

Poverty Alleviation Under Fiscal Decentralization

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- Elements of Poverty Alleviation Strategy
- Role of Fiscal Decentralization
- Poverty Alleviation: An Exercise in Co-operative Federalism
- Preconditions for Decentralized Institutions for Successful Anti-Poverty Strategy
- Concluding Remarks

Poverty and Public Policy

- Magnitude of the poverty problem
- Multidimensional aspects of Poverty
- Mainly Concentrated in Poor regions and Rural Areas.
- Elements of Poverty Alleviation Strategy
 - Opportunity
 - Empowerment
 - Security
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Role of Central and Local Governments

- Opportunity, Empowerment: Concurrent function
- Redistribution: Reducing the incomes of the rich versus increasing the incomes of the poor;
- Poverty alleviation: an exercise in co-operative federalism
- Relative roles of central and local governments.

Decentralization – Panacea or a Problem?

- Market segmentation – impediments to internal trade and allocative distortions
- Unhealthy intergovernmental competition – race to the bottom;
- Dangers of decentralization: governance and institutional issues.
- Implementation rules.

Intergovernmental Transfers and Poverty Alleviation

- Assignment according to comparative advantage – horizontal and vertical fiscal imbalances.
- Fiscal disabilities and general purpose transfers.
- Merit goods, categorical equity and specific purpose transfers.
- Problems of design and implementation; incentives and moral hazards.
- Political economy of transfers: multiple transfers and fragmented system.
- Invisible transfers.

Preconditions for a Successful Decentralized Anti-poverty Strategy.

- Rules of implementation and institutional factors
- Capacity development
- Design and implementation of transfer system
- Information system to design decentralization and transfer system
- Self help groups, NGOs and fiscal decentralization
- Coordinating fiscal decentralization with administrative and political decentralization.