

**INTERNATIONAL MONETARY FUND**  
**Joint Vienna Institute / Institute for Capacity Development**  
**Course on Macroeconomic Management and Fiscal Policy Issues (JV14.01)**  
**Vienna, Austria**  
**January 13–24, 2014**  
**PROGRAM<sup>1</sup>**

*Monday, January 13*

8:30 a.m. – 9:00 a.m.		<b>Administrative Briefing</b>
9:00 a.m. – 9:15 a.m.		<b>Opening Session</b> Chaired by Mr. Norbert Funke, Director, Joint Vienna Institute (JVI), and Mr. Alfredo Baldini, Senior Economist, European and Middle Eastern Division, Institute for Capacity Development (ICD)
9:15 a.m. – 9:45 a.m.		<b>Course Introduction and Quiz</b> Session conducted by Mr. Baldini; Ms. Irina Bunda, Economist, JVI; and Mr. Robert Gillingham, Consultant, ICD
9:45 a.m. – 10:00 a.m.		Coffee Break
10:00 a.m. – 11:15 a.m.	<b>L–1</b>	<b>The Role of the Government in the Economy</b> Lecture by Ms. Irina Bunda <ul style="list-style-type: none"> <li>• Rationale for government</li> <li>• Public goods and externalities</li> <li>• Asymmetric information and other sources of market failure</li> </ul>
11:30 a.m. – 2:45 p.m.	<b>L–2</b>	<b>Macroeconomic Adjustment and Fiscal Management</b> Lecture by Mr. Robert Gillingham <ul style="list-style-type: none"> <li>• Macroeconomic stability and instability</li> <li>• Fiscal management and other sectors</li> <li>• Volatility, fiscal policy, and growth</li> </ul>
3:00 p.m. – 5:15 p.m.	<b>L–3</b>	<b>Interactions Between Fiscal and Monetary Policy</b> Lecture by Mr. Baldini <ul style="list-style-type: none"> <li>• Stylized facts</li> <li>• Open-economy analytical framework</li> <li>• Other frameworks to analyze fiscal and monetary interactions</li> </ul>

---

<sup>1</sup>Coffee breaks will be held from 10:30 a.m. – 10:45 a.m. and from 3:30 p.m. – 3:45 p.m., and the lunch break will be from 12:15 p.m. – 2:00 p.m., unless otherwise specified.

---

***Tuesday, January 14***

---

- |                         |            |   |
|-------------------------|------------|---|
| 9:00 a.m. – 10:30 a.m.  | <b>L-4</b> | <b>Fiscal Policy as a Countercyclical Tool</b><br>Lecture by Mr. Baldini <ul style="list-style-type: none"><li>• Empirical evidence on fiscal policy procyclicality</li><li>• Possible explanations for procyclicality</li><li>• Possible measures to reduce the procyclical bias</li></ul> |
| 10:45 a.m. – 12:15 p.m. | <b>L-5</b> | <b>Measuring the Fiscal Stance</b><br>Lecture by Ms. Bunda <ul style="list-style-type: none"><li>• Fiscal analysis indicators</li><li>• Cyclical and beyond the cycle adjustment</li><li>• Case study: Fiscal stance in Armenia</li></ul>   |
| 2:00 p.m. – 5:15 p.m.   | <b>W-1</b> | <b>Workshop: Cyclically Adjusted Fiscal Balances</b><br>Workshop Facilitated by Counselors  |
- 

***Wednesday, January 15***

---

- |                         |            |   |
|-------------------------|------------|---|
| 9:00 a.m. – 10:30 a.m.  | <b>L-6</b> | <b>Fiscal Policy in Resource-Rich Countries</b><br>Lecture by Mr. Baldini <ul style="list-style-type: none"><li>• Key challenges</li><li>• Consumption and saving decision</li><li>• Fiscal framework</li></ul> |
| 10:45 a.m. – 12:15 p.m. | <b>L-7</b> | <b>Tax Policy: General Principles</b><br>Lecture by Mr. Gillingham <ul style="list-style-type: none"><li>• Role of taxation</li><li>• Types of taxes</li><li>• Principles of taxation</li></ul>                 |
| 2:00 p.m. – 5:15 p.m.   | <b>W-2</b> | <b>Workshop: Tax Policy</b><br>Workshop Facilitated by Counselors   |
- 

***Thursday, January 16***

---

- |                         |            |  |
|-------------------------|------------|--|
| 9:00 a.m. – 10:30 a.m.  | <b>L-8</b> | <b>Economic and Fiscal Implications of Price Subsidies</b><br>Lecture by Mr. Gillingham <ul style="list-style-type: none"><li>• Economic principles of pricing</li><li>• Fiscal costs</li><li>• Well-targeted social safety nets</li></ul> |
| 10:45 a.m. – 12:15 p.m. | <b>L-9</b> | <b>Fiscal Rules</b><br>Lecture by Mr. Baldini <ul style="list-style-type: none"><li>• Definition and taxonomy of fiscal rules</li><li>• Selective review of existing fiscal rules</li><li>• Evidence on their performance</li></ul>        |
-

