Economic Modeling Webinar (DRAFT)

“A Nontechnical Overview of Economic Modelling Tools for Public Policy and Impact: Morphing Knowledge into Practice”
6 October 2020

Time: 11:00 am – 01:00 pm (GMT+03:00, Beirut time)
You can add you’re your local time here: https://www.timeanddate.com/worldclock/converter.html?iso=20200611T180000&p1=34&p2=87

Logistics: The webinar will be conducted in English on Webex:
Insert link on the date
Participants will be able to live stream the webinar on Youtube.

Facilitator: Ms. Nathalie Khaled, Economic Affairs Officer, UNESCWA

Speakers: Experts from UNESCWA, the Egyptian and Tunisian government and international experts in the field of Computer General Equilibrium Modeling

Target audience: Governmental representatives, policymakers and those with a general interest in economic policy and modelling
The webinar will be open to the public and run live on Youtube.

Background and relevance of the subject: The Covid-19 pandemic has taken the world by a storm and has propagated immeasurable human suffering. It threatens to adversely affect the world’s progress towards the UN Sustainable Development Goals (SDGs), plunging millions into extreme poverty and impeding the many from leading a dignified life. In the new normal brought on by the pandemic, it is ever more pressing for governments to bridge the gap between theory and practice to achieve the SDGs. This is particularly true for governments in developing countries that lack the necessary resources, social nets and fiscal space to mitigate the impact of the current crisis. However, governments worldwide are actively protecting their citizens and businesses by implementing policies that promote sustainable and inclusive economic prosperity.

In recent years, governing bodies have been revisiting the mechanisms behind the formulation of policies, the assessment of policy choices and their impact. This growing demand for more evidence-based decisions is
enabling a thorough and systematic approach to policymaking. To put in
simple terms, evidence-based policymaking is defined by the Overseas
Development Institute as “a discourse or set of methods which inform
the policy process, rather than aiming to directly affect the eventual
goals of the policy” (Court, J. & Sutcliffe, S., 2005).

The leveraging end of economic models lies within the simplified
representations of reality. Such models help us to better “visualize, predict,
optimize, regulate and control complex systems” (Calder, M. et al., 2018).
Thus, integrating economic models in policy formulation and evaluation
paves the way for strategic evidence-based policymaking.

Building on this notion, the use of evidence in policy dialogue and
implementation can “save lives, reduce poverty and improve development
performance in developing countries’” (Court & Sutcliffe, 2005).
As evidence-based policymaking is less well-established in developing
countries, it has the potential to have far greater impact.

If the COVID-19 pandemic taught the world one thing, it is that the
systems that we depend on to survive are more vulnerable than previously
believed. Governments that were able to successfully cope with the crisis
put evidence-based policymaking at the forefront of their response. Once
the initial threat has passed, it is crucial for governments to continue with
policies targeted at redressing the economy, which particularly support the
most marginalized segments of the population.

The webinar aims to raise awareness on the tools out there that can provide
guidance to governments and policymakers in creating more stable and
resilient systems through the effective design of policies. This would serve
as safeguards for unanticipated disruptions. Also, ESCWA’s modelling
toolbox will be presented, along with how these tools can guide us through
a faster economic recovery from the present COVID-19 crisis with an
emphasis on Computable General Equilibrium Modelling. This will be
highlighted by Governmental representatives from two Member States who
are keen on sharing their personal experience regarding economic
modelling in the field of policymaking.
Agenda:

**Session 1** (15 minutes total)

**Introductory remarks: Why economic models?**

What are modelling techniques good for?

- Explore what it means to adopt economic models to navigate through uncertainty, and improve public policy and dialogue
- Understand why economic models are needed in times of crisis
- Raise awareness on how modeling can help mitigate the impact of Covid-19 and future risks.

**Objective:** Recognize the benefits and challenges in the Arab Region regarding evidence-based policymaking.

**Speaker:** Mokhtar El Hacene, Director of the Economic and Integration Division, UNESCWA

**Session 2 First-hand country-specific experience from the Arab Region** (minutes total – 10 minutes per speaker)

- Member States Tunisia, Egypt and Jordan will share their personal experience in regards to Computable General Equilibrium (CGE) models built in partnership with ESCWA, and Lebanon in regards to a World Bank CGE model.

**Objective:**

- Learn about what other member States are doing to deal with disaster and crisis
- Learn about the challenges and benefits of integrating economic models within local institutions
- Get an overview of how CGE modeling is used to assess the impact to changes in policy, shocks or other external factors on the economy & Social Groups
- Recognize how CGE modelling can aid in the design of alternative policy design through evidence-based analysis.

**Case A: CGE for COVID-19**

**Tunisia:** How CGE was used to assess the impact of COVID-19 and develop a recovery plan

**Speakers:** Ministry of Finance in Tunisia

**Jordan:** How CGE was used to assess the impact of COVID-19 and develop a recovery plan

**Speakers:** Ministry of Planning and International Cooperation in Jordan

Mr. Bassem Kanan <Basem.Kanan@mop.gov.jo>

& Mr. Hadram Al-Fayez <Hadrarn.Al-Fayez@mop.gov.jo>
**Egypt:** How CGE was used to assess the socio-economic impact of COVID-19

**Case B:** CGE for conflict affected areas

**Libya:** How CGE was used to assess the impact of war on Libya and neighboouring countries (emphasis on national and regional gains)

**Speakers:** Tarek al Alami

**Case C:** CGE to mitigate the impact of a disaster

**Lebanon:** How CGE was used to assess the impact of the Amoium Nitrate explosion at the Beirut port on the 4th of August 2020, along with the multitude of crises the country is struggling with. (emphasis on CGE for emergency response)

NB The CGE model used is that of the Wolrd Bank

**Session 3** (20 minutes total – 10 minutes per speaker)

**Regional and International Cooperation in the field of economic modelling**

- Demonstrate how one can foster strategic partnerships with other institutions
- Demonstrate how one can partner with other instructions and UN country teams

**Objective:**

1. Present what contributes to successful and sustainable long-term solutions with partners
2. Provide two brief case studies: CGE Interface training with US Aid in Tunisia and UNICEF in Jordan

**Speaker:** Mr. Mohamed Ben Abdalla, Deputy Tax Policy Team Leader, USAID & Manuel Rodriguez Pumarol, Chief of Jordan’s Social Protection section, UNICEF

**Session 4** (20 minutes)

**The heart of: What we do and how we do it**

- A quick look inside ESCWA’s Modeling Toolbox: Basic dimensions and function of 5 UNESCWA economic models
- An examination of different dimensions: macroeconomic, trade, SDG, gender equality, financing costs, gender based violence, fiscal estimations, etc
- ESCWA’s roadmap to building national and regional technical capacity for economic modeling

**Objective:**

1. Understand the different conditions under which CGE modelling can bring benefits to your national and regional institutions.
2. Provide a brief non-technical overview of UNESCWA’s Economic Modeling Toolbox
3. Encourage Member States to adopt a consortium of economic models by building technical capacity, and improving the quality of decision-making and policy design

**Speaker:** Mr. Hedi Bchir, Chief of the Modeling and Forecasting Section, UNESCWA & Mrs. Natalie Khaled, Economic Affairs Officer, UNESCWA

**Session 5 (20minute)**

**Q&A**

- Questions will be received in advance by participants through the registration form and collected during the webinar in the Youtube comment section
- Question will be addressed by Mr. Mokhtar El Hacene and Mr. Hedi Bchir