

# INTERNATIONAL MONETARY FUND

Joint Vienna Institute / IMF Institute for Capacity Development

Course on Macroeconomic Management and Financial Sector Issues

Vienna, Austria

February 8 – 19, 2016

## PROGRAM\*

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### *Monday, February 8*

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| 8:30 a.m. – 8:45 a.m.  |     | <b>Administrative Briefing</b>   |
| 8:45 a.m. – 9:30 a.m.  |     | <b>Opening Session and Quiz</b><br>Mr. Norbert Funke, Director, Joint Vienna Institute (JVI);<br>Mr. Francesco Luna, Senior Economist, European and Middle Eastern Division, IMF Institute for Capacity Development (ICDEM)<br>Ms. Irina Bunda, Economist, (JVI);<br>Mr. Bob Corker, Consultant, (ICDEM) |
| 9:30 a.m. – 12:15 a.m. | L-1 | <b>Policies for Macroeconomic Stability</b> <ul style="list-style-type: none"><li>• <i>Overview</i></li><li>• <i>Fiscal, monetary and exchange rate policies</i></li><li>• <i>Structural reforms</i></li></ul> Lecture by Mr. Corker   |
| 2:00 p.m. – 5:15 p.m.  | L-2 | <b>Fiscal Policy</b> <ul style="list-style-type: none"><li>• <i>Measures of fiscal stance</i></li><li>• <i>The fiscal multiplier</i></li><li>• <i>Fiscal policy, inflation, and growth</i></li></ul> Lecture by Mr. Luna   |

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\* *Coffee breaks will be held from 10:30 a.m.–10:45 a.m. and from 3:30 p.m. –3:45 p.m. unless otherwise indicated. Lunch will be from 12:15p.m.–2:00 p.m.*

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**Tuesday, February 9**

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- 9:00 a.m. – 12:15 p.m.      L-3    **Exchange Rate Regime and Policy**
- *Alternative exchange rate regimes*
  - *Economic performance under different regimes*
  - *Equilibrium exchange rate assessments*
- Lecture by Ms. Bunda
- 2:00 p.m. – 5:15 p.m.      W-1    **Workshop: Exchange Rate Management**
- Facilitated by Messrs. Luna and Corker, and Ms. Bunda (Counselors)
- *Choice of monetary and exchange rate regime*
  - *Discuss accompanying policies*
  - *Discuss alternative scenarios in plenary*

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**Wednesday, February 10**

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- 9:00 a.m. – 12:15 p.m.      L-4    **Monetary Policy**
- *Monetary policy frameworks*
  - *Transmission mechanisms*
  - *Challenges from financial instability and the management of commodity price shocks*
- Lecture by Mr. Corker
- 2:00 p.m. – 5:15 p.m.      L-5    **Financial Stability and Crises**
- *What is financial stability*
  - *Management of banking crises*
  - *The case study of Ireland*
- Lecture by Ms. Bunda

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**Thursday, February 11**

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- 9:00 a.m. – 12:15 p.m.      L-6    **Debt Sustainability**
- *Debt dynamics*
  - *DSA template*
  - *Debt stabilization and policy experiments*
- Lecture by Mr. Luna
- 2:00 p.m. – 5:15 p.m.      W-2    **Workshop: Debt Sustainability**
- Facilitated by Counselors
- *Key practical principles for assessing debt sustainability*
  - *Working with the IMF debt sustainability template on the case of Hungary*
  - *Build scenarios and stress tests*
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**Friday, February 12**

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- 9:00 a.m. – 10:30 p.m. L-7 **IMF: History, Governance, Responsibility**
- *Surveillance, Lending, Technical Assistance and Training*
  - *Article IV missions and FSAPs*
  - *Structure of reports*
- Lecture by Mr. Luna
- 11:00 a.m. – 12:30 p.m. L-8 **Open Lecture on “Macroeconomic Policies in Europe: Quo Vadis”**
- Lecture by Mr. Christian Kastrop, Director, Policy Studies Branch, Economics Department, OECD
- 2:00 p.m. – 5:15 p.m. L-9 **Micro- and Macro-Prudential Financial Supervision and Regulation**
- *Micro- and macro-prudential reasons for regulation*
  - *Financial instruments and regulation*
  - *Macro-prudential toolkit*
- Lecture by Mr. Corker
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**Monday, February 15**

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- 9:00 a.m. – 12:15 p.m. L-10 **Managing Capital Flows**
- *Benefits and challenges of capital flows*
  - *What policies should be used*
  - *Are prudential measures and capital controls effective?*
- Lecture by Ms. Bunda
- 2:00 p.m. – 5:15 p.m. W-3 **Workshop: Case Study on Strategies for Dealing with a Surge in Capital Flows**
- Facilitated by Counselors
- *Discuss the macroeconomic context in Thailand prior to introducing capital controls*
  - *Challenges of dealing with surges in capital flows*
  - *Suggest alternative policy measures in plenary*
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**Tuesday, February 16**

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- 9:00 a.m. – 12:15 p.m. L-11 **Macro-Financial Linkages**
- *Finance and growth—theory and evidence*
  - *Financial sector and the business cycle—credit;*
  - *The financial accelerator*
- Lecture by Mr. Luna
- 2:00 p.m. – 5:15 p.m. L-12 **Introduction to Macro Stress Testing**
- *Five basic steps of macro stress testing*
  - *Evaluating Specific Vulnerabilities*
  - *Case study of Croatia*
- Lecture by Ms. Bunda
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**Wednesday, February 17**

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- 9:00 a.m. – 12:15 p.m.      W-4    **Workshop: Macroeconomic and Financial Sector Linkages (Kazakhstan 2015 Staff Report and FSSA 2014)**  
Facilitated by Counselors
- *The economic situation in Kazakhstan in 2014/15 and key policy issues*
  - *The stance of macroeconomic policies*
  - *The financial sector*
- 2:00 p.m. – 5:15 p.m.      W-5    **Preparation for Participant Presentations (Kazakhstan 2015 Staff Report and other background material)**  
Facilitated by Counselors
- *Identify key macroeconomic challenges for Kazakhstan in 2015*
  - *Suggest policy solutions*
  - *Describe the effects of specific shocks on the economy and the appropriate policy response*

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**Thursday, February 18**

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- 9:00 a.m. – 12:15 p.m.      W-5    **Preparation for Participant Presentations (continued)**  
Facilitated by Counselors
- 2:00 p.m. – 5:15 p.m.      W-5    **Preparation for Participant Presentations (concluded)**  
Facilitated by Counselors

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**Friday, February 19**

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- 9:00 a.m. – 11:00 a.m.      O-1    **Participant Presentations**  
Facilitated by Counselors
- 11:15 a.m. – 12:30 p.m.      Final Quiz, Closing and Presentation of Certificates
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