

IMF: World economy enters 'dangerous phase'

WASHINGTON (AP)

— The world economy has entered a "dangerous new phase," according to the chief economist of the International Monetary Fund. As a result, the international lending organization has sharply downgraded its economic outlook for the United States and **Europe through the end of next year.**

The IMF expects **the U.S. economy to grow just 1.5 percent this year and 1.8 percent in 2012.** To achieve even that still-low level of growth, the U.S. economy would need to expand at a much faster rate in **the second half of the year than its 0.7 percent annual pace in the first six months.**

Most economists expect **growth of between 1.5 percent and 2 percent in the final two quarters.** Though **an improvement, it wouldn't be enough to lower the unemployment rate.** The rate **has been 9 percent or higher in all but two months since the recession officially ended more than two years ago.**