


## *Preface*

Populations in many OECD and emerging economies are ageing rapidly and this will have significant macroeconomic impacts, including on public expenditures and tax revenues. The rules and practices that govern fiscal relations among different levels of government, such as their responsibilities for taxation, spending and debt management, have a bearing on economic efficiency and ultimately on growth. Understanding how demographic changes interact with these practices to affect fiscal risks at multiple levels of government is critical for policymakers to prepare for and improve outcomes.

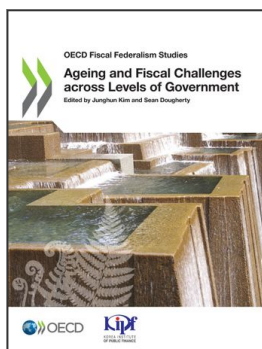
The consequences of population ageing at subnational government levels can be particularly intense, with many local governments vulnerable to the ageing of their populations from a fiscal perspective. The economic and fiscal challenges of an ageing population go beyond intergovernmental boundaries and require complex policy responses. In order to make fiscal frameworks “ageing resilient”, countries require coherent fiscal strategies that focus on tax and spending reforms, with a whole-of-government approach that brings together central governments, as well as sub-central governments. Re-designing fiscal frameworks to deal with these vulnerabilities is essential to make our economies more sustainable going forward. These policy challenges continue to be discussed at the G20 and among OECD members, and are particularly difficult in light of the on-going COVID-19 crisis.

The present volume on ageing and fiscal challenges across levels of government brings together cross-country analyses of fiscal policy, demographics and spatial productivity, as well as country studies of Brazil, Canada, China and Germany. The collection of analyses also builds upon prior joint studies that have been produced between the Network on Fiscal Relations across Levels of Government and the Korea Institute of Public Finance (KIPF). Known as the OECD Fiscal Federalism Series, these joint studies have had an important impact for policymakers.



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