experts in Western and Eastern Europe maintain negative evaluations of general economic policy. Moreover, across Europe, there is a growing pessimism among experts regarding the effectiveness of policies in addressing future challenges.

In the Americas, experts are optimistic about general economic policy, with particularly high rankings in Central America and the Caribbean. Experts in the region are also optimistic regarding the ability of policies to tackle future challenges. Experts in South America perceive minimal improvements, and experts in North America have a somewhat negative outlook.

## 4. SPOTLIGHT: IMPLICATIONS OF RUSSIAN INVASION OF UKRAINE

One of our key findings was that experts' assessments regarding the political stability of their countries of expertise have reached a new high worldwide. At first glance, this stands in contrast to the numerous high-profile conflicts currently being fought in certain regions of the world. In this section, we point the spotlight on European countries neighboring Ukraine and Russia, examining the evolution of experts' assessments of the economic and political situation in their countries of expertise since the onset of the war in Ukraine in February 2022. As we will show conflict indeed has a persistent negative impact on experts' considerations regarding political stability and the quality of economic policy.

Over the past two years, assessments of both the economic and political situations in Europe have generally declined. These trends diverge sharply from trends observed in other continents or their sub-regions. Throughout all waves of the Economic Expert Survey, experts in Eastern Europe have consistently given negative assessments of both general economic policy and its ability to address future challenges. This persistent negative assessment suggests that experts perceive the economic situation to be continuously deteriorating. Expert assessments of the political situation in Eastern Europe has also remained bleak: Evaluation of the political situation has been negative in every quarter except Q2 2022.

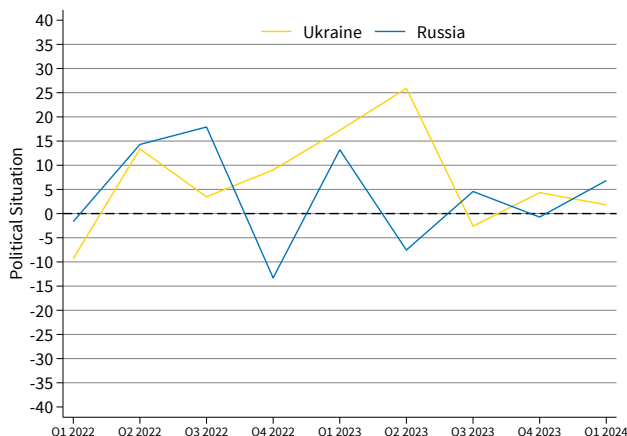
This section focuses on Ukraine and Russia, the Baltic countries, the Nordic countries, Hungary, and Poland. We examine the experts' answers to the core questions and the open-ended questions to gain insights into how the Russian invasion of Ukraine has influenced their assessments.

#### 4. SPOTLIGHT: IMPLICATIONS OF RUSSIAN INVASION OF UKRAINE

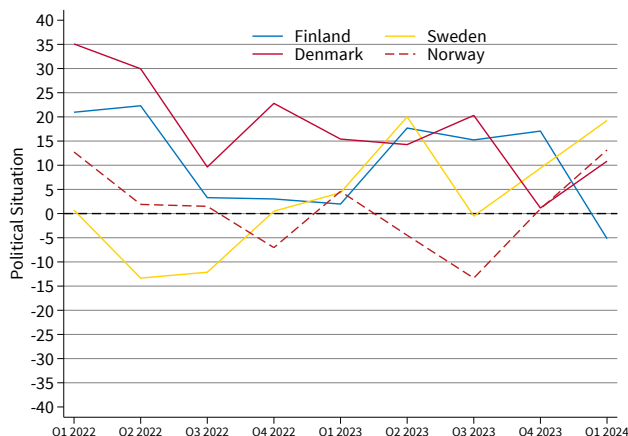
### 4.1 Trends in the political situation

Figure 8: Experts’ Assessment of the Political Situation

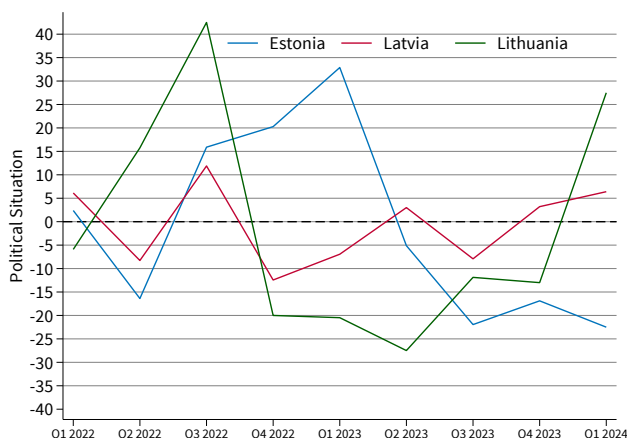
(a) Ukraine and Russia



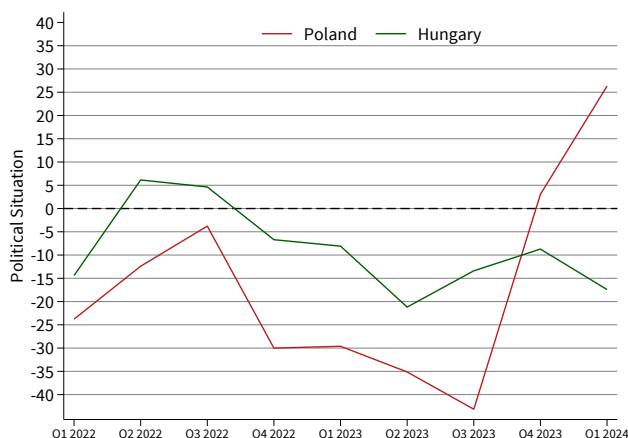
(b) Nordic countries



(c) Baltic countries



(d) Hungary and Poland



Notes: The figure shows the results of the EES waves Q1 2022 until Q1 2024. In total, N = 1508 participants participated in the most recent survey, which was conducted between 12 March and 26 March 2024.

