Record Nr. UNINA9910814668103321 Autore Fabrizio Stefania Titolo Can budget institutions counteract political indiscipline? // prepared by Stefania Fabrizio and Ashoka Mody [Washington D.C.], : International Monetary Fund, European Dept., 2006 Pubbl/distr/stampa **ISBN** 1-4623-9622-4 1-4527-0575-5 1-282-44793-9 1-4519-8725-0 9786613821133 Edizione [1st ed.] Descrizione fisica 1 online resource (53 p.) IMF working paper; ; WP/06/123 Collana Altri autori (Persone) ModyAshoka Budget - European Union countries - Econometric models Soggetti Fiscal policy - European Union countries - Econometric models Elections - Economic aspects - European Union countries Lingua di pubblicazione Inglese **Formato** Materiale a stampa Livello bibliografico Monografia Note generali "May 2006." Nota di bibliografia Includes bibliographical references. ""Contents""; ""I. INTRODUCTION""; ""II. THE DETERMINANTS OF FISCAL Nota di contenuto PERFORMANCE: A SELECTIVE LITERATURE REVIEW""; ""III. BUDGET INSTITUTIONS IN NEW AND POTENTIAL EU MEMBER STATES""; ""IV. BENCHMARK RESULTS""; ""V. THE ROLE OF DEEPER DETERMINANTS: TIME-INVARIANT FACTORS""; ""VI. DIFFERENTIATING THE EFFECTS ON EXPENDITURES AND REVENUES""; ""VII. CONCLUSIONS""; ""REFERENCES"" The budget is an expression of political rather than economic priorities. Sommario/riassunto We confirm this proposition for a group of new and potential members of the European Union, finding that politics dominates. The contemporary practice of democracy can increase budget deficits through not only ideological preferences but also more fragmented government coalitions and higher voter participation. Long-term structural forces, triggered by societal divisions and representative electoral rules, have more ambiguous implications but also appear to increase budget pressures, as others have also found. However, our most robust, and hopeful, finding is that budget institutions-

mechanisms and rules of the budget process-that create checks and

balances have significant value even when the politics is representative but undisciplined, and when long-term structural forces are unfavorable.