---

2:00 p.m. – 5:15 p.m.	<b>W-3</b>	<b>Workshop: Fiscal Rules</b> Workshop Facilitated by Counselors
-----------------------	------------	---

---

*Friday, January 17*

---

9:00 a.m. – 12:15 p.m.	<b>L-10</b>	<b>Expenditure Policy</b> Lecture by Ms. Bunda <ul style="list-style-type: none"> <li>• Trends in government expenditure</li> <li>• Efficiency of public spending: The case of Croatia</li> <li>• Public expenditure reform strategy</li> </ul>
2:00 p.m. – 5:15 p.m.	<b>W-4</b>	<b>Workshop: Expenditure Policy</b> Workshop Facilitated by Counselors

---

*Monday, January 20*

---

9:00 a.m. – 12:15 p.m.	<b>L-11</b>	<b>Fiscal Sustainability</b> Lecture by Ms. Bunda <ul style="list-style-type: none"> <li>• Debt sustainability analysis in an open economy</li> <li>• The IMF debt sustainability framework</li> <li>• Elements of the new IMF risk-based DSA</li> </ul>
2:00 p.m. – 5:15 p.m.	<b>W-5</b>	<b>Workshop: Fiscal Sustainability</b> Workshop Facilitated by Counselors

---

*Tuesday, January 21*

---

9:00 a.m. – 10:30 a.m.	<b>L-12</b>	<b>Tax Policy: Recent Trends and Policy Issues</b> Lecture by Mr. Gillingham <ul style="list-style-type: none"> <li>• Trends related to key taxes</li> <li>• Main policy issues</li> <li>• IMF recommendations</li> </ul>
10:45 a.m. – 12:15 p.m.	<b>L-13</b>	<b>Fiscal Aspects of Financial Crises</b> Lecture by Mr. Baldini <ul style="list-style-type: none"> <li>• What is a financial crisis?</li> <li>• Fiscal causes to financial crisis</li> <li>• Fiscal policy responses to financial crisis</li> </ul>
2:00 p.m. – 5:15 p.m.	<b>O-1</b>	<b>Preparation for Participant Presentations on Fiscal Issues Facing Their Countries</b> Workshop Facilitated by Counselors

---

*Wednesday, January 22*

---

9:00 a.m. – 10:30 a.m.	<b>L-14</b>	<b>Pension Sustainability and Reform</b> Lecture by Mr. Gillingham <ul style="list-style-type: none"> <li>• Pension system concepts</li> <li>• Design issues and administration</li> <li>• Transition issues</li> </ul>
------------------------	-------------	--

---

---

10:45 a.m. – 12:15 p.m.	<b>L-15</b>	<b>Fiscal Multipliers: Theory and Empirical Evidence</b> Lecture by Mr. Baldini <ul style="list-style-type: none"> <li>• Theory and empirical results</li> <li>• The austerity debate in Europe</li> <li>• Factors influencing the size of multipliers</li> </ul>
2:00 p.m. – 5:15 p.m.	<b>O-2</b>	<b>Preparation for Participant Presentations on Fiscal Issues Facing Their Countries</b> Workshop Facilitated by Counselors

---

*Thursday, January 23*

---

9:00 a.m. – 10:30 a.m.	<b>L-16</b>	<b>Successful Fiscal Adjustments: Challenges and Implications</b> Lecture by Ms. Bunda <ul style="list-style-type: none"> <li>• Role of fiscal adjustment</li> <li>• What makes adjustments successful?</li> <li>• Selected case studies</li> </ul>
10:45 a.m. – 12:15 p.m.	<b>L-17</b>	<b>Fiscal Federalism</b> Lecture by Mr. Gillingham <ul style="list-style-type: none"> <li>• Decentralized provision of public goods</li> <li>• Dimensions of responsibility</li> <li>• Dangers of decentralization</li> </ul>
2:00 p.m. – 5:15 p.m.	<b>O-3</b>	<b>Participant Presentations on Fiscal Issues Facing Their Countries</b> Facilitated by Counselors

---

*Friday, January 24*

---

9:00 a.m. – 10:30 a.m.	<b>L-18</b>	<b>Keynote Policy Lecture “Fiscal Governance in Europe and the Slovak Republic experience”</b> Guest speaker: Mr. Ľudovít Ódor, Council for Budget Responsibility (CBR), Slovakia
10:45 a.m. – 11:15 a.m.		<b>Complete Course Evaluations and Quiz</b>
11:15 a.m. – 12:00 p.m.		<b>Closing Session and Presentation of Certificates</b> (includes evaluation and quiz)

---