Documents & Reports

Kazakhstan - Oil rules : Kazakhstan's policy options in a downturn - Joint Economic Research Program (English)

ABSTRACT

Kazakhstan grew rapidly in the first half of the 2000s and made considerable progress in reducing poverty. In the years preceding the crisis, Kazakhstan maintained a prudent macroeconomic policy stance and avoided procyclicality in fiscal spending. In the aftermath of the global economic crisis of 2009, Kazakhstan adopted a fixed fiscal rule to govern the transfers from the national oil fund to the budget in 2010 and introduced changes to it in 2012. This report assesses the role of fiscal rules for countercyclical economic management in Kazakhstan. It responds to government and World Bank demand to assess the following four topics: 1) assessing the cyclicality of the governments economic policy stance over the last 10 years and identifying lessons from this experience; 2) exploring how different global economic scenarios affect key variables in the Kazakh economy; 3) assessing the expected impacts of alternative fiscal rules on key economic variables; and 4) reviewing the literature on countercyclical fiscal policy and its relevance for Kazakhstan. This reports five chapters outline the advantages of Kazakhstan's current fiscal rule and its performance against other types of rules. Chapter 1 reviews the performance of the Kazakh economy over the last 10 years. Chapter 2 argues that fiscal rules can be simple and transparent. Chapter 3 presents the results of simulations of different global economic scenarios and the expected impacts on key variables in Kazakhstan. Chapter 4 uses the results of these simulations to test the performance of different types of fiscal rules. Chapter 5 responds to a government request to review the literature on the use of fiscal and monetary policy for countercyclical economic management. See Less -

DETAILS

Document Date	2013/05/31
Document Type	General Economy, Macroeconomics and Growth Study
Report Number	81686
Volume No	1
Total Volume(s)	1
Country	Kazakhstan;
Region	Europe and Central Asia;
Disclosure Date	2013/10/29
Disclosure Status	Disclosed
Doc Name	Kazakhstan - Oil rules : Kazakhstan's policy options in a downturn - Joint Economic Research Program
Keywords	aggregate demand, asset price, asset prices, averaging, bailout, bailouts, banking crises, banking crisis, banking regulation, banking sector, banking supervision, banking ... See More +
Language	English
Major Sector	Public Administration;
Rel. Proj ID	KZ-Fy14/Fy13/Fy12 Jerp - Fiscal Management For Growth -- P129162;
Sector	Central Government (Central Agencies);
Historic Topics	Macroeconomics and Economic Growth; Finance and Financial Sector Development; Private Sector Development;
Historic SubTopics	Economic Theory & Research; Emerging Markets; Debt Markets; Banks & Banking Reform; Access to Finance;

DOWNLOADS

COMPLETE REPORT IN ENGLISH

Official version of document (may contain signatures, etc)

Official PDF , 65 pages 0.96 mb

Total Downloads** : 327

TXT*

*The text version is uncorrected OCR text and is included solely to benefit users with slow connectivity.

**Download statistics measured since January 1st, 2014

CITATION

World Bank. 2013. *Kazakhstan - Oil rules : Kazakhstan's policy options in a downturn - Joint Economic Research Program*. Washington DC ; World Bank. http://documents.worldbank.org/curated/en/379531468039264494/Kazakhstan-Oil-rules-Kazakhstans-policy-options-in-a-downturn-Joint-Economic-Research-Program

RELATED LINKS

See documents related to the project(s)

Unit Owning	Macroeconomics 1 (ECSP1) ; Economic Policy & Debt Unit (PRMED)
Version Type	Gray cover
Product Line	Economic and Sector Work

See More +