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SECRETARY'S CIRCULAR NO. 87/104

To: Members of the Executive Board

From: The Secretary

Subject: Report on the Course on Techniques of Economic  
Analysis in Spanish (1987-XII)

Attached for the information of the Executive Directors is a report on the course on techniques of economic analysis (1987-XII), conducted in Spanish from July 13 to September 4, 1987.

Att: (1)

Other Distribution:  
Department Heads

INTERNATIONAL MONETARY FUND

IMF INSTITUTE

Report on the Techniques of Economic Analysis Course in Spanish

(1987-XII)

July 13 - September 4, 1987

Introduction

The course on Techniques of Economic Analysis, conducted in Spanish, was presented over an eight-week period. This course provided an intensive review of analytical concepts and techniques for officials with limited formal training in macroeconomics. Special consideration was given to the needs of officials involved in the compilation of basic data and the preparation and evaluation of reports on current economic problems.

Selection of participants

The Admissions Committee considered 96 applications from 25 member countries. The group that came to Washington to attend the course consisted of 29 participants from the following countries: Argentina (1), Austria (1), Bolivia (2), Brazil (2), Chile (1), Colombia (1), Costa Rica (2), Dominican Republic (1), Ecuador (1), El Salvador (1), Equatorial Guinea (1), Guatemala (1), Guinea-Bissau (1), Honduras (1), Mexico (2), Mozambique (2), Nicaragua (1), Panama (1), Paraguay (1), Peru (1), Spain (1), Uruguay (1), and Venezuela (2) (see Attachment I).

Organization of the course

The course was divided into three sections: (a) a presentation of the principal macroeconomic accounts; (b) an exposition of macroeconomic analysis; and (c) a description of the Fund's policies and procedures. Attachment II lists the topics presented during the course.

The review of macroeconomic accounts covered the national income and product accounts, money and banking statistics, government finance statistics, balance of payments statistics, and their interrelations. The discussion of macroeconomic analysis focused on the determinants of principal aggregates including the effects of major policy instruments, the causes of internal and external imbalances, and the relationships among indicators of economic performance. Important concepts of measurement and quantitative methods, such as the real effective exchange rate and regression analysis, were also discussed. These analytical methods were illustrated by case studies of economic developments in selected



member countries. The sessions on the Fund served to acquaint the participants with the Fund's organization, policies, practices, and its evolving role in the world economy.

Most of the plenary sessions on macroeconomic accounts and analysis were complemented by applied workshops. Participants were assigned to one of three working groups, each led by an Institute staff member. These small groups served as a forum for the review of issues arising in the lectures, and for the preparation and presentation of workshops. Toward the end of the course, participants were asked to review in the working groups economic structure and developments in a member country and to present their assessments in plenary sessions.

During the course 70 sessions were held. These included mainly lectures, workshops, and counseling sessions, but also included video presentations on the 1986 Fund-Bank Annual Meetings and the film "The Fund In Action." The sessions were conducted by the staff of the IMF Institute, except for one lecture given by staff of the Western Hemisphere Department and a presentation made by the External Relations Department. For most topics, background materials were distributed to the participants several days in advance of the session. The summaries and workshops listed in Attachment III were supplemented, where necessary, by selected published material and other Fund documents.

#### Social activities

A reception was given at the Fund on July 16 to welcome the participants, and to introduce them to management, members of the Executive Board, and the staff.

Participants were entertained at luncheons hosted by their Executive Directors, and by the area departments responsible for their countries. In addition, the Institute organized a number of weekend outings, including a visit to New York, and several social gatherings at the Concordia.

Certificates of attendance were presented to the participants at a farewell luncheon on September 4, 1987.

IMF Institute  
September 1987



List of Participants

Course on Techniques of Economic Analysis in Spanish, 1987-XII

	Name	Country	Position and Affiliation
1.	BARBOSA, Paulo Cesar Lage	Brazil	Advisor, Directorate for External Debt Central Bank
2.	BERROCAL, Leonel	Panama	Analyst, Directorate of Financial Economic Advisory Ministry of Finance
3.	CALERO, Rosa H. Bautista (Mrs.)	Ecuador	Director in Charge Monetary Policy Department Directorate of Monetary Policy Central Bank of Ecuador
4.	CAMERO Bernal, Efraín	Colombia	Specialist, External Financing Division National Planning Department
5.	CERRI López, Roberto	Chile	Chief, Coordinating Sector Directorate of the Budget Ministry of Finance
6.	CHOY Chong, Gladys (Miss)	Peru	Chief, Foreign Debt Department Central Reserve Bank
7.	CORDOVA Hernández, Eduvina (Mrs.)	México	Assistant Director for Finance Directorate General of Financial Planning Secretariat of Finance
8.	CUINO, Antonio Gomes	Guinea-Bissau	Technician A3 Organization and Data Processing Directorate National Bank
9.	DIAS, Simão Ciríneu	Brazil	Deputy Chief Monetary Programming Division Economic Department Central Bank



