



Foro Unión Europea, América Latina y el Caribe

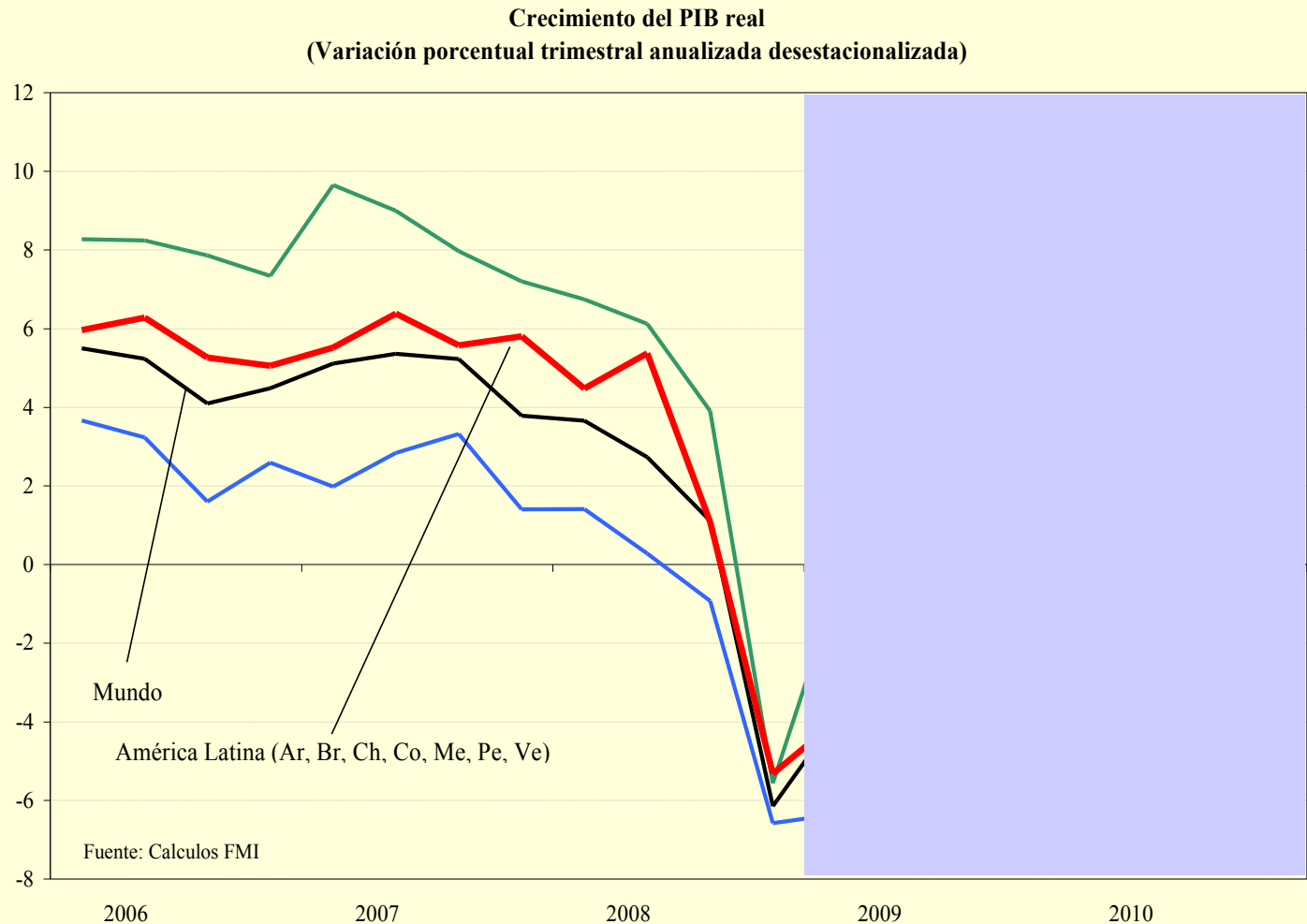
El Gasto Público y La Crisis: Comentario Mayo 2009

