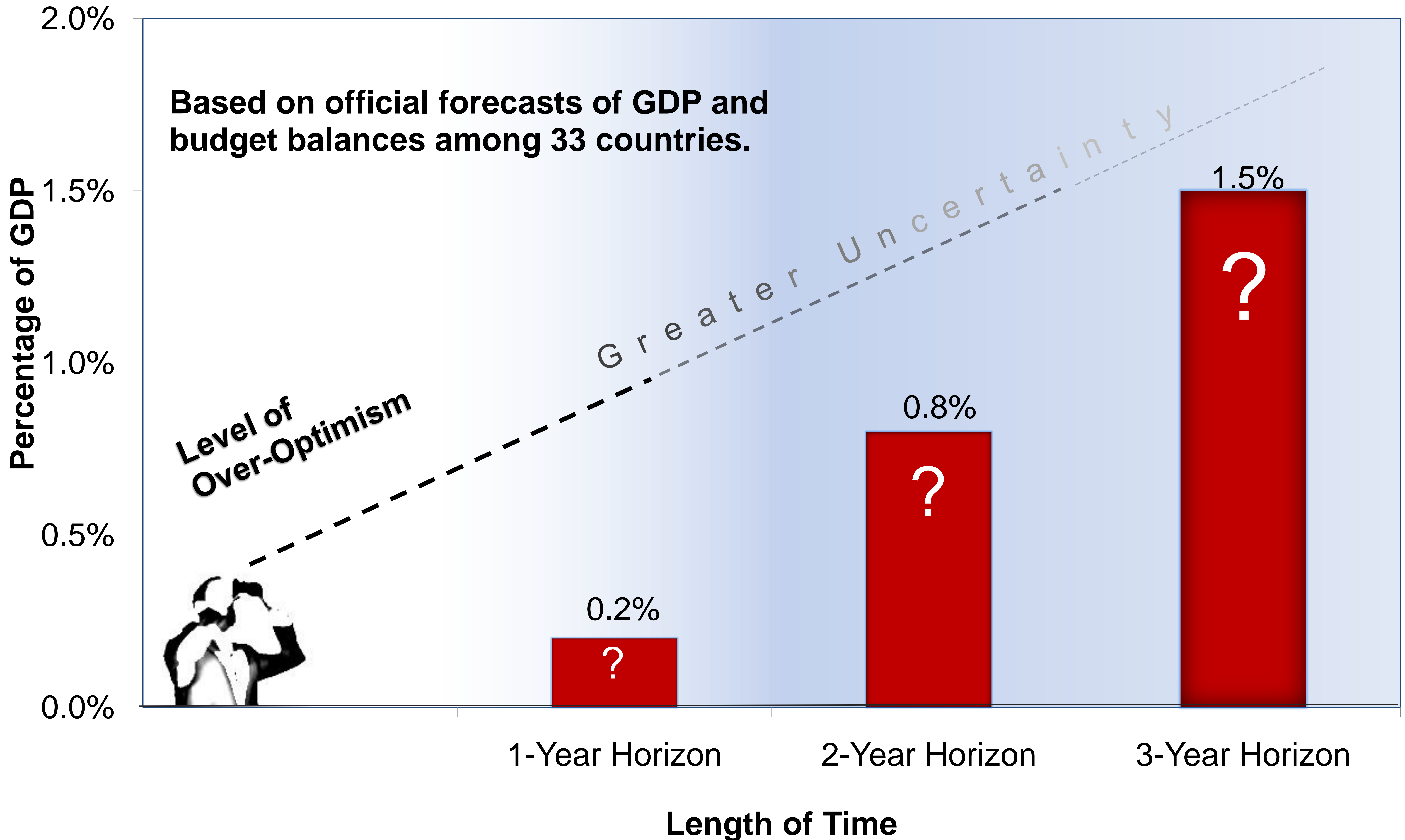


Excessive Optimism in Official Budget Forecasts

Average Budget Balance Forecast Errors as Percentage of GDP



Source: Jeffrey Frankel, *Over-optimism in Forecasts by Official Budget Agencies and Its Implications* (Washington, DC: National Bureau of Economic Research, 2011).

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