



USC GLOBAL LEADERSHIP SUMMIT 2016

Government Financial Transparency, Accountability, & the European Economic Crisis: Paths to Prosperity

Sponsored by:

University of Southern California Martens Economic History Forum
Linda and Harlan Martens

University of Southern California Leventhal School of Accounting
University of Southern California Huntington Early Modern Studies Institute
University of Southern California Dornsife College of Letters, Arts and Sciences
The Charles & Agnes Kazarian Foundation

29-30 April 2016, Los Angeles, CA

USC Global Leadership Summit is Broadcast LIVE and ARCHIVED at
<http://mostimportantreform.info/uscs Summit.html>

USC Global Summit Agenda

April 29, 2016 - Friday

8:30 – 9:00 Registration/Breakfast

09:00 – 9:02 *Introduction*

Nicco Mele, Master of Ceremonies (USC Annenberg School of Journalism; Harvard Kennedy School)

9:02 – 9:17 *Welcome and Opening Remarks*

Dean William Holder (University of Southern California Leventhal School of Accounting)

9:17 – 9:30 *Day One Opening Comments*

Jacob Soll (University of Southern California)

Recommended Readings: “The Reckoning: Financial Accountability and the Rise and Fall of Nations” 2014, Soll, Jacob.

9:30 – 9:50 *The Vital Role of the Comptroller General of the U.S. Government Accountability Office and the US Government Independent Auditor’s Report*

Presenter: David Walker (PwC)

Recommended Readings:

- USC Summit Presentation Slides
- 2015 Independent Auditor’s Report

9:50 – 10:10 *A Day in the Life of a Government Decisions: Impact on Net Worth*

Presenters: Ian Ball (CIPFA)

Recommended Readings:

- USC Summit Presentation Slides
- Government of New Zealand 2015 Financial Statements

10:10 – 10:30 *Country Perspectives on Adoption of International Accounting Standards and Publishing an Opening Balance Sheet*

Presenter: Gerhard Steger (former Austrian Budget Director)

Recommended Readings:

- USC Summit Presentation Slides
- Austrian Federal Government Annual Report 2013

10:30 – 10:50 Coffee Break

10:50 – 11:15 *Lessons from Greece: The MACC Framework*

Presenter: George Serafeim (Harvard Business School)

Recommended Readings:

- USC Summit Presentation Slides
- “Greece’s Debt: Sustainable?” Harvard Business School Case Study, June 2015

11:15 – 12:00 *Bringing Western Democracy Government Financial Transparency to Greece*

Presenter: Paul B. Kazarian (Japonica Partners)

Recommended Readings:

- USC Summit Presentation Slides
- Slide Presentation to the Financial Times, January 2016
- Slide Presentation to the London School of Business, December 2015

12:00 – 12:50 Lunch

Welcome Address

C. L. Max Nikias (President, University of Southern California)

12:50 – 13:00 USC Global Leadership Summit Photograph

13:00 – 13:20 *Insights into the UK Institutions and Key Processes In Government Financial Transparency and Accountability*

Presenter: Ian Carruthers (IPSASB)

Commenter: Paul Thompson (IFAC)

Recommended Readings: USC Summit Presentation Slides

13:20 – 13:50 *Center Left Manifesto for Government Financial Transparency and Accountability*

Presenters: Ed Balls (Harvard Kennedy School, British Labor Party)

Commenter: Ian Carruthers (IPSASB)

Recommended Readings: United Kingdom Whole of Government Accounts 2015

13:50 – 14:20 *IMF Ten Best Practices Yet to be Applied to the Greece Program*

Presenter: Dimitri Tzanninis (former IMF Senior Economist and Greece Ministry of Economy and Finance)

Recommended Readings: USC Summit Presentation Slides

14:20 – 14:50 *Examples of Fiscal Illusions Perpetrated by Governments in Financial Reporting*

Presenters: Timothy Irwin (former Senior Economist, IMF)
Peter Welch (ECA)

Commenter: David Walker (PwC)

Recommended Readings:

- “Accounting Devices and Fiscal Illusions”, IMF, 28 March 2012.
- Consolidated Annual Accounts of the European Union, 2014.