Figure 8 shows how experts in Ukraine and Russia (subfigure a), in the Nordic countries (subfigure b), in the Baltic countries (subfigure c), and in Poland and Hungary (subfigure d) have evaluated the political situation in their countries of expertise throughout the Russian invasion of Ukraine.

In **Ukraine**, experts initially indicated a decline in the political situation, but in most quarters their assessments have been remarkably positive. However, this positive trend came to a halt in the third quarter of 2023. Experts’ assessment in **Russia** has fluctuated, with experts noting both im-

#### 4. SPOTLIGHT: IMPLICATIONS OF RUSSIAN INVASION OF UKRAINE

provements and declines in the political landscape.

Across the **Nordic countries**, experts have been generally positive, with notable improvements observed in Sweden during the latter half of our survey period, and in Norway over the last two quarters. In the first quarter of 2024, experts are generally quite optimistic, except for Finland.

In the **Baltic countries**, experts perceived considerable improvements in the political situation in mid-2022. However, in the last quarter of 2022, assessments in Latvia and Lithuania turned negative, while positive developments continued in Estonia until Q2 2023. In the latest quarter, experts in Latvia and Lithuania indicated improvements, while those in Estonia report further deterioration.

While the developments of the political situation in **Hungary** and **Poland** over the past two years shared similar patterns, there has been a diverging trend between those in the two recent waves of the EES. While experts in both countries were increasingly pessimistic about their country's political situation, Polish experts expressed very optimistic views on the political situation since the fourth quarter of 2023. This coincides with the electoral turnover of the incumbent PiS government, resulting in a new liberal-conservative government under Donald Tusk. Experts in Poland are positive about this development and the resulting change in politics in Poland. Ratings improved from below -40 in Q3 2023 to above 25 in the current wave. Experts in Hungary remain pessimistic about their country's political situation.

#### 4.2 Economic Situation

The Russian invasion of Ukraine has significant repercussions for economic policies. For Ukraine, the invasion has given rise to severe economic upheaval and focusing of resources towards defense. Sanctions on Russia imply reductions in economic relations between Russia and many European countries, posing a challenge for economic policy. On a global scale, the war significantly exacerbated the energy crisis, and also led to a sharp increase in food prices due to disruptions in agricultural production within Ukraine. The energy crisis and global supply chain issues have also contributed to high inflation.

Figure 9 shows experts' evaluations regarding the economic policy in their countries of expertise from Q1 2022 to Q1 2024. Experts in Ukraine and Russia have been somewhat pessimistic and observed declines in economic policy across most quarters. Experts in Russia are slightly optimistic in the first quarter of 2024, while experts in Ukraine indicate further declines in economic policy.

In the Nordic countries, experts' assessments of the economic policy mirror the views on the political situation. Experts saw improvements in the first quarter of 2022, but subsequent assessments in 2022 turned more pessimistic. Since Q2 2023 experts in Finland have again perceived significant

#### 4. SPOTLIGHT: IMPLICATIONS OF RUSSIAN INVASION OF UKRAINE

improvements. Denmark stands apart with consistently high scores, although the optimism has waned in recent quarters.

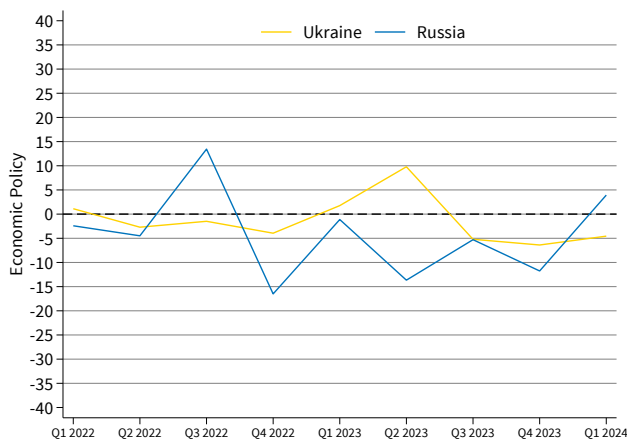
Across the Baltic countries, experts' assessments have fluctuated greatly throughout the EES. Experts in Latvia were initially positive but turned negative since Q4 2022. In Lithuania, predominantly negative assessments have been contrasted by two spikes of notably positive scores in Q3 2022 and in Q1 2024. Meanwhile in Estonia, experts perceived improvements from Q2 2022 to Q1 2023, but assessments have been negative in the last four quarters.

In Hungary and Poland, experts have consistently reported extremely negative assessments of the economic policy, indicating continuous declines. However, mirroring the change in the political climate, expert assessments in Poland reversed since the fourth quarter of 2023. Ratings improved from an assessment below -40 shortly before the new government got elected to a current assessment of above 20 in Q1 2024. Hungarian experts continue to rate their country's economic policy worse than in the previous quarter (-30) in this EES wave.