Julio Escolano (FMI, Departamento de Asuntos Fiscales-FAD)

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La recesión mas virulenta desde la 2ª Guerra Mundial

- Caída del gasto interno y externo
- Crisis financiera
- Desapalancamiento, reversión de flujos financieros, remesas
- Términos de intercambio



Política fiscal: a grandes males, grandes remedios

- Apoyo al sistema financiero
 - Gobiernos: recapitalización, financiamiento ($\approx 3\frac{1}{2}\%$ PIB en G-20)
 - Vía balance de bancos centrales y otros
- Estímulo a la demanda ($\approx 5\frac{1}{2}\%$ PIB en G-20, 2009 relativo a 2007)
 - Estabilizadores automáticos, impacto de los términos de intercambio y precio de materias primas
 - Paquetes discrecionales de estímulo fiscal ($\approx 2\%$ PIB en G-20, 2009 relativo a 2007)
- Incremento en la deuda pública (2008-09 $\approx 10\%$ PIB en G-20, 12% en economías G-20 avanzadas; llegando a 66% y 98% respectivamente)

Paquetes de Estímulo Fiscal: de TTT a RGPDCSS...

- Rápidos: debido a la urgencia
- De gran tamaño: profunda caída en la demanda
- Prolongados: recesión prolongada
- Diversificados: incertidumbre. Pero con importante componente de gasto.
- Contingentes: iniciativas adicionales podrían ser necesarias
- Simultáneos (coordinados?): máximo impacto, free-riding
- Sostenibles: evitar efectos adversos en el corto y largo plazo.
Consideraciones relativas a la existencia de espacio fiscal

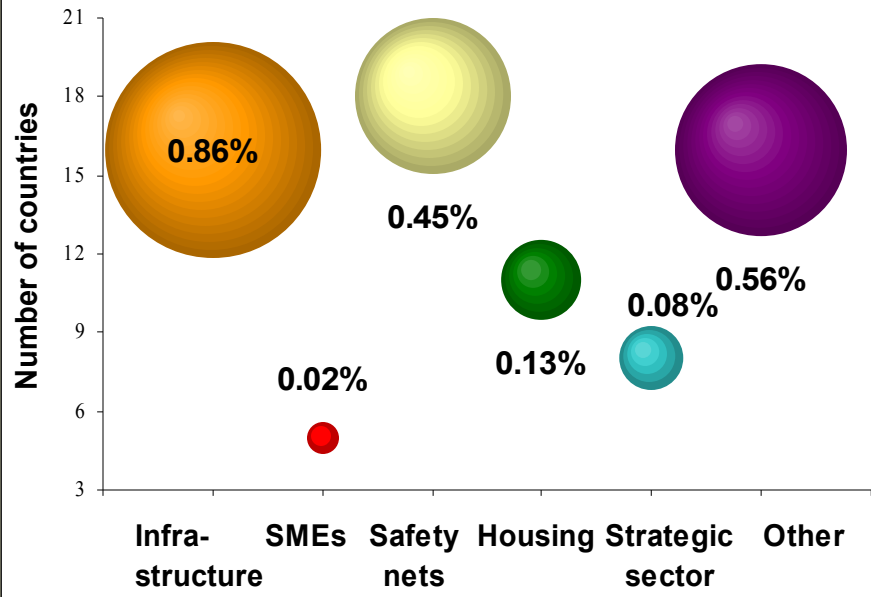
Composición de los Paquetes

- Gasto ($\approx \frac{2}{3}$)
 - Infraestructura (Canadá, Francia, Alemania, Corea)
 - Protección social: desempleo (Rusia, Reino Unido, EE.UU.), transferencias (Corea, Australia, Alemania), pensiones (Australia, Canadá)
 - PyMEs, políticas estructurales (educación, salud, energía, ecología)
 - Principalmente de naturaleza temporal, a veces no es claro el efecto de corto plazo en la demanda
- Ingresos ($\approx \frac{1}{3}$)
 - Recortes en el impuesto a la renta de las personas físicas (9 de los G-20)
 - Renta de sociedades (Canadá, Corea, Francia, Alemania, Rusia)
 - Pero son más difíciles de revocar y a menudo poco efectivas

