1. Record Nr. UNINA9910788698203321

Autore	Botman Dennis
Titolo	Options for Fiscal Consolidation in the United Kingdom / / Dennis Botman, Keiko Honjo
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2006
ISBN	1-4623-5283-9 1-4527-5014-9 1-283-51613-6 1-4519-0884-9 9786613828583
Descrizione fisica	1 online resource (24 p.)
Collana	IMF Working Papers
Altri autori (Persone)	HonjoKeiko
Soggetti	Fiscal policy - Great Britain - Econometric models Finance, Public - Great Britain - Econometric models Macroeconomics Personal Finance -Taxation Public Finance Taxation Personal Income and Other Nonbusiness Taxes and Subsidies Debt Debt Management Sovereign Debt Fiscal Policy National Government Expenditures and Related Policies: General Public finance & taxation Welfare & benefit systems Public debt Fiscal consolidation Labor taxes Personal income tax Expenditure Income tax Debts, Public Fiscal policy Expenditures, Public United Kingdom

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	"March 2006."
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	""Contents""; ""I. INTRODUCTION""; ""II. THE MODEL AND CALIBRATION""; ""III. MACROECONOMIC EFFECTS OF ALTERNATIVE FORMS OF FISCAL CONSOLIDATION""; ""IV. SENSITIVITY ANALYSIS AND FISCAL POLICIES IN THE REST OF THE WORLD""; ""V. COMBINING FISCAL ADJUSTMENT AND TAX REFORM""; ""VI. CONCLUSIONS""; ""REFERENCES""
Sommario/riassunto	This paper examines the macroeconomic effects of different timing and composition of fiscal adjustment in the United Kingdom using the IMF’s Global Fiscal Model. Early consolidation dampens aggregate demand in the short term, but increases output in the long term as smaller primary surpluses are needed as a result of lower interest payments. Reducing government transfers or current government spending provides larger gains than increasing taxes, in particular compared to raising corporate or personal income taxes. We show that these conclusions are robust under alternative behavioral assumptions and parameterizations. A reduction in global saving would make early consolidation more urgent from both cyclical and long-term perspectives. Finally, we show that tax reform aimed at increasing incentives to save could provide support to fiscal consolidation measures.