

# GSU Research Center Review Survey

**December 2007**

Name of Center: **International Studies Program**  
(AYSPS Center for International Fiscal Policy)

Director: **Professor Jorge Martinez-Vazquez**

## **A. General Information**

The International Studies Program (ISP) was created in 1995 and for a year operated virtually as a separate entity within the Policy Research Center of the Department of Economics in the College of Business Administration. In July 2000, the ISP became an official separate program within the Andrew Young School of Policy Studies (AYSPS). The ISP continues to be designated under the AYSPS and has links with the Department of Economics, the Department of Public Administration and other centers in the AYSPS.

The center director, Dr. Jorge Martinez-Vazquez, reports to the Dean of the Andrew Young School of Policy Studies. The ISP currently has no advisory board.

The ISP has an interdisciplinary focus in that it provides academic and technical training, research and technical assistance in support of sound public policy and sustainable economic growth in transitional and developing economies. Although, the ISP's main emphasis is on public economics and fiscal policy and therefore our work heavily involves the Department of Economics, ISP's activities also often overlap with other academic disciplines such as public administration and political science. Examples of this include our annual budgeting training and any budgeting technical assistance work, which is always delivered by faculty of Public Administration and Urban Studies or areas of political decentralization that overlap with our fiscal decentralization work, for which we work with faculty from the Department of Political Science.

The startup of the ISP was financed by indirect cost recovery monies (ICR) earned through external grants and projects while designated as a program under the Policy Research Center, especially the ICR from the Russia Reform Project, which was the largest grant ever awarded to GSU and took place from 1997 to 1999. Since the ISP started in 2000, it has received support funds from the AYSPS (approximately \$65K per year). The ISP also has received annual competed money from the International Initiatives Fund directed by Assistant Provost John Hicks and the GSU Office of International Affairs (on average \$20-30K per year)

## **B. Goals and Objectives**

### **ISP Mission**

The overarching mission of the ISP is to provide academic and technical training, research and technical assistance in support of sound public policy and sustainable economic growth in transition and developing economies. The ISP pursues this mission by providing and supporting internationally-oriented research and academic programs, by providing technical assistance to governments of developing and transitional economies, and by providing international policy-focused training programs.

The ISP specializes in the provision of technical assistance and training in the areas of fiscal policy, budgeting and fiscal management, intergovernmental fiscal relations (fiscal decentralization) as well as economic and fiscal policy analysis in developing and transition economies. Based on our extensive experience, our technical assistance strategy is not to merely provide technical prescriptions for policy reform, but to engage in a collaborative effort with the host government. Through cooperation with the donor and host country at all stages of the process, we seek to identify and analyze the issues at hand, arrive at policy solutions and implement reforms.

The technical assistance efforts and training programs offered by the ISP uniquely complement the academic research and the educational mission of the Andrew Young School. As part of our global vision, the Andrew Young School's faculty and research staff is supported by a pool of graduate research assistants, many of which come from developing or transition economies. In addition, the ISP offers college seniors the opportunity to gain hands-on public policy experience through the School's summer internship program.

The success of the ISP up to this point in time has been partly due to the breadth and depth of the technical expertise that the ISP can draw upon. The Andrew Young School's faculty members are leading experts in economics and public policy and have authored books, published in major academic and technical journals, and have extensive experience in designing and implementing technical assistance and training programs in over 60 countries.

An ISP priority is to further strengthen its national and international reputation as a policy research institution, which is already substantial in the main focus area of fiscal policy. Because of the growth and demand in the policy research field, we are considering expanding our substance areas to include more research in other disciplines in economics such as open economy macroeconomic policies, environmental economics, and health and education policies.

## **ISP Goals**

The ISP strives to fulfill its mission through its strategic goals. These goals include: (1) recruiting top quality faculty and graduate students and engaging them and those at other colleges and academic centers at GSU, and other institutions around the country in policy research through collaboration with international organizations, domestic agencies and donors, and foreign governments, (2) training of government officials, providing short and long-term technical assistance services in developing and transitional countries, (3) hosting both short- and long-term visiting scholars from around the world to collaborate with faculty and students on policy research, (4) promoting policy research through holding conferences that bring policy experts worldwide to GSU and maintaining a working paper series to promote and make available the policy research outputs of faculty, scholars, and graduate students, and (5) promoting synergy between the ISP and the rest of the Andrew Young School and other colleges and departments at GSU as well as other international organizations.

The ISP strives to recruit and retain faculty who are versatile in the classroom, in academic research and in policy advice, and to attract and retain the best graduate students possible. This is an important link to the academic departments in the AYSPS and makes the ISP a bit different from traditional centers/programs. ISP activities have helped our academic departments, Economics and PAUS, increase their national and international recognition and rankings and thus attract better faculty.

In addition, ISP activities continue to help the AYSPS recruit high quality graduate students from around the country and the world, especially students that have an interest in academic careers with heavy involvement in applied policy work. The ISP gives on the job training to these graduate students in applied policy research by introducing them, sometimes abroad, to the challenges and opportunities involved in real-life policy issues and decisions. Graduate students are taught how to apply state of the art theory and empirical techniques to real world problems and that quite often has lead to dissertations, fellowships, research papers and publications. The direct involvement in policy issues has also helped our students to get good placements upon graduation, such as in the World Bank and IMF professional programs. These types of placement have added further to the recognition and rankings of our departments and Georgia State University as a whole.

The ISP hosts numerous international scholars and policy makers as visiting scholars in public policy for short- or long-term exchanges through a variety of fellowship and exchange programs. The goals of hosting international scholars are twofold. The ISP wants to bring outside policy experience to the university campus so that faculty and students can learn and be exposed to the most pertinent issues of policy research in the real world. Second, having visiting scholars on campus creates opportunities for both faculty and students to work and produce policy research with a wide variety of scholars outside of GSU.

The ISP further promotes policy-oriented research through its working paper series, annual conferences, and the International Policy Lecture Series. For example, our Summer School in Public Economics, which we will be holding for our fourth time in 2008, has brought such renowned economists and budgeting experts to GSU as Arnold Harberger, Wallace Oates, and Allan Schick, while we have been able to bring such emeritus professors as Richard Bird and visiting professors such as Sri Mulyani, who is currently the Minister of Finance of Indonesia.

Last, but not least, the ISP endeavors to promote synergy. The ISP cooperates with other centers in the AYSPS, such as the Fiscal Research Center and the Experimental Economics Center, and also with other colleges and academic departments at GSU, such as the School of Business (Accounting Department), the School of Arts and Sciences (Political Science Department), or in other universities in Georgia, such as the Carl Vinson Institute of the University of Georgia, and the Department of Economics at Kennesaw State University. The ISP has already established a long-standing cooperative relationship with the World Bank and the Carter Center, and it has performed research with other international institutions such as the United States Agency for International Development (USAID), the Asian Development Bank (ADB), the Inter-American Development Bank, the United Nations Development Program, and the International Monetary Fund (IMF).

### **Resources that facilitate goal attainment**

Institutionally and administratively the ISP is able to operate with flexibility and autonomy while the Dean's Office at AYSPS has been supportive of our mission. The available financial resources also have helped us to accomplish our center mission and to meet our goals.

Currently, these are the sources of annual financial funding for the ISP:

**ISP Fund 10 Budget = \$65,000.** This money has been allocated from the Dean of the Andrew Young School as the International Studies Program hard budget since 2000.

**ECON Fund 10 Director's releases = \$40,416.** This money has been recently (for the last two years) allocated by the Dean's Office and the Department of Economics for the Director to run all the operations of the International Studies Program. From the inception of the ISP to two years ago, the Director of the ISP had not received any course releases from the Dean's Office and the Department of Economics.

**International Initiatives Money: between \$20,000 and \$30,000, annually.** This money is a part of an annual GSU-wide competition for funds in support of international activities. Money is awarded annually based on competed proposals that succeed in leveraging additional external grants and contracts. Even though the ISP is receiving \$30K this year, these funds are never guaranteed. We have been awarded this money based on our success in using this money to leverage large amounts of external funding for the university.

**Yearly Indirect Cost Recovery Money: Approximately \$45,000 to \$50,000 per year.** The ISP receives 25% of all the indirect of its external grants and contracts; 50% goes to GSU and 25% goes to the Dean's Office of the AYSPS. The ISP relies heavily on the earned overhead for administrative support, supplies, and general operations.

**Sponsored Grants and Projects: Varies from year to year.** The ISP receives external funding for its research associates and faculty based on the number of external projects it can solicit per year. On average, the ISP brings in approximately \$2 million per year gross in externally funded grants and projects. Personnel are a large share of this amount but it varies from year to year. For example, this year ISP is generating around 12 course research releases for faculty members at GSU. Other personnel expenses cover ISP research associates. On average, we can realistically cover 65% of the salaries of our research associates in a given year. The remaining 35% we must cover through ICR, international initiatives money, or other funding sources.

### **Resource Constraints**

First, the most important constraint is financial. We currently receive limited annual funding to adequately support our goals and sustain our current growth. Our annual operating budget in FY2007 will be approximately \$725K. As the tables below show, we are progressively increasing our annual sponsored projects which require an increase in specialized personnel and other operational costs. However, Fund 10 monies for the center have remained the same over the past 6 years.

An important constraint for ISP's growth is the need for qualified financial, management and administrative staff. However, without adequate Fund 10 money, it is difficult to maintain qualified financial, management and administrative staff needed to support and manage our programs adequately and professionally. This burden has increased over the past 5 years due to (1) the increased amount of project work the ISP is securing, (2) amount of time and knowledge needed to navigate new grants and contracts policies which require more-qualified administrators and managers to deal with increasing amounts of required paperwork, and (3) the fact that we cannot bill directly for administration and management (funding agencies assume that we are getting 100% of our ICR for these costs so it is not allowed and do not consider this a direct cost).

Second, the funds available for research and academic activities are too short. The ICR money that could be used for faculty course releases to produce research or host research conferences, and other academic activities that promote GSU as a top university for the study of international fiscal policy issues, must to be used to cover administration costs to keep the center afloat on an annual basis. Note that some extra ICR money left over at the end of the fiscal year must be saved in order to build a financial cushion to ensure that the center will have enough funds to operate in upcoming years since the level of grant awards changes from year to year. What this all means is that essentially, the ISP is a non-profit center that has to earn operational money through the 25% of yearly ICR to continue to operate.

Third, because most of the earned 25% of the ICR goes to administration and operations of the center and no other alternate financing is available, there are too little funds left to provide incentives to faculty to write proposals for the ISP or be involved in other center work such as training, interacting with visitors, and so on. Most proposals take a considerable amount of effort to write. For tenure-track faculty, there is a very difficult trade-off between developing grant proposals, performing their academic commitments and duties, and doing the work for already funded projects. The ISP's existence relies strongly on faculty contributions to developing grant proposals and funded projects to compete with centers from other universities and private entities, such as the Duke Center for International Development (DCID) at the Terry Sanford Institute of Duke University and private entities such as the fiscal policy unit of Bearing Point Management and Technology Consultants (KPMG), which often have much wider resources at their disposal. Even though the technical competence at the ISP can be often superior to many of these well-known institutions, the ISP has the significant handicap of the very limited financial support to develop proposals.

### **C. Research of the Center**

#### **Current Research of the Center**

The current research program at the ISP involves grants research, policy and general academic research, and other activities such as visitors or conferences.

The most current research and contracts of the center during the beginning of FY2007 have focused on fiscal reform in Pakistan, Egypt, and South America. Other grant activities are listed in Appendix A.

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The ISP received an \$825,000 grant from the World Bank and the Federal Board of Revenue of the Government of Pakistan to perform the Pakistan Tax Policy Review. This review includes the production of tax policy papers, in-country case studies, capacity building assignments, and a proposal for comprehensive tax reform. The case studies focus on the evaluation of international experience on tax reform and lessons for Pakistan. The capacity building component includes both short-term international policy-level training and onsite training. The contract was awarded to Georgia State with funding from the World Bank. This tax policy review is involving many of our senior level faculty at the AYSPS including Jorge Martinez-Vazquez (director), Roy Bahl, Sally Wallace, James Alm, Mark Rider, and Wayne Thirsk. This project has also funded three visiting scholars the ISP hosted over a period of four months.

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The ISP has been awarded by USAID an additional \$1 million as part of the Egypt – Decentralization Initiative as a subcontractor to PADCO (Planning and Collaborative

International). The continuing work will concentrate six areas of technical assistance where GSU is proposing to make substantial contributions to the ongoing decentralization initiative in Egypt. These activities will include: (1) providing technical assistance in the development of a decentralization strategy and implementation plan and continued assistance during the implementation phase of the decentralization strategy, (2) strengthening the policy capabilities of modeling thereby building the analytical capacity of the new technical office, (3) support to the research agenda for decentralization, (4) provision of training programs for central and local government officials, (5) facilitating the development of a national curriculum on decentralization policy, and (6) facilitating donor coordination for decentralization policy.

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The ISP is establishing a strategic partnership with the Corporación Andina de Fomento (CAF) for providing technical assistance to governments in South America in the design and implementation of decentralization strategies. During November 2007 initial missions were conducted to Peru and Colombia. The partnership will have an initial duration of three years and is expected to provide a significant level of funding to ISP activities.

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For FY 2007, the ISP has already hosted three visiting scholars: Francois Vaillancourt, Nataliya Starostenko, and Guohua Wang. The ISP is also currently hosting 3 visiting scholars from the Pakistan Federal Bureau of Revenue that are working various tax policy research papers with faculty from the ISP.

Dr. Francois Vaillancourt, a distinguished visiting research professor, is with the International Studies Program from September to December, 2007. Dr. Vaillancourt is a full professor in the Department of Economics at the University of Montreal, Canada.

Dr. Guohua Wang is a visiting professor at the International Studies Program from the Central University of Finance and Economics (CUFE), China from December 2006 - February 2008.

Nataliya Starostenko was a visiting scholar at the International Studies Program from June 2007 to August 2007. She received her PhD in Finance from the Institute for Economy and Forecasting of the National Academy of Sciences of Ukraine in 2005.

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The International Studies Program's Distinguished Scholar Lecture Series for Fall 2007 consisted of 3 lectures by Professor Francois Vaillancourt.

"Choosing Municipal Autonomy or Not; Quebec's 2004 Demergers", which entailed recent work that uses 2001 Census data to show how municipalities might gain or not from demerging.

"Canadian Fiscal Federalism: the Reforms of 2007". The lecture focused on the book edited by Professor Vaillancourt on the perspective on the report of the expert panel on equalization and territorial funding financing in Canada that was held June 2006.

"The Economics of Language". The lecture focused on the economic returns of knowing French in the Quebec labour market and the perspectives on the report of the expert panel on equalization and territorial funding financing.

The ISP held its eighth annual conference in its series on public finance issues in an international perspective: Tax Compliance and Evasion. The "Tax Compliance and Evasion" conference was held on October 1 - 2, 2007, in Atlanta, Georgia. The conference sponsored by the Andrew Young School of Policy Studies brought together leading economists from around the globe to discuss their papers on Tax Compliance and Evasion. Below is a list for the papers presented and the discussants of the papers. All papers will be reviewed and edited and will be part of an upcoming book on Tax Compliance and Evasion with Routledge publishers.