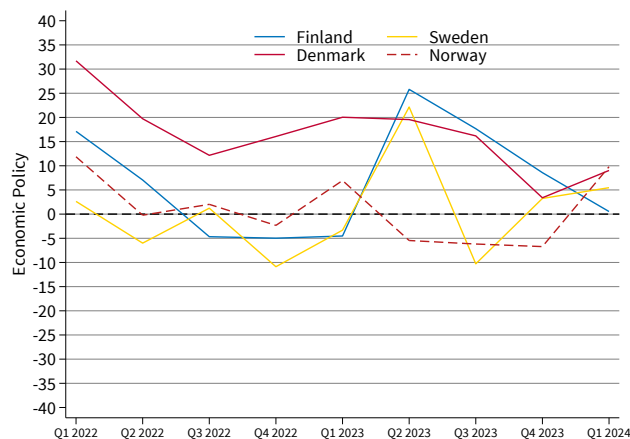
## 4. SPOTLIGHT: IMPLICATIONS OF RUSSIAN INVASION OF UKRAINE

**Figure 9: Experts' Assessment of Economic Policy**

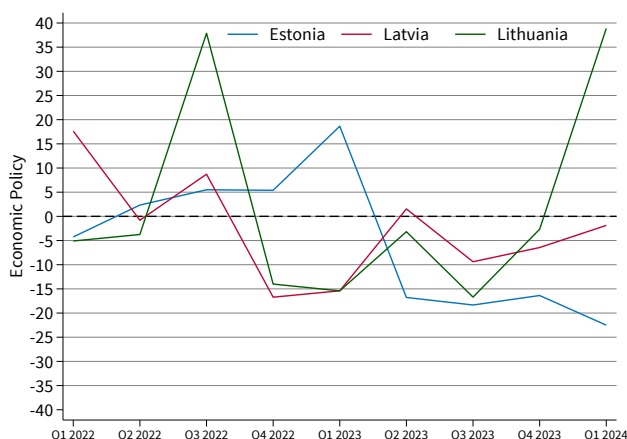
**(a) Ukraine and Russia**



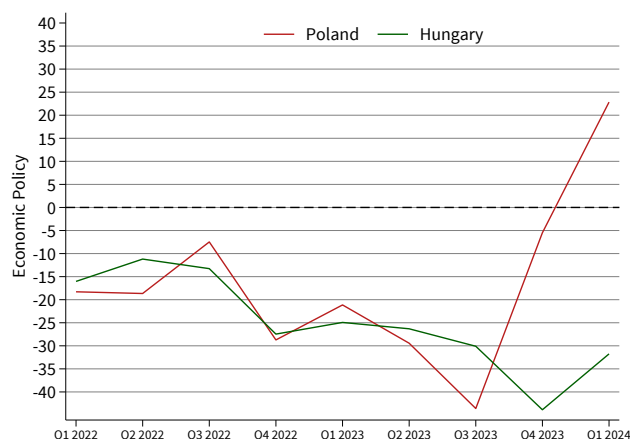
**(b) Nordic countries**



**(c) Baltic countries**



**(d) Hungary and Poland**



Notes: The figure shows the results of the EES waves Q1 2022 until Q1 2024. In total, N = 1508 participants participated in the most recent survey, which was conducted between 12 March and 26 March 2024.

### 4.3 Salience of the Russian invasion of Ukraine

The impact of the conflict on expert assessments is evident in the experts' free-text answers. To quantify how salient the war is among experts in different countries, we investigate the frequency of the keywords "Ukraine", "Russia", "war", or "NATO" in responses to the open-ended questions. Figure 10 shows the shares of respondents by country and survey wave who include references to the war in any of the free-text answers to the four core questions. For experts from Ukraine we exclude the term "Ukraine", and for experts from Russia we exclude the term "Russia". On average, 40%–50% of respondents answer at least one of the open-ended questions. The share of respon-

#### 4. SPOTLIGHT: IMPLICATIONS OF RUSSIAN INVASION OF UKRAINE

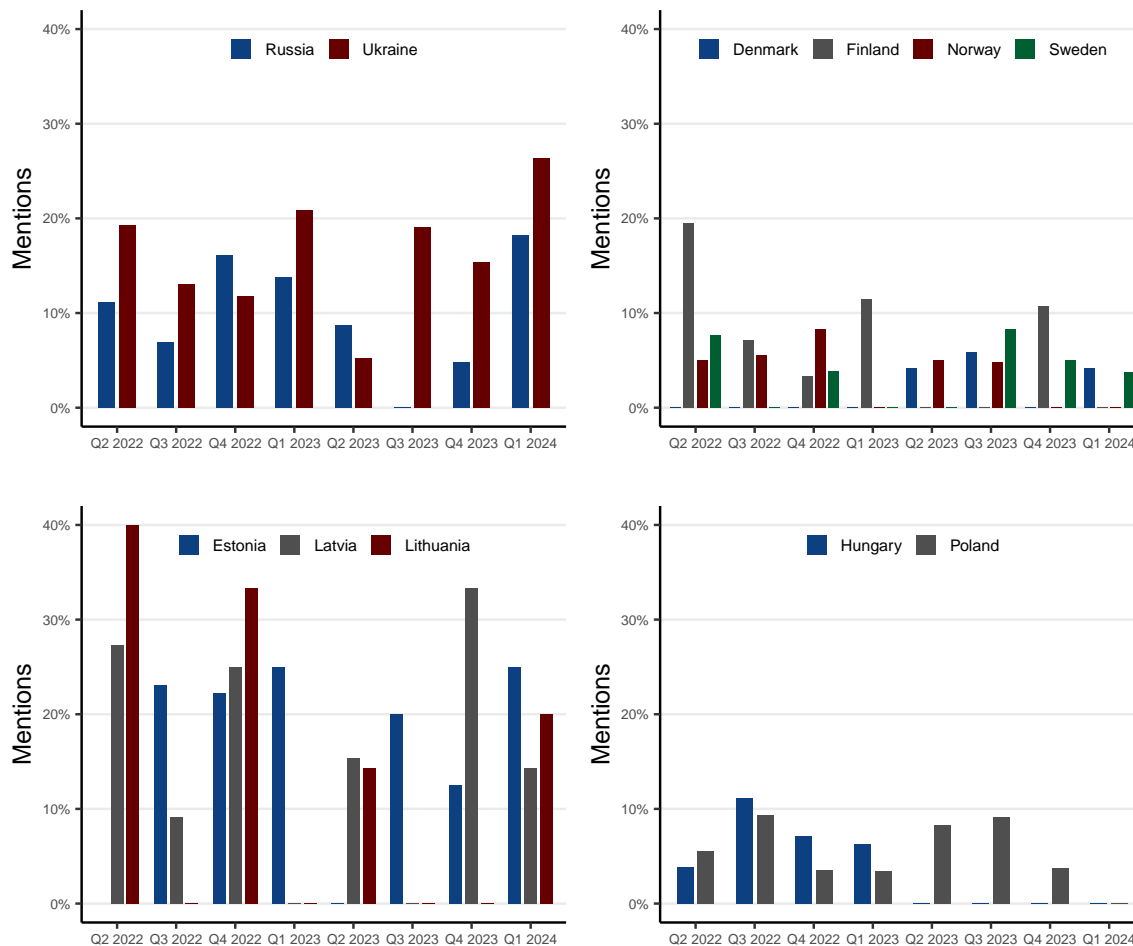
dents in Figure 10 is calculated over all respondents in a country and quarter.

