***Strategic Public Finance***

***B 1.2.5.2.1***

**Degree:** Master

**Year:** 2

**Semester:** Fall

**General workload**: 3 ECTS credits, 108 hours

**Goals and objectives of the course**

The course goal is to help master students acquire knowledge of the medium-term and long-term budget planning and the impact made by it on the social and economic development of various countries.

The objectives of the course are the following:

* To describe a range of best practices gained in various countries in medium-term and long-term budget planning and expanded balance sheet compilation;
* To ensure understanding of and detailed knowledge of methods of forecasting of key macro-assumptions in budget planning, consensus and non-typical indicators in the budget sector;
* To identify the impact made by the budget planning on the medium-term and long-term social and economic development of the country at large, of certain elements of the public finance system and budget areas.

**Key didactic units**

1 Retrospective and long-term trends related to conventional parameters of public budgeting system

2 Unconventional measures in the public sector

3 Balance sheet in the public sector, nominal and shadow assets and liabilities

4 Key social and economic assumptions for medium- and long-term public budgets

5 Medium- and long-term impact of public budget upon economic development

6 Public debt sustainability and sovereign defaults

7 Growing non-typical sources of government revenues

8 Aging population and social expenditure reforms

9 Sovereign funds and economic cycles and structural disproportions

10 State-run enterprises and monopolies as alternatives to public budgets

**Place of the discipline within the curriculum**

The course is an elective in the curriculum of master program 38.04.08 in Finance and Lending (concentration: Public Financial Management).

**Upon completing the course, the students should**:

*Know:*

* The key macro-assumptions and medium- and long-term public budget indicators;
* Public sector key indicators’ history and development prospects and expanded government balance sheet items;
* The key historic examples of sovereign default, their fundamental causes and triggers, the way the causes and triggers behave today;
* The key areas of reforms related to budget revenue and expenditure;
* The composition and purpose of sovereign funds, state-run enterprises and monopolies;

*Be able to:*

* Search online for the data associated with the G20 countries’ medium-term and long-term budgets, examine the key indicators and make conclusions concerning sovereign credit ratings;
* Professionally examine documents of the G20 countries’ financial institutions related to budget reform;
* Search for data related to G20 countries’ government assets in state-run enterprises and sovereign funds;

*Have:*

* Skills in expanded government balance sheet compilation, medium- and long-term budget compilation when interacting with Russia and other countries using dozens of key indicators;
* Skills in systemic analysis of the countries’ attractiveness for investment and its sovereign bond risks in the medium and long term;
* Skills in handling challenges and discrepancies faced by Russia and other countries within the fiscal policy adjustment requirements using analogous materials based on strategic budget documents of certain G20 countries.

**Course structure**

Express testing (15 points), examination of test questions and mini case studies during seminars (15 points), essay (10 points), examination (60 points) (100 points in total).

**Summative assessment**: pass/fail examination