



EXECUTIVE TRAINING SEMINAR

SCHOOL OF TRANSNATIONAL GOVERNANCE

MANAGING CRISES: THE ECONOMICS AND POLITICS OF REFORMS

Course Coordinator: George Papaconstantinou, School of Transnational Governance, EUI

Theatre

Badia Fiesolana, Via della Badia dei Roccettini 9 - San Domenico di Fiesole (Fiesole, Florence)

SUMMER 2021

COURSE DESCRIPTION

Continuous change plus crises. We are living through continuous, multi-faceted economic, political and social change, punctuated by recurrent crises. Governments and public entities are struggling to manage the impact of unexpected and path-altering events in a complex and fast-changing international environment which puts a premium on competitiveness and adaptation.

Transnational is key. In this environment, policymakers and the public administration are called upon to design and implement comprehensive reform programmes in a context where international events, trends and shifts influence policy options and choices like never before.

Reforming with accountability. These reform programmes are aimed at overhauling the functioning of the public sector and changing the framework conditions for the economy, while responding to the demand for greater accountability and transparency in governance.

“Agents of change”. As a result, public servants need to be active agents of change, capable of managing crisis situations, and designing and implementing effective, sustainable economic reforms for the greater good. Effective governance in this context depends on a combination of mastering the broader policy environment and the available policy tools as well as learning from the experience of reform efforts in different countries.

Building skills and capacity. Through case study-based teaching and simulations, this executive training builds analytical skills and substantive knowledge in key areas of programme design, as well as the capacity to effectively implement reforms. This involves a critical understanding of opportunities and constraints in reform efforts, the needs for administrative and political prioritization, communication of goals and measuring progress and results.

Addressing multiple actors. The seminar is designed for policy makers, administrators,



Co-funded by the
Erasmus+ Programme
of the European Union

parliamentarians, and consultants charged with managing change in crisis situations, as well as policy performance improvements in public and private sector organizations.

This executive training seminar will apply a rigorous, evidence-based approach drawn from the hands-on experience of senior policy practitioners on the complexities and challenges in managing a crisis and designing a comprehensive structural reform programme covering multiple policy areas. Participants will gain an understanding of the methods and tools required to manage crises and become “Agents of change” within both national and international administrations while also gaining invaluable insights through interactive exercises with peers who share common experiences on the challenges of reform.

Areas of focus: Topics will cover an understanding of the constraints posed and opportunities offered by the broader economic and geopolitical environment and the forces – as well as the constraints – shaping economics and geopolitics in Europe and beyond; the political economy aspects of designing and successfully implementing reform programmes, including the implementation and organisational challenges as well as issues relating to the relationship between government, the political system and society-at-large; and the specific foundational issues in key economic reforms (e.g. budget and tax).

What you will learn: The training intends to build and enhance analytical skills and substantive knowledge in key areas of crisis management, programme design, as well as the capacity to approach the issue of effective implementation of public structural reform policies. This involves a critical understanding of the opportunities and constraints intrinsic to such reform efforts, as well as the needs for administrative and political preparation and prioritization, to include communication of goals and measuring progress and results.

How you will learn: Interactive knowledge sharing across core areas of structural reform as well as political and administrative issues involved in designing a comprehensive economic reform programme. Case study presentation and discussion of crisis management as well as of successful reform efforts presented by experienced policy makers and policy analysts. Simulated negotiations in the preparation of comprehensive reform packages with internal political constituencies and external funding institutions.

PROGRAMME

09.00 - 09.15	Institutional greetings
09.15 - 09.30	Aim and organisation of the Executive Training Seminar
09.30 - 11.00	Session I - Understanding the broader global macroeconomic environment and forces This first session addresses the issues which help situate a reform effort in the broader macroeconomic environment. Topics covered include the different determinants of a country's growth and the associated policies, the position of a country in the economic cycle relative to the broader region and its main trading partners; the key political trends and sustainability of growth patterns in partner countries/region; debt stress and financing constraints.
11.00 - 11.30	<i>Coffee break</i>
11.30 - 13.00	Session II - Complexities and challenges of designing reform programs A comprehensive reform programme involves both economics and politics. It needs to address a country's economic/social stresses, external and internal competitiveness, labor and product market reforms, all in the context of a specific institutional and political setup. The nature of the political system, social partners, societal openness to change and the power of vested interests all play a role. This session will discuss issues in programme design and implementation, including coordination, transparency and communication.
13.00 - 14.00	<i>Lunch</i>
14.00 - 16.00	Session III - A case study: Crisis management in the Euro area During the last decade, the Eurozone has undergone a economic and financial crisis which tested its member states, its institutional architecture and its available policy tools. This session will examine crisis management in the Euro area, with particular reference to the role of the European Stability Mechanism and the case study of managing the Greek crisis.
16.00 - 16.30	<i>Coffee break</i>
16.30 - 18.30	Session IV - Fiscal structural reforms: the budget system Budget reform represents the starting point of any concerted reform effort. This session explores the main elements involved: diagnostic tools for spending reviews; dealing with cash flows, arrears and below-the-line operations; methods for prioritising and assessing the efficiency of expenditures; introducing spending caps and budget monitoring processes; transparency and publication of general government budget data.
09.00 - 10.30	Session V - Fiscal structural reforms: the revenue system

Creating a fair and effective tax system involves tax policy reforms and changes to the revenue collection mechanism. This session analyses the main issues involved: the efficiency of the tax structure as well as the system of revenue administration; its broadness, coverage and exemptions; its public image and acceptance; as well as particular topics such as tax arrears, collection methods and combating tax avoidance and evasion.

10.30 - 11.00

Coffee break

11.00 - 13.00

Session VI - A Case Study: Facing the economic and social consequences of the pandemic

The economic consequences of the COVID-19 pandemic has forced all countries to respond with short-term measures to alleviate economic hardship and keep economies going as well as embark on longer-term reforms. This session will help participants better understand and assess the reaction of different governments, the constraints they faced, the tools at their disposal, the policies put in place, and the longer-term structural challenges they face.

13.00 - 14.00

Lunch

14.00 - 16.00

Session VII - Simulation: Negotiating a reform programme

Whether internally with other political, economic and social actors, or externally, with international financial institutions, governments typically need to negotiate a reform programme. This session will be organised around a simulation exercise, drawing from real-life experiences surrounding the negotiation and approval of country-specific reform programmes.

16.00

Coffee served in the room

16.00 - 17.30

Session VIII - The political economy of effective reforms

This last session brings together the main elements required for the successful implementation of reform programmes: time-consistency and balance in the reform effort, addressing implementation risks, actively engaging with other political actors, social partners and the public, building trust, ensuring transparency and effective communication, along with capacity-building and efficient administration of the reform effort.

17.30 - 18.00

Wrap-up and award of certificates

TRAINERS

Megan Greene

Senior Fellow, John F. Kennedy School of Government, Harvard University, United States

George Papaconstantinou

Part-time professor at the School of Transnational Governance and former Finance Minister of Greece, European University Institute, Italy and Greece

Bob Traa

Economist and Independent Consultant, United States of America

CONTACTS

Silvia Dell'Acqua

School of Transnational Governance, Italy ,
silvia.dellacqua@eui.eu

Patrizia Musina

School of Transnational Governance, EUI, Italy,
STG.conferences@eui.eu