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FISCAL FEDERALISM IN CRISIS: LESSONS FOR EUROPE FROM THE US

ZSOLT DARVAS

Highlights

- [illegible]
- A [illegible]
- C [illegible]
- [illegible] E [illegible] 60 [illegible] GD [illegible]

[illegible]

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FISCAL FEDERALISM IN CRISIS: LESSONS FOR EUROPE FROM THE US

ZSOLT DARVAS, JULY 2010

1 INTRODUCTION

[redacted]

2 CENTRALISATION, REDISTRIBUTION, AUTONOMY AND COMPETITION

E 2 : - , . A 40 - . , (G , 2009; B , 2009).

E E . E - [2] , .

F 2 3 - E [3].

3 CRISIS PREVENTION AND MANAGEMENT

[illegible] E [illegible] E [illegible]. F [illegible] : [illegible]

1 Fiscal rules: [illegible] E / [illegible] 36 [illegible] 10 [illegible] (N [illegible] C [illegible], 1999; [illegible] 2004). [illegible] F [illegible] 1 [illegible], CD [illegible] [illegible] B [illegible] 2008, [illegible] CD [illegible] G [illegible]. C [illegible] $2.6 [illegible] 2009, [illegible]

[illegible] 2010 [illegible] 22 [illegible] (F 5)[7] [illegible] 9.3 [illegible] 33.0 [illegible] (F, 2009; [illegible], 1998): [illegible] D [illegible] /GD [illegible] 2010 [illegible] 19.0 [illegible] 124.9 [illegible] G (E C [illegible], 2010). H [illegible] /GD [illegible] E [illegible] B [illegible] E [illegible] ?

3 Federal stabilisation policy may help to avoid pro-cyclicality: [illegible] N [illegible] (2010) [illegible] 3 [illegible] A [illegible] A (A A), [illegible]

7. D [illegible] 63 [illegible] 94 [illegible]

D [illegible] 1(14.2( )2.2(,) [illegible] 0.0135 [illegible] 8.5( )8.12)20(1982)22( )17. 1(38)20(1989,)11.2( )132( )17.1(8(( )7.)43) 1(1995.8

4 No orderly default mechanism:

5 No bail-out from the centre:

6 No option to devalue the currency and to inflate the debt:

3 It would have reduced the scope for state-level crises through stricter pre-crisis state-level fiscal rules.

4 It would have helped to strengthen the euro-area banking industry and to introduce euro-area-wide banking-resolution schemes.

4.3 How do the euro area's fiscal architecture reform plans stand up in the light of the US example?

C 60 E -
(E) -
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3 A ECB -
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4 -
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- ,
E .

N , EF F ECB
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E , , .
E , G , EF F
E , , -
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[13]. B
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E .

A , ECB
G , -
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. B ECB
5( )22(4)20(.4( ))19.1.1( )22(3)20(.4( )32.3)8.81.5(0.2( )14.4( ))16.8( )17.1( )2.3(.2( )14)2 0.2

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B , (2010) C 62(,) + .5620

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, B , -F A (2010) C , , , B B
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, (1998) D D E N F F ? A F , E
13(26)
N , E , N (2010) C B B ; C
, C B , , :// . . / . ? = & = 711, 27
, (2010) E : A , CE I N . 48, 2010
N C (1999) B B ,
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ECD (2010) ECD E ,
, E (2009) F D B C : A E
F , E & 22(1)
, . (2004) B : , ,
:// . . ? = 651
- , (2007) F G : C F D ? , ECD
J B 6(3)
, N (2010) E B G E C ,

APPENDIX:

Regional codes for Figure 4A

European Union

A A
BE B
BG B
C C
C C
DE G
D D
EE E
E
F F
F F
G G
H H
E

USA

A A
A A
A A
A A
CA C
C C
C C
DC D
DE D
F F
GA G
H H
A
D
N

N N
H
E
C C
D D
N
A