14:50 – 15:10 *25 Years of Fiscal Transparency Code and Standards: An Economist’s Reflection*

Presenter: Marco Cangiano (former IMF)

Recommended Readings: “Fiscal Transparency, Accountability, and Risk” (August 2012)

15:10 – 15:30 Coffee Break

15:30 – 15:50 *Trust and Confidence Only Through Transparency and Accountability*

Presenter: Martin Manuzi (ICAEW)

Recommended Readings: “Trust in Public Finances: A Survey of Citizens in Ten European Countries”, ICAEW and PWC

15:50 – 16:10 *Insights into Using Government Financial Statements (AUS, CAN, FRA, ISR, NZL, CHE, GBR, USA) to Understand Government Financial Performance*

Presenter: Frans Van Schaik (Deloitte)

Recommended Readings: Eight global benchmark financial statements

16:10 – 16:30 *Using International Transparency Standards to Understand the Impact of the 2012 Greece PSI/OSI on the 2015 Debt Burden*

Presenter: Evangelos Venizelos (former Deputy Prime Minister and Minister of Finance of the Hellenic Republic)

Commenter: Gabriele Giudice (European Commission) [*Pending Third Programme*]

Recommended Readings:

- USC Summit Presentation Slides
- “State Transformation and the European Integration Project: Lessons from the financial crisis and the Greek Paradigm” CEPS, 4 Feb 2016
- “Bringing Western Democracy Government Financial Transparency to the OSI-PSI”, E-Kyklos, 12 April 2016

16:30 – 16:50 *CEPS Task Force on Transparency and Fiscal Performance*

Presenters: Daniel Gros (CEPS)

Recommended Readings: “Proposal for CEPS Task Force on Transparency and Fiscal Performance Assessment”, CEPS, 2016 (Draft)

17:30 – Drinks Reception

18:00 – Dinner

April 30, 2016 – Saturday

8:30 – 9:00 Breakfast

09:00 – 9:05 Greeting

Day Two Introductory Comments

Jacob Soll (University of Southern California)

09:05 – 09:25 *Starting a “Super Boost” of the Greek Economy*

Presenter: George Serafeim (Harvard Business School)

Recommended Readings: USC Summit Presentation Slides

09:25 – 09:50 *Greece Government Working Draft Balance Sheet and Analysis of Third Programme Debt Relief*

Presenters: Christopher Magarian (Japonica Partners)

Marios Psaltis (PwC)

Recommended Readings:

- USC Summit Presentation Slides
- “The Curious Case of the Rules for Calculating Debt Relief: A Technical Note on EU Accounting for Debt, Especially Restructured and Concessional Debt.” September 2015. Ball, Ian
- “Greece's Bailout Package: Missing IPSAS?” The Accountant. September 2015. Tornero, Carlos
- “Greece’s New Agreement with Europe: Is This Time Different?” Intereconomics. September/October 2015. Pelagidis, Theodore and Kazarian, Paul B.

09:50 – 10:15 *The Brutal Truth about Greece and Europe*

Presenter: James Galbraith (University of Texas at Austin)

Commenter: George Serafeim (Harvard Business School)

Recommended Readings: "Welcome to the Poisoned Chalice: The Destruction of Greece and the Future of Europe" 2016, Galbraith, James.

10:15 – 10:35 Coffee Break

10:35 – 11:45 *Credit Rating Agency Use of Balance Sheet Numbers in Sovereign Ratings*

Panelists: Fergus McCormick (DBRS)

Thomas Missong (European Association of Credit Rating Agencies)

Vincent Truglia (former Moody's)

Paul Kazarian (Japonica Partners)

Moderator: Ian Ball (CIPFA)

Recommended Readings: USC Summit Presentation Slides – Integrating Government Financial Management Processes and Financial Statements into the Sovereign Rating Framework

11:45 – 12:45 Lunch *The Role of Government Financial Transparency and Accountability in Western Democracy – A Senior EU Policy Maker’s Perspective*

Presenter: Jörg Asmussen (former ECB and German Ministry of Finance)