Presentation	Section / Presentation Title / Presenter
Presentation 1	<a href="#">Tax Compliance: Framing, Culture and Endogeneity</a> John Cullis
Discussant	<a href="#">Comments on: Framing, Culture and Endogeneity</a> Sally Wallace
Presentation 2	<a href="#">Econometric Models for Multi-Stage Audit Processes: An Application to the IRS National Research Program</a> Brian Erard
Presentation 3	<a href="#">A Meta-Analysis of Tax Compliance Experiments</a> Calvin Blackwell
Discussant	<a href="#">Comments on: A Meta-Analysis of Tax Compliance Experiments</a> <u>Spencer Banzhaf</u>
Presentation 4	<a href="#">Tax Evasion, Corruption, and Social Contract in Transition</a> Eric Uslander
Discussant	<a href="#">Comments on: Tax Evasion, Corruption, and the Social Contract in Transition</a> <u>Klara Sabirianova Peter</u>
Presentation 5	<a href="#">Vertical and Horizontal Reciprocity in a Theory of Taxpayer Compliance</a> Jan Schnellenbach
Discussant	<a href="#">Social Preferences and Tax Compliance</a> James Cox
Presentation 6	<a href="#">Tax Compliance, Tax Morale and Governance Quality</a> Benno Torgler
Presentation 7	<a href="#">"Myth and Reality of Flat Tax Reform: Tax Evasion and Real Side Response of Russian Households"</a> Klara Sabirianova Peter with Yuriy Gorodnichenko & Jorge Martinez - Vazquez
Presentation 8	<a href="#">Tax Evasion, Tax Amnesties and the Psychological Tax Contract</a> <u>Lars Feld</u>
Presentation 9	<a href="#">Why Pay Taxes? A Review of Tax Compliance Decisions</a> <u>Stephan Mühlbacher</u>
Presentation 10	<a href="#">Procedural Justice and the Regulation of Tax Compliance Behaviour: The Moderating Role of Personal Norms</a> <u>Kristina Murphy</u>



Presentation 11	<a href="#">Tax Morale and Tax Evasion in Latin America</a> James Alm & Jorge Martinez-Vazquez
Discussant	<a href="#">Comments on: Tax Morale and Tax Evasion in Latin America</a> Juan Luis Gomez

### Dissertations that have been supported by ISP project work

Author	Title	Department
Buigut, Steven K.	Feasibility of Proposed Monetary Unions in the Eastern and Southern Africa Region	Economics (Policy Studies)
Calder, Jason S.	Pro-Poor Growth in Mozambique: An Exploration of its Income and Non-Income Dimensions	Economics (Policy Studies)
Choi, Ki-Whan	Economic Effects of Land Value Taxation in an Urban Area with Large Lot Zoning: an Urban Computable General Equilibrium Approach	Economics (Policy Studies)
El-Ganainy, Asmaa Adel	Essays on Value-Added Taxation	Economics (Policy Studies)
Embaye, Abel Berhe	Essays on Tax Evasion and Government Spending in Developing Countries	Economics (Policy Studies)
Heredia-Ortiz, Eunice	The Impact of Education Decentralization on Education Output: A Cross-Country Study	Economics (Policy Studies)
Kagundu, Paul	The Quality of Governance, Composition of Public Expenditures, and Economic Growth: An Empirical Analysis	Economics (Policy Studies)
Mbakile-Moloi, Christine Ega	Copycat Theory: Testing for Fiscal Policies Harmonization in the Southern African Coordinating Community (SADC) and Sub-Saharan Africa (SSA)	Economics (Policy Studies)
Muwonge, Abdu	Local Government Financing and Provision in an Institutionally Constrained Decentralized System: The Case of Agricultural Extension in Uganda	Economics (Policy Studies)
Pavlova, Olga	Effects of Transitional Policies on Labor Market Outcomes Fifteen Years After Transition: The Case of Ukraine and	Economics (Policy Studies)

	Lithuania	
Ponce Rodriguez, Raul A.	Essays on the Political Economy of Taxation	Economics (Policy Studies)
Rendon-Garza, Jose Rene	Global Corporate Tax Competition for Export Oriented Foreign Direct Investment	Economics (Policy Studies)
Sennoga, Edward Batte	Essays on Tax Evasion	Economics (Policy Studies)
Shishkin, Dmitry V	An Examination of Unintended Consequences of Intergovernmental Equalization Programs	Economics (Policy Studies)
Tumennasan, Bayar	Fiscal Decentralization and Corruption in the Public Sector	Economics
Yao, Guevera Assamoi	Fiscal Decentralization and Poverty Reduction Outcomes: Theory and Evidence	Economics (Policy Studies)
Yao, Ming-Hung	Fiscal Decentralization and Public Sector Employment: A Cross-Country Analysis	Economics (Policy Studies)
Yunus, Mohammad	Essays on Optimal Mix of Taxes, Spatiality and Persistence under Tax Evasion	Economics (Policy Studies)
Zhang, Li	Two Essays on Government Behavior	Economics (Policy Studies)
Zheng, Xinye	The Economics of Child Labor	Economics (Policy Studies)

Please see Appendix A for a complete list of all research activities from 2004-2006.

Please see Appendix B for a complete list of all refereed and non-refereed publications for the past three years.

### **Major impediments for conducting research in the center**

As shown in Appendices A and B the ISP is conducting a considerable amount of research activity. However, the mix between policy oriented and academic research could be more balanced if the ISP were able to retain a higher share of overhead or received internal grants to encourage associates and affiliated faculty to embark in academic projects for publication in professional journals.

## Fund Code 10 Percentages

Over the past 5 years, 22% of our total funding has come from Fund Code 10 support from Georgia State University and the Andrew Young School of Policy Studies. The remaining 78% of funding has been financed primarily from Indirect Cost Recovery monies and direct billing of faculty and staff on externally funded projects. The chart below shows that as the ISP has grown financially in personnel due to the increased amount of externally funded grants and contracts, while our financial support from the university has remained relatively constant.

	Fund 10	Total Operational Expenditures for Personal and Non-Personal	% of Fund 10 of Total Funding
FY2002			
Operating Budget (Personal & Non-Personal)	\$61,826		
International Initiatives (John Hicks)	\$30,000*		
<b>Total Funding FY2002</b>	<b>\$91,826</b>	<b>\$240,580.50</b>	<b>38%</b>
FY2003			
Operating Budget (Personal & Non-Personal)	\$63,309		
International Initiatives (John Hicks)	\$36,000*		
<b>Total Funding FY2003</b>	<b>\$99,309</b>	<b>\$339,661.20</b>	<b>29%</b>
FY2004			
Operating Budget (Personal & Non-Personal)	\$65,310		
International Initiatives (John Hicks)	\$20,000*		
<b>Total Funding FY2004</b>	<b>\$85,310</b>	<b>\$377,156.70</b>	<b>23%</b>
FY2005			
Operating Budget (Personal & Non-Personal)	\$60,946		
International Initiatives (John Hicks)	\$27,000*		
<b>Total Funding FY2005</b>	<b>\$87,946</b>	<b>\$445,478.50</b>	<b>20%</b>
FY 2006			
Operating Budget (Personal & Non-Personal)	\$58,985		
International Initiatives (John Hicks)	\$35,000*		
<b>Total Funding FY2006</b>	<b>\$93,985</b>	<b>\$644,262.90</b>	<b>15%</b>
<b>Total Funding FY2002-FY2006</b>	<b>\$458,376.00</b>	<b>\$2,047,140.00</b>	<b>22%</b>

\*International Initiatives money is competed for yearly in an university-wide competition. Amounts awarded are based on quality of proposals and the ability to leverage significant amounts of externally funded research projects.

## Summary of Grants Submitted (past 3 years)

Date Submitted	Date Funded	Project Number	Project Director	Title	Amount	Funding Source	Type of Grant Submitted	Period Funded
10/1/2003	10/1/2003	ELM 78	Jorge Martinez-Vazquez	Jamaica Tax Reform	\$966,499.00	Government of Jamaica	Research	10/1/03-03/31/05
10/23/2003	10/23/2003	ELM 82	Jorge Martinez-Vazquez	FERTL-DAI Trade liberalization	\$480,201.00	DAI/USAID	Research	10/23/03-06/19/06
2/20/2004	3/1/2004	ELU06	Jorge Martinez-Vazquez	Summer Training 2004	\$274,651.00	Various Sponsors	Teaching	03/01/04-03/01/05
5/7/2004	5/24/2004	ELU 08	Jorge Martinez-Vazquez	Tanzania Grant Allocation III	\$181,527.87	DANIDA	Research	05/24/04-01/15/06
9/10/2004	9/1/2004	FLU43	Jorge Martinez-Vazquez	Expenditure Management Course	\$100,000.00	Government of Thailand	Teaching	09/01/04-10/15/04
4/12/2004	12/1/2004	FLU 63	Jorge Martinez-Vazquez	Tanzania Revenue Study	\$211,300.00	Government of Tanzania	Research	12/01/04-05/31/05
1/24/2005	2/9/2005	FLU75	Jorge Martinez-Vazquez	Fiscal Decentralization in Trans Countries	\$52,613.00	UNDP Bratislava	Research	02/09/05-03/15/05
2/23/2005	4/7/2005	FLU83	Jorge Martinez-Vazquez	Bangladesh - Decentralization	\$28,354.00	United Nations Office Dhaka	Teaching	4/7/2005-04/13/05
4/15/2005	4/18/2005	FLU87	Jorge Martinez-Vazquez	USAID Training 2005	\$90,937.50	DAI/USAID	Teaching	04/18/05-04/22/05
6/1/2005	6/13/2005	FLU98	Jorge Martinez-Vazquez	Summer Training 2005	\$158,718.00	Various Sponsors	Teaching	06/13/05-09/15/05
8/10/2005	9/1/2005	GLD 16	Jorge Martinez-Vazquez	Tanzania – LGF Training	\$55,000.00	Government of Tanzania	Teaching	09/01/05-12/31/05
8/17/2005	10/1/2005	GLD17	Jorge Martinez-Vazquez	Training-East Timor	\$29,757.00	UNDP	Teaching	10/01/05-12/31/05
7/18/2005	2/16/2006	GLD 46	Mark Rider	University of Guyana – Strengthening Statistics	\$182,210.00	University of Guyana/IADB	Research	02/16/05-05/15/07
6/14/2005	12/5/2005	GLD51	Jorge Martinez-Vazquez	Subnational Capital Transfer (OSI)	\$29,928.00	Open Society Institute	Research	12/15/05-12/30/06
11/8/2005	10/1/2005	GLD 56	Jorge Martinez-Vazquez	SUM II MCW Toolkit Task Order	\$7,914.00	PADCO/USAID	Research	10/01/05-09/30/06
1/5/2006	1/24/2006	GLD 58	Jorge Martinez-Vazquez	Making Tax Policy Work. Conference	\$48,506.00	Lincoln Institute of Land Policy	Research	01/24/06-06/30/06
1/19/2006	2/1/2006	GLD 59	Jorge Martinez-Vazquez	Tanzania - Local Government Reform	\$139,271.00	Government of Tanzania	Research	02/01/06-12/31/06
2/6/2006	2/1/2006	GLD 60	Jorge Martinez-Vazquez	Tanzania - Inter-Governmental Fiscal Transfer	\$43,096.00	Min of Development/Netherlands	Research	02/01/06-07/31/06
1/3/2006	2/1/2006	GLD 61	Jorge Martinez-Vazquez	Namibia - Design Regional Grant Systems	\$156,358.00	Ramboll Finconsult	Research	02/01/06-08/31/06
4/17/2006	4/20/2006	GLD 73	Jorge Martinez-Vazquez	Guatemala - MTEF and Perf Budgeting	\$20,358.00	World Bank Institute	Teaching	04/20/06-06/30/06
4/4/2006	2/27/2006	GLD 74	Jorge Martinez-Vazquez	USAID Training 2006	\$36,375.00	DAI/USAID	Teaching	02/27/06-03/03/06
5/4/2006	5/11/2006	GLD 77	Jorge Martinez-Vazquez	II Summer School in Public Economics	\$45,852.00	Rafael Del Pino Foundation	Teaching	05/11/06-07/14/06
3/10/2006	3/10/2006	GLD 79	Jorge Martinez-Vazquez	CDD E-Learning Project	\$2,500.00	World Bank	Research	03/10/06-04/10/06
6/1/2006	7/18/2006	GLU 99	Jorge Martinez-Vazquez	Summer School in Public Economics	\$68,517.00	Rafael Del Pino Foundation	Teaching	07/18/06-07/22/06

Date Submitted	Date Funded	Project Number	Project Director	Title	Amount	Funding Source	Type of Grant Submitted	Period Funded
6/1/2006	6/30/2007	H3025	Jorge Martinez-Vazquez	Summer Training Program 2006	\$350,104.60	Various Sponsors	Teaching	06/30/06-09/30/06
7/6/2006	8/5/2006	H3052	Jorge Martinez-Vazquez	Bangladesh - Decentralization	\$29,812.00	UNOPS	Teaching	08/05/06-08/10/06
7/1/2006	7/11/2006	H3052	Jorge Martinez-Vazquez	Guatemala MTEF Training II	\$12,000.00	World Bank Institute	Teaching	07/11/06-07/14/06
6/1/2006	7/1/2006	H3072	Jorge Martinez-Vazquez	Transfer Systems in Romania	\$27,487.00	PADCO/USAID	Research	07/01/06-12/31/06
8/10/2006	12/4/2006	H3074	Jorge Martinez-Vazquez	Sudan - In Country ESL Training	\$79,972.00	Government of Sudan	Teaching	12/04/06-05/30/06
8/8/2006	8/1/2006	H3098	Jorge Martinez-Vazquez	Tanzania Masters Program	\$31,741.00	Government of Tanzania	Teaching	08/01/06-07/31/08
12/11/2006	1/29/2007	H3153	Jorge Martinez-Vazquez	Tanzania JFC Training	\$14,217.00	Government of Tanzania	Research	01/29/07-02/01/06
11/10/2006	11/13/2006	H3165	Jorge Martinez-Vazquez	Nigeria GSP Reform Project	\$4,453.00	PADCO/USAID	Research	11/13/06-11/15/06
11/29/2006	11/13/2006	H3184	Jorge Martinez-Vazquez	Lincoln Land Policies and Fiscal Decentral.	\$12,000.00	Lincoln Institute of Land Policy	Research	11/13/06-06/30/07
12/19/2006	12/19/2006	H3202	Jorge Martinez-Vazquez	Tanzania – Tech and Cap. Build. Fiscal Transf.	\$148,330.00	Government of Tanzania	Research	12/19/06-12/18/07
1/4/2007	1/2/2007	H3209	Jorge Martinez-Vazquez	Namibia - Capacity Building for Recurrent Sys.	\$81,819.00	Ramboll Finconsult	Research	01/02/07-05/31/07
2/9/2007	4/4/2007	H3231	Jorge Martinez-Vazquez	Pakistan – Tax Policy Review	\$825.08	World Bank/Pakistan	Research	04/04/07-06/30/07
3/16/2007	4/2/2007	H3256	Jorge Martinez-Vazquez	USAID Training 2007	\$60,000.00	DAI/USAID	Teaching	04/02/07-04/06/07
3/27/2007	2/25/2007	H3264	Jorge Martinez-Vazquez	Egypt Decentralization Initiative (Task 1)	\$69,735.86	PADCO/USAID	Research	02/25/07-03/31/07
4/23/2007	6/25/2007	H3281	Jorge Martinez-Vazquez	Guatemala - Performance-Based Budgeting	\$18,011.00	Bank of Reconstruction/Guatemala	Teaching	06/25/07-06/28/07
5/21/2007	5/15/2007	H3305	Jorge Martinez-Vazquez	Sudan - ESL for Fiscal Policy (Summer)	\$131,955.00	Sudanese Government	Teaching	05/15/07-08/30/07
5/14/2007	5/1/2007	H3309	Jorge Martinez-Vazquez	Namibia – Long Term Fiscal Advisor	\$101,773.00	Ramboll Finconsult	Research	05/01/07-03/31/08
5/21/2007	5/25/2007	H3319	Jorge Martinez-Vazquez	Summer training Program 2007	\$287,228.00	Various Sponsors	Teaching	05/25/07-09/30/07
5/30/2007	5/30/2007	H3336	Jorge Martinez-Vazquez	SEGIR MACRO II – Task Order I	\$36,145.00	Louis Berger/DAI/USAID	Research	05/30/07-11/30/07
6/1/2007	6/20/2007	H3354	Jorge Martinez-Vazquez	Egypt – Task Order 2 (Decent. Initiative Sup)	\$110,241.00	PADCO/USAID	Research	06/20/07-08/15/07
7/10/2007	7/26/2007	I3446	Jorge Martinez-Vazquez	Summer School in Public Economics	\$58,650.00	Rafael Del Pino Foundation	Teaching	07/09/07-07/13/07
7/6/2007	7/21/2007	I3452	Jorge Martinez-Vazquez	Macedonia - Fiscal Decentralization	\$47,371.00	UNDP Macedonia	Research	07/21/07-08/24/07
7/28/2007	7/31/2007	I3474	Jorge Martinez-Vazquez	Vietnam --Piloting Improved Fiscal Framework	\$12,868.00	UNDP	Research	07/31/07-08/15/07
8/28/2007	8/1/2007	I3529	Jorge Martinez-Vazquez	Egypt – Task Order 3 (Decent. Initiative Sup)	\$170,082.00	PADCO/USAID	Research	08/01/07-10/10/07
8/15/2007	8/20/2007	I3531	Jorge Martinez-Vazquez	Namibia – Fiscal Decentralization training III	\$26,642.00	Ramboll Finconsult	Research	8/20/2007-09/20/07
10/24/2007	11/1/2007	I3571	Jorge Martinez-Vazquez	Peru – Technical Assist. For Fiscal Decentraliz.	\$34,799.00	REMURPE/OSI	Research	11/01/07-02/28/08
10/29/2007	10/26/2007	I3575	Jorge Martinez-Vazquez	Fiscal Decentralization Handbook	\$15,000.00	UNDP Bratislava	Research	10/26/07-12/07/07
<b>Grand Total</b>					<b>\$5,383,704.91</b>			

