

## FOREWORD

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This volume brings together the papers presented at the eighth Banca d'Italia Public Finance Workshop, held in Perugia from 30 March to 1 April, 2006.

The workshop aimed at providing a comprehensive overview of the recent theoretical and empirical work on fiscal indicators and their use in the policy debate.

The papers cover four topics:

- indicators of the effects of macroeconomic developments and discretionary policy decisions on public budgets;
- indicators of the impact of fiscal policy on output, growth and stabilisation;
- indicators of fiscal sustainability;
- and the role of fiscal indicators in the policy debate.

The papers highlight the progress made in the development of fiscal indicators and point to the problems still to be tackled. They also emphasize the complexity of the technical and policy issues involved in the use of fiscal indicators.

The workshop allowed experts from the central banks, ministries and economic institutions of several countries, the leading international economic organisations and the academic world to discuss the main theoretical and empirical issues concerning fiscal indicators.

Banca d'Italia thanks all the institutions which contributed to the success of the initiative and all the experts who provided research papers and all those who came to Perugia to take part in the discussions.

This volume extends the analysis of fiscal policy issues carried out in the previous workshops, which were devoted to *Indicators of Structural Budget Balances* (1998), *Fiscal Sustainability* (2000), *Fiscal Rules* (2001), *The Impact of Fiscal Policy* (2002), *Tax Policy* (2003), *Public Debt* (2004) and *Public Expenditure* (2005).

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