

Macroeconomics

[Literature](#), [Russian Literature](#)



Global Economic Outlook Global Economic Outlook Macroeconomics being a branch economics that deals with the behavior, structure and the decision-making of an economy as a whole has made significant changes worldwide. It is evident that the widespread of Ebola, the existing Russian crisis with Ukraine and the Islamic State terrorism will have a negative impact to the global economy in 2015. Also, some economies such as Western Europe and Japan are in a faltering state while China is headed for its slowest growth in the past two decades. This paper thus analyses the 2015 global economic outlook and my recommendations to the economy during this period.

Statistics have proven that good things are happening in the economic world in various regions. There are strong sales of recreational vehicles made from northern Indiana. The company has recovered and it is being referred to as the ‘white-hot center of the economy’. The CEO of Jayco projects that the industry will tie unit sales records in 2015 and break them in 2016. He argues that this will be due to the rising U. S employment rate and the continued low interest rates. The U. S as a whole is also emerging as the country that will power world growth in 2015. This is because companies such as Google creating more jobs to thousands while in Silicon Valley, Apple is selling tons of iPhones globally (Coy, 2014).

The projected turnaround of the American economy is welcomed as a recovery from the financial crisis that was experienced in 2008-09. Major economies in the world such as Japan dubbed the financial crisis “Lehman shock” as there was no growth in the global economy. The latest outlook by the International Monetary Fund called the global growth as “mediocre”. An economist by the name Blanchard views the stagnation of advanced

economies remains a concern at this time. Also, emerging markets seem to not grow as fast as they used to without inflation (Coy, 2014).

The IMF has projected the losers in 2015 are likely to be Argentina, Venezuela and Brazil. As to the Russian and the Western Europe economies they will be weak. The North America will be pretty solid. Growth is projected to be in South and East Asia as well as in most African countries. It is evident that the global economy is taking longer than expected to recover from the much debt during the last decade. Three year ago IMF had projected that the world economy would recover by 2015 at a 4.8 percent growth rate but to the contrary the expectations has been met only by the U. S. Analyst have argue that the disparity in growth rates among the big four economies makes the global economy to be affected at large (Coy, 2014).

Taxation and spending fights will probably heat up in 2015 more so in euro zone. It is apparent that France and Italy are slashing with Germans about their deficit budget size. The European Commission has allowed France and Italians to run oversized deficits in October. This was because of the 15 percent unemployment rate that makes it difficult to run a balanced budget. Gartman viewed the austerity by the Germans may make it hard for euro nations to experience growth in 2015 (Coy, 2014).

In conclusion, my recommendations would be to the economies that have a higher percentage of unemployed people to run unbalanced budget to foster growth. Also, various economies should invest largely on R&D so as new companies up to create jobs for the public. The impact of this will be increase in the consumer consumption and the global economy will grow consistently in from 2015. Also, peace should be embraced so as to hinder sanctions that

might impact negatively to a country.

Reference

Coy, P. (2014). 2015 Global Economic Outlook: Better Than 2014-but Not By Much. Business Week. Web. Retrieved from: <http://www.businessweek.com/articles/2014-11-06/2015-global-economic-outlook-better-than-2014-but-not-by-much>