Name	Country	Position and Affiliation
10. EHAPO Bomaho, Julian	Equatorial Guinea	Chief, Financial and Administrative Services Autonomous Amortization Fund Ministry of Finance
11. ERGUETA Lazo, Franklin	Bolivia	Chief, Administration and Finance Department Ministry of Finance
12. FERNANDEZ Román, Enrique	Costa Rica	Economics Assistant Financial Programming Section Central Bank
13. Haar-Stohr, Ingrid (Mrs.)	Austria	Economist, Foreign Research Department National Bank
14. IMAÑA Ugarte, Ismael A.	Bolivia	Administrative and Financial Manager Bolivian Petroleum Company
15. INFANTE, Florencio José	Mozambique	Director, Organization and Methods Department Bank of Mozambique
16. LOPEZ Cortés, Hugo Alberto	Mexico	Chief, Department for Analysis of the External Sector Secretariat of Finance and Public Credit
17. LOPEZ Landaverde, Nelson	El Salvador	Assistant Economist Economic Research Department Analysis and Monetary Programming Section Central Reserve Bank
18. MARTINEZ Pallavicini, Roberto	Nicaragua	Research Economist Directorate for Economic Policy General Directorate of Special Studies Central Bank
19. OLGATI, Susana (Miss)	Argentina	Government Agencies Department Central Bank
20. PASTORA, Orfidia Isabel (Mrs.)	Honduras	Planner and General Coordinator Directorate General of Public Credit Ministry of Finance





Name	Country	Position and Affiliation
21. PULIDO Pernía, Angel Damían	Venezuela	Economist V, Division for Financial Research Central Bank
22. REYES Ovelar, Anibal Teodoro	Paraguay	Analyst, Technical Cabinet Undersecretariat of State Ministry of Finance
23. RIBEIRO, Joana dos Santos (Mrs.)	Mozambique	Director, Accounting Directorate People's Development Bank
24. RODRIGUEZ Grilli, Leonor (Mrs.)	Uruguay	Director, Patrimonial Accounting Department General Accounting Office Ministry of Economy and Finance
25. RODRIGUEZ Jeréz, Rafael	Dominican Republic	Assistant to the Director External Debt Department Central Bank
26. RUESGA Benito, Santos	Spain	Advisor, Secretariat for Economic Affairs Ministry of Economy and Finance
27. SALGUERO Samayoa, Mario	Guatemala	Analyst III, Econometric Research Economic Research Department Bank of Guatemala
28. UMAÑA Chacón, Lidiette (Mrs.)	Costa Rica	Technician, Department of Fiscal Research Directorate General of the Budget Ministry of Finance
29. VILORIA Camero, Marina (Miss)	Venezuela	Economist, Economic Research Directorate Ministry of Finance



List of Topics

Course on Techniques of Economic Analysis in Spanish, 1987-XII

- I.     Macroeconomic Accounts
  - National Income and Product Accounts
  - Monetary Survey
  - Government Finance Statistics
  - Balance of Payments Statistics
  - Interrelations Among Macroeconomic Variables
- II.    Macroeconomic Analysis
  - A.    Behavior of Principal Macroeconomic Aggregates
    - Output and Expenditure
    - Prices, wages and employment
    - Money, Credit and Interest Rates (two lectures)
    - The Budget and Government Financing (two lectures)
    - Trade Policy and Capital Flows
    - Exchange Rates (two lectures)
    - External Debt
    - Terms of Trade and Effective Exchange Rate
    - Fund Supported Adjustment Programs and Economic Growth
  - B.    Concepts of Measurement and Quantitative Methods
    - Income-Expenditure Models
    - Monetary Models and Monetary Approach to the Balance of Payments
    - The Least-Squares Method
    - Interpreting Regression Results
  - C.    Analysis of Economic Developments (7 workshops and 3 participants' presentations)
- III.   Fund's Policies and Procedures
  - Organizational Aspects of the Fund
  - The Fund's Code of Conduct
  - Origins and Uses of Fund Resources
  - International Liquidity and Special Drawing Rights
  - The 1986 Fund-Bank Annual Meetings
  - Recent Evolution of the International Monetary Fund



List of Documents

Course on Techniques of Economic Analysis in Spanish, 1987-XII

Summaries and Workshops

Section I

INST/87-XII/I-1	National Income and Product Accounts
INST/87-XII/I-5	Interrelation Among Macroeconomic Accounts