Several findings stand out. First, the war is most salient in Ukraine, Russia, and in the Baltic countries. Second, salience of the war is highest in the beginning of the invasion. Attention to the war is lowest in mid-2023, and increases slightly in the last quarter of 2023 and the first quarter of 2024. In the Nordic countries, the share of experts mentioning the war is generally low, with the most frequent mentions in Finland in Q2 2022. Similarly, experts in Hungary and Poland seldom mention the war, and in Hungary all mentions take place in the first half of the survey period. Third, attention to the war varies significantly across different countries over time. Although experts in Baltic countries on average mention the war frequently, there are periods, such as between Q1 2023 and Q4 2023, where it is not mentioned at all by experts in some countries.



#### 4. SPOTLIGHT: IMPLICATIONS OF RUSSIAN INVASION OF UKRAINE

**Figure 10: Share of experts who mentioned topics related to the Russian invasion of Ukraine in free text answers**

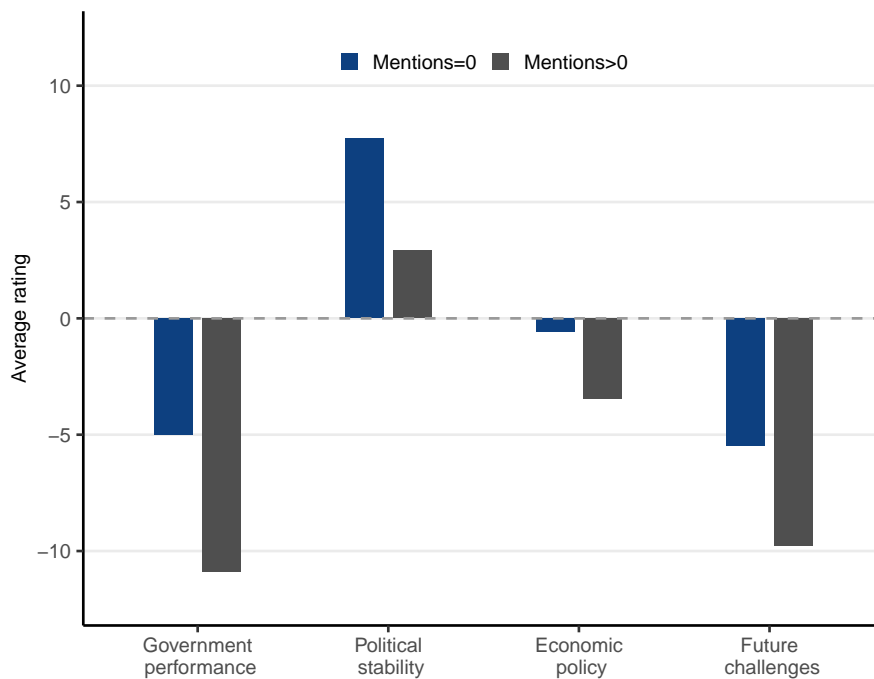


Notes: The figure shows the results of the EES waves Q2 2022 until Q1 2024. In total, N = 1508 participants participated in the most recent survey, which was conducted between 12 March and 26 March 2024. Mentions is the share of respondents who mention any of the words “Ukraine”, “Russia”, “war”, or “NATO”, in a free-text answer.

Overall, higher salience of the Russian invasion of Ukraine is correlated with negative evaluations of the political situation and economic policy. In Figure 11, we look at experts’ assessments separately depending on whether they mention terms related to the war in their free-text answers. In terms of political situation, experts referencing the invasion tend to see a greater decline in government performance compared to previous assessments. While there is an average perception of improved political stability, those mentioning the invasion tend to assign lower ratings. Similarly, in evaluating economic policy, experts mentioning the invasion rate both the general economic policy and its ability to address future challenges more negatively, suggesting worse performance compared to previous waves.

#### 4. SPOTLIGHT: IMPLICATIONS OF RUSSIAN INVASION OF UKRAINE

**Figure 11: Experts' assessments of economic and political situation separately by mentions of the Russian invasion of Ukraine**



Notes: The figure shows the results of the EES waves Q2 2022 until Q1 2024. In total, N = 1508 participants participated in the most recent survey, which was conducted between 12 March and 26 March 2024. Mentions is the share of respondents who mention any of the words “Ukraine”, “Russia”, “war”, or “NATO”, in a free-text answer.

## 5. OUTLOOK: INFLATION

How are economists' expectations for **future price developments** evolving worldwide? Can we observe a decline in inflation expectations? In the Q1 2024 wave, we examine economists' inflation expectations at a global level. The result: although inflation expectations worldwide remain well above central banks' inflation targets, there is a further decline in the expected inflation rate for 2024 compared to previous quarters. For the medium and long term, however, experts' inflation expectations stagnate at a high level or even slightly increase.

