

1. Record Nr.	UNINA9910961807303321
Autore	Kumhof Michael
Titolo	Chile's Structural Fiscal Surplus Rule : : A Model-Based Evaluation / / Michael Kumhof, Douglas Laxton
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2009
ISBN	9786612843082 9781462347704 1462347703 9781452725857 1452725853 9781282843080 1282843087 9781451872354 1451872356
Edizione	[1st ed.]
Descrizione fisica	1 online resource (56 p.)
Collana	IMF Working Papers
Altri autori (Persone)	LaxtonDouglas
Disciplina	332.152
Soggetti	Fiscal policy - Chile Finance, Public - Chile Cement Ceramics Consumption Copper Deflation Economics Glass Income economics Inflation Investment & securities Investments: Metals Labor economics Labor Economics: General Labor Labour Macroeconomics Macroeconomics: Consumption Metals and Metal Products Price Level Prices

Public finance & taxation
Public Finance
Revenue administration
Revenue
Saving
Taxation, Subsidies, and Revenue: General
Wealth
Chile

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	Contents; I. Introduction; II. The Model; Figures; 1. Goods and Factor Flows in GIMF; A. Overlapping Generations Households; B. Liquidity Constrained Households; C. Manufacturers; D. Copper Producers; E. Unions; F. Import Agents; G. Distributors; H. Retailers; I. Government; J. Equilibrium and Balance of Payments; III. Calibration; IV. Choice of Countercyclical Coefficients; Tables; 1. Fiscal Policy Rules and Macroeconomic Volatility; 2. Policy Efficiency Frontiers; V. Choice of Surplus Target; 3. SFS Rule - Survey; 4. SFS Rule - Fiscal Accounts; 5. Balanced Budget Rule - Survey 6. Balanced Budget Rule - Fiscal Accounts 7. Aggressive Countercyclical Rule - Survey; 8. Aggressive Countercyclical Rule - Fiscal Accounts; 9. Surplus Target Shock - Survey; 10. Surplus Target Shock - Fiscal; VI. Summary; References; Appendices; 1. Population Growth; 2. Optimality Conditions for OLG Households; 3. Consumption and Wealth; 4. Optimality for Manufacturing Firms
Sommario/riassunto	The paper analyzes Chile's structural balance fiscal rule in the face of copper price shocks originating in foreign copper demand. It uses a version of the IMF's Global Integrated Monetary and Fiscal Model (GIMF) that includes a copper sector. Two results are obtained. First, Chile's current fiscal rule performs well if the policymaker puts a small weight on output volatility (relative to inflation volatility) in his/her objective function. A more aggressive countercyclical fiscal rule can attain lower output volatility, but there is a trade-off with (somewhat) higher inflation volatility and (much) higher volatility of fiscal variables. Second, given its current stock of government assets, Chile's adoption of a 0.5% surplus target starting in 2008 is desirable from a business cycle perspective. This is because the earlier 1% target would have required significant further asset accumulation that could only have been accomplished at the expense of greater volatility in fiscal instruments and therefore in GDP.