Section II-A

INST/87-XII/II-A-1	Output and Expenditure
INST/87-XII/II-A-2	Prices, Wages and Employment
INST/87-XII/II-A-3	Money, Credit and Interest Rates
INST/87-XII/II-A-4(a)	The Budget and Government Financing: Impact of the Budget in the Economy

Supplement

INST/87-XII/II-A-4(b)	The Budget and Government Financing: Fiscal Policy and Balance of Payments
INST/87-XII/II-A-5	Trade Policy and Capital Flows
INST/87-XII/II-A-6(a)	Exchange Rates: Determinants of Exchange Rates
INST/87-XII/II-A-6(b)	Exchange Rates: Exchange Rate Policies in Developing Countries
INST/87-XII/II-A-7	External Debt
INST/87-XII/II-A-9	Fund Supported Adjustment Programs

Section II-B

INST/87-XII/II-B-1	Income-Expenditure Models
INST/87-XII/II-B-2	Monetary Models and Monetary Approach to the Balance of Payments
INST/87-XII/II-B-3	The Least-Squares Method
INST/87-XII/II-B-4	Interpreting Regression Results

Section II-C

INST/87-XII/II-C-1	Analysis of Economic Developments: Chile
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Section III

INST/87-XII/III-1	Organizational Aspects of the IMF
INST/87-XII/III-2	The Fund's Code of Conduct
INST/87-XII/III-3	Origins and Uses of Fund Resources
INST/87-XII/III-4	International Liquidity and the SDRs
INST/87-XII/III-5	The Fund-Bank Annual Meetings: Film Presentation
INST/87-XII/III-6	Recent Evolution of the International Monetary Fund



Workshops

INST/87-XII/TP-I-2	Monetary Survey
INST/87-XII/TP-I-3	Government Finance Statistics
INST/87-XII/TP-I-4	Balance of Payments Statistics
INST/87-XII/TP-I-5	Interrelations Among Macroeconomic Accounts
INST/87-XII/TP-II-A-1	National Income and Product Accounts
INST/87-XII/TP-II-A-2	Prices, Wages and Employment
INST/87-XII/TP-II-A-3	Money, Credit and Interest Rates
INST/87-XII/TP-II-A-4	Budget and Government Financing
INST/87-XII/TP-II-A-5	Trade Policy and Capital Flows
INST/87-XII/TP-II-A-7	External Debt
INST/87-XII/TP-II-A-8	Exchange Rate
INST/87-XII/TP-II-B-1	Income and Expenditure Models
INST/87-XII/TP-II-B-2	Monetary Models
INST/87-XII/TP-II-B-3	The Least-Squares Method
INST/87-XII/TP-II-B-4	Interpreting Regression Results

Fund Publications

Annual Report 1986.

A Manual on Government Finance Statistics (Draft), June 1974.

Articles of Agreement, April 1978.

Balance of Payments Manual, Fourth Edition, June 1977

Government Finance Statistics Yearbook 1986.

International Finance Statistics Yearbook 1986.

International Finance Statistics Yearbook, July 1987.

External Indebtedness of Developing Countries, Occasional Paper 3.

Guide to Money and Banking Statistics.

Coordination of National Economic Policies, Occasional Paper 7

A Review of the Fiscal Impulse Measure, Occasional Paper 44.

Fund Supported Programs, Fiscal Policy, and Income Distribution, Occasional Paper 46.

World Economic Outlook, April 1987.

de Larosière, J., Does the Fund Impose Austerity?, June 1984.

a. Pamphlet Series

Technical Assistance and Training Services of the International Monetary Fund, Pamphlet No. 43, 1985.

Chandavarkar, Anand G., The International Monetary Fund: Its Financial Organization and Activities, Pamphlet No. 42, 1984.

Goreux, Louis M., Compensatory Financing Facility, Pamphlet No. 34, 1980.

Gutián, Manuel, Fund Conditionality: Evolution of Principles and Practices, Pamphlet No. 38, 1981.

Hooke, Augustus W., The International Monetary Fund: Its Evolution, Organization, and Activities, Pamphlet No. 37, 1982.