**Global Inflation Expectations Fall:** For 2024, the expected global average inflation rate is 4.6% (see Figure 12).<sup>2</sup> This represents a further decline of 0.4 p.p. compared to the expectations in the previous quarter (5% in Q4 2023). Short-term inflation expectations are hence falling, but remain at a high level worldwide. Experts also expect high inflation rates worldwide in the years ahead. With an average expected inflation rate of 4.4% for 2025, expectations globally are only 0.2 p.p. lower compared to expectations for 2024. A similar rate has been recorded in the previous EES wave, indicating that inflation expectations did not further decrease for the medium term. In the long term up to 2027, inflation expectations are at 4.0%. This represents a sizable increase compared with the previous quarter (3.6%). Long-term inflation expectations are hence remaining at a high level. These developments are visualized in Figure 13.

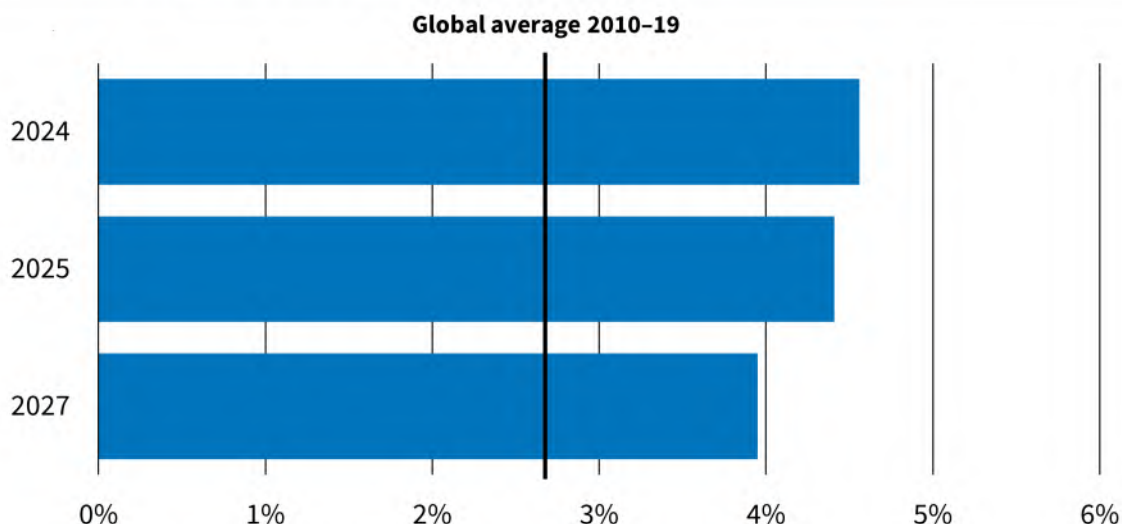
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<sup>2</sup>This is the median of average expected inflation rates at the country level. The median is used because the expected inflation rates vary greatly from region to region, with some dramatically higher in individual countries and regions such as Africa than in the rest of the world.

## 5. OUTLOOK: INFLATION

**Figure 12: Global Inflation Expectations**

Expected inflation as a global average for the year...



Source: Economic Experts Survey Q1 2024.

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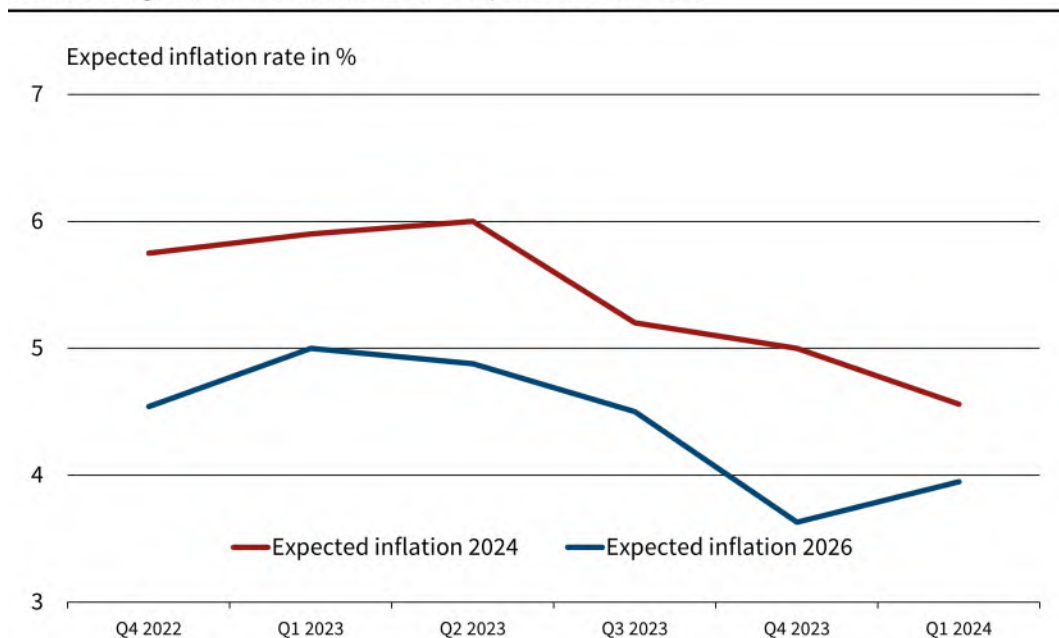
Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total,  $N = 1508$  participants participated in the survey.

**Inflation Expectations Falling in the Short Term, but in Some Cases an Increase in Long-Term Inflation Expectations:** Inflation expectations vary widely among the world's regions. For 2024, experts expect the lowest inflation rates in Western Europe (2.8%). Expectations in North America and Northern Europe are slightly higher (3.1–3.7%). In contrast, experts in regions such as North Africa (35%) and South America (26%) expect inflation rates to be well above average in the short term. For 2027, experts expect inflation rates in Western Europe (2.0%), North America (2.3%), Southern Europe (2.6%) and Northern Europe (2.8%) to almost return to or approach the 2% inflation rate targeted by central banks. Higher long-term inflation expectations are recorded in Eastern Europe (5.1%), and also in some parts of Asia (up to 11%). The highest long-term inflation rates are expected in Eastern Africa (41%) and Northern Africa (18%) (see Table 3).

