



## Workshop on “Policy Making to Influence Sustainable growth and productivity”

December 3-5, 2018, Nadi, Fiji

### Monday December 3

9:00	9:15		<b>Official opening and welcome</b>
9:15	9:30		<b>Outline of workshop and introductions</b>
9:30	10:15	L1	<b>Measuring economic activity</b> Gross domestic product (GDP) by production and expenditure Current and constant price GDP Prices and inflation Productive capacity and business cycle fluctuations
10:15	10:30		<b>Morning tea</b>
10:30	11:15	W1	<b>Economic activity in Pacific countries</b> Real GDP growth Sector contributions to growth Inflation Population and employment Investment and capital accumulation Stage of business cycle
11:15	12:00	P1	<b>Country presentations</b>
12:00	1:30		<b>Lunch</b>
1:30	2:15	L2	<b>Gauging an economy's capacity: A production function approach</b> Generic production function -- every country has one (even if you can't measure inputs) Cobb-Douglas -- an often used functional form Solow growth decomposition / drivers of growth -- capital (K), labor (L), total factor productivity (TFP)
2:15	3:00	W2	<b>Production function approach: Exercise</b> HISTORICAL -- growth decomposition PROSPECTIVE -- forecasts for K, L, 'back out TFP', discuss realism
3:00	3:15		<b>Afternoon tea</b>



3:15 4:00 W3 **Impacts of policies**  
Productive capacity  
Sectors in the economy  
Production function  
Prices and inflation

4:00 4:45 P2 **Country presentations**

4:45 5:00 **Wrap up**

6:30 9:00 **Dinner**

#### Tuesday December 4

9:00 9:45 L3 **Dynamics of capital accumulation and growth**  
Example of perpetual inventory method; Solow steady state  
TFP and capital deepening  
Government spending, government efficiency, and corruption

9:45 10:15 W4 **Dynamics of capital accumulation and growth: Exercise**  
Example of capital accumulation / perpetual inventory method  
Extension to public and private capital  
Policies: 'Switching gears' from government consumption to government investment  
Increase TFP  
Reduce corruption

10:15 10:30 **Morning tea**

10:30 11:15 L4 **Policies to expand productive capacity**  
Human capital  
Investment climate  
Total factor productivity  
TFP --> induced capital deepening

11:15 12:00 W5 **Countries' priority areas**  
What are countries' priorities / 'low hanging fruit'?  
What can countries do to boost growth -- most 'bang per buck'?  
Use data sources -- including Doing Business



12:00	1:30		<b>Lunch</b>
1:30	2:15	P3	<b>Country presentations</b>
2:15	3:00	L5	<b>Fiscal sector</b> Fiscal accounts Fiscal balances Debt dynamics Debt stabilization
3:00	3:15		<b>Afternoon tea</b>
3:15	4:00	W6	<b>Impact of policies and shocks</b> Fiscal balances Productive capacity Debt (sustainability)
4:00	4:45	P4	<b>Country presentations</b>
4:45	5:00		<b>Wrap up</b>

### Wednesday December 5

9:00	9:45	L6	<b>Risks and vulnerabilities: An introduction</b> "Bad things that can happen to good countries" Vulnerabilities -- why do some countries suffer more than others? Spillovers -- from one sector to others Relationship between imbalances and vulnerabilities
9:45	10:15	L7	<b>Importance of data, forecasts, and transparency</b> Monitoring and forecasting economic activity Building a knowledge base GDP forecasting
10:15	10:30		<b>Morning tea</b>
10:30	12:00	W7	<b>Risks and vulnerabilities: Illustrative examples</b> Country teams put together a simple template Discussion in plenary



12:00	1:30		<b>Lunch</b>
1:30	2:45	W8	<b>Developing a risk assessment matrix</b> Country by country
2:45	3:00	P5	<b>Final presentations by countries: Risks and reforms</b> Show us your RAM What are the major risks? How can the major risks be addressed?
3:00	3:15		<b>Afternoon tea</b>
3:15	3:45	P5	<b>Final presentations by countries: Risks and reforms (cont.)</b>
3:45	4:15		<b>Presentation of certificates</b>