

Econ Club – The Office for Budget Responsibility – David Miles

Questions for Further Discussion/Debate

1. Ageing populations might affect a country's ability to sustain its finances in the long run. How do you think demographic trends could influence government spending decisions?
2. With healthcare spending expected to rise significantly, what challenges do you foresee for public finances? How might governments effectively prepare for and manage these financial pressures?
3. What do you see as the broader economic and social consequences of choosing to raise taxes or reduce government spending to achieve fiscal balance? Which approach do you believe is more viable for maintaining long-term fiscal health?
4. When governments face fiscal constraints, they have to make tough choices. What kind of trade-offs come into play, and how might these decisions affect the well-being of the public?
5. Considering the difficulty of predicting long-term economic trends, especially with unexpected events like pandemics, how much faith should we place in these forecasts?
6. What kind of innovative strategies could governments employ to tackle the financial implications of demographic shifts and growing healthcare demands? Feel free to think outside the box, considering both policy measures and technological advancements.
7. How crucial do you believe institutions like the Office for Budget Responsibility are in guiding governments through fiscal sustainability challenges? Discuss their effectiveness and potential impact on shaping fiscal policies.
8. Reflect on the ethical dimensions of fiscal decisions made today and their implications for future generations. How can policymakers ensure their strategies are both equitable and sustainable?
9. How does public sentiment influence the government's fiscal policy choices, particularly when it comes to sensitive issues like tax hikes or budget cuts? Discuss potential ways governments can garner public support for tough but necessary fiscal measures.

Source Based Questions

Read through the source below prior to answering the question.

[These countries are most ready to deal with ageing populations](#) - Berkeley Economic Review

1. Evaluate the extent to which Japan's policies mentioned in the source will be more effective at addressing the fiscal issues related to an ageing population.

General Questions

1. Evaluate the sustainability of the state pension system in the face of demographic shifts. What reforms might be necessary to ensure the long-term viability the state pension?
2. Discuss the ethical considerations of accumulating public debt to finance current spending needs. What are the potential impacts on future generations, and how can governments address these concerns?
3. Explain the role of the Office for Budget Responsibility (OBR) in the context of fiscal policy making. How does the OBR's work influence government decisions on spending, taxation, and borrowing?
4. Analyse the concept of fiscal sustainability. What indicators does the OBR use to assess the long-term fiscal health of the economy, and why are these indicators important?
5. Discuss the trade-offs involved in fiscal policy decisions, especially in relation to managing public debt and funding public services. How do these trade-offs impact economic growth and societal welfare?
6. Analyse the role of the Office for Budget Responsibility during economic crises. How does the OBR's analysis and forecasting help in shaping responsive and effective fiscal policies during such times?
7. Discuss strategies for managing public debt in the context of fiscal sustainability. What role does the OBR play in advising on debt management, and what are the implications of high public debt levels for future economic policy?

8. Evaluate the implications of fiscal policy decisions on social equity. How can governments use fiscal policy to address inequalities without compromising fiscal sustainability?

Further Reading

- [Fiscal Risks and Sustainability](#) – July 2023 – Office for Budget Responsibility (David Miles has drawn on themes from this report to develop his presentation)
- [Office for Budget Responsibility Explainer](#) – Institute for Government
- [In Defence of the OBR](#) – Ben Ramananaskas, Bennett Institute for Public Policy