## 5. OUTLOOK: INFLATION

**Figure 13: Global Inflation Expectations over Time**

Global average expected inflation rate for the years 2024 and 2026\*



For Q4 2023 and Q1 2024 the inflation expectation for 2027 is shown.

Source: Economic Experts Survey Q4 2022 to Q1 2024.

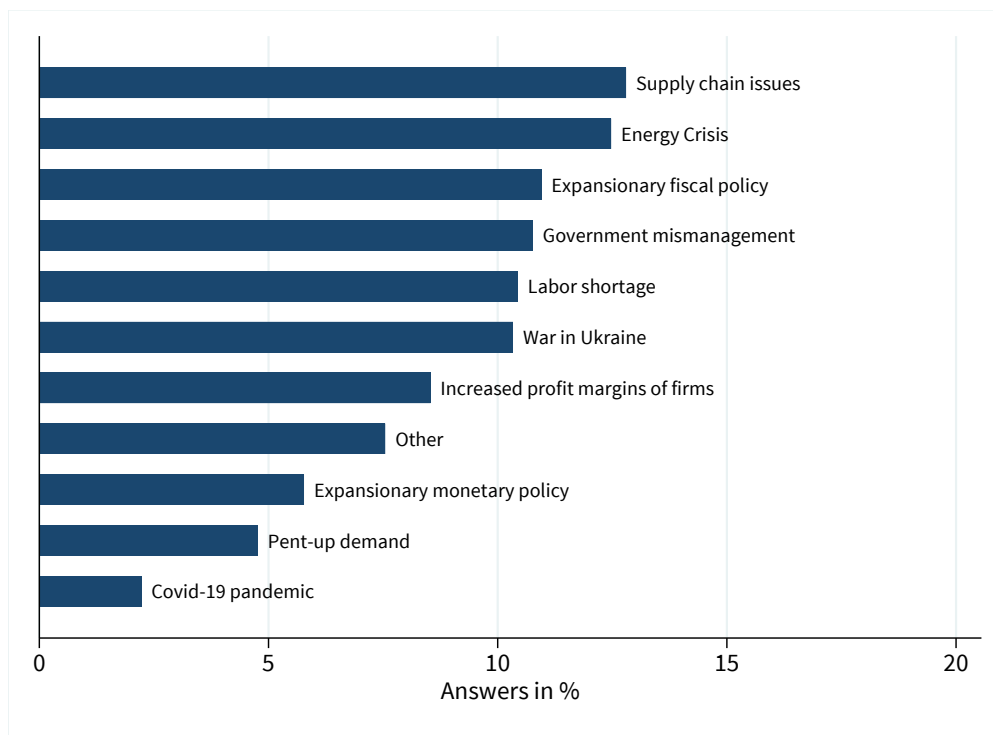
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*Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total, N = 1508 participants participated in the survey.*

**Drivers of inflation:** We also asked the experts about their perceived drivers of inflation. Figure (14) shows that globally currently supply chain issues are perceived to be the main driver of inflation (13% of answers). The energy crisis is referred to by 12% of experts as a main driver of inflation. Expansionary fiscal policy, government mismanagement, labor shortage and the war in Ukraine each account for around 10% of answers. Topics like pent-up demand and the Covid-19 pandemic received less than 5% of mentions, demonstrating that the direct effects of the pandemic play no dominant role in the inflation dynamics anymore.

## 5. OUTLOOK: INFLATION

**Figure 14: Drivers of Inflation**



Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total,  $N = 1508$  participants participated in the survey.

Figure (15) shows, however, that there is quite some variation in the perceived drivers of inflation across the continents. The energy crisis is perceived to be the major driver of inflation in Europe and Africa, while playing less of a role in Asia and Oceania, and almost no role in the Americas. In those regions, supply chain issues are a major driver of inflation according to the experts. Experts in Africa and Asia also refer to government mismanagement as one contributing factor to high levels of inflation.

## 5. OUTLOOK: INFLATION

**Figure 15: Drivers of Inflation by Continents**



Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total,  $N = 1508$  participants participated in the survey.

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# Appendix A: Methodology

**1. Expert Panel** We recruit economic experts from two groups. The first are renowned economic experts working at universities, research institutes, central banks, multinational companies, embassies, and international organizations. Experts from this group are hand-selected and have ties to the ifo Institute or the CESifo network. The second group are leading academics and researchers in economics according to international rankings. We contact the top experts in all listed countries. Experts from both groups are influential and shape the public economic debates in their host country.

**2. Implementation** The EES runs quarterly and each EES wave runs over a period of two weeks. We contact the experts via email with an invitation to participate in the EES. The experts answer the questions online and can choose the country they wish to provide expertise for. In the survey, the experts are presented with the four core EES questions from two main areas, (1) economic policy and (2) political climate.

## Economic Policy

1. How do you rate your country's current economic policy?
2. How well does your country's economic policy address the challenges of the future?

## Political Climate

3. How do you rate the performance of your country's current government?
4. How do you rate the stability of your country's current political situation?

Each question is followed by the reference statement: "Please compare to the last quarter." In addition to the core questions, each survey wave may contain further questions.

**3. Aggregation** From the experts' answers to each survey question, we first construct the arithmetic mean for each country and second the arithmetic mean for each world region. We use 18 world regions within five continents, building on the UN geographical region definition.<sup>3</sup> We then calculate the arithmetic mean of the values from questions one and two to derive the overall economic policy assessment for each region. We proceed similarly for questions three and four to derive the political assessment.

