

**INTERNATIONAL MONETARY FUND**  
**Joint Vienna Institute / Institute for Capacity Development**  
**Course on Macroeconomic Management and Fiscal Policy Issues (JV15.01)**  
**Vienna, Austria**  
**January 12–23, 2015**  
**PROGRAM<sup>1</sup>**

*Monday, January 12*

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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. Clinton Shiells, Deputy Division Chief, Asian Division, Institute for Capacity Development (ICD)
9:15 a.m. – 10:15 a.m.		<b>Course Introduction and Quiz</b> Session conducted by Mr. Shiells; Ms. Irina Bunda, Economist, JVI; and Ms. Caroline Van Rijckeghem, Consultant, ICD
10:30 a.m. – 12:00 noon	<b>L-1</b>	<b>The Role of the Government in the Economy</b> Lecture by Ms. 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>
2:00 p.m. – 3:30 p.m.	<b>L-2</b>	<b>Macroeconomic Adjustment and Fiscal Management</b> Lecture by Ms. Van Rijckeghem <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>
3:45 p.m. – 5:15 p.m.	<b>L-3</b>	<b>Interactions Between Fiscal and Monetary Policy</b> Lecture by Mr. Shiells <ul style="list-style-type: none"><li>• IS-LM model in the closed economy</li><li>• Open-economy analytical framework</li><li>• Other frameworks to analyze fiscal and monetary interactions</li></ul>

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<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.

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*Tuesday, January 13*

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- 9:00 a.m. – 10:30 a.m.      **L-4**      **Fiscal Policy as a Countercyclical Tool**  
Lecture by Ms. Bunda
- Empirical evidence on fiscal policy procyclicality
  - Possible explanations for procyclicality
  - Possible measures to reduce the procyclical bias
- 10:45 a.m. – 12:15 p.m.      **L-5**      **Measuring the Fiscal Stance**  
Lecture by Ms. Bunda
- Fiscal analysis indicators
  - Cyclical and beyond the cycle adjustment
  - Case study: fiscal stance in Armenia
- 2:00 p.m. – 5:15 p.m.      **W-1**      **Workshop: Cyclically Adjusted Fiscal Balances**  
Workshop Facilitated by Counselors
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*Wednesday, January 14*

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- 9:00 a.m. – 10:30 a.m.      **L-6**      **Pension Sustainability and Reform**  
Lecture by Ms. Van Rijckeghem
- Pension system concepts
  - Design issues and administration
  - Transition issues
- 10:45 a.m. – 12:15 p.m.      **L-7**      **Fiscal Policy in Resource-Rich Countries**  
Lecture by Ms. Van Rijckeghem
- Optimal consumption and saving
  - Investing domestically or abroad
  - Fiscal rules and natural resource funds
- 2:00 p.m. – 5:15 p.m.      **O-1**      **Preparation for Participant Presentations on Fiscal Issues Facing Their Countries**  
Workshop Facilitated by Counselors
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*Thursday, January 15*

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- 9:00 a.m. – 10:30 a.m.      **L-8**      **Economic and Fiscal Implications of Price Subsidies**  
Lecture by Mr. Shiells
- Economic principles of pricing
  - Fiscal costs
  - Well-targeted social safety nets
- 10:45 a.m. – 12:15 p.m.      **L-9**      **Fiscal Rules**  
Lecture by Mr. Shiells
- Definition and taxonomy of fiscal rules
  - Selective review of existing fiscal rules
  - Evidence on their performance
- 2:00 p.m. – 5:15 p.m.      **W-2**      **Workshop: Fiscal Rules**  
Workshop Facilitated by Counselors
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*Friday, January 16*

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- 9:00 a.m. – 12:15 p.m.      **L-10    Expenditure Policy**  
Lecture by Ms. Bunda
- Trends in government expenditure
  - Efficiency of public spending: the case of Croatia
  - Public expenditure reform strategy
- 2:00 p.m. – 5:15 p.m.      **W-3    Workshop: Expenditure Policy**  
Workshop Facilitated by Counselors
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*Monday, January 19*

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- 9:00 a.m. – 12:15 p.m.      **L-11    Fiscal Sustainability**  
Lecture by Mr. Shiells
- Debt sustainability analysis in an open economy
  - The IMF debt sustainability framework
  - Elements of the new IMF risk-based DSA
- 2:00 p.m. – 5:15 p.m.      **W-4    Workshop: Fiscal Sustainability**  
Workshop Facilitated by Counselors
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*Tuesday, January 20*

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- 9:00 a.m. – 10:30 a.m.      **L-12    Tax Policy: General Principles**  
Lecture by Ms. Van Rijckeghem
- Role of taxation
  - Types of taxes
  - Principles of taxation
- 10:45 a.m. – 12:15 p.m.      **L-13    Tax Policy: Recent Trends and Policy Issues**  
Lecture by Ms. Van Rijckeghem
- Trends related to key taxes
  - Main policy issues
  - IMF recommendations
- 2:00 p.m. – 5:15 p.m.      **O-2    Preparation for Participant Presentations on Fiscal Issues Facing Their Countries**  
Workshop Facilitated by Counselors
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*Wednesday, January 21*

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9:00 a.m. – 10:30 a.m.	<b>L-14</b>	<b>Fiscal Aspects of Financial Crises</b> Lecture by Mr. Shiells <ul style="list-style-type: none"><li>• What is a financial crisis?</li><li>• Fiscal causes to financial crisis</li><li>• Fiscal consequences of financial crisis</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. Shiells <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. – 3:30 p.m.	<b>L-16</b>	<b>Fiscal Policy, Labor Markets, and Income Inequality</b> Lecture by Ms. Bunda <ul style="list-style-type: none"><li>• Trends in income inequality</li><li>• Fiscal consolidation and inclusive growth</li></ul>
3:45 p.m. – 5:15 p.m.	<b>O-3</b>	<b>Preparation for Participant Presentations on Fiscal Issues Facing Their Countries</b> Workshop Facilitated by Counselors

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*Thursday, January 22*

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9:00 a.m. – 10:30 a.m.	<b>L-17</b>	<b>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-18</b>	<b>Fiscal Federalism</b> Lecture by Ms. Van Rijckeghem <ul style="list-style-type: none"><li>• Dimensions of responsibility</li><li>• Allocation of responsibilities—principles</li><li>• Dangers of decentralization</li></ul>
2:00 p.m. – 5:15 p.m.	<b>O-4</b>	<b>Participant Presentations on Fiscal Issues Facing Their Countries</b> Facilitated by Counselors

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*Friday, January 23*

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9:00 a.m. – 10:30 a.m.	<b>L-19</b>	<b>Guest Lecture</b> Mr. Wes McGrew IMF Resident Representative in Greece
10:45 a.m. – 11:30 a.m.		<b>Complete Course Evaluations and Quiz</b>
11:30 a.m. – 12:30 p.m.		<b>Closing Session and Presentation of Certificates</b>

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