Composición de los Paquetes de Estímulo Fiscal (G-20)

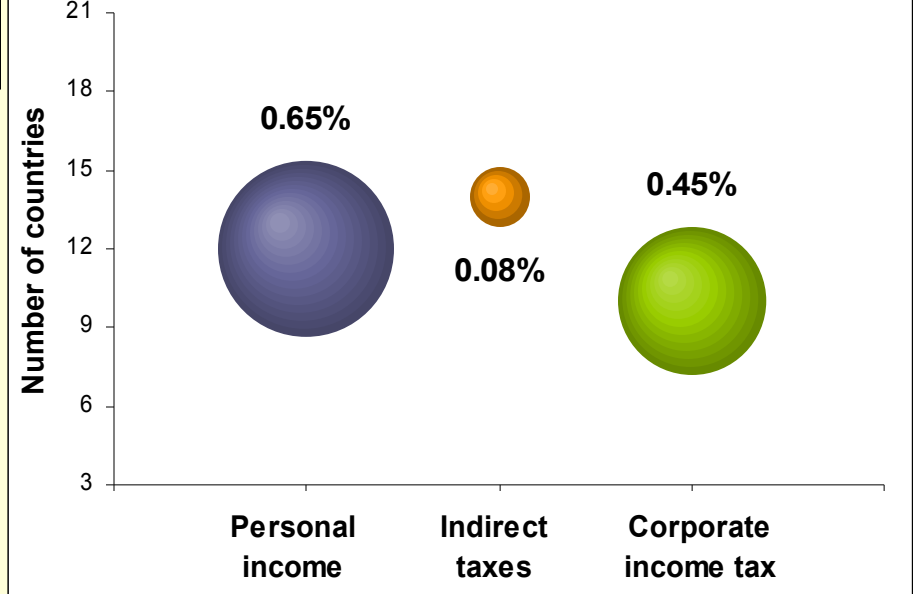
Expenditure measures (2008-10)

(Bubble size = percent of GDP, PPP-weighted average) 1/



Revenue measures (2008-10)

(Bubble size = percent of GDP, PPP-weighted average) 1/



Estimaciones ilustrativas del impacto sobre el crecimiento del total de la variación en el balance fiscal

G-20 Countries: Impact of Fiscal Expansion on Growth 1/

	2008	2009	2010	Average
Fiscal expansion	(in percent of GDP)			
Discretionary impulse	0.5	1.2	-0.5	0.4
Total fiscal expansion	1.8	2.4	0.4	1.5
Expenditures	1.1	1.4	0.6	1.0
Revenue	0.7	1.0	-0.2	0.5
Impact on growth (low-high range) 2/	(in percent)			
Total fiscal expansion	0.6 - 2.4	0.8 - 3.2	0.1 - 0.9	0.5 - 2.2
of which: global spillovers	0.1 - 0.8	0.1 - 1.0	0.0 - 0.3	0.0 - 0.7

1/ Fiscal expansion and growth are calculated with respect to the previous year, except for cumulative discretionary stimulus and cumulative fiscal expansion, which is calculated with respect to 2007.

2/ The range of growth estimates reflects different assumptions on fiscal multipliers. The low set of multipliers included a multiplier of 0.3 on revenue, 0.5 on capital spending and 0.3 on other spending. The high set of multipliers included a multiplier of 0.6 on revenue, 1.8 on capital spending and 1 for other spending. For calculation of the growth impact of total fiscal expansion a weighted average of current and capital expenditure multipliers was used.