**D. Center Personnel**

**Center Personnel**

**For each individual, list center funding provided for the categories below\***

<b>Personnel</b>	<b>Position</b>	<b>College/Dept.</b>	<b>Load Allocated to Center (FY2006)</b>	<b>Amt. Funding External (FY2006)</b>	<b>Amt. Funding Internal Fund 10 (FY2006)</b>	<b>Amount Funding CIP**</b>
<b>Faculty</b>					0	0
Jameson Boex	Assistant Research Professor	AYSPS/Econ	100%	\$50,624.53	\$36,844.50	0
Eunice Heredia	Adjunct Professor/ Research Associate II	AYSPS/Econ/ISP	100%	\$48,000	0	0
Yuriy Kitsul	Assistant Professor	AYSPS/Econ	4%	\$4,155.79	0	0
Jorge Martinez-Vazquez	Professor/Director	AYSPS/Econ	53.06%	\$73,196.83	\$40,416.16***	0
Mark Rider	Associate Professor	AYSPS/Econ	55%	\$60,517.97	0	0
Wayne Thirsk	Visiting Research Professor	AYSPS/Econ	100%	\$105,000	0	0
Mary Beth Walker	Associate Professor	AYSPS/Econ	8.3%	\$9,369.34	0	0
Sally Wallace	Professor	AYSPS/Econ	2%	\$2,734.53	0	0
<b>Staff</b>						
Paul Benson	Assistant Director	AYSPS/ISP	100%	\$0	\$59,000	0
Shereen Bhan	Research Associate II	AYSPS/ISP	100%	\$48,000	0	0
Ina Clagette	Temp Admin	AYSPS/ISP	100%	\$12,000	0	0
Hiram Seraphin	Research Associate I	AYSPS/ISP	100%	\$36,000	0	0
Andrey Timofeev	Research Associate II	AYSPS/ISP	100%	\$48,000	0	0
Guevera Yao	Research Associate II	AYSPS/ISP	100%	\$48,000	0	0
<b>Other</b>						
Juan Luis Gomez	Graduate Research Assistant	AYSPS/ISP	100%	\$15,000	0	0
Cliff Muga	Graduate Research Assistant	AYSPS/ISP	100%	\$7500	0	0
Attasit Pankaew	Graduate Research Assistant	AYSPS/ISP	100%	\$15,000	0	0
Cristian Sepulveda	Graduate Research Assistant	AYSPS/Econ/ISP	100%	\$5,000	\$13,000	0
<b>Grand Total</b>				\$588,098.99	\$149,260.66	

\*List a grant only once, e.g., if grant has co-PI's, list only under PI

\*\*Chancellor's Initiative Fund

\*\*\*Only the last two years

## Appendix A: List of all Research Activities 2004-2006 (Last 3 Years)

### 2006

#### Projects

**Bangladesh – In-Country Fiscal Decentralization Training.** The ISP secured a contract for Georgia State University, with the United Nations Development Programme/U.N. Capital Development Fund (UNCDF/UNDP), for a six-day training course on Fiscal Decentralization in Bangladesh. **Jamie Boex** and **Eunice Heredia-Ortíz** traveled to Dhaka, Bangladesh, from August 5-10, 2006, to deliver the training program “Fiscal Decentralization: Concepts and Applications for Bangladesh.” The course was held at the Bangladesh Public Administration Training Center (BPATC) in Savar, Bangladesh.

The training program was delivered as part of the Sirajganj Local Governance Development Fund Project; a major objective of the program involves policy advocacy for a more decentralized local government system. The specific objectives of the course were to:

- provide adequate knowledge to the participants on fiscal decentralization
- stimulate sensitization towards fiscal decentralization
- contribute towards policy reform for fiscal decentralization
- acquaint participants with best practices of fiscal decentralization in different parts of the globe

The training program was attended by 18 participants, including senior government officials working in a variety of ministries in Bangladesh, including the ministries of Local Government, Finance, Education, Agriculture, a Deputy Project Director from the Bangladesh Public Administration Training Center and a UNDP Programme Manager. The course constituted part of UNDP/UNCDF’s efforts to continue the policy-level sensitization and capacity building in the areas of fiscal decentralization and local governance which began during a similar training program delivered by the Andrew Young School in April 2005.

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**Egypt – Decentralization Initiative.** A task order subcontract – the Egyptian Decentralization Initiative Quantity Contract – was awarded to Georgia State University/ISP by PADCO (Planning and Collaborative International) in late 2006. The work, to be carried out through task orders, involves fiscal decentralization issues, with specific attention to the maximization of decentralization-related benefits within the current legal and administrative framework. The project will be led by the ISP director, **Jorge Martinez**, with support from **Roy Bahl**, **Wayne Thirsk** and **Andrey Timofeev**.

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**Guatemala – Performance Budgeting Training.** The International Studies Program, in partnership with the Poverty and Growth Program of the World Bank Institute (WBI) and the Ministry of Finance of Guatemala, organized a workshop from May 2-3, 2006, in Guatemala City, for 50 high officials in key Guatemalan ministries. The team, led by **Katherine Willoughby** and **Juan Luis Gomez** (doctoral student and ISP Graduate Research Assistant) contributed to the Government of Guatemala's efforts on capacity building within key ministries to formulate budgets within a multi-year framework. The ISP team provided lectures and conducted group training sessions on topics including Mid-term Expenditure Framework (MTEF), performance-based budgeting and costing of sectoral policies.

As a follow up to this first initiative, a five-day interactive training workshop took place from July 10-15, 2006. The main objective of the second training workshop was to continue capacity building work, with a focus on establishing sectoral budget allocations over a medium term framework and linking them with appropriate performance indicators over the same period, thereby helping the sectoral ministries and the Ministry of Finance (MOF) to better define inter- and intra-sectoral expenditure priorities.

**Katherine Willoughby** and **Juan Luis Gomez**, together with Dr. Migara da Silva (WBI), conducted the interactive workshop and group sessions and assisted participants from selected sectoral ministries to establish sectoral budget allocations within a medium term budget/expenditure framework starting from 2006/7 budgets, and link these allocations to measurable indicators to assess performance.

The third stage of this program of technical assistance to the Government of Guatemala, took place in May 2007, with a focus on building technical capacity for multiyear and performance-based budgeting at the sub-national levels of government.

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**Guyana – Strengthening Statistics and Social Policy Analysis Teaching and Research.** In 2006, ISP won a bid to assist the University of Guyana with initiatives aimed at strengthening its Statistics and Social Policy Analysis Teaching and Research. This includes statistics curriculum design, course rationalization and upgrades, and the provision of technical assistance with respect to the University's databank and the project's research agenda. The project was funded by the University of Guyana through a grant from Inter-American Development Bank.

The Georgia State team has been led by **Mark Rider**, with associates including **Mary Beth Walker, Sally Wallace, Greg Lewis, Andrey Timofeev** and **Yuriy Kitsul**. Earlier, Mark Rider and Mary Beth Walker traveled to Georgetown, Guyana, to meet with the faculty of the University of Guyana regarding statistics and social policy training there. This marked the initial step in developing a work plan for "Upgrading Statistics and Social Policy Analysis, Teaching and Research at the University of Guyana."



A training module was held in September-October 2006 in Guyana on “Basic Statistics,” over a three-week period facilitated by Andrey Timofeev and Mark Rider. A further training module was planned for execution over the first quarter of the next year on “Research Methods.” The project continued through June 2007.

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**Latvia – Subnational Capital Transfer (OSI).** The ISP was commissioned to conduct a study on Subnational Capital Transfers in Latvia under the Local Government and Public Service Reform Initiative by the Open Society Institute in April 2006. The overall objective of this study was to achieve an all-encompassing review of the framework for planning and allocation of sub-national capital transfers in Latvia, to identify relevant international experiences, and to develop technical assistance and training materials on issues related to capital transfers.

These objectives were achieved and resulted in a Technical Paper describing the division of responsibility for capital expenditures among levels of governments and the structure of intergovernmental capital financing. The technical paper provided a quantitative analysis of the present capital transfer allocation system in Latvia along with recommendations for improvements. The training materials serve as a vehicle for dissemination of the results of the study to appropriate audiences. The team was led by **Andrey Timofeev** under the directorship of **Jorge Martinez-Vazquez**.

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**Technical Assistance on the Design of Recurrent and Development Grant Systems for Regional Councils in Namibia.** Namibia's Ministry of Regional and Local Government, Housing and Rural Development (MRLGHRD) requested the ISP's support in developing a comprehensive, transparent, and formula-driven system of recurrent and development grants. The study conducted by ISP on the design of a system of intergovernmental grants in Namibia took place in the context of the country's Decentralization Policy. Based on a solid understanding of intergovernmental fiscal transfer design issues and the particular system of intergovernmental relations in Namibia, the study developed recommendations for the design of a Recurrent and Development Grant System in Namibia. The study team's counterpart was the Directorate for Decentralisation Co-ordination (DDC) within MRLGHRD, with financial support from the Finnish Ministry for Foreign Affairs.

The study team consisted of ISP's **Jamie Boex** and **Andrey Timofeev**, along with consultants Per Tidemand and Harriet Naitore. The study's inception mission took place in January-February 2006, with the purpose of launching the process of bringing stakeholders together and seeking consensus on how to approach the system design for recurrent and development grants.

In June 2006, Andrey Timofeev and Jamie Boex traveled to Windhoek, Namibia, for the final technical assistance mission to facilitate the recurrent and development grant system

design for Regional Councils in Namibia. During the mission, Boex and Timofeev led a senior policy-level workshop on the grant system for the Regional Councils.

The final analyses and proposals of the study team on the details of the entire transfer system were presented for discussion and consideration at a policy-level workshop, which took place in July 2006. This forum functioned as the starting point for specific policy to be formulated, accepted, and implemented by the Government of Namibia.

In 2006, at the DDC's request, a proposal was also put forward aimed at facilitating the finalization and implementation of the policy on the grant systems, through eight one-week training courses on fiscal decentralization to be held onsite in 2007. The first such training program was executed in February 2007, to be facilitated by Andrey Timofeev and **Guevera Yao**, Research Associates of ISP.

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**Nigeria – GDP Reform Project.** ISP was awarded a contract by Development Alternatives Inc. (DAI), sponsored by PADCO, to facilitate a Study Tour of government officials from Nigeria on State of Georgia GDP and its applications for policy and planning. Georgia State University hosted meetings and presentations and provided relevant logistics related to this tour. The program was conducted in November 2006.

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**Pakistan – Tax Policy Review.** ISP submitted a technical assistance proposal on a “Pakistan Tax Policy Review Project (PAT)” in late 2006 which includes the production of tax policy papers, in-country case studies and capacity building assignments. The case studies will focus on the evaluation of international experience on tax reform and lessons for Pakistan. The capacity building component includes both short-term international policy-level training and onsite training. The contract was awarded to Georgia State with funding from the World Bank. ISP Director **Jorge Martinez, Jim Alm and Roy Bahl** will be closely involved in this assignment.

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**Romania – Transfer Systems.** During 2006, ISP completed a review and proposal for the reform of Romania’s system of equalization transfers. This effort was financed partly by USAID and partly by the Romanian government.

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**Sudan – In-Country ESL Training and Visiting Scholar Program.** ISP, working with the Sudanese government and sponsor UNDP, hosted five Sudanese participants for a fiscal policy ESL program, which began in January 2007. The participants arrived in early 2007 to enroll in intensive ESL training. The aim was for Sudanese government officials to improve their English language skills to an academic level in order to increase

their ability to function as policy officials in Sudanese government positions. In addition, ISP hosted a visiting scholar from Sudan who prepared to enter the doctoral program at the Andrew Young School in the next academic year.

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**Tanzania – Implementing and Consolidating Progress on the System of Formula-Based Blocks Grants to Local Government Authorities in Tanzania.** ISP has been providing extensive, ongoing technical assistance and capacity building support to the Government of Tanzania for local government finance reform efforts since September 2002. With assistance from Tanzania’s Local Government Reform Programme, ISP provided support to the Prime Minister’s Office – Regional Administration and Local Government, implementing and consolidating their system of formula-based blocks grants.

ISP support to Tanzania’s Local Government Reform Programme was led by Jamie Boex. In addition, support was provided during 2006 by ISP Associates Paul Kagundu and Guevera Yao.

Five technical activities were undertaken for the current project, including: (1) guidance on legislative reform and consolidation on the local government finance system; (2) support the review and reform of budgetary processes related to LGA finance; (3) support for the Local Government Finance Working Group; (4) identification of possible improvements in local financial management and reporting processes; and (5) miscellaneous support.

A major output of the technical assistance provided was the development of the Tanzania Local Government Information (LOGIN) system. LOGIN is an online local government finance reporting system that was developed by ISP in close collaboration with the Tanzanian Ministry of Finance and the Prime Minister’s Office, responsible for Local Government.

As part of this technical assistance modality, Jamie Boex and Guevera Yao facilitated a 2-and-a-half day training workshop on “Local government finance, local service delivery and poverty reduction in Tanzania” in Bagamoyo from November 13-15, 2006. This training was designed to refresh and deepen technical and critical understanding of fiscal decentralization policy issues and introduced participants to the use of sound principles of local government fiscal transfer. The workshop was specifically focused on the relationship and impact of fiscal decentralization and local government finance reforms on local public services delivery.

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**Interim Support for the Transformation of the Local Government Revenue Structure in Tanzania.** The Government of Tanzania recently concluded a comprehensive review of the policy framework underpinning the structure of Local

Government and Local Government revenue financing. One of the most significant steps towards implementation of the recommendations was the transformation of the local government revenue structure. As part of ongoing technical support for fiscal decentralization reforms in Tanzania, the Government of Tanzania engaged Jamie Boex to provide support in preparing for the local revenue system transformation, including the finalization of a Policy Paper on Local Government Finance.