12:45 – 14:00 *Perspective from Greek Leadership on Western Democracy Government Transparency and the Path to Prosperity*

Keynote Presenters: Franciscos Koutentakis (Hellenic Republic Ministry of Finance)
Iannis Mourmouras (former Deputy Finance Minister of Greece;
University of Macedonia)
Christos Staikouras (Member of Hellenic Parliament; Former
Alternate Minister of Finance)
Haris Theoharis (Member of Hellenic Parliament)

Moderators: Paul B. Kazarian (Japonica Partners)
Nikos Vettas (IOBE, Athens University of Economics and Business)

14:00 – 14:20 *Insights into the Annual Green Budget Review of the UK Whole of Government Accounts and Budget*

Presenter: Martin Manuzi (ICAEW)
Recommended Readings: IFS Green Budget, Chapter 4 Whole of Government Accounts:
An ICAEW Assessment

14:20 – 14:40 *A Status Report on the Global IFRS Project*

Presenters: Nicolas Veron (Bruegel and the Peterson Institute)
Recommended Readings:

- USC Summit Presentation Slides
- Statement prepared for the EU Parliament Ecofin Committee Public hearing, Brussels, 1 Dec 2015

14:40 – 15:00 *Using Balance Sheets to Analyze and Manage to Create Value, Especially with Non-Financial Assets*

Presenter: Dag Detter (former Stattum; Detter & Co)
Recommended Readings: “The Public Wealth of Nations: How Management of Public Assets Can Boost Or Bust Economic Growth” 2015, Detter, Dag.

15:00 – 15:20 Coffee Break

15:20 – 15:40 *Accounting Reform and Fiscal Management: The Portuguese Case*

Presenter: Luis Viana (Portugal Ministry of Finance)
Recommended Readings: USC Summit Presentation Slides

15:40 – 16:00 *Thoughts into New Economic Thinking Multi-Disciplinary Non-Economist Collaboration*

Presenters: Anatole Kaletsky (INET, Gavekal Dragonomics)
Recommended Readings: TBD

16:00 – 16:20 *Maastricht 2.0: Safeguarding the future of the Eurozone*

Presenter: Volcker Wieland (German Council of Economic Experts)
Recommended Readings: USC Summit Presentation Slides

16:20 – 16:40 *Flawed Fiscal Federalism and the Eurozone Crisis*

Presenters: Dan Kelemen (Rutgers University)
Recommended Readings: “Law, Fiscal Federalism, and Austerity” Indiana Journal of Global Legal Studies, Vol. 22, No. 2 (Summer 2015). Kelemen, R. Daniel.

16:40 – 17:00 *Financial Stability: National and Regional Security*

Presenters: Aristotle Tziampiris (University of Piraeus)

Recommended Readings: “Transcending the Economic Crisis: Greece's contribution to stability and security in the Eastern Mediterranean” 2016, Tziampiris, Aristotle.

17:00 – 17:20 *Greek Financial Transparency and Political Stability*

Commenter: Thomas Miller (former US Ambassador to Greece)

17:20 – 17:30 *Summary Remarks & Farewell*

Presenter: Jacob Soll (University of Southern California)

18:00 – Dinner

List of Key Participants (Summary Highlights)