**Basado en estimaciones
“viejas” (marzo)**

Table 1. G-20 Countries: Overall Fiscal Expansion*(in percent of GDP)*

	Overall Balance				Change in the Overall Balance (with respect to 2007)		
	2007	2008	2009	2010	2008	2009	2010
Argentina	-2.0	-0.5	-3.3	-2.8	1.5	-1.3	-0.8
Australia	1.6	0.1	-2.3	-3.5	-1.5	-3.9	-5.1
Brazil	-2.2	-1.5	-1.9	-0.8	0.7	0.3	1.4
Canada	1.4	0.4	-3.4	-3.6	-1.0	-4.8	-5.0
China	0.9	-0.3	-3.6	-3.6	-1.2	-4.5	-4.5
France	-2.7	-3.4	-6.2	-6.5	-0.7	-3.5	-3.8
Germany	-0.5	-0.1	-4.7	-6.1	0.3	-4.2	-5.7
India	-5.2	-8.4	-10.2	-8.7	-3.2	-5.0	-3.5
Indonesia	-1.2	0.0	-2.5	-2.2	1.2	-1.3	-1.0
Italy	-1.5	-2.7	-5.4	-5.9	-1.2	-3.9	-4.4
Japan 1/	-2.5	-5.6	-9.4	-9.6	-3.0	-6.9	-7.1
Korea	3.5	1.1	-3.2	-4.7	-2.4	-6.7	-8.2
Mexico	-1.4	-1.8	-3.6	-3.7	-0.4	-2.2	-2.3
Russia	6.8	4.3	-6.2	-5.0	-2.5	-13.0	-11.7
Saudi Arabia	15.8	35.5	-3.8	-1.4	19.7	-19.7	-17.2
South Africa	1.2	-0.4	-2.9	-3.2	-1.6	-4.1	-4.3
Turkey 2/	-2.1	-2.7	-5.9	-5.1	-0.6	-3.8	-3.0
United Kingdom	-2.6	-5.4	-9.8	-10.9	-2.7	-7.2	-8.3
United States 3/	-2.9	-4.7	-9.1	-8.8	-1.8	-6.2	-5.9
G-20 PPP GDP-weighted average	-1.1	-2.3	-6.6	-6.5	-1.3	-5.5	-5.4

Source: Fund staff estimates for the April 2009 World Economic Outlook Update.

1/ Based on staff preliminary analysis, financial sector-related measures of 0.1 percent of GDP in 2008, 0.5 percent of GDP in 2009, and 0.2 percent of GDP in 2010 are excluded. These measures cover both subsidies to and capital injections in public financial institutions.

2/ The reported fiscal balances correspond to the authorities' policy intentions as implied in the EU Pre-Accession Program document.

3/ Excludes cost of financial system support measures (estimated at 1.4 percent of GDP in 2008, 4.5 percent of GDP in 2009 and 0.9 percent of GDP in 2010).

**Basado en
estimaciones
“nuevas”
(abril)**

Actualizaciones

- <http://www.imf.org/external/np/fad/2009/04260>

Mirando Hacia Adelante

- Los riesgos continúan a la baja
- Estrategias de salida: reducción ordenada del apalancamiento público (incluyendo bancos centrales)
- Trayectorias creíbles de consolidación fiscal
- Refuerzo de las estructuras institucionales: proceso presupuestario, marcos fiscales plurianuales, ¿“reglas fiscales”?
- Reformas estructurales para favorecer el crecimiento
- Reformas de los sistemas de salud y pensiones con efectos de largo plazo



Gracias

Cambio en los Balances Fiscales

(in percent GDP, relative to pre-crisis year 1/)

	2008	2009	2010	Average
Canada	-1.0	-4.6	-5.1	-3.6
China	-1.2	-4.5	-4.5	-3.4
France	-0.5	-3.3	-3.6	-2.5
Germany	0.0	-3.9	-5.0	-3.0
India	-3.2	-4.9	-3.4	-3.8
Italy	-1.2	-3.3	-3.7	-2.7
Japan	-1.6	-4.7	-4.9	-3.7
U.K.	-2.8	-6.9	-8.3	-6.0
U.S.	-3.0	-4.8	-6.0	-4.6
PPP-weighted average	-2.0	-4.7	-5.2	-3.9

Source: Fund staff estimates.