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**Tanzania Master's Program.** ISP has been engaged by the Government of Tanzania to host a budget officer from the Ministry of Finance in his pursuit of a Master's degree in Economics at the Andrew Young School, based on a 12-month course of studies. Mr. Cliff Muga, the beneficiary, has also been provided with a Graduate Research Assistantship from Georgia State. His program started in summer 2006.

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**Tanzania JFC Training.** The Government of Tanzania has engaged ISP/GSU for the provision of an in-country training program for the Joint Finance Commission on intergovernmental fiscal relations. To this end, ISP's **Wayne Thirsk** and Professor Francois Vallaincourt of the University of Montreal traveled to Tanzania during January 2007 to deliver this training program.

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**Community Driven Development (CDD) E-Learning Project.** In July 2006, ISP was approached to assist in the development of a Community Driven Development (CDD) learning module for the World Bank. This project was aimed at designing an e-learning tool tailored to meet needs of multiple level audiences with varying skill sets. The target audience for the module includes World Bank staff, as well as clients and stakeholders that require specialized CDD skills training. Attention was focused in the module on the design and management of social funds/CDD operations, and examples of applications from relevant innovative social funds and other demand-driven operations. The project was led by **Eunice Heredia-Ortíz**.

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**Peace Corps Master's International Programs.** The Andrew Young School of Policy Studies was chosen by Peace Corps to be a host institution for its Master's International Program. This relationship included three Peace Corps Master's International Programs in Economics, Public Administration and Economics-Policy track.

The Peace Corps Master's International Programs at the Andrew Young School allow Peace Corps Volunteers to combine a master's degree from the Department of Economics or the Department of Public Administration and Urban Studies with a two-year Peace Corps tour. Depending on the program of study, the student may have a paper to

complete while overseas, may have to develop a detailed outline and draft of a thesis, or may complete assignments for a directed readings course. In all cases, the advisor assigned to the student is supposed make every effort to integrate the student's Peace Corps assignment with any written assignment due for the program of study. The curriculum consists of 33 to 36 hours of graduate coursework, which must include 24 credit hours of required courses with 3 to 9 credit hours granted for Peace Corps service. Field work credit is not given solely for being a Peace Corps Volunteer in the field.

In 2006, there were only four students enrolled in this program. During the past year, the role of ISP in the administration for the program was reviewed and it was jointly agreed that responsibilities be shifted from ISP to the Office of Academic Assistance.

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**Public Policy Summer Training Courses 2006.** The International Studies Program presented its annual Public Policy Summer Training Courses in July and August 2006. The training courses, led by a panel of distinguished faculty and leading policy experts with worldwide experience, are designed for government officials and policy makers from developing and transition countries as well as their counterparts with international donor agencies. The Public Policy Summer Training Courses were managed by **Jameson Boex** and **Eunice Heredia-Ortiz**.

Three courses were offered as part of the summer training program during Summer 2006, starting with the ISP's flagship Fiscal Decentralization and Local Governance Course. This course was led by Jamie Boex from July 10-28, 2006. A two-week course on Tax Policy, Fiscal Analysis and Revenue Forecasting was conducted and coordinated by Mark Rider from July 31-August 11; a two-week course on Public Budgeting and Fiscal Management was coordinated by Katherine Willoughby from August 14-25. The summer training program was extended to cover the period September 5-21, when a specially tailored program "Topics in Public Policy" was put together for a group of Sudanese public officials. This last session was coordinated by Andrey Timofeev with assistance from Eunice Heredia-Ortiz.

In 2006, the Public Policy Summer Training Courses trained over 50 senior government officials and donor agency representatives from countries including Ghana, India, Macedonia, Nigeria, Pakistan, St. Lucia, Sudan, Tanzania, Turks and Caicos Islands, and Zambia. Training included intensive classroom sessions featuring lectures, fiscal policy analysis and simulations, case studies, group discussions, country-specific individual projects and field visits to relevant government offices such as the DeKalb County Tax Assessors office and Georgia Department of Revenue. AYSPS faculty and guest lecturers who contributed to the courses in 2006 included:

- Roy Bahl – Dean, Andrew Young School of Policy Studies
- James Alm – Chair, Department of Economics
- Jorge Martinez-Vazquez – Director, International Studies Program
- Sally Wallace – Associate Director, Fiscal Research Center

- Wayne Thirsk – International Studies Program
- Mark Rider – Department of Economics
- Jameson Boex – Department of Economics
- Andrey Timofeev – International Studies Program
- Eunice Heredia-Ortíz – Department of Economics, ISP
- Greg Streib – Department of Public Administration and Urban Studies
- Carolyn Bourdeaux –Department of Public Administration and Urban Studies
- David L. Sjoquist – Fiscal Research Center
- Bill Fox – Professor of Economics, University of Tennessee
- Ron McGill – Senior Technical Adviser, Local Governance Unit, UNCDF
- Michael Bell – Director of Finance for DeKalb County
- Kevin Fillion – Director of Georgia Senate Budget Office
- Bart Graham – Commissioner, Georgia Department of Revenue

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**Summer School in Public Economics.** The International Studies Program conducted its second Summer School in Public Economics from July 10-15, 2006. The course was sponsored by the Fundacion Rafael del Pino, Spain, in collaboration with the Instituto de Estudios Fiscales, Spain, and the International Studies Program. The course was organized for professors and government officials from Spain, and was taught by renowned public finance experts such as Robin Boadway and James Poterba, amongst others. The project was co-directed by **Jorge Martinez-Vazquez** and Emilio Albi.

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### **Current Indefinite Quantity Contracts (IQC)**

*The ISP is a member of several USAID Indefinite Quantity Contract (IQC) consortia. These contracts give USAID a quick and easy way to contract out advisory services to the ISP.*

**Fiscal Reform in Support of Trade Liberalization II.** The U.S. Agency for International Development's Office of Economic Growth, Agriculture and Trade initiated the Fiscal Reform in Support of Trade Liberalization worldwide program (known as the Fiscal Reform Project), which is implemented by a consortium of Development Alternatives, Inc. in Washington, D.C., with participation by the Andrew Young School of Policy Studies, the Boston Institute for Developing Economies and Training Resources Group, Inc. The Georgia State team consists of **Jorge Martinez-Vazquez, Jameson Boex, Mark Rider, Luc Noiset** (ISP affiliate), and **Javier Arze**.

Task orders and activities developed and delivered by the Andrew Young School under the Fiscal Reform Project include annual training programs on "Fiscal Policy Reform: Principles and Trends" in April 2004 and April 2005; a review of India's Intergovernmental Fiscal System; and the development of Revenue Forecasting Modeling in Vietnam.

In 2006, ISP developed delivered a week-long training program on “Fiscal Policy Reform: Principles and Trends.” The course covered various aspects of fiscal policy and their implications for fiscal reform activities in developing and transitional economies. The course, which ran from February 27-March 3, 2006, was designed for USAID practitioners and host-country policy planners. Program instructors included **Roy Bahl, James Alm, Jorge Martinez-Vazquez, Jamie Boex, Mark Rider** and **Sally Wallace**.

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**USAID IQC: Decentralized Local Governance: The PADCO-GSU Consortium (2004-2010).** The Decentralization IQC has been commissioned to (1) to increase participatory decision-making, transparency, accountability, and responsiveness at all levels of government by working with both state and non-state actors; (2) to increase citizen participation in local and national government decision-making; (3) to assist local governments to serve as counterweights to central state authorities and to participate in policy-making at regional and national levels; (4) to enhance the fiscal adequacy and probity of decentralized democratic governments; and (5) to enable local governments to influence their own destinies by promoting and sustaining local economic development. Moreover, the objective of this activity is to increase the capacity and performance of all levels of government (with specific focus on sub-national government agencies and elected officials) and NGOs to execute public management functions related to the provision and production of public goods and services. Providing technical assistance and training to increase the capacity and performance of public agencies, especially the capacity of sub-national governments to obtain, allocate and monitor resources is emphasized.

Georgia State University is the team’s (PADCO/GSU) major subcontractor, concentrating on supporting policy design and implementation in fiscal decentralization, local revenue generation, local financial management and related training.

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**USAID IQC Sustainable Urban Management II: PADCO Consortium (2004-2009).** The SUM IQC provides advisory services, technical assistance, and training in support of USAID's goal of well-managed urbanization, and the Environment Center's strategic support objective of improved management of urbanization in targeted areas. Managed by the Office of Environment and Urban Programs, the SUM IQC delivers services in four functional areas: expanded and equitable delivery of urban services and shelter; more effective, responsive and accountable local governments; reduced urban pollution; and credit program monitoring.

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**USAID IQC: SEGIR Macroeconomic Policy II: Louis Berger Group Consortium (2004-2009).** The participation by Georgia State University as a leading subcontractor to

Louis Berger as part of the SEGIR MACRO II Consortium will build primarily on its expertise in the following subject areas:

Primary areas of technical expertise:

- Macroeconomic policy, including fiscal reform activities and other economic policy activities with both tax and budget elements.
- Fiscal – tax policy and tax administration, including tax policy and tax administration at all government levels, fiscal analysis, revenue and debt management, revenue forecasting.
- Budget policy & administration, including budgetary policy and management, budgetary analysis, debt management, subsidies, public expenditure reviews.
- Economics training and capacity building, including economics training, economic policy education, think-tank networking, and other capacity building activities in the realm of economics, public administration and public policy.

Additional areas of expertise:

- Macroeconomic Policy Coordination, including performing research and providing technical assistance on harmonizing fiscal, monetary and trade policies.

Other Areas: strategic planning for USAID and public agencies, pricing and subsidies policies, privatization, transportation issues, environmental and energy policy analysis, identification of sectoral issues critical for economic growth.

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### **International Studies Program Working Papers**

#06-01 *Reaching a Political Consensus for Tax Reform in Spain: The Moncloa Pacts, Joining the European Union and the Best of the Journey*, Francisco Comín, January 2006.

#06-02 *The Business Community, Policy Makers, and Tax Reform in Spain (1977-2004)*, Emilio Albi, January 2006.

#06-03 *Tax Reform in Perspective: The Role of the Public Sector in Spain Along the Process of European Integration*, Jose Manuel González-Parámo and Pablo Hernández de Cos, January 2006.

#06-04 *Personal Income Taxation: The Cornerstone of the Tax System in Democratic Spain*, Desiderio Romero Jordán and José Félix Sanz, January 2006.

#06-05 *The Evolving Role of the Corporate Income Tax in Spain*, Raquel Paredes Gómez, January 2006.



#06-06 *The Personal Wealth Taxes: The Inheritance and Gift Taxes and the Net Wealth Tax in Spain*, Laura de Pablos Escobar, January 2006.

#06-07 *The Reform of Indirect Taxation in Spain: VAT and Excise*, José Sánchez Maldonado and J. Salvador Gómez Sala, January 2006.

#06-08 *Social Protection and Social Security Contributions in Spain*, Ignacio Zubiri, January 2006.

#06-09 *Environmental Taxes in Spain: A Missed Opportunity*, Alberta Gago, Xavier Labandeira, Fidel Picos and Miguel Rodríguez, January 2006.

#06-10 *Regional Decentralization in Spain: Vertical Imbalances and Revenue Assignments*, Julio López Laborda and Carlos Monasterio Escudero, January 2006

#06-11 *Financing Local Governments: The Spanish Experience*, F. Pedreja-Chaparro, J. Salinas-Jiménez and J. Suárez-Pandisslo, January 2006.

#06-12 *The Reform of the Tax Administration in Spain*, Jorge Onrubia, January 2006.

#06-13 *Pocketing and Deceiving: The Behavior of the Delivery Agency in a Donor – Delivery Agency - Recipient Organization*, Jorge Martinez-Vazquez, Baoyun Qiao, Yongsheng Xu, February 2006.

#06-14 *Are Other Government Policies More Important Than Taxation in Attracting FDI*, Timothy Goodspeed, Jorge Martinez-Vazquez and Li Zhang, March 2006.

#06-15 *The Effect of Personal Income Tax Rates on Individual and Business Decisions - A Review of the Evidence*, Mark Rider, April 2006.

#06-16 *Regional - Local Dimension of Russia's Fiscal Equalization*, Jorge Martinez-Vazquez and Andrey Timofeev, May 2006.

#06-17 *Contract Enforcement, Institutional Stability, and the Level and Maturity of International Debt*, Jorge Martinez-Vazquez and Wasseem Mina, May 2006.

#06-18 *Is VAT the Best Way to Impose a General Consumption Tax in Developing Countries?* Richard M. Bird and Pierre-Pascal Gendron, May 2006.

#06-19 *Intergovernmental Fiscal Relations in Romania: Challenges and Options for Reform*, Jorge Martinez-Vazquez, Cristian Sepúlveda, Gabriel Leonardo and Benjamin Miller, June 2006.

#06-20 *Income Mobility: The Recent American Experience*, Robert Carroll, David Joulfaian and Mark Rider, July 2006.

#06-21 *Who Bears the Burden of Taxes on Labor Income in Russia?* Jorge Martinez-Vazquez, Mark Rider, Riatu Qibthiyah, and Sally Wallace, August 2006.

#06-22 *Fiscal Decentralization in the People's Republic of Lao*, Jorge Martinez-Vazquez, Juan Luis Gomez, Guevera Yao, September 2006.

#06-23 *The Practice of Fiscal Federalism in Spain*, Julio Lopez-Laborda, Jorge Martinez-Vazquez, Carlos Monasterio, October 2006.

#06-24 *Pakistan: A Preliminary Assessment of the Federal Tax System*, Jorge Martinez-Vazquez, November 2006.

