

1. Record Nr.	UNINA9910974168203321
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Titolo	What Determines Government Spending Multipliers? // Gernot Müller, Andre Meier, Giancarlo Corsetti
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2012
ISBN	9781475528718 147552871X 9781475556926 1475556926
Edizione	[1st ed.]
Descrizione fisica	1 online resource (47 p.)
Collana	IMF Working Papers
Altri autori (Persone)	CorsettiGiancarlo MeierAndre
Disciplina	332.1
Soggetti	Multiplier (Economics) Monetary policy Comparative or Joint Analysis of Fiscal and Monetary Policy Currency Economic & financial crises & disasters Exchange rate arrangements Expenditure Expenditures, Public Financial Crises Financial crises Financial Risk Management Fiscal Policy Fiscal policy Foreign Exchange Foreign exchange Macroeconomics National Government Expenditures and Related Policies: General Open Economy Macroeconomics Public finance & taxation Public Finance Real exchange rates Stabilization Treasury Policy United States

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	Cover; 1 Introduction; 2 Fiscal policy in different economic environments; 2.1 A theoretical benchmark; 2.2 Pegged exchange rates; 2.3 Weak public finances; 2.4 Financial crises; 3 Empirical strategy; 3.1 Identification issues; 3.2 The first step: Identifying government spending shocks; 3.3 The second step: Tracing the effects of government spending in different economic environments; 3.4 The data; 4 Systematic and non-systematic changes in government spending; 5 The effects of government spending shocks; 5.1 Unconditional effects; 5.2 Accounting for the economic environment 5.3 Sensitivity analysis6 Conclusion; References; Tables; Table 1. Composition of Initial and Final Samples; Table 2. Data Sources and Definitions; Table 3. Results of First-Step Regression; Table 4. Summary Statistics for Estimated Government Spending Shocks; Table 5. Overview of Dummy Characteristics; Figure 5: Results for narrow definition of financial crisis; Figure 6: Results for alternative definition of weak public finances (government debt > 120 percent of GDP and/or lagged net borrowing > 7 percent of GDP); Figure 7: Results for difference specification Figure 8: Results for first-step specification which includes contemporaneous value of crisis dummyFigure 9: Results without CLI in first step; Figure 10: Results for sample without 2007-2008; Figure 11: Results for sample without United States
Sommario/riassunto	This paper studies how the effects of government spending vary with the economic environment. Using a panel of OECD countries, we identify fiscal shocks as residuals from an estimated spending rule and trace their macroeconomic impact under different conditions regarding the exchange rate regime, public indebtedness, and health of the financial system. The unconditional responses to a positive spending shock broadly confirm earlier findings. However, conditional responses differ systematically across exchange rate regimes, as real appreciation and external deficits occur mainly under currency pegs. We also find output and consumption multipliers to be unusually high during times of financial crisis.