1/ Pre-crisis year is 2007.

Basado en estimaciones
“viejas” (marzo)

Medidas Fiscales discrecionales: G-20, 2008-10

(in percent of GDP, relative to 2007 baseline)^{1/ 2/}

	2008	2009	2010
Argentina	0.0	1.3	...
Australia 3/	0.7	2.1	1.7
Brazil	0.0	0.4	0.2
Canada	0.0	1.5	1.3
China	0.4	3.2	2.7
France	0.0	0.7	0.7
Germany	0.0	1.5	2.0
India 3/	0.6	0.6	...
Indonesia	0.0	1.3	0.6
Italy	0.0	0.2	0.1
Japan	0.4	1.4	0.4
Korea	1.1	2.3	1.3
Mexico	0.0	1.5	...
Russia	0.0	2.3	1.6
Saudi Arabia	2.4	3.3	3.5
South Africa 3/ 4/	1.7	1.8	-0.6
Turkey 5/	0.0
United Kingdom	0.2	1.4	-0.1
United States 6/	1.1	2.0	1.8
G-20 PPP-GDP weighted average	0.5	1.8	1.3
Memorandum item: EU G-20	0.1	1.0	0.8
G-20 discretionary impulse 7/	0.5	1.2	-0.5

Basado en
estimaciones
"viejas"
(marzo)

Source: IMF staff estimates.

1/ Figures reflect the budgetary cost of crisis-related discretionary measures in each year compared to 2007 (baseline), based on measures announced through early March. They do not include (i) "below-the-line" operations that involve acquisition of assets (including financial sector support) or (ii) measures that were already planned for. Some figures represent staff's preliminary analysis.

2/ "..." is used for countries for which no information is available on the size of their fiscal packages.

3/ Fiscal year basis.

4/ Stimulus estimates are based on the FY 2009/10 budget.

5/ Measures to help alleviate crisis impacts, as of end-February, include extension of regional subsidy programs, increase in workers' severance benefits, and tax relief programs. No estimate of the fiscal cost is yet available.

6/ Excludes cost of financial system support measures (estimated at US\$797 billion, or 5.7 percent of GDP in 2009).

7/ Change from the previous year.

Table 1. G-20 Countries: Overall Fiscal Expansion*(in percent of GDP)*

	Overall Balance				Change in the Overall Balance (with respect to 2007)		
	2007	2008	2009	2010	2008	2009	2010
Argentina	-2.0	-0.5	-3.3	-2.8	1.5	-1.3	-0.8
Australia	1.6	0.1	-2.3	-3.5	-1.5	-3.9	-5.1
Brazil	-2.2	-1.5	-1.9	-0.8	0.7	0.3	1.4
Canada	1.4	0.4	-3.4	-3.6	-1.0	-4.8	-5.0
China	0.9	-0.3	-3.6	-3.6	-1.2	-4.5	-4.5
France	-2.7	-3.4	-6.2	-6.5	-0.7	-3.5	-3.8
Germany	-0.5	-0.1	-4.7	-6.1	0.3	-4.2	-5.7
India	-5.2	-8.4	-10.2	-8.7	-3.2	-5.0	-3.5
Indonesia	-1.2	0.0	-2.5	-2.2	1.2	-1.3	-1.0
Italy	-1.5	-2.7	-5.4	-5.9	-1.2	-3.9	-4.4
Japan 1/	-2.5	-5.6	-9.4	-9.6	-3.0	-6.9	-7.1
Korea	3.5	1.1	-3.2	-4.7	-2.4	-6.7	-8.2
Mexico	-1.4	-1.8	-3.6	-3.7	-0.4	-2.2	-2.3
Russia	6.8	4.3	-6.2	-5.0	-2.5	-13.0	-11.7
Saudi Arabia	15.8	35.5	-3.8	-1.4	19.7	-19.7	-17.2
South Africa	1.2	-0.4	-2.9	-3.2	-1.6	-4.1	-4.3
Turkey 2/	-2.1	-2.7	-5.9	-5.1	-0.6	-3.8	-3.0
United Kingdom	-2.6	-5.4	-9.8	-10.9	-2.7	-7.2	-8.3
United States 3/	-2.9	-4.7	-9.1	-8.8	-1.8	-6.2	-5.9
G-20 PPP GDP-weighted average	-1.1	-2.3	-6.6	-6.5	-1.3	-5.5	-5.4