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### **Conferences and Conference Papers**

In 2006, the Andrew Young School's seventh conference in its series on Public Finance Issues in an International Perspective focused on the topic “**Alternative Methods to Taxing Individuals.**” This conference, organized by ISP, was held on June 8-9, 2006, in Stone Mountain, Georgia. The forum brought together leading economists from around the globe to discuss alternative tax methods. Presentations were:

- Session 1: Dual Income Taxation
  - *The Dual Income Tax: Implementation and Experience in European Countries*, Bernd Genser
  - *Moving Toward a Dual Income Tax in Japan*, Hiromitsu Ishi
  - *Discussant*, Fidel Picos
- Session 2: The Flat Rate Income Tax
  - *From Income to Consumption Tax?: The Case of Jamaica*, Roy Bahl and Sally Wallace
  - *How Should Individuals be Taxed? Designing Income Taxes, Payroll Taxes and “Simplified” Taxes in Ukraine*, James Alm and Pablo Saavedra
  - *Discussant*, Mikhail Melnik
- Session 3: Other Methods of Taxing Income: The Consumption Approach and Simplified Taxes
  - *Economic Effects of a Personal Capital Income Tax Add-On to a Consumption Tax*, John Diamond and George Zodrow
  - *Implications of Return-Free Tax Systems for the Structure of the Individual Income Tax*, Janet Holtzblatt
  - *Discussant*, Andrey Timofeev
- Session 4: Simplified and Presumptive Income Taxation
  - *Cost Benefit Analysis of Presumptive Taxation*, Shlomo Yitzhaki

- *Potential Income Taxation: A Second Look at Presumptive Taxes*, Dagney Faulk, Jorge Martinez-Vazquez, and Sally Wallace
- *Discussant*, Mark Rider
- Session 5: Administrative Aspects
  - *Alternative Methods of Taxing Personal Income: Administrative Issues*, John Hasseldine, Peggy Hite, and Norman Gemmell
  - *Improving Taxpayer Accounting for SME's and Individuals*, Seth Terkper
  - *Discussant*, Luc Noiset
- Session 6: Closing Session
  - *Consumption-based Direct Taxes; A Guided Tour of the Amusement Park*, Charles McLure

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The Andrew Young School of Policy Studies, through the ISP, and in collaboration with the Lincoln Institute of Land Policy, also hosted a conference on **“Making the Property Tax Work in Developing and Transitional Countries.”** This program was held from October 15-17, 2006, at the Evergreen Conference Resort in Stone Mountain, Georgia, and brought together many leading economists to discuss issues on property taxes in developing and transitional economies. The presentations were:

- Session 1: The Setting
  - *The Property Tax: Roots and Global Perspective*, Joan Youngman
  - *The Property Tax in the Context of Fiscal Decentralization*, Roy Bahl and Jorge Martinez-Vazquez
  - *Discussant*, Gregory K. Ingram
- Session 2: Fairness, Political Issues, and Scope
  - *The Political Challenges to (fully) Using Property Taxes*, W. Jan Brzeski
  - *Tax Incidence and Equity of Property Taxes in Developing and Transitional Countries*, Edward Sennoga, David Sjoquist, and Sally Wallace
  - *The Role of the Property Tax in Financing Rural Local Governments*, Richard Bird and Enid Slack
  - *Alternative Value Capture Instruments*, Steve Tsui
  - *Discussant*, Indira Rajamaran and Natasha Takhtarova
- Session 3: Data Collection and Information Technology
  - *Data Challenges in Implementing a Property Tax and Solutions*, John Mikesell and Kurt Zorn
  - *What is the Appropriate Role for Computer-assisted Valuation Models in Transitional and Developing Countries?* Joe Eckert
  - *Discussant*, Paul Smoke

- Session 4: Approaches to Valuation
  - *Is Area-based Assessment: An Alternative, an Intermediate Step, or an Impediment to Value-based Taxation?* Vasanth Rao
  - *The Feasibility of Site Value Taxation*, Riel Franzsen and William McCluskey
  - *Discussant*, Gary Cornia
  
- Session 5: Property Rights, Collections, and Enforcement
  - *How Can Property Rights be Identified and Valued in the Absence of Formal Land Markets?* Yu-Hung Hong
  - *Tribal Lands and Informal Settlements*, Michael Bell and John Bowman
  - *Collection and Enforcement of the Property Tax*, Sally Wallace
  - *Discussant*, Claudia De Cesare
  
- Session 6: Lessons in Introducing Value-Based Property Taxes: The Baltic Experience
  - *Land Taxation Reform in Estonia*, Tambet Tiits
  - *Property Tax Reform in Lithuania*, Albina Aleksiene and Arvidas Bagdonavicius
  - *Discussant*, Vytautas Sujlia

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### **Visiting Scholars**

**Dr. Ai-Young Kim** was a visiting professor from the Nam Seoul University in Seoul, South Korea, from October 2006 to March 2007. She is an associate professor in the Department of International Trade at Nam Seoul University and has worked as an economic council advisor for several local governments in South Korea. Prior to joining the faculty of Nam Seoul University, she worked for the Daeyu Securities and Investment Company as a senior manager. Her research interests include macroeconomics, international finance, and the foreign exchange market.

**Peter Mischler** was a visiting scholar from the University of Fribourg, Switzerland, from October 2006 to March 2007. He is a research associate and Ph.D. candidate at the University of Fribourg. During his visit, he will finish his dissertation on expenditure equalization in Switzerland and write a paper on the incidence of fiscal equalization programs. His research interest is local public finance, especially intergovernmental transfers, fiscal equalization and regional development.

**Dr. Keqing Zhou** was a visiting scholar from China from September 2006 to February 2007. He earned his bachelor of economics in 1996, and his Ph.D. in Economics in 2004, both at Southwestern University of Finance and Economics (SWUFE). He is an Assistant Professor in the School of Public Finance and Taxation at SWUFE. His research fields are fiscal federalism, fiscal decentralization, tax competition, public expenditure, public transfers and governmental revenue.

**Dr. Laura Piedra-Muñoz** visited from University of Almeria (UAL) in Spain from February to June 2006. She earned her Economic and Business Sciences degree in 1999, and her Ph.D. in Economics in 2005, both at the UAL. Currently, she is an Associate Professor in the Department of Applied Economics at UAL. Her research fields are public expenditure, public transfers and public housing programs.

**Dr. Ana Herrero Alcalde** visited from Universidad Nacional de Educacion a Distancia (UNED) in Spain from January to May 2006. Professor Herrero got her Law degree from the Universidad Complutense of Madrid in 1995 and her Ph.D. in Economics from the Universidad Nacional de Educacion a Distancia (UNED) in 2004. Currently, she is an Associate Professor in the Department of Applied Economics and Public Finance of the UNED, and an external researcher of the Institute of Fiscal Studies, part of the Spanish Ministry of Finance. Her research fields are fiscal federalism, equalization transfers and decentralization of welfare state.

**Dr. Dillon Alleyne** was a visiting professor from November 2005 to January 2006. Professor Alleyne currently lectures in Public Finance and Econometrics in the Department of Economics at the University of the West Indies, Mona, Kingston, Jamaica. His published works have been in the areas of tax burden analysis, taxation and labor supply and migrant transfers. He has worked in Fiscal Policy and related issues for the Government of Jamaica, the World Bank, the Economic Commission for Latin America and the Caribbean (ECLAC) and the Caribbean Development Bank (CDB). Prior to joining the staff at the Department of Economics, Mona, he was a Research Fellow at the Sir Arthur Lewis Institute of Social and Economic Studies (SALISES) in Mona, Jamaica. Dillon Alleyne is a Guyanese citizen.

## 2005

### Projects

**Guyana.** The University of Guyana is undertaking initiatives aimed at strengthening its Statistics and Social Policy Analysis Teaching and Research. Georgia State recently won the bid to carry out the task, which will involve:

- designing a curriculum in basic statistics,
- rationalizing and upgrading existing undergraduate and graduate course in statistics, poverty analysis, public policy analysis, and research methodology offered by the Faculty of Social Sciences,
- providing technical assistance to the University's databank and the project's research agenda.

The Georgia State team is led by **Mark Rider** and also includes **Mary Beth Walker**, **Sally Wallace** and **Greg Lewis**, who will be traveling to Guyana several times over the course of a year to develop the curriculum and train University of Guyana faculty.

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**Namibia.** The ISP bid on a proposal to provide technical assistance in Namibia in 2005 and recently has been awarded the contract. The work involves ensuring that the recurring and developing grant system should provide a comprehensive, efficient and transparent way of allocating and transferring funds to the 12 regional councils in the country. ISP is expected to define principles and present options for different modalities of intergovernmental fiscal transfers from which the client can choose. The scope of work also entails designing the allocation criteria and formula for each grant, by first determining the criteria then giving weight to each criterion in terms of its significance. The financial implications of the various allocation formulae for each region will be established. Transfer modalities for each grant will be designed to ensure that the transfer mechanism is efficient, transparent and predictable. Institutional issues or arrangements will be established to ensure that the grant system is effectively and properly administered. The ministry of foreign affairs of Finland is funding the project in conjunction with the Namibian Government.

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**Summer School in Public Economics.** The International Studies Program conducted the Summer School in Public Economics from July 18-22, 2005. The course was sponsored by the Fundacion Rafael del Pino, Spain, in collaboration with the Instituto de Estudios Fiscales, Spain, and the International Studies Program, Andrew Young School of Policy Studies. The course was organized for professors and government officials from Spain. It

was taught by world renowned public finance experts such as Arnold Harberger and Wallace Oates, amongst others. The project was directed by **Jorge Martinez-Vazquez**.

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**Fiscal Decentralization Course: Concepts and Applications for Timor-Leste.** ISP was awarded an opportunity to conduct a Fiscal Decentralization course in Timor-Leste. The course "Fiscal Decentralization: Concepts and Applications for Timor-Leste" was held from October 10-14, 2005, at Independence Memorial Hall in Dili, Timor-Leste. The week-long workshop was developed and delivered by the Andrew Young School in collaboration with the UN Development Programme (UNDP), with support from Development Cooperation Ireland (DCI).

The workshop provided an introductory overview of the theoretical dimensions of intergovernmental fiscal relations. In addition to exploring the conceptual underpinnings of fiscal decentralization reform, the workshop connected sound principles of decentralization reforms to specific policy issues relevant to the current situation in Timor-Leste. Discussion sessions at the end of each day enabled participants to integrate their existing knowledge of local government finance in Timor-Leste with their newly acquired knowledge on fiscal decentralization.

The course was attended by 30 senior policymakers and government officials from Timor-Leste, including the Minister of State Administration and the Vice-Minister of Finance. The course was also attended by numerous directors and senior officials from various central government ministries, district administrators, UNCDF LDP (Local Development Programme) project staff, as well as civil society representatives.

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**UNDP Bratislava/Fiscal Decentralization Reforms in Selected Transition Economies.** ISP was contracted by the United Nations Development Program (UNDP) Bratislava Regional Centre to produce a series of country studies on the state of fiscal decentralization in five transition economies, including Armenia, Croatia, the Republic of Georgia, Macedonia, and Serbia.

The principal objective of the study was to accomplish an all-encompassing review that systematically captured the fiscal decentralization processes in each of the five countries. The study covered the formation of subnational governments; the division (assignment) of expenditure responsibilities between the different levels of government; the assignments of revenue sources to subnational governments; the provision of intergovernmental fiscal transfers as well as the development of a framework for subnational government borrowing. In addition to the five country reports, the study produced a final report that integrated and synthesized the experiences from these five countries and drew lessons for future decentralization reforms in these countries. **Jorge Martinez-Vazquez** served as Principal Investigator for the study, with substantial contributions from **Jamie Boex** and **Andrey Timofeev**. Additional contributions were

provided by Marjan Nikolov (President of the Center for Economic Analysis, Macedonia), ISP Associate Michael Schaeffer, and Snezana Stojanovic.

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**Fiscal Decentralization: A Review of Concepts and Applications for Bangladesh.**

The Workshop "Fiscal Decentralization: A Review of Concepts and Applications for Bangladesh" was held from April 9-13, 2005, at the BRAC Training Center in Rajendrapur, Gazipur, Bangladesh. It was conducted by **Jamie Boex** and **Eunice Heredia-Ortiz**. The week-long workshop was developed and delivered by the Andrew Young School in collaboration with the UN Capital Development Fund (UNCDF). The workshop was attended by 18 senior government officials, including officials from the Local Government Division, the Ministry of Finance, LGED, government ministries, as well as six government officials from Nepal.

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**Review of India's Intergovernmental Fiscal System.** The Government of India is developing reforms to address the lack of fiscal discipline among India's States. On behalf of India's Ministry of Finance, the International Studies Program provided an assessment of India's intergovernmental fiscal system and a review of international experience in promoting fiscal discipline among subnational governments in federal systems. The review of international experience focused on the experiences of Australia, Brazil, Canada, Germany, Russia, and the United States. Based on this review, the project team also offered reform options. This study was conducted between November 2004 and April 2005 and financed by a grant from the United States Agency for International Development under USAID'S [Fiscal Reform Project](#). **Mark Rider** was the principal investigator for the study, and the project team also included **Roy Bahl**, **Eunice Heredia-Ortiz**, and **Jorge Martinez-Vazquez**. The main findings of the final report have been captured in [ISP Working Paper Number 05-14](#).

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**Indonesia Masters Program.** The Indonesian Masters Program ended on August 31, 2005. In its last phase, it consisted of five Ph.D. students. Three students from the first year program and two from the second year program remained in the U.S. in order to finish their studies at AYSPS and complete their Ph.D.'s. The students from the first program have finished all their coursework and have begun their dissertation writing process. The students from the second program are almost done with their coursework and will soon begin their dissertation writing process. Since the program has officially ended, the five Ph.D. students are officially sponsored by the Andrew Young School of Policy Studies and are no longer funded by the United States Agency for International Development. The goal of this cooperative agreement with USAID-Indonesia has been to bring 55 Indonesian university and government workers to Georgia State University in order to earn master's degrees in economic policy. The program is co-directed by **James Alm** and **Jorge Martinez-Vazquez**.



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**Peace Corps.** Georgia State University has a close working relationship with the Regional Peace Corps Office in Atlanta. This relationship has been enhanced with the Peace Corps Master's International Program for a Master's of Economics, Master's of Economics-Policy Track, and Master's of Public Administration, which stems from a partnership between the Andrew Young School of Policy Studies and the Peace Corps. Within the Andrew Young School, students are able to obtain a master's degree from the Department of Economics or the Department of Public Administration and Urban Studies. Each student works closely with an academic advisor to exploit the synergy potential between classroom work, field experience, thesis research, directed readings, and internships, including overseas assignments.

The students receive financial aid for their program of study. The AYSPS holds seven tuition waivers that allow out-of-state students to pay in-state tuition (\$125 per credit hour for in-state versus \$501 for out-of-state). These waivers are assigned to students based on criteria set by the College. Additionally, master's students often receive assistantships that waive tuition and also provide a small stipend. The Peace Corps candidates are eligible and will compete for these waivers.

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**Fiscal Policy Summer Training Program 2005.** The International Studies Program conducted a three-week Fiscal Policy Summer Training Program. The training courses, led by a panel of distinguished faculty and leading policy experts with worldwide experience, are designed for government officials and policy makers from developing and transition countries as well as their counterparts with international donor agencies. This year's program consists of the following Fiscal Decentralization and Local Governance course (June 20-July 8, 2005).

The training program was designed by economics faculty from the Andrew Young School of Policy Studies and took place on the Georgia State campus in Atlanta. Senior government officials and donor agency representatives from Vietnam, India, Kenya, Serbia, Dominican Republic, Ghana, Montenegro, Jamaica, Bhutan, South Africa, Zambia, Uganda, Indonesia, China, Nepal, Bangladesh, Tanzania, Kenya, Macedonia, and others attended the program. Training included intensive classroom sessions featuring lectures, fiscal policy analysis and simulations, case studies, group discussions, country-specific individual projects and field visits to relevant government offices such as the DeKalb County Tax Assessors office, Georgia Department of Revenue and the Carter Center. This is a tuition-based program (\$300,000) and has been successfully conducted since 2000. The training courses were led by a panel of faculty and policy experts. Professors within AYSPS who lectured during this course included:

- Roy Bahl – Dean, Andrew Young School of Policy Studies
- James Alm – Chair, Department of Economics
- Jorge Martinez-Vazquez – Director, International Studies Program

- Sally Wallace – Deputy Director, Fiscal Research Center
- David L. Sjoquist – Director, Fiscal Research Center
- Dana Weist – Lead Public Sector Specialist, The World Bank
- Ronald McGill – Senior Technical Adviser, Local Governance Unit, UNCDF
- Mark Rider – Department of Economics
- Jameson Boex – Department of Economics
- Andrey Timofeev – International Studies Program
- Eunice Heredia-Ortiz – Department of Economics

The Fiscal Policy Summer Training Courses were managed by **Jameson Boex**.

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**Tanzania, Formula Based Grants.** In Tanzania this year, **Jameson Boex** and **Jorge Martinez-Vazquez** have continued working on the “Development of a System for Allocating Grants to Local Government Authorities in Tanzania” study. The ISP is providing technical assistance based on a solid understanding of transfer design issues and the particular situation in Tanzania. The objective of the study is to analyze the shortcomings of the present system of intergovernmental transfers and propose equitable and transparent options for allocating grants to local government authorities in Tanzania. Boex and Martinez have been working with the Tanzanian Government and technical experts to achieve this objective. This project, funded by Danish International Development Agency (DANIDA), is currently ongoing. (\$201,209)

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**Tanzania, Local Government Finance.** In addition to the project carried over from 2004, **Jameson Boex** has also begun “Development of a Strategic Framework for the Financing of Local Governments in Tanzania.” Boex served as Team Leader for this study, which was designed to assist the Government in developing an overall and strategic framework to guide decisions on the structure of the financing of Local Government Authorities, including decisions on the structure of the system of intergovernmental transfers as well as the structure of local government taxes. The team also included Phillip Van Ryenveldt, an independent consultant from South Africa, subcontracted by ISP for this project. (\$211,000)

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**Tanzania Training.** The Andrew Young School of Policy Studies, together with Mzumbe University, conducted a workshop on "Local Government Finance in Tanzania: Concepts, Practices And Reforms." The workshop was held in Morogoro, Tanzania, from September 17-23, 2005. The workshop was conducted by **Jamie Boex** and **Paul Kagundu**.