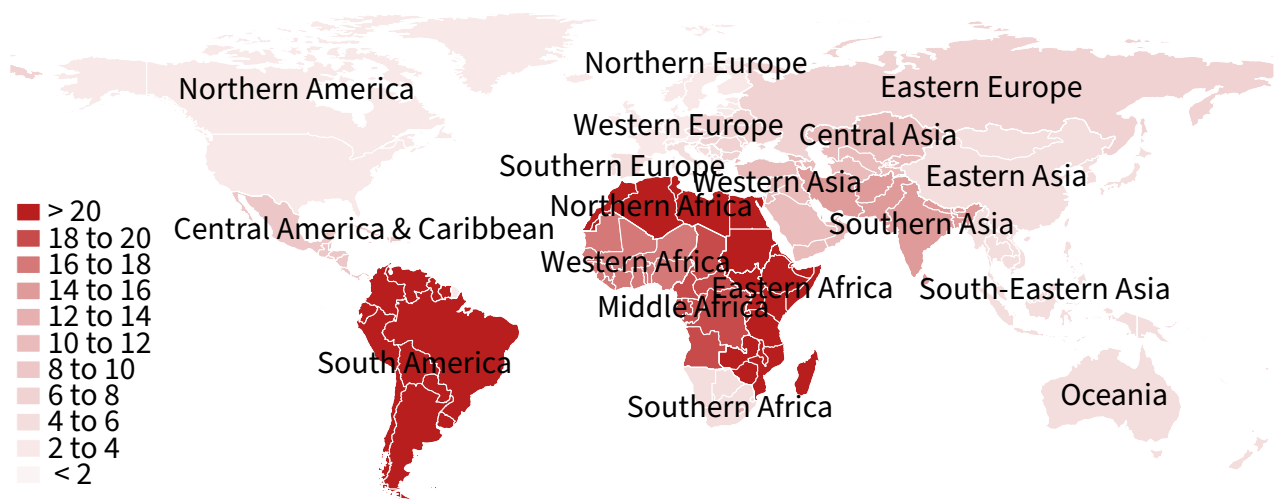
**4. Publication and Interpretation** The evaluation and interpretation of each quarterly survey wave by the research team is published on the ifo webpage ([www.ifo.de/en/survey/economic-experts-survey](http://www.ifo.de/en/survey/economic-experts-survey)) and in this report.

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<sup>3</sup>Due to data constraints, we define all sub-regions within Oceania to be one region and combine the regions of Central America and the Caribbean into one single region.

# Appendix B: Additional Figures

**Figure B1: Inflation Expectations 2024**

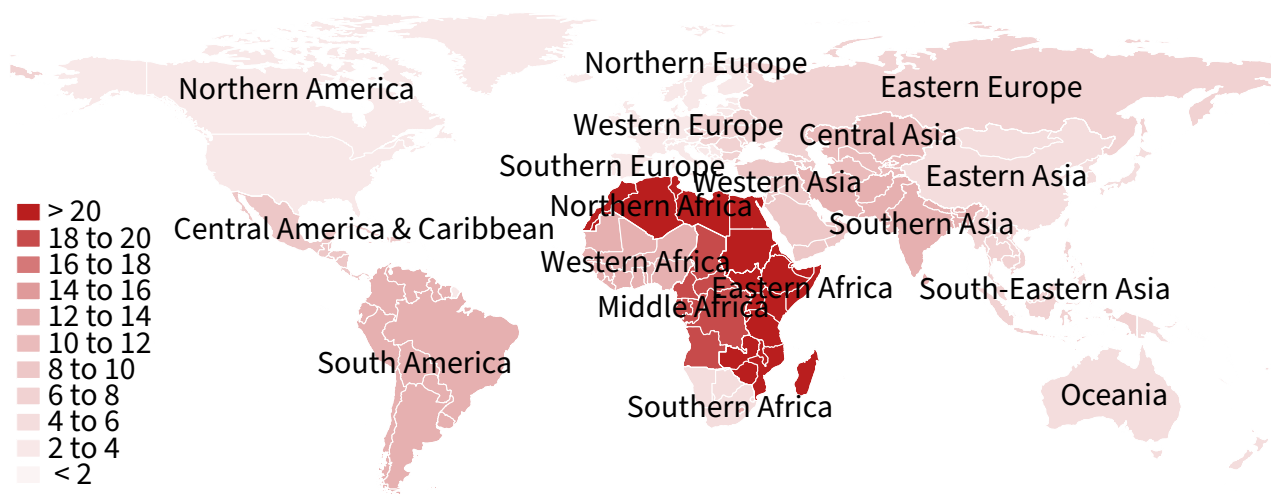


Source: Economic Experts Survey Q1 2024.

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*Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total, N = 1508 participants participated in the survey.*