Source: Fund staff estimates for the April 2009 World Economic Outlook Update.

1/ Based on staff preliminary analysis, financial sector-related measures of 0.1 percent of GDP in 2008, 0.5 percent of GDP in 2009, and 0.2 percent of GDP in 2010 are excluded. These measures cover both subsidies to and capital injections in public financial institutions.

2/ The reported fiscal balances correspond to the authorities' policy intentions as implied in the EU Pre-Accession Program document.

3/ Excludes cost of financial system support measures (estimated at 1.4 percent of GDP in 2008, 4.5 percent of GDP in 2009 and 0.9 percent of GDP in 2010).

**Basado en
estimaciones
“nuevas”
(abril)**

Table 2. G-20 Countries: Discretionary Measures, 2008-10 1/2/
(in percent of GDP, relative to 2007 baseline)

	2008	2009	2010
Argentina	0.0	1.5	...
Australia	0.7	2.1	1.7
Brazil	0.0	0.6	0.8
Canada	0.0	1.9	1.7
China	0.4	3.1	2.7
France	0.0	0.7	0.8
Germany	0.0	1.6	2.0
India 3/	0.6	0.6	0.6
Indonesia	0.0	1.3	0.6
Italy	0.0	0.2	0.1
Japan 4/	0.3	2.4	1.8
Korea	1.1	3.9	1.2
Mexico	0.0	1.5	...
Russia	0.0	4.1	1.3
Saudi Arabia	2.4	3.3	3.5
South Africa 3/ 5/	1.7	1.8	-0.6
Turkey 6/	0.0	0.8	0.3
United Kingdom	0.2	1.4	-0.1
United States 7/	1.1	2.0	1.8
G-20 PPP-GDP weighted average	0.5	2.0	1.5
G-20 discretionary impulse 8/	0.5	1.5	-0.5

Source: IMF staff estimates.

1/ Figures reflect the budgetary cost of crisis-related discretionary measures in each year compared to 2007 (baseline), based on measures announced through mid-April. They do not include (i) "below-the-line" operations that involve acquisition of assets (including financial sector support) or (ii) measures that were already planned for. Some figures represent staff's preliminary analysis.

2/ "..." is used for countries for which no information is available on the size of their fiscal packages.

3/ Fiscal year basis.

4/ Based on staff preliminary analysis, financial sector-related measures of 0.1 percent of GDP in 2008, 0.5 percent of GDP in 2009, and 0.2 percent of GDP in 2010 are excluded. These measures cover both subsidies to and capital injections in public financial institutions.

5/ Stimulus estimates are based on the FY 2009/10 budget.

6/ Includes only discretionary measures taken from September 2008 through March 2009. Another fiscal stimulus package is reportedly under preparation.

7/ Excludes cost of financial system support measures (estimated at 1.4 percent of GDP in 2008, 4.5 percent of GDP in 2009 and 0.9 percent of GDP in 2010).