The purpose of the week-long program for Tanzanian government officials and policy experts was to refresh and deepen their technical and critical understanding of fiscal

decentralization policy issues. To this effect, the program provided a comprehensive overview of the theoretical dimensions of intergovernmental fiscal relations, with a focus on applications for fiscal decentralization reforms in Tanzania. As such, the course was a logical complement to ongoing technical assistance and capacity building activities in local government finance reform. In addition to exploring the conceptual underpinnings of fiscal decentralization reform, the workshop connected sound principles of decentralization reforms to specific policy issues relevant to the current situation in Tanzania. The audience for this program consisted of mid-level government officers (including budget officers, planners, economists, accountants, ZRT finance specialists, and other officers) from PO-RALG, the Ministry of Finance, PO-P&P, PO-PSM, as well as relevant sector ministries. The composition of the training groups enhanced cross-sectoral understanding of local government finance issues in Tanzania.

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**Jamaica Tax Reform project.** This project ended in 2005. **Roy Bahl, Sally Wallace, James Alm, Mark Rider, David L. Sjoquist,** and **Felix Rioja** made several trips to Jamaica to compile a thorough and comprehensive review of the Jamaican tax structure. The Jamaican Government awarded the International Studies Program the task to conduct a comprehensive review of its tax structure in 2003. Jamaica had not undertaken a review of such proportions in nearly 20 years. Bahl was instrumental in acquiring this grant and giving ISP-AYSPS the opportunity to lead this endeavor. The results of this review are being utilized by the Government of Jamaica and the Tax Reform Committee to develop a blueprint for the ultimate reform process. **Roy Bahl** and **Sally Wallace** served as co-directors of the Jamaica Tax Reform Project. (\$966,499)

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**Fiscal Reform in Support of Trade Liberalization.** In July 2003, the U.S. Agency for International Development's Office of Economic Growth, Agriculture and Trade (EGAT) initiated the Fiscal Reform in Support of Trade Liberalization worldwide program (known as The Fiscal Reform Project), which is implemented by a consortium of Development Alternatives, Inc. (DAI) in Washington, D.C., with participation by the Andrew Young School of Policy Studies, the Boston Institute for Developing Economies and Training Resources Group, Inc. The Georgia State team consists of **Jorge Martinez-Vazquez, Jameson Boex, Mark Rider,** Luc Noiset (ISP affiliate), and **Javier Arze.**

Task orders and activities developed and delivered by the Andrew Young School under the Fiscal Reform Project include annual training programs on "Fiscal Policy Reform: Principles and Trends" in April 2004 and April 2005; a review of India's Intergovernmental Fiscal System; and the development of Revenue Forecasting Modeling in Vietnam. Under the Vietnam task order, ISP affiliate Noiset has traveled to Vietnam for extended periods this year. He has been helping the Congressional Budget Commission and the Ministry of Finance to develop a revenue forecasting model with projection ability of at least three years. He has also been providing the necessary training so the staff can use, update, and modify the model. Martinez-Vazquez, Boex and Arze

contributed to a study on “Fiscal Policy, Fiscal Management, and Corruption,” and made a presentation on corruption in Tanzania at the USAID Conference “Promoting Economic Growth in a New Era.” Officials from USAID and the World Bank were in attendance. Finally, the Fiscal Reform Project also relies on the Andrew Young School to develop policy-oriented research studies, including a study on fiscal policy and corruption and a study on fiscal decentralization and poverty reduction. (\$372,000)

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### **Current Indefinite Quantity Contracts (IQC)**

*The ISP is a member of several USAID Indefinite Quantity Contract (IQC) consortia. These contracts give USAID a quick and easy way to contract out advisory services to the ISP.*

**Strategic Policy and Institutional Reform (SPIR) IQC, Development Alternatives, Inc. (DAI).** This IQC provides services to support strategic policy and institutional reform that strengthens accountability, transparency, and effectiveness. The contract is designed to assist host country institutions and organizations and USAID in addressing policy and institutional reform issues through democratic processes. The contract addresses the frequently fatal gap between broad policy pronouncements and the tough challenges of effective institutional reform. Through the SPIR IQC, the DAI/AYSPS team can assist with programs that cut across a variety of sectors and across governance subsectors, for example, fiscal decentralization reform, local government reform, legislative strengthening, and anti-corruption in the public sector.

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**Sustainable Urban Management (SUM) IQC, PADCO Consortium.** The SUM IQC provides advisory services, technical assistance, and training in support of USAID's goal of well-managed urbanization, and the Environment Center's strategic support objective of improved management of urbanization in targeted areas. Managed by the Office of Environment and Urban Programs, the SUM IQC delivers services in four functional areas: expanded and equitable delivery of urban services and shelter; more effective, responsive and accountable local governments; reduced urban pollution; and credit program monitoring.

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**Fiscal Reform and Development in the ENI Region IQC, Deloitte Touche Tohmatsu Consortium.** At a time when governments in emerging economies and donor agencies must achieve greater results with fewer resources, proven consulting ability is essential to cost-effective, successful development efforts. Working in partnership with donors, governments, enterprises and local communities, the International Studies Program and Deloitte's Emerging Markets Group have achieved positive results on technical assistance projects around the world.

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**Support for Economic Growth and Institutional Reform Macro-II (SEGIR-II) Financial Services IQC, Development Alternatives, Inc. (DAI).** The International Studies Program is providing support to DAI on a Support for Economic Growth and Institutional Reform (SEGIR) Project in furtherance of USAID's goal of helping countries achieve broad-based economic growth on a sustainable basis. The ISP will be aiding in macroeconomic policy, poverty alleviation and economic institutions and analysis.

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**Fiscal Reform in Support of Trade Liberalization (FRTP), SEGIR EP IQC.** The International Studies Program will be enabling USAID to better address fiscal issues that arise in developing countries—especially those linked to the process of trade liberalization through this IQC. ISP will facilitate access by mission to specialized fiscal expertise and training resources, particularly identifying opportunities for fiscal reform and specific implementation activities and improving technical competence on fiscal issues among USAID staff. Furthermore, ISP aims to strengthen USAID's understanding of the many fiscal issues that confront developing and transition countries, especially as they relate to trade liberalization.

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## Reports

### **International Studies Program Working Papers**

- #05-21 *The Evolution of Tax Morale in Modern Spain*, Jorge Martinez-Vazquez and Benno Torgler, December 2005.
- #05-20 *China's Fiscal System: A Work in Progress*, Christine C.P. Wong and Richard M. Bird, November 2005.
- #05-19 *Fiscal Decentralization and Economic Growth: A Comparative Study of China and India*, Jorge Martinez-Vazquez and Mark Rider, October 2005.
- #05-18 *Russian Attitudes Toward Paying Taxes – Before, During, and After the Transition*, Benno Torgler, James Alm and Jorge Martinez-Vazquez, September 2005.
- #05-17 *Experimental Evidence for Tax Policy Design*, Jorge Martinez-Vazquez, Mark Rider, Lucy F. Ackert and Ann Gillette, August 2005.
- #05-16 *Effects of Tax Morale on Tax Compliance: Experimental and Survey Evidence*, Ronald G. Cummings, Jorge Martinez-Vazquez, Michael McKee and Benno Torgler, July 2005.
- #05-15 *Earmarking in Theory and Korean Practice*, Richard M. Bird and Joosung Jun, June 2005.

- #05-14-2 *India: Fiscal Condition of the States, International Experience, and Options for Reform: Volume 2*, Roy Bahl, Eunice Heredia-Ortiz, Jorge Martinez-Vazquez and Mark Rider, June 2005.
- #05-14-1 *India: Fiscal Condition of the States, International Experience, and Options for Reform: Volume 1*, Roy Bahl, Eunice Heredia-Ortiz, Jorge Martinez-Vazquez and Mark Rider, June 2005.
- #05-13 *Making Fiscal Decentralization Work in Vietnam*, Jorge Martinez-Vazquez, June 2005.
- #05-12 *Vertical Imbalances and Revenue Assignments in Decentralized Spain*, Julio López Laborda and Carlos Monasterio Escudero, June 2005.
- #05-11 *The Land Value Tax in Jamaica: An Analysis and Options for Reform*, David L. Sjoquist, April 2005.
- #05-10 *Tax Compliance of Small Business in Transition Economies: Lessons from Bulgaria*, Konstantin Pashev, March 2005.
- #05-09 *The Determinants of the Incidence of Intergovernmental Grants: A Survey of the International Experience*, Jamie Boex and Jorge Martinez-Vazquez, March 2005.
- #05-08 *An Analysis of the Jamaican Land Value Tax Rate Structure*, David L. Sjoquist, March 2005.
- #05-07 *Redistribution via Taxation: The Limited Role of the Personal Income Tax in Developing Countries*, Richard M. Bird and Eric M. Zolt, March 2005.
- #05-06 *Fiscal Decentralization, Macrostability, and Growth*, Jorge Martinez-Vazquez and Robert M. McNab, February 2005.
- #05-05 *Value-Added Taxes in Developing and Transitional Countries: Lessons and Questions*, Richard M. Bird, March 2005.
- #05-04 *Eastern and Southern Africa Monetary Integration: A Structural Vector Autoregression Analysis*, Steven K. Buigut and Neven T. Valev, February 2005.
- #05-03 *On Some Non-Equivalence Results of Ad Valorem Tax*, Sally Wallace, Daoshu Wang, and Yongsheng Xu, September 2004.
- #05-02 *Choosing between Centralized and Decentralized Models of Tax Administration*, Jorge Martinez-Vazquez and Andrey Timofeev, January 2005.
- #05-01 *Fiscal Decentralization and The Functional Composition of Public Expenditures*, F. Javier Arze del Granado, Jorge Martinez-Vázquez, and Robert McNab, January 2005.

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## Jamaica Tax Reform Project Reports

1. *The Land Value Tax in Jamaica: An Analysis and Options for Reform*, **David L. Sjoquist**.

2. *Property Transfer Tax and Stamp Duty*, **Roy Bahl**.
3. *Corporate Income Tax and Tax Incentives*, **Mark Rider**.
4. *Taxation Issues in the Jamaican External Trade Sector*, **Felix Rioja** and **Keith Maskus**.
5. *Supplement to: Taxation Issues in the Jamaican External Trade Sector - Version 2*, **Keith Maskus** and **Felix Rioja**.
6. *The Jamaican Individual Income Tax*, **Sally Wallace** and **James Alm**.
7. *Payroll Taxes and Contributions*, **James Alm** and **Sally Wallace**.
8. *Taxing Consumption in Jamaica: The GCT and the SCT*, **Kelly D. Edmiston** and **Richard M. Bird**.
9. *Taxation and Economic Efficiency in Jamaica*, **Miles K. Light**.
10. *Tax Burden in Jamaica*, Dillon Alleyne, **James Alm**, **Roy Bahl** and **Sally Wallace**.
11. *Comprehensive Tax Reform: Final Report*, **Roy Bahl** and **Sally Wallace**.

### **Conferences and Conference Papers**

The Andrew Young School's Sixth Conference in its Series on Public Finance Issues in an International Perspective focused on **Experimental Public Economics**. The conference was held on May 23-24, 2005, in Stone Mountain Park, Ga., and brought together leading economists from around the globe to discuss issues in experimental public economics. Presentations were:

- Session 1: Foundations
  - *Social Preferences and Voluntary Contributions to Public Goods*  
James Cox and Vjollca Sadiraj
  - *When the Shoe is on the Other Foot: Experimental Evidence on Evaluation Disparities*  
Lucy Ackert, Bryan Church and Gerald Dwyer
  - *Discussant* Paul Ferraro
- Session 2: Fairness and Policy Design
  - *Preferences over Income Distributions - Experimental Evidence*  
Dirk Engelmann and Martin Strobel
  - *Experimental Evidence for Tax Policy Design*  
Lucy Ackert, Ann Gillette, Jorge Martinez-Vazquez, and Mark Rider
  - *Discussant* Benno Torgler
- Session 3: Attitudes and Biases
  - *Cultural Diversity, Discrimination and Economic Outcomes: An Experimental Analysis*  
Ron Cummings and Paul Ferraro
  - *Debt Aversion and the Demand for Loans Post-Secondary Education*  
Catherine Eckel, Cathleen Johnson, and Claude Montmarquette

- *Discussant* C. Monica Capra
  - Session 4: Social Norms and Pressures
    - *Information and Social Comparison and Price Giving: Gender Differences in Two Field Experiments*  
Stephan Meier
    - *Public Observability of Decisions and Voluntary Contributions in a Multi-Period Context*  
Charles Noussair and Steven Tucker
    - *Discussant* Christian Vossler
  - Session 5: Tax Evasion
    - *Audit Certainty and Taxpayer Compliance*  
James Alm and Michael McKee
    - *Tax Evasion and Social Interactions*  
Bernard Fortin, Guy Lacroix, and Marie-Claire Villeval
    - *Discussant* Ann Gillette
  - Session 6: Closing Session
    - *Perspectives on the Use of Experimental Methods in Public Economics*  
Roy Bahl
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### **Visiting Scholars**

**Dr. Jose Felix Sanz** visited from the Universidad Complutense, in Madrid, Spain, from September 2004 until March 2005. He was involved in editing a book with Jorge Martinez-Vazquez on the Spanish tax system as well as undertaking his own research with other members of the faculty.

**Dr. Kontstantin Pashev** visited from the Center for the Study of Democracy in Sofia, Bulgaria, from October 2004 to March 2005 under the Fulbright Senior Scholarship Program. His research interests cover taxation of small and medium-sized enterprises, taxation and international competitiveness, compliance management and measurement.



## 2004

### Projects

**Indonesia Masters Program.** The final stage of the Indonesian Masters Program consisted of five Ph.D. students. Three students from the first year program of 30 students and two from the second year program of 25 students. These five students remained in the U.S. in order to finish their studies at AYSPS and complete their Ph.D.s. Three of these students have completed their Ph.D. and two are currently finishing their dissertations. The goal of this cooperative agreement with USAID-Indonesia was to bring 55 Indonesian university and government workers to Georgia State University in order to earn masters degrees in economic policy. The program was co-directed by **James Alm** and **Jorge Martinez-Vazquez**.

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**Peace Corps.** Georgia State University has a close working relationship with the Regional Peace Corps Office in Atlanta. This relationship has been enhanced with the Peace Corps Master's International Program for a Masters of Economics, Masters of Economics-Policy Track, and Masters of Public Administration, which stems from a partnership between the Andrew Young School of Policy Studies and the Peace Corps. Within the Andrew Young School, students are able to obtain a master's degree from the Department of Economics or the Department of Public Administration and Urban Studies.

Each student works closely with an academic advisor to exploit the synergy potential between classroom work, field experience, thesis research, directed readings, and internships, including overseas assignments.

The students receive financial aid for their program of study. The AYSPS holds seven tuition waivers that allow out-of-state students to pay in-state tuition (\$125 per credit hour for in-state versus \$501 for out-of-state). These waivers are assigned to students based on criteria set by the College. Additionally, master's students often receive assistantships that waive tuition and also provide a small stipend. The Peace Corps candidates are eligible and will compete for these waivers.

