



EUROPEAN COMMISSION
DIRECTORATE GENERAL
ECONOMIC AND FINANCIAL AFFAIRS
Fiscal policy
Fiscal policy and surveillance

Expenditure-based consolidation: experiences and outcomes

A Workshop organised by the European Commission
Directorate-General for Economic and Financial Affairs (DG ECFIN)

Brussels, 20 January 2015

Venue: Rue Froissart, 36 1040 Brussels – Centre Albert Borschette – Room 2D

PROGRAMME OF THE MEETING

8.45-9.15	REGISTRATION AND WELCOME COFFEE
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9.15-9.30 INTRODUCTION TO THE MEETING

The meeting will be introduced by **Marco Buti** (European Commission)

9.30-11.00 SESSION I – EXPENDITURE-BASED CONSOLIDATION OR TAX BASED CONSOLIDATION: EVIDENCE FROM A CROSS-COUNTRY PERSPECTIVE

Chairman: **Lucio Pench** (European Commission)

Presentations by:

Alberto Alesina (Harvard University), Omar Barbiero, Carlo Favero, Francesco Giavazzi, Matteo Paradisi (Bocconi University): "The composition of Fiscal adjustments: new evidence A proposal for the Ecfm".

Christophe Blot, Jérôme Creel, Bruno Ducoudré and Xavier Timbeau (OFCE French Observatory of Economic Conditions): "Back to fiscal consolidation in Europe and its dual tradeoff: now or later, through spending cuts or tax hikes".

Discussants: **Pablo-Hernandez De Cos** (Bank of Spain) and **Lucia Rodriguez Munoz** (European Commission)

11.00-11.30 COFFEE BREAK

11.30-13.00 SESSION II – INTERACTION BETWEEN PRIVATE AND PUBLIC SECTOR IN DIFFICULT TIMES : IMPACT OF UNCERTAIN ECONOMIC ENVIRONMENTS ON CONSOLIDATIONS

Chairman: **Wim Suyker** (CPB Netherlands Bureau for Economic Policy Analysis)

Presentations by:

Matthieu Lemoine (Banque de France) and Jesper Lindé (Sveriges Riksbank): "Fiscal Consolidations Under Imperfect Credibility"

Emanuele Baldacci, Sanjeev Gupta and Carlos Mulas-Granados (International Monetary Fund): "Debt reduction, fiscal adjustment and growth in credit-constrained economies".

Discussants: **Pedro Gomes** (Carlos III University - Madrid) and **Werner Roeger** (European Commission)

13.00-14.30 LUNCH

14.30-16.00 SESSION III – STRUCTURAL AND INSTITUTIONAL REFORMS IN THE CONTEXT OF AN EXPENDITURE-BASED CONSOLIDATION

Chairman: **Lars Jonung** (formerly chair of the Swedish Fiscal Policy Council)

Presentations by:

Wolf Heinrich Reuter (Vienna University of Economics and Business): "Numerical expenditure rules": Design and effects"

Stuart Adam and James Browne (Institute for fiscal studies): "The effect of UK welfare reforms on the distribution of income and work incentives".

Discussants: **Javier Perez** (Bank of Spain) and **Nicolas Carnot** (European Commission)

16.00-16.30 CONCLUSION