Høst-Madsen, Poul, Macroeconomic Accounts: An Overview, Pamphlet No. 29, 1979.





b. Departmental and Staff Memoranda, and Working Papers

DM/74/106	Budget Deficit Financing, Economic Impact of Alternative Forms.
DM/77/84	Balance of Payments Aspects of Tax Incentives and Tax Reliefs.
DM/80/7	Fiscal Content of Financial Programs Supported by Stand-By Arrangements in the Upper Credit Tranches, 1969-78.
DM/83/44	Fiscal Deficits and Balance of Payments Disequilibrium in IMF Adjustment Programs.
SM/82/8	Exchange Rate Policies in Developing Countries.
SM/85/150	Chile - Recent Economic Developments.
SM/86/162	Theoretical Aspects of the Design of Fund-Supported Adjustment Programs.
SM/87/43	Protection and Liberalization - A Review of Analytical Issues.
SM/87/67	Recent Experience of Developing Countries With Floating Exchange Rates: Auction and Interbank Markets.

c. Articles and Selected Documents

INST/Doc. No. 86-S	Factors Determining Exchange Rates: A Simple Model and Empirical Tests (Thomas M. Humphrey and Thomas A. Lawler, <u>Economic Review</u> ).
INST/Doc. No. 87-S	Gestión de la deuda externa y políticas de balanza de pagos.
INST/Doc. No. 249-S	The Purchasing Power Parity Doctrine (T. Humphrey, <u>Economic Review</u> , Federal Reserve Bank of Richmond, Vol. 65, No. 3, May/June 1979).
INST/Doc. No. 325-S	Efectos fiscales sobre la demanda agregada y el empleo (Richard A. Musgrave, Peggy B. Musgrave, <u>Hacienda Pública Teórica y Aplicada</u> ).
INST/Doc. No. 334-S	Devaluation and Economic Stabilization in Selected Latin-American Countries (IMF, Antonio Gómez-Oliver. 1985).
INST/Doc. No. 349-S	Managing Extended Debt in Developing Countries, <u>Finance and Development</u> , IMF, September 1980.



- INST/Doc. No. 356-S La deuda externa y los problemas financieros de América Latina (Carlos Maesad, Revista de la CEPAL, No. 20).
- INST/Doc. No. 359-S Domestic and External Causes of the Latin American Debt Crisis (Eduardo Wiesner, Finance and Development, March 1985).
- INST/Doc. No. 360-S Formulation of Exchange Rate Policies in adjustment Programs (IMF, G. G. Johnson and others, Occasional Paper 36).
- INST/Doc. No. 369-S Interrelaciones económicas básicas---el marco macroeconómico (IMF Institute).
- INST/Doc. No. 375-S Devaluation in Developing Countries: The Difficult Choices (Karim Nashashibi, Finance and Development, Vol. 20, No. 1, March 1983).
- INST/Doc. No. 381-S A Survey of the Literature on the Optimal Peg (Journal of Development Economics, pp. 39-61, North Holland Publishing Co. 1982).
- INST/Doc. No. 396-S Cuadro ilustrativo de las cuentas de ingreso y producto interno (IMF Institute).
- INST/Doc. No. 397-S Tentative List of Topics (IMF Institute).
- INST/Doc. No. 398-S Output and Expenditure (IMF Institute).
- INST/Doc. No. 399-S El problema de la deuda externa visto desde América Latina (Alejandro Foxley, Colección de estudios CIEPLAN, No. 18, Estudio No. 109. Diciembre 1985).
- INST/Doc. No. 400-S Deuda externa y crisis: el ocaso de la gestión ortodoxa (Robert Devlin, Revista de la CEPAL, No. 27).
- INST/Doc. No. 401-S Orígenes y efectos del endeudamiento externo en Chile (El Trimestre Económico, Mexico, January-March 1987).
- INST/Doc. No. 402-S Un estudio de la medida del impulso fiscal (IMF, Peter S. Heller, Richard D. Haas y Ahsan S. Mansur, Occasional Paper 44).

#### Books

- Argandoña, Antonio., La teoría monetaria moderna. De Keynes a la década de los 80. (Lared. Barcelona: Ed. Ariel, 1981).
- Bléjer, Mario I., Ensayos sobre el enfoque monetario de la balanza de pagos (CEMLA, México, D.F. 1982).
- Branson, William H., Teoría y política macroeconómica, (Fondo de Cultura Económica, México, primera ed. en español 1978, 3a. reimpresión, 1983).



Cortazar, René, Políticas macroeconómicas: una perspectiva latinoamericana (CIEPLAN 1986, Santiago, Chile, Alfabeta Impresores, Lira 140, Santiago, Chile).

Dornbusch, Rudiger, La macroeconomía de una economía abierta, (Imprenta Clarasó, Barcelona, 1981).

Ffrench-Davis, Ricardo, Economía internacional, (primera ed., 5a. reimpresión 1985).

Heller, H. Robert, Economía monetaria internacional, (Madrid, Ed. Tecnos, 1977).

Laidler, David, La demanda de dinero (segunda ed. revisada. Barcelona: Ed. Antoni Bosch, 1981).

Musgrave and Musgrave, Finanzas públicas: teoría y práctica (Spain).

Squire, Lyn and Herman G. van der Tak, Análisis económico de proyectos (Banco Mundial, Editorial Tecnos, S.A., Madrid. 1987).