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**Fiscal Policy Summer Training Program 2004.** The International Studies Program conducted an eight-week Fiscal Policy Summer Training Program. The training courses, led by a panel of distinguished faculty and leading policy experts with worldwide experience, are designed for government officials and policy makers from developing and transition countries as well as their counterparts with international donor agencies. This year's program consists of four courses:

- Tax Policy, Fiscal Analysis and Revenue Forecasting (June 21-July 9, 2004);

- Macroeconomic Policy Choices in the Global Economy (June 28-July 9, 2004);
- Fiscal Decentralization and Local Governance (July 12-30, 2004); and
- Public Budgeting and Fiscal Management (August 2-13, 2004).

The training program was designed by economics faculty from the Andrew Young School of Policy Studies and took place on the GSU campus in Atlanta. Senior government officials and donor agency representatives from Vietnam, India, Kenya, Serbia, Dominican Republic, Ghana, Montenegro, Jamaica, Bhutan, South Africa, Zambia, Uganda, Indonesia, China, Nepal, Bangladesh, Tanzania, Kenya, Macedonia, and others attended the program. Training included intensive classroom sessions featuring lectures, fiscal policy analysis and simulations, case studies, group discussions, country-specific individual projects and field visits to relevant government offices such as the DeKalb County Tax Assessors office, Georgia Department of Revenue and the Carter Center. This is a tuition-based program (\$300,000) and has been successfully conducted since 2000. The training courses were led by a panel of faculty and policy experts. Professors within AYSPS who lectured during this course included:

- Roy Bahl – Dean, Andrew Young School of Policy Studies
- James Alm – Chair, Department of Economics
- David L. Sjoquist – Director, Fiscal Research Center
- Sally Wallace – Deputy Director, Fiscal Research Center
- Shiferaw Gurmu – Department of Economics
- Katherine Willoughby – Public Administration and Urban Studies
- Felix Rioja – Department of Economics
- Neven Valev – Department of Economics
- Mark Rider – Department of Economics
- Benjamin P. Scafidi – Public Administration and Urban Studies
- Mary Beth Walker – Public Administration and Urban Studies
- Michael Rushton – Public Administration and Urban Studies
- Jameson Boex – Department of Economics

**Jameson Boex** managed numerous facets of the Fiscal Policy Summer Training Courses. Boex coordinated some of the courses, aided in different areas by Mark Rider and Felix Rioja. Jorge Martinez-Vazquez directed the ISP collaboration with the Department of Public Administration and Urban Studies, in which Katherine G. Willoughby served as instructional coordinator and lecturer. Ross Rubenstein, Dr. Premchand, Serdar Yilmaz and Robert McNab gave guest lectures.

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**Tanzania.** **Jameson Boex** and **Jorge Martinez-Vazquez** worked on the “Development of a System for Allocating Grants to Local Government Authorities in Tanzania” study. The ISP is providing technical assistance based on a solid understanding of transfer design issues and the particular situation in Tanzania. The objective of the study is to analyze the shortcomings of the present system of intergovernmental transfers and propose equitable and transparent options for allocating grants to local government

authorities in Tanzania. Boex, Martinez and **Roy Bahl** have been working with the Tanzanian Government and technical experts to achieve this objective. Danish International Development Agency (DANIDA). This project is currently ongoing. (\$201,209)

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**Tanzania.** In addition to the ongoing project, **Jameson Boex** began “Development of a Strategic Framework for the Financing of Local Governments in Tanzania.” Boex served as Team Leader for this study, which was designed to assist the Government in developing an overall and strategic framework to guide decisions on the structure of the financing of Local Government Authorities, including decisions on the structure of the system of intergovernmental transfers as well as the structure of local government taxes. (\$211,000)

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**Jamaica. Roy Bahl, Sally Wallace, James Alm, Mark Rider, David L. Sjoquist, and Felix Rioja** made several trips to Jamaica to compile a thorough and comprehensive review of the Jamaican tax structure. The Jamaican Government had awarded the International Studies Program the task to conduct a comprehensive review of its tax structure in 2003. Jamaica has not undertaken a review of such proportions in nearly 20 years. Bahl was instrumental in acquiring this grant and giving ISP-AYSPS the opportunity to lead this endeavor. The results of this review will be utilized by the Government of Jamaica and the Tax Reform Committee to develop a blueprint for the ultimate reform process. **Roy Bahl** and **Sally Wallace** served as co-directors of the Jamaica Tax Reform Project. (\$966,499)

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**Fiscal Reform in Support of Trade Liberalization.** In July 2003, the U.S. Agency for International Development’s Office of Economic Growth, Agriculture and Trade (EGAT) initiated the Fiscal Reform in Support of Trade Liberalization worldwide program (known as The Fiscal Reform Project), which is implemented by a consortium of Development Alternatives Inc. (DAI), BIDE and Georgia State University. The team consists of **Jorge Martinez-Vazquez, Jameson Boex, Mark Rider**, Luc Noiset (ISP affiliate), and **Javier Arze**. Martinez-Vazquez, Boex and Arze contributed to a study on “Fiscal Policy, Fiscal Management, and Corruption,” and made a presentation on corruption in Tanzania at the USAID Conference “Promoting Economic Growth in a New Era.” Officials from USAID and the World Bank were in attendance. As part of the Fiscal Reform Project, Boex led the development and delivery of a week-long training program for USAID officials on “Fiscal Policy Reform: Principles and Trends” in April 2004. ISP will annually develop and deliver a week-long training program on a relevant fiscal policy issue. As a part of this project, Rider traveled to Australia and Brazil under the India Exchange Program with Indian Ministry of Finance officials. Also under this project, ISP affiliate Noiset has traveled to Vietnam for extended periods this year. He

has been helping the Congressional Budget Commission and the Ministry of Finance to develop a revenue forecasting model with projection ability of at least three years. He has also been providing the training necessary so the staff can use, update, and modify the model. (\$372,000)

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**Russia World Bank.** The AYSPS continues to be involved in the “Development of Federal and Regional Legislation on Inter-Budgetary Relations and Sub-Federal Finances” study in the Russian federation. The Andrew Young School of Policy Studies teamed up with the Institute for the Economy in Transition and the Fiscal Policy Center to build on its considerable experience as one of primary technical assistance provider to the Russian government in the area of fiscal decentralization and intergovernmental fiscal relations. **Jorge Martínez-Vazquez** and **Jameson Boex** traveled to the Russian Federation in May to continue providing technical assistance and advice. A study tour on Fiscal Federalism for Russian Intergovernmental Relations Experts was conducted during December 2003. The project provides technical assistance to the Russian Federation Ministry of Finance and is funded by a loan from the World Bank.

The project's overall aim was to increase the effectiveness of regional and local government bodies in promoting economic development and providing public services. Achievement of this objective requires solution of two related problems: (1) supporting the development and implementation of rational and responsible financial and economic policies by regional and local government bodies; and (2) increasing the financial, institutional, and organizational capacity of regional and local authorities to develop and implement effective budget policies and financial management reforms. Martínez-Vazquez and Boex will continue to offer their expertise in this matter. (\$473,750)

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**Indonesia Decentralization.** In order to provide technical support to the decentralization process in Indonesia, USAID/Jakarta awarded a Task Order to a combined GSU-PADCO Team under the Sustainable Urban Management (SUM) IQC. The overall objective of the Task Order is to support successful implementation of decentralization reforms in Indonesia. The GSU-PADCO team will support these reforms by: (a) monitoring the status of decentralization reform on a quarterly basis; (b) proposing activities to improve the structure and coordination in intergovernmental relations; (c) engaging in policy analysis; (d) providing support for parliamentary strengthening whenever appropriate; and (e) supporting the nascent network of policy experts within Indonesia’s regional universities.

The ISP is concluding contract negotiations for a \$300,000 contract through the SUM Indefinite Quantity Contract with PADCO to provide technical advisory services in the area of fiscal decentralization to the government of Indonesia. USAID-Indonesia.

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**Guyana Intergovernmental Fiscal Transfers Training Program.** ISP conducted a training workshop in Guyana on intergovernmental fiscal transfers. The training was led by **Mark Rider**. **Andrey Timofeev** accompanied him and played a pivotal role in the training. Rider was also able to meet with appropriate officials to discuss the creation of an academic link between Georgia State University and University of Guyana and to discuss the creation of a pool of resource persons to work on developing an intergovernmental transfer regime. (\$25,000)

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**Decentralization Training Workshop and Technical Assistance to the Local Bodies Fiscal Commission in Nepal.** The ISP organized a training workshop that took place in Nepal in January 2004, combined with a follow up on technical support mission to the Local Bodies Fiscal Commission (LBFC). The workshop aimed to sensitize the high level officials in the line ministries and other key government decentralization stakeholders (NPC, MoF, MLD), to build capacity of the LBFC Secretariat and other stakeholders to conduct the studies outlined in the LBFC Road Map, and to prepare some of the participants for the UNCDF/DFDP and Dasu Danida supported study tour on fiscal decentralization and local governance to Denmark and Uganda in February 2004. The technical support mission that took place after the workshop provided technical advice to LBFC to finalize the district level allocation formula and discuss with LBFC the forthcoming fiscal gap analysis including the elaboration of a VDC allocation formula and equalization formula.

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### **Current Indefinite Quantity Contracts (IQC)**

*The ISP is a member of several USAID Indefinite Quantity Contract (IQC) consortia. These contracts give USAID a quick and easy way to contract out advisory services to the ISP.*

**Strategic Policy and Institutional Reform (SPIR) IQC, Development Alternatives, Inc. (DAI).** This IQC provides services to support strategic policy and institutional reform that strengthens accountability, transparency, and effectiveness. The contract is designed to assist host country institutions and organizations and USAID in addressing policy and institutional reform issues through democratic processes. The contract addresses the frequently fatal gap between broad policy pronouncements and the tough challenges of effective institutional reform. Through the SPIR IQC, the DAI/AYSPS team can assist with programs that cut across a variety of sectors and across governance subsectors, for example, fiscal decentralization reform, local government reform, legislative strengthening, and anti-corruption in the public sector.

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**Sustainable Urban Management (SUM) IQC, PADCO Consortium.** The SUM IQC provides advisory services, technical assistance, and training in support of USAID's goal of well-managed urbanization, and the Environment Center's strategic support objective of improved management of urbanization in targeted areas. Managed by the Office of Environment and Urban Programs, the SUM IQC delivers services in four functional areas: expanded and equitable delivery of urban services and shelter; more effective, responsive and accountable local governments; reduced urban pollution; and credit program monitoring.

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**Fiscal Reform and Development in the ENI Region IQC, Deloitte Touche Tohmatsu Consortium.** At a time when governments in emerging economies and donor agencies must achieve greater results with fewer resources, proven consulting ability is essential to cost-effective, successful development efforts. Working in partnership with donors, governments, enterprises and local communities, the International Studies Program and Deloitte's Emerging Markets Group have achieved positive results on technical assistance projects around the world.

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**Support for Economic Growth and Institutional Reform Macro- II (SEGIR- II) Financial Services IQC, Development Alternatives, Inc. (DAI).** The International Studies Program is providing support to Development Alternatives, Inc., (DAI) on a Support for Economic Growth and Institutional Reform (SEGIR) Project in furtherance of USAID's goal of helping countries achieve broad-based economic growth on a sustainable basis. The ISP will be aiding in macroeconomic policy, poverty alleviation and economic institutions and analysis.

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**Fiscal Reform in Support of Trade Liberalization (FRTP), SEGIR EP IQC.** The International Studies Program will be enabling USAID to better address fiscal issues that arise in developing countries—especially those linked to the process of trade liberalization through this IQC. ISP will facilitate access by missions to specialized fiscal expertise and training resources, particularly identifying opportunities for fiscal reform and specific implementation activities and improving technical competence on fiscal issues among AID staff. Furthermore, ISP aims to strengthen USAID's understanding of the many fiscal issues that confront developing and transition countries, especially as they relate to trade liberalization.

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## **Reports**

### **International Studies Program Working Papers**

- #04-25** *Tax Policy Design in the Presence of Social Preferences: Some Experimental Evidence*, Lucy F. Ackert, November 2004.
- #04-24** *Beliefs about Exchange-Rate Stability: Survey Evidence from the Currency Board in Bulgaria*, **Neven Valev** and John A. Carlson, November 2004.
- #04-23** *From a Currency Board to the Euro: Public Attitudes toward Unilateral Euroization in Bulgaria*, **Neven Valev**, November 2004.
- #04-22** *Intergovernmental Loans: Their Fit into a Transfer System*, Dana Weist, November 2004.
- #04-21** *Designing Intergovernmental Equalization Transfers with Imperfect Data: Concepts, Practices, and Lessons*, **Jameson Boex** and **Jorge Martinez-Vazquez**, November 2004.
- #04-20** *Harmonizing Objectives and Outcomes at the National and Sub-National Levels through Citizen Engagement and Capacity Building*, Alex B. Brillantes Jr. and Jose Tiu Sonco, November 2004.
- #04-19** *Intergovernmental Transfers: The Vertical Sharing Dimension*, **Roy Bahl** and **Sally Wallace**, November 2004.
- #04-18** *On the Design and Effectiveness of Targeted Expenditure Programs*, Ehtisham Ahmad and Leo Martinez, November 2004.
- #04-17** *Intergovernmental Transfers: The Funding Rule and Mechanisms*, Paul Bernd Spahn, November 2004.
- #04-16** *Revenue Sharing, Natural Resources and Fiscal Equalization*, Bob Searle, November 2004.
- #04-15** *Fiscal Capacity Equalization and Economic Efficiency*, Jeff Petchey and Sophia Levtchenkova, November 2004.
- #04-14** *A Model for Public Infrastructure Equalization in Transitional Economies*, Sophia Levtchenkova and Jeff Petchey, November 2004.
- #04-13** *The Political Economy of Equalization Transfers*, Stuti Khemani, November 2004.
- #04-12** *The Impact of Equalization on Service Delivery*, Catherine Hull and Bob Searle, November 2004.

- #04-11 *Ensuring Inter-regional Equity and Poverty Reduction*, Bert Hofman and Susana Cordeira Guerra, November 2004.
- #04-10 *Expenditure-Based Equalization Transfers*, Francois Vaillancourt and **Richard M. Bird**, November 2004.
- #04-09 *Economic Growth with Imperfect Foreign Investment*, Henry Thompson, September 2004.
- #04-08 *Ukraine: Assessment of the Implementation of the New Formula Based Inter-Governmental Transfer System*, **Jorge Martinez-Vazquez** and Signe Zeikate, September 2004.
- #04-07 *Is the Proposed East African Monetary Union an Optimal Currency Area? A Structural Vector Autoregression Analysis*, Steven K. Buigut and **Neven Valev**, September 2004.
- #04-06 *Societal Institutions and Tax Effort in Developing Countries*, **Richard M. Bird**, **Jorge Martinez-Vazquez** and **Benno Torgler**, September 2004.
- #04-05 *Linking expenditure assignments and intergovernmental grants in Indonesia*, **Jorge Martinez-Vazquez**, **Jameson Boex** and Gabe Ferrazzi, September 2004.
- #04-04 *Making Fiscal Decentralization Work in Vietnam*, **Jorge Martinez-Vazquez**, August 2004.
- #04-03 *Effects of Culture on Tax Compliance: A Cross Check of Experimental and Survey Evidence*, Ronald G. Cummings, **Jorge Martinez-Vazquez**, Michael McKee and **Benno Torgler**, August 2004.
- #04-02 *Developing the Institutional Framework for Intergovernmental Fiscal Relations in Decentralizing LDCs*, **Jameson Boex** and **Jorge Martinez-Vazquez**, April 2004.
- #04-01 *Subnational Government Structure and Intergovernmental Fiscal Relations*, **Jameson Boex**, **Jorge Martinez-Vazquez** and **Andrey Timofeev**, January 2004.

