1.	Record Nr.	UNINA9910788339003321
	Autore	Stehn Sven Jari
	Titolo	Fiscal and Monetary Policy During Downturns : : Evidence From the G7 / / Sven Jari Stehn, Daniel Leigh
	Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2009
	ISBN	1-4623-1542-9 1-4527-0668-9 1-4518-7198-8 9786612842726 1-282-84272-2
	Descrizione fisica	1 online resource (23 p.)
	Collana	IMF Working Papers
	Altri autori (Persone)	LeighDaniel
	Soggetti	Fiscal policy Monetary policy Macroeconomics Public Finance Production and Operations Management Fiscal Policy Comparative or Joint Analysis of Fiscal and Monetary Policy Stabilization Treasury Policy National Government Expenditures and Related Policies: General Macroeconomics: Production Public finance & taxation Fiscal stance Fiscal stimulus Output gap Current spending Production Expenditure Economic theory Expenditures, Public United States
	Lingua di pubblicazione	Inglese
	Formato	Materiale a stampa

Livello bibliografico	Monografia
Note generali	"March 2009."
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	Contents; I. Introduction and Summary; II. Event-Study Analysis; A. Data and Methodology; B. Results; Tables; 1. How Often and Quickly did Fiscal Stimulus Arriva During Downturns?; III. Vector-Autoregression (VAR) Analysis; A. Methodology; 2. How Often and Quickly did Fiscal Stimulus Arrive During Upturns?; B. Baseline Results; Figures; 1. How Strongly do Fiscal and Monetary Policy Respond?; 2. How does the Response Vary Across Fiscal Instruments and G7 Members?; 3. How Robust is the Response to the Cyclical Indicator?; C. Asymmetry; 4. Is There a Bias Towards Easing in Downturn? D. Policy in Real Time5. Errors in Identifying Negative Growth in the G7; 3. How Reliable are Preliminary Growth Estimates?; 6. Has Policy Erroneously Responded to Perceived Growth Shocks?; IV. Case Study: Have U.S. Tax Cuts Been Timely and Temporary?; V. Conclusion; 4. Legislated Tax Changes During Downturns; 5. Summary of Countercyclical Tax Changes; References
Sommario/riassunto	This paper analyzes how fiscal and monetary policy typically respond during downturns in G7 countries. It evaluates whether discretionary fiscal responses to downturns are timely and temporary, and compares the response of fiscal policy to that of monetary policy. The results suggest that while responding more weakly and less quickly than monetary policy, discretionary fiscal policy is more timely than conventional wisdom would suggest, particularly in “Anglo-Saxon” countries, but the response differs substantially across fiscal instruments. Both fiscal and monetary policy are found to be subject to an easing bias, with more easing during downturns than tightening during upturns; and liable to easing in response to erroneously perceived downturns, many of which are subsequently revised to expansions.