8/ Change from the previous year.

**Basado en
estimaciones
"nuevas"
(abril)**

Table 3. Headline Support for the Financial Sector and Upfront Financing Need

(As of April 15, 2009; in percent of 2008 GDP) **

Basado en estimaciones
"nuevas" (abril)

	Capital Injection	Purchase of Assets and Lending by Treasury	Central Bank Support Provided with Treasury Backing	Liquidity Provision and Other Support by Central Bank 1/	Guarantees 2/	Total	Upfront Government Financing 3/	
	(A)	(B)	(C)	(D)	(E)	(A+B+C+D+E)		
Advanced North America								
Canada	0.0	8.8	0.0	1.6	13.4	23.7	8.8	
United States	3.9	1.3	1.1	42.1	31.3	79.6	6.3	4/
Advanced Europe								
Austria	5.3	0.0	0.0	0.0	30.0	35.3	5.3	
Belgium	4.7	0.0	0.0	0.0	26.2	30.9	4.7	
France	1.2	1.3	0.0	0.0	16.4	19.0	1.5	5/
Germany	3.8	0.4	0.0	0.0	18.0	22.2	3.7	
Greece	2.1	3.3	0.0	0.0	6.2	11.6	5.4	
Ireland	5.3	0.0	0.0	0.0	257	263	5.3	
Italy	1.3	0.0	0.0	2.5	0.0	3.8	1.3	6/
Netherlands	3.4	2.8	0.0	0.0	33.7	39.8	6.2	
Norway	2.0	15.8	0.0	0.0	0.0	17.8	15.8	
Portugal	2.4	0.0	0.0	0.0	12.0	14.4	2.4	
Spain	0.0	4.6	0.0	0.0	18.3	22.8	4.6	
Sweden	2.1	5.3	0.0	15.3	47.3	70.0	5.8	7/
Switzerland	1.1	0.0	0.0	10.9	0.0	12.1	1.1	
United Kingdom	3.9	13.8	12.9	0.0	51.2	81.8	20.2	8/
Advanced Asia and Pacific								
Australia	0.0	0.7	0.0	0.0	N/A	0.7	0.7	
Japan	2.4	11.3	0.0	1.2	7.3	22.1	0.8	9/
Korea	2.7	5.4	0.0	0.3	13.8	22.2	0.4	10/
Emerging Economies								
Argentina	0.0	0.9	0.0	0.0	0.0	0.9	0.0	11/
Brazil	0.0	0.0	0.0	1.5	0.0	1.5	0.0	
China	0.5	0.0	0.0	0.0	0.0	0.5	0.0	12/
India	0.0	0.0	0.0	5.6	0.0	5.6	0.0	
Indonesia 13/	0.0	0.0	0.0	0.0	0.1	0.1	0.1	
Hungary	1.1	0.0	0.0	4.7	1.1	6.9	1.1	
Poland	0.4	0.0	0.0	0.0	3.2	3.6	0.4	
Russia	0.3	0.5	3.2	3.2	0.5	7.7	0.8	14/
Saudi Arabia	0.6	0.6	0.0	8.2	N/A	9.4	1.2	
Turkey	0.0	0.0	0.0	0.2	0.0	0.2	0.0	
Average (PPP GDP Weights)								
G-20	1.9	2.5	1.0	12.4	14.3	32.1	3.4	
G-20 EU	2.7	3.8	3.2	0.5	22.1	32.3	6.7	
Advanced Economies	2.9	4.0	1.3	18.8	22.8	49.8	5.3	
Emerging Economies	0.2	0.1	0.4	1.6	0.1	2.4	0.1	

**The figures for upfront government financing do not include estimates of the amounts recovered from the sale of assets acquired through interventions. Projections taking into account the latter are provided in the IMF Companion Paper, "The State of Public Finances." Source: FAD-MCM database on public interventions. See the Companion Paper, Chapter II. for details.