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### **Additional Working Papers**

**James Alm, Jorge Martinez-Vazquez, and Benno Torgler.** *Russian Attitudes Toward Paying Taxes – Before, During, and After the Transition.*

**James Alm and Sally Wallace.** *Can Developing Countries Impose an Individual Income Tax?*



**James Alm, Jorge Martinez-Vazquez, and Sally Wallace.** *Tax Amnesties and Tax Collections in the Russian Federation.*

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### **Conferences and Conference Papers**

The conference, “**The Challenges of Tax Reform in a Global Economy,**” hosted by the International Studies Program, was held at Stone Mountain Park, Stone Mountain, Ga., May 24-25, 2004. Papers presented were:

**Janet Holtzblatt**

"Alleviating Poverty with Taxes: The Trade-offs Between Targeting and Complexity in the U.S. and Great Britain"

**Arnold Harberger**

“Coping with Inequality”

**James Alm and Sally Wallace**

“Can Developing Countries Impose a Personal Income Tax?”

**Charles McLure**

“Transfer Pricing and Tax Havens: Mending the LDC Revenue Net”

**Timothy Goodspeed**

“Taxation and Foreign Direct Investment”

**Jack Mintz**

“Tax Incentives”

**Elisabeth Gugl and George Zodrow**

“International Tax Competition and Tax Incentives in Developing Countries”

**John Douglas Wilson**

“Is Tax Competition Less Harmful with Preferential Treatment of Highly-Mobile Tax Bases?”

**Kelly Edmiston and William Fox**

“A Fresh Look at the VAT”

**Jane Malme and Joan Youngmann**

“The Property Tax in a New Environment: Lessons from International Tax Reform Efforts”

**Richard Bird, Jorge Martinez-Vazquez, and Benno Torgler**

“Increasing Tax Effort in Developing Countries”

**Walter Hettich and Stanley Winer**

“Explaining Tax Reform”

**Arindam Das-Gupta**

“Tax Administration and the Design of Tax Systems”

**William McCarten**

“Large Taxpayer Units and the VAT”

**Roy Bahl**

“How to Approach Comprehensive Tax Reform in the New Century”

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The conference, “**Challenges in the Design of Fiscal Equalization and Intergovernmental Transfers,**” hosted by the International Studies Program, was held at Stone Mountain Park, Stone Mountain, Ga., October 3-5, 2004. Papers presented were:

**Jeffrey Petchey and Sofia Levtchenkova**

“Fiscal Capacity Equalization and Economic Efficiency”

**Bert Hofman and Susana Guerra**

“Ensuring Inter-regional Equity and Poverty Reduction”

**Catherine Hull and Bob Searle**

“The Impact of Equalization on Service Delivery”

**Alex Brillantes**

“Harmonizing Objectives and Outcomes at the National and Sub-National Levels through Citizen Engagement and Capacity Building”

**Anwar Shah**

“Grants Commissions and Other Institutional Arrangements”

**Paul Bernd Spahn**

“Intergovernmental Transfers: The Funding Rules and Mechanisms”

**Roy Bahl and Sally Wallace**

“Equalization Transfers and Vertical Sharing”

**Richard Bird and Francois Vaillancourt**

“Expenditure-based Equalization Transfers”

**Jorge Martinez-Vazquez and Jameson Boex**

“Designing Intergovernmental Equalization Transfers with Imperfect Data: Concepts, Practices, and Lessons”

**Sofia Levchenkova and Jeffrey Petchey**

“A Model for Public Infrastructure Equalization in Transitional Countries”

**Bob Searle**

“Revenue Sharing, Natural Resources, and Fiscal Equalization”

**Ehtisham Ahmad**

“Fiscal Equalization, Tied Grants, and Minimum Expenditure Requirements”

**Dana Weist**

“Intergovernmental Loans: Their Fit into a Transfers System”

**Stuti Khemani**

“The Political Economy of Equalization Transfers”

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**Visiting Scholars**

**Dr. Benno Torgler** visited from the University of Basel, Switzerland, from September 2003 until August 2004. He collaborated with AYSPS faculty members on research regarding tax morale and tax compliance.

## Appendix B: List of Refereed and Non-Refereed Publications 2004-2006 (Last 3 Years)

### 2006

#### Refereed Publications

James Alm (with Benno Torgler). "Culture Differences and Tax Morale in the United States and in Europe," *Journal of Economic Psychology*, Vol. 27, No. 2, pp. 224-246, April 2006.

James Alm and Jorge Martinez-Vazquez (with Benno Torgler). "Russian Attitudes Toward Paying Taxes – Before, During, and After the Transition," *International Journal of Social Economics*, Vol. 33, No. 12, pp. 832-857, 2006.

James Alm and Sally Wallace. "Are Jamaica's Direct Taxes on Labor 'Fair'?" *Public Finance Review*, Vol. 35, No. 1, pp. 83-102, forthcoming.

James Alm (with Michael McKee). "Audit Certainty, Audit Productivity, and Taxpayer Compliance," *National Tax Journal*, forthcoming.

James Alm and Sally Wallace. "Which Elasticity? Estimating the Responsiveness of Taxpayer Reporting Decisions," *International Advances in Economic Research*, forthcoming.

James Alm and Edward Sennoga (with Mark Skidmore). "Perfect Competition, Urbanization, and Tax Incidence in the Retail Gasoline Market," *Economic Inquiry*, forthcoming.

James Alm and Jameson Boex. "The Role of Economic versus Political Factors in the Incidence of Intergovernmental Transfers in Nigeria," *Journal of Developing Areas*, forthcoming.

Roy Bahl and Sally Wallace. "Fiscal Decentralization and Fiscal Equalization within Regions: The Case of Russia," *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 18, No. 1, pp. 27-58, Spring 2006.

Roy Bahl and Sally Wallace. "Comprehensive Tax Reform in Jamaica," *Public Finance Review*, Special Issue on The Jamaica Tax Reform project, Vol. 35, No. 1, pp. 4-25, forthcoming.

Roy Bahl and Sally Wallace. "Public Financing in Developing and Transition Countries," *Public Budgeting and Finance*, 2005; reprinted as "Fiscal Decentralization in Developing and Transition Countries," Malden, Mass.: Blackwell Publishing, forthcoming.

Jameson Boex and Jorge Martinez-Vazquez (with Michael Schaeffer). "An Assessment of Fiscal Decentralization Reform in Georgia," *Problems of Economic Transition*, June 2006.

Jameson Boex, Jorge Martinez-Vazquez and Andrey Timofeev. "An Assessment of Fiscal Decentralization Reform in Armenia," *Problems of Economic Transition*, June 2006.

Jorge Martinez-Vazquez with Baoyun Qiao and Li Zhang. "The Role of Provincial Policies in Fiscal Equalization Outcomes in China," *China Review*, forthcoming.

Jorge Martinez-Vazquez and Andrey Timofeev. "Regional-Local Dimension of Russia's Fiscal Equalization," *Journal of Comparative Economics*, forthcoming.

Jorge Martinez-Vazquez with Robert McNab. "Fiscal Decentralization, Macroeconomic Stability, and Economic Growth," *Hacienda Publica Española-Revista de Economía Publica*, No. 179, 2006.

Jorge Martinez-Vazquez "Running with the Decentralization 'Bahl'," *Tax Notes*, National Tax Association, 2006.

Jorge Martinez-Vazquez and Ronald G. Cummings (with Michael McKee). "Experimental Evidence on Mixing Modes in Income Tax Evasion," *Public Finance Review*, Vol. 34, No. 6, pp. 663-686, November 1, 2006.

Jorge Martinez-Vazquez, Sally Wallace and Dagny Faulk. "Potential Income Taxes: A Second Look at Presumptive Taxation," *Finanzarchiv*, forthcoming.

Jorge Martinez-Vazquez and Mark Rider. "Fiscal Decentralization and Economic Growth: A Comparative Study of China and India," *Indian Journal of Economics and Business, Special Issue: India & China*, 2006.

Jorge Martinez-Vazquez and Mark Rider (with Lucy Ackert). "Social Preferences and Tax Policy Design: An Experimental Approach," *Economic Inquiry*, forthcoming.

Jorge Martinez-Vazquez and Mark Rider (with Lucy Ackert and Ann Gillette). "Voting on Tax Policy Design: A Test of the Selfish versus Social Preferences Hypotheses," *Public Finance Review*, forthcoming.

Mark Rider "Should Jamaica Tax Corporate Income?" *Public Finance Review*, Vol. 35, pp. 103-26, forthcoming.

Andrey Timofeev "Market-Based Fiscal Discipline under Evolving Decentralization: The Case of Russian Regions," *Comparative Economic Studies*, forthcoming.

Sally Wallace and Richard Hawkins. "Elasticities of Consumption and Income Source," *Applied Economics*, forthcoming.

## Non-Refereed Publications

James Alm, Jorge Martinez-Vazquez and Mark Rider. Editors. *The Challenges of Tax Reform in the 21st Century*, Norwell, Mass.: Springer Science + Business Media, Inc., 2006. Within this book, Alm, Martinez-Vazquez and Rider co-wrote "Thinking about Tax Reform in the Emerging Global Economy."

James Alm and Jorge Martinez-Vazquez (with Benno Torgler). "Russian Tax Morale in the 1990s," in *National Tax Association: Proceedings. 98th Annual Conference on Taxation, Miami, Florida, November 17-19, 2005*, pp. 287-292, 2006.

James Alm "Assessing Puerto Rico's Fiscal Policies," chapter in *The Economy of Puerto Rico*, and in *Restoring Growth in Puerto Rico -- Overview and Policy Options*, an expanded version of the former, Susan M. Collins, Barry P. Bosworth and Miguel A. Soto-Class (eds.), Washington, D.C.: The Brookings Institution, The Center for the New Economy, 2006.

James Alm (with Hugo López-Castaño). "Payroll Taxes in Colombia," chapter in *Fiscal Reform in Colombia – Problems and Prospects*, Richard Bird, James Poterba, and Joel Slemrod (eds.), Cambridge, Mass.: The MIT Press, pp. 191-223, 2006.

James Alm (with Brian Erard). "Estimating the Informal Supplier Tax Gap," *The IRS Research Bulletin, Proceedings of the 2005 IRS Research Conference, Recent Research on Tax Administration and Compliance*, pp. 27-43, 2006.

Roy Bahl "Performance Measurement for Local Governments and Fiscal Decentralization: How Do They Fit Together," chapter in *Conference Proceedings: Approaches to Measure Performance of Local Governments*, Jakarta, Indonesia, 2006.

Roy Bahl and Jorge Martinez-Vazquez. "Fiscal Federalism and Economic Reform in China," Chapter 6 in *Federalism and Economic Reform: International Perspectives*, T.N. Srinivasan and Jessica Seddon Wallack (eds.), New York, N.Y.: Cambridge University Press, pp. 249-300, January 2006.

Roy Bahl and Sally Wallace. "Intergovernmental Transfers: The Vertical Sharing Dimension," chapter in *Fiscal Equalization: Challenges in the Design of Intergovernmental Transfers*, Jorge Martinez-Vazquez and Bob Searle (eds.), Springer, December 4, 2006.

Roy Bahl "How to Approach Comprehensive Tax Reform: Have the Rules of the Game Changed?" chapter in *The Challenges of Tax Reform in a Global Economy*, James Alm, Jorge Martinez-Vazquez and Mark Rider (eds.), Norwell, Mass.: Springer Science + Business Media, Inc., 2006.

Roy Bahl "Implementation of Fiscal Decentralization," chapter in *Kosovo Decentralization Dialogue Briefing Notes*, Pristina, Kosovo: Open Society Institute, Summer 2006.

Roy Bahl and Sally Wallace. *Tax Policy and Economic Development*, Planning Institute of Jamaica, forthcoming.

Roy Bahl and Jorge Martinez-Vazquez. "Sequencing Fiscal Decentralization," *Policy Research Working Paper 3914*, The World Bank, May 1, 2006.

Roy Bahl and Sally Wallace. "Public Financing in Developing and Transition Countries," *Public Budgeting and Finance*, 2005; reprinted as "Fiscal Decentralization in Developing and Transition Countries," Malden, Mass.: Blackwell Publishing, forthcoming.

Jameson Boex, Javier Arze del Granado and Jorge Martinez-Vazquez. *Fighting Corruption in the Public Sector*, Elsevier Press, 2007.

Jameson Boex and Jorge Martinez-Vazquez. *Local Government Financial Reform in Developing Countries: The Case of Tanzania*, London, England: Palgrave-Macmillan, 2006.

Jameson Boex *Supporting social sector development in Indonesia's decentralized context*, report prepared for the Asian Development Bank, Manila, May 2006.

Jorge Martinez-Vazquez (with Jose Felix Sanz). *Fiscal Reform in Spain: Accomplishments and Challenges*, Edward Elgar, 576 pp., forthcoming.

Jorge Martinez-Vazquez and Roy Bahl (with Joan Youngman). Co-editors. *Making the Property Tax Work in the Developing World*, Lincoln Institute, forthcoming.

Jorge Martinez-Vazquez (with Robert Searle). Co-editors. *Fiscal Equalization: Challenges in the Design of Intergovernmental Transfers*, Springer, 502 pages, December 4, 2006. Within this book, he and Jamie Boex co-wrote "Designing Intergovernmental Equalization Transfers with Imperfect Data: Concepts, Practices, and Lessons," he wrote "Designing Intergovernmental Equalization Transfers with Imperfect Data: Concepts, Practices, and Lessons," and (with Robert Searle) co-wrote "The Design of Conditional Grants."

Jorge Martinez-Vazquez "The Puzzle of Mexico's Tax System" and "Tax and Benefit Incidence," chapters in *Fiscal Policy and the Poor*, World Bank, Blanca Moreno-Dodson (ed.), forthcoming.

Jorge Martinez-Vazquez (with J. Lopez and C. Monasterio). "The Practice of Fiscal Federalism in Spain," chapter in *The Practice of Fiscal Federalism: Comparative Perspectives*, Anwar Shah (ed.), Montréal and Kingston: McGill-Queen's University Press, forthcoming.

Jorge Martinez-Vazquez "China's Long March to Decentralization," and with Robert McNab "Governance and Decentralization," chapters in *Decentralization in Asia and Latin America: Towards a Comparative Interdisciplinary Perspective*, Paul Smoke, Eduardo Gomez and George Peterson (eds.), London: Edward Elgar, 2006.

Jorge Martinez-Vazquez (with Richard Bird and Benno Torgler). "Societal Institutions and Tax Effort in Developing Countries," chapter in *The Challenges of Tax Reform in the Global Economy*, James Alm, Jorge Martinez-Vazquez and Mark Rider (eds.), Springer Verlag, 2006.

Jorge Martinez-Vazquez (with Charles McLure and Francois Vaillancourt). "Revenues and Expenditures in an Intergovernmental Framework," chapter in *Perspectives on Fiscal Federalism*, Richard Bird and Francois Vaillancourt (eds.), The World Bank, 2006.

Jorge Martinez-Vazquez "Revenue Assignments in the Practice of Fiscal Federalism," chapter in *The Practice of Fiscal Federalism*, Nuria Bosh and Jose M. Duran (eds.), Edward Elgar, forthcoming.

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James Alm, Jorge Martinez-Vazquez and Sally Wallace, editors. *Taxing the Hard-to-Tax: Lessons from Theory and Practice*, Elsevier – North Holland Publishers, 2004. Within the book, he, Jorge Martinez-Vazquez and Sally Wallace wrote "The Landscape of the Hard-to-Tax." He and Jorge Martinez-Vazquez (with Friedrich Schneider) wrote "Sizing' the Problem of the Hard-to-Tax."

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