1. ASMUSSEN, Jörg (former ECB Executive Board Member and State Secretary in the German Treasury; Senior Fellow at Jacques Delors Institut Berlin)
2. BALL, Ian (Chair of CIPFA; former Chief Executive of IFAC)
3. BALLS, Ed (Harvard Kennedy School, British Labor Party; former Shadow Chancellor, Chief Economic Advisor to the UK Treasury, and Member of UK Parliament)
4. BOUSIOS, Andreas (Editor-in-Chief of AVGI online newspaper)
5. CANGIANO, Marco (former Assistant Director at the International Monetary Fund)
6. CARRUTHERS, Ian (Chair of International Public Sector Accounting Standards Board)
7. DETTER, Dag (former President of Stattum, the Swedish Government holding company; Managing Director of Detter & Co)
8. GALBRAITH, James (The Lloyd M. Bentsen Jr. Chair in Government/Business Relations at the University of Texas at Austin)
9. GIUDICE, Gabriele (European Commission Head of Unit) [*Pending Third Programme*]
10. GROS, Daniel (Director of the Center for European Policy Studies)
11. HOLDER, William (Dean of USC Leventhal School of Accounting)
12. IRWIN, Tim (former senior economist at the International Monetary Fund)
13. JARIWALA, Bhumi (International Federation of Accountants Global Knowledge Gateway)
14. KALETSKY, Anatole (first Chairman of INET; Chief Economist & Co-Chairman GaveKal Dragonomics)
15. KAZARIAN, Paul (Founder, Chairman & CEO of Japonica Partners and the Charles & Agnes Kazarian Foundation)
16. KELEMEN, Dan (Professor of Political Science and Law & the Jean Monnet Chair in EU Politics at Rutgers University)
17. KOUTENTAKIS, Franciscos (Chief Economic Advisor to the Prime Minister; Head of the General Accounting Office; General Secretary for Fiscal Policy, Greece Ministry of Finance)
18. MAGARIAN, Christopher (Finance Group Director at Japonica Partners)
19. MANCALL, Peter (Professor of History & Director of the USC-Huntington Early Modern Studies Institute)
20. MANUZI, Martin (Regional Director, Europe of the Institute of Chartered Accountants in England)
21. MCCORMICK, Fergus (Head of Sovereign Ratings, DBRS)
22. MELE, Nicco (Wallis Annenberg Chair at the USC Annenberg School of Journalism; new director of the Shorenstein Center at Harvard's JFK School of Government)
23. MILLER, Thomas (former US Ambassador to Greece; President & CEO of International Executive Service Corps)
24. MISSONG, Thomas (President of European Association of Credit Rating Agencies)
25. MOURMOURAS, Iannis (former Deputy Finance Minister of Greece; Professor at the University of Macedonia; not attending in current position as Deputy Governor of the Bank of Greece)
26. NIKIAS, C. L. Max (President, University of Southern California)
27. PSALTIS, Marios (Managing Partner at PwC, Greece)
28. SERAFEIM, George (Jakurski Family Associate Professor of Business Administration, Harvard Business School; 2015 Pericles Leadership Award Winner)
29. SOLL, Jacob (Professor of History and Accounting at the University of Southern California; 2011 recipient of the MacArthur Genius Fellowship)

30. STAIKOURAS, Christos (Member of Hellenic Parliament; Former Alternate Minister of Finance; Athens University of Economics and Business Assistant Professor)
31. STEGER, Gerhard (former Austrian Budget Director)
32. SVERKOS, Nikos (Political and Economic Journalist, Efimerida Ton Syntakton)
33. THEOHARIS, Haris (Member of Hellenic Parliament)
34. THOMPSON, Paul (Director, Global Accountancy Profession Support at the International Federation of Accountants)
35. TRUGLIA, Vincent (former head of Moody's Sovereign Risk Unit; Director, ACRA - Russia's newest CRA; publisher of Clear and Candid blog)
36. TZANNINIS, Dimitri (former Greece Ministry of Economy and Finance; former IMF)
37. TZIAMPIRIS, Aristotle (University of Piraeus Professor of International Relations, Chair of the Department of International and European Studies)
38. VAN SCHAIK, Frans (Global Public Sector Audit Leader, Deloitte)
39. VENIZELOS, Evangelos (former Deputy Prime Minister and former Minister of Finance, Greece)
40. VERON, Nicolas (Senior Fellow at Bruegel and the Peterson Institute)
41. VETTAS, Nikos (Director General of the Foundation for Economic and Industrial Research; Athens University of Economics and Business)
42. VIANA, Luis (Deputy Director of the Portugal Ministry of Finance)
43. WALKER David (former Comptroller General of the United States; Senior Strategic Advisor for the Global Public Sector Practice of PricewaterhouseCoopers)
44. WELCH, Peter (Director of the European Court of Auditors)
45. WIELAND, Volker (member of the German Council of Economic Experts; Endowed Chair of Monetary Economics and Managing Director of the Institute for Monetary and Financial Stability)