1/ This table includes operations of new special facilities designed to address the current crisis and does not include the operations of the regular liquidity facilities provided by central banks. Outstanding amounts under the latter have increased substantially, and their maturity has been lengthened in recent months in many cases.

2/ Excludes deposit insurance provided by deposit insurance agencies.

3/ This includes only those components of A, B and C that require upfront government outlays.

4/ Upfront financing is USD 900 bn (6.3 percent of GDP), consisting of TARP (700 bn) and GSE support (200 bn). Guarantees on housing GSEs are excluded. For details, see the IMF Companion Paper: "The State of Public Finances", Chapter II.

5/ Support to the country's strategic companies is recorded under (B); of which E14 bn euro will be financed by a state-owned bank, Caisse des Depots and Consignations, not requiring upfront Treasury financing.

6/ The amount in Column D corresponds to the temporary swap of government securities held by the Bank of Italy for assets held by Italian banks. This operation is unrelated to the conduct of monetary policy which is the responsibility of the ECB.

7/ A part of the capital injection (SEK50 bn) will be undertaken by the Stabilization Fund.

8/ Costs to nationalize Northern Rock and Bradford & Bingley recorded under (B), entail no upfront government financing.

9/ Budget provides JPY 3,900 bn to support capital injection by a special corporation and lending and purchase of commercial paper by policy-based financing institutions of the BoJ.

10/ KRW 76.7 trillion support for recapitalization and purchase of assets needs upfront financing of KRW 3.5 trillion.

11/ Direct lending to the agricultural and manufacturing sectors and consumer loans are likely to be financed through Anses, and would not require upfront government financing.

12/ Capital injection is mostly financed by Central Huijin Fund, and would not require upfront government financing.

13/ Extensive intervention plans that are difficult to quantify have also been introduced recently.

14/ Asset purchase will be financed from National Wealth Fund; and the government will inject 200 bn rubles to deposit insurance fund financed from the budget.

G-20 Discretionary Measures

(in percent of GDP)

Table 1. G-20 Countries: Discretionary Measures, 2008-10
(in percent of GDP, relative to 2007 baseline)

	2008	2009	2010
Argentina	0.0	1.5	...
Australia	0.7	2.1	1.7
Brazil	0.0	0.6	0.8
Canada	0.0	1.9	1.7
China	0.4	3.1	2.7
France	0.0	0.7	0.8
Germany	0.0	1.6	2.1
India	0.0	0.6	0.6
Indonesia	0.0	1.3	0.6
Italy	0.0	0.2	0.1
Japan	0.4	2.4	1.8
Korea	1.1	3.9	1.2
Mexico	0.0	1.5	...
Russia	0.0	4.1	1.3
Saudi Arabia	2.4	3.3	3.5
South Africa	1.7	1.8	-0.6
Turkey	0.0	0.8	0.3
United Kingdom	0.2	1.4	-0.1
United States	1.1	2.0	1.8
G-20 PPP-GDP weighted average	0.5	2.0	1.5
G-20 discretionary impulse	0.5	1.5	-0.5

Source: IMF staff estimates.

- Status as of mid-April

- Focus on the G-20

Scoring:

- Relative to the pre-crisis (2007) baseline
- Crisis-response nature
- Distinction between above- and below-the-line measures (acquisition of assets)
- General government basis (WEO)

Overall fiscal expansion

Change in Overall Fiscal Balances *(in percent of GDP, with respect to 2007)*

	2008	2009	2010
G-20	-1.3	-5.5	-5.4
Emerging Market Economies	-0.8	-5.0	-4.3
PRGF Eligible Countries	-1.5	-4.3	-2.5
Least Developed Countries	0.5	-4.5	-3.1
Oil-exporting countries	0.8	-12.2	-9.6

Source: Fund staff estimates.

