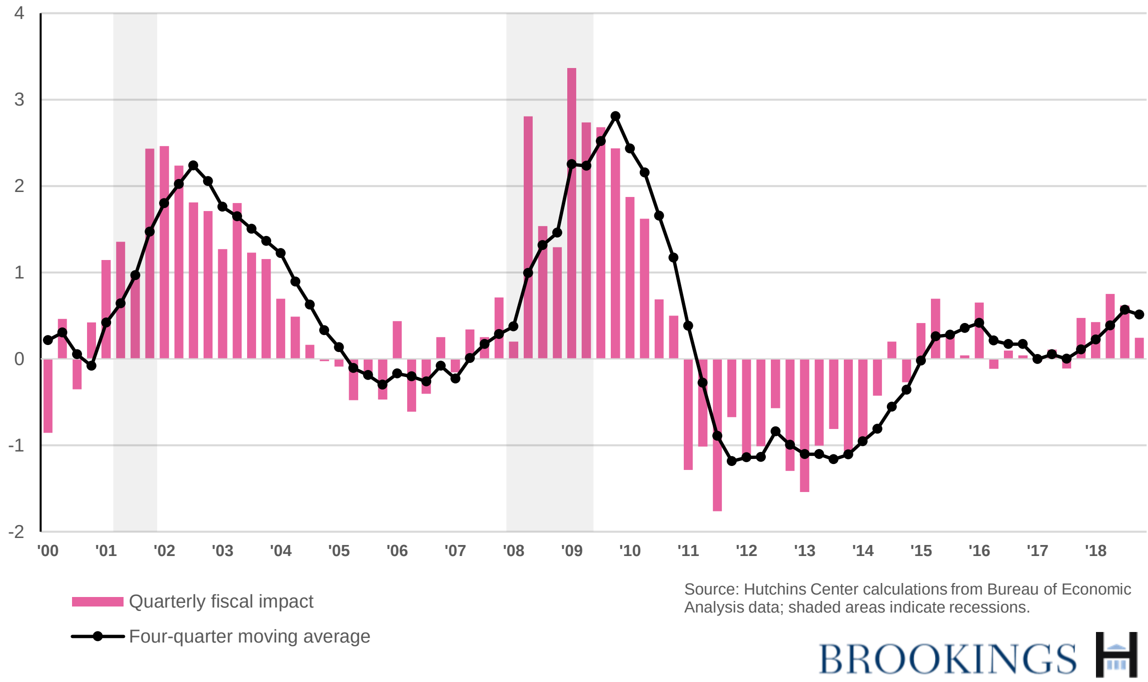
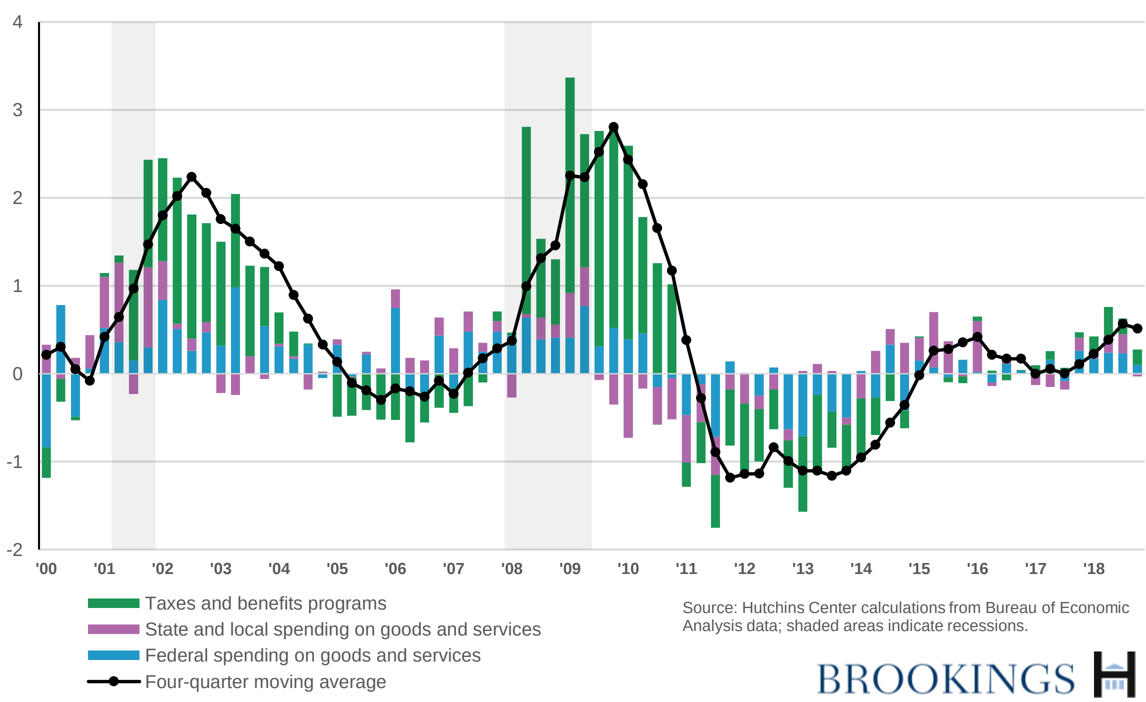
Hutchins Center Fiscal Impact Measure: Total

Contribution of Fiscal Policy to Real GDP Growth (percentage points)



Hutchins Center Fiscal Impact Measure: Components

Contribution of Fiscal Policy to Real GDP Growth (percentage points)



The fiscal impact measure shows how much federal, state, and local government taxes and spending added to or subtracted from the overall pace of economic growth. Between 2008 and 2011, fiscal impact was positive, indicating that government policy was stimulative. For several subsequent years, the fiscal impact was negative, indicating a restraint on growth. In the past year, government spending and taxes have moved from being neutral (neither stimulating nor restraining growth) to slightly above neutral (adding to the pace of growth).

For more on the methodology, see here. For the Hutchins Center Fiscal Impact Measure, see here.

2/28/2019