

INTERNATIONAL MONETARY FUND

Joint Vienna Institute / Institute for Capacity Development

Course on Macroeconomic Management and Fiscal Policy Issues (JV16.16)

Vienna, Austria

July 4 – July 15, 2016

PROGRAM¹

Monday, July 04

8:30 a.m. – 9:00 a.m.		Administrative Briefing , Ms. Tania Bredniakova, Program Officer, JVI
9:00 a.m. – 9:15 a.m.		Opening Session Chaired by Mr. Funke, Director Joint Vienna Institute (JVI), and Mr. Francesco Luna, Senior Economist, Institute for Capacity Development (ICD)
9:15 a.m. – 10:15 a.m.		Course Introduction and Quiz Session conducted by Mr. Luna; Ms. Irina Bunda, Economist, JVI; and Mr. Marco Cangiano, Fiscal Affairs Department, IMF
10:30 a.m. – 12:00 noon	L-1	The Role of the Government in the Economy Lecture by Ms. Bunda <ul style="list-style-type: none">• Rationale for government• Public goods and externalities• Asymmetric information and other sources of market failure
2:00 p.m. – 3:30 p.m.	L-2	Macroeconomic Adjustment and Fiscal Management Lecture by Mr. Cangiano <ul style="list-style-type: none">• Macroeconomic stability and instability• Fiscal management and other sectors• Volatility, fiscal policy, and growth
3:45 p.m. – 5:15 p.m.	L-3	Interactions Between Fiscal and Monetary Policy Lecture by Mr. Luna <ul style="list-style-type: none">• IS-LM model in the closed economy• Open-economy analytical framework• Other frameworks to analyze fiscal and monetary interactions

¹Coffee 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, July 05

- 9:00 a.m. – 10:30 a.m. **L-4** **Fiscal Policy and the “deficit bias”**
Lecture by Ms. Bunda
- Empirical evidence on fiscal policy procyclicality
 - Possible explanations and measures to reduce the procyclical bias
 - Advantages of strong automatic stabilizers
- 10:45 a.m. – 12:15 p.m. **L-5** **Measuring the Fiscal Stance**
Lecture by Ms. Bunda
- Fiscal multipliers and other 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, July 06

- 9:00 a.m. – 12:15 p.m. **L-6** **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. – 4:30 p.m. **W-2** **Workshop: Expenditure Policy**
Workshop Facilitated by Counselors
- 4:45 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, July 07

- 9:00 a.m. – 10:30 a.m. **L-7** **Tax Policy: General Principles**
Lecture by Mr. Cangiano
- Principles of taxation
 - Types of taxes
 - Policy issues
- 10:45 a.m. – 12:15 p.m. **L-8** **Revenue Administration: Main Principles and Practices**
Lecture by Mr. Cangiano
- Policy and administration: two sides of the same coin
 - Compliance costs and tax evasion/erosion
 - Key diagnostic tools and advice
- 2:00 p.m. – 5:15 p.m. **W-3** **Workshop: Tax Policy**
Workshop Facilitated by Counselors
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Friday, July 08

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| 9:00 a.m. – 10:30 a.m. | L–9 | Coverage of fiscal statistics
Lecture by Mr. Luna <ul style="list-style-type: none">• What notion of Government?• What assets and liabilities should be considered?• How to calculate net liabilities? |
| 10:45 a.m. – 12:15 p.m. | L–10 | Fiscal Sustainability
Lecture by Mr. Luna <ul style="list-style-type: none">• Debt sustainability analysis in an open economy• The IMF debt sustainability framework• Elements of the new IMF risk-based DSA |
| 2:00 p.m. – 3:30 p.m. | W–4 | Workshop: Coverage of fiscal statistics
Workshop Facilitated by Counselors |
| 3:45 p.m. – 5:15 p.m. | W–5 | Workshop: Fiscal Sustainability
Workshop Facilitated by Counselors |
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Monday, July 11

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| 9:00 a.m. – 10:30 a.m. | L–11 | Fiscal Rules
Lecture by Mr. Luna <ul style="list-style-type: none">• Definition and taxonomy of fiscal rules• Selective review of existing fiscal rules• Evidence on their performance |
| 10:45 a.m. – 12:15 p.m. | O–2 | Preparation for Participant Presentations on Fiscal Issues Facing Their Countries
Workshop Facilitated by Counselors |
| 2:00 p.m. – 5:15 p.m. | W–6 | Workshop: Fiscal Rules
Workshop Facilitated by Counselors |
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Tuesday, July 12

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| 9:00 a.m. – 10:30 a.m. | L–12 | Fiscal Responsibility and Accountability
Lecture by Mr. Cangiano <ul style="list-style-type: none">• A brief historical excursus• Why accountability/transparency now• How to tackle the problem: coverage of fiscal reporting |
| 10:45 a.m. – 12:15 p.m. | L–13 | Disclosing and Managing Fiscal Risks
Lecture by Mr. Cangiano <ul style="list-style-type: none">• Definition and categories of fiscal risks• Identifying and managing fiscal risks• Specific risks emanating from PPPs and SOEs |

2:00 p.m. – 5:15 p.m. **O–3 Preparation for Participant Presentations on Fiscal Issues Facing Their Countries**
Workshop Facilitated by Counselors

Wednesday, July 13

9:00 a.m. – 10:30 a.m. **L–14 Fiscal Governance in the EU: Then and Now**
Lecture by Ms. Carolin Nerlich, Economist, Fiscal Policy Division, ECB

- Maastricht’s original goals
- Underlying issues: transparency, accountability etc.
- The new set of rules

10:45 a.m. – 12:15 p.m. **L–15 Fiscal Adjustments: Challenges and Implications**
Lecture by Ms. Bunda

- What makes adjustments successful?
- Selected case studies
- Fiscal consolidation and inclusive growth

2:15 p.m. – 3:45 p.m. **W–7 Fiscal Adjustment: the case of the Kyrgyz Republic**
Workshop Facilitated by Counselors

4:00 p.m. – 5:15 p.m. **O–5 Preparation for Participant Presentations on Fiscal Issues Facing Their Countries**
Workshop Facilitated by Counselors

Thursday, July 14

9:00 a.m. – 10:30 a.m. **L–16 Fiscal Aspects of Financial Crises**
Lecture by Mr. Luna

- What is a financial crisis?
- Fiscal causes to financial crisis
- Fiscal consequences of financial crisis

10:45 a.m. – 12:15 p.m. **Main Takeaways of the Course**
Session conducted by Mr. Luna, Ms. Bunda and Mr. Cangiano

2:00 p.m.– 5:15 p.m. **O–6 Preparation for Participant Presentations on Fiscal Issues Facing Their Countries**
Workshop Facilitated by Counselors

5:00 p.m.: Deadline to hand in the presentations

Friday, July 15

9:00 a.m. – 11:30 a.m.	O-7	Participant Presentations on Fiscal Issues Facing Their Countries Followed by Q&As
11:45 a.m. – 12:30 p.m.		Complete Course Evaluations and Quiz
12:30 p.m. – 1:00 p.m.		Closing Session and Presentation of Certificates