**Figure B2: Inflation Expectations 2025**

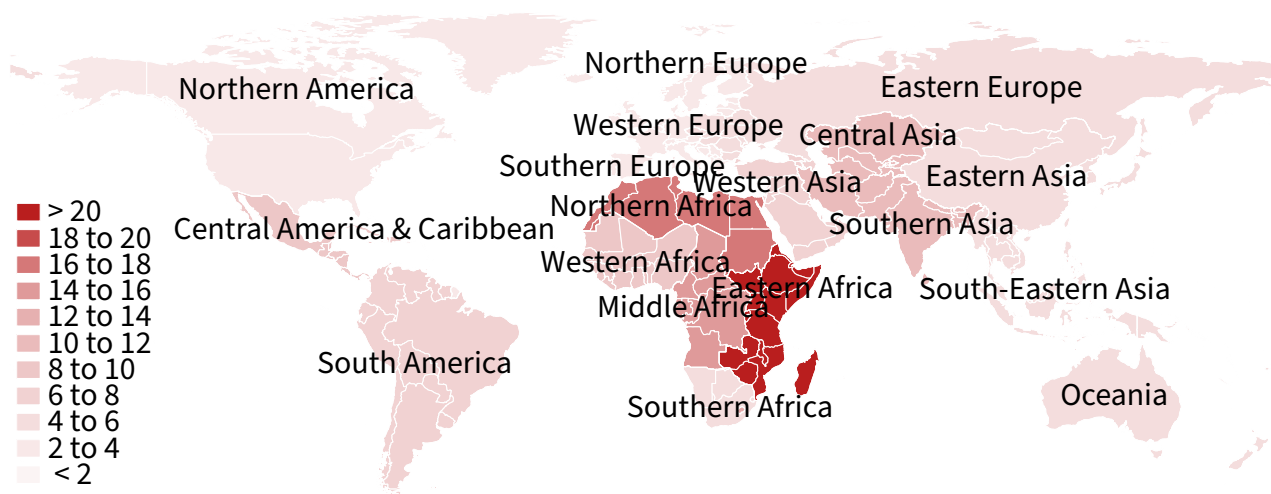


Source: Economic Experts Survey Q1 2024.

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Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total,  $N = 1508$  participants participated in the survey.

**Figure B3: Inflation Expectations 2027**



Source: Economic Experts Survey Q1 2024.

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*Notes: The figure shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total, N = 1508 participants participated in the survey.*

**Table 1: Questions on Political Situation**

		<b>Government performance</b>	<b>Political stability</b>
Worldwide		2.6	14.0
Asia			
	Central Asia	-0.3	2.4
	Eastern Asia	-0.7	14.1
	Western Asia	12.7	18.5
	South-Eastern Asia	26.5	34.0
	Southern Asia	7.9	14.2
Africa			
	Northern Africa	18.0	49.6
	Eastern Africa	-4.9	11.1
	Middle Africa	-25.2	8.8
	Western Africa	-11.1	19.4
	Southern Africa	23.0	16.3
Americas			
	Northern America	-1.5	-15.4
	Central America & Caribbean	24.2	37.8
	South America	0.0	13.4
Europe			
	Northern Europe	-4.2	3.0
	Eastern Europe	-5.4	3.2
	Western Europe	-14.9	-3.8
	Southern Europe	-5.1	-4.0
Oceania		-11.2	43.6

*Notes: The table shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total,  $N = 1508$  participants participated in the survey.*

Appendix C: Data

**Table 2: Questions on Economic Policy**

	<b>General</b>	<b>Future challenges</b>
Worldwide	8.0	2.2
<b>Asia</b>		
Central Asia	7.1	1.4
Eastern Asia	13.6	4.4
Western Asia	22.0	11.1
South-Eastern Asia	23.8	20.0
Southern Asia	7.2	3.4
<b>Africa</b>		
Northern Africa	21.0	26.1
Eastern Africa	10.2	2.0
Middle Africa	-23.0	-30.2
Western Africa	2.1	5.7
Southern Africa	15.5	6.0
<b>Americas</b>		
Northern America	8.4	-2.6
Central America & Caribbean	28.9	24.4
South America	15.0	1.1
<b>Europe</b>		
Northern Europe	1.4	-2.1
Eastern Europe	-1.7	-8.7
Western Europe	-8.8	-17.8
Southern Europe	1.1	-5.8
Oceania	-13.5	-14.0

*Notes: The table shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total, N = 1508 participants participated in the survey.*

**Table 3: Inflation Expectations in the World Regions**

		<b>Inflation Expectations for the years ...</b>		
		<b>2024</b>	<b>2025</b>	<b>2027</b>
Worldwide		4.6	4.4	4.0
Asia				
	Central Asia	11.3 (-2.9)	10.8 (-1.5)	10.3 (+1.8)
	Eastern Asia	4.2 (-0.2)	4.5 (+0.9)	4.3 (+0.7)
	Western Asia	11.0 (-0.7)	8.4 (-1.0)	6.2 (-1.8)
	South-Eastern Asia	4.9 (-0.4)	6.9 (+2.2)	5.3 (+0.8)
	Southern Asia	14.1 (-8.3)	12.2 (-1.8)	10.6 (-2.1)
Africa				
	Northern Africa	35.0 (-10.0)	32.3 (-0.7)	17.9 (-7.5)
	Eastern Africa	68.5 (+42.5)	66.0 (+33.4)	41.1 (-0.3)
	Middle Africa	19.1 (+3.4)	18.2 (+5.2)	15.0 (+3.9)
	Western Africa	17.0 (+0.7)	13.1 (-0.9)	8.6 (-3.6)
	Southern Africa	5.3 (+0.1)	4.9 (+0.2)	4.8 (+0.3)
Americas				
	Northern America	3.1 (-0.2)	2.6 (+0.0)	2.3 (-0.1)
	Central America & Caribbean	9.6 (+6.1)	9.7 (+6.6)	8.2 (+5.2)
	South America	26.5 (-2.6)	12.1 (-2.1)	7.2 (-1.5)
Europe				
	Northern Europe	3.7 (-0.1)	3.1 (+0.0)	2.8 (+0.3)
	Eastern Europe	7.0 (-1.5)	6.1 (-0.4)	5.1 (-0.4)
	Western Europe	2.8 (-0.3)	2.4 (-0.1)	2.0 (+0.0)
	Southern Europe	4.3 (-2.1)	3.2 (-1.5)	2.6 (-0.4)
Oceania		4.6 (+0.3)	4.7 (+1.1)	5.1 (+2.1)

Notes: The table shows the results of the EES Q1 wave in 2024, which was conducted between 12 March and 26 March 2024. In total,  $N = 1508$  participants participated in the survey. Changes to the previous wave are shown in brackets.