

Social Sector in a Decentralized Economy

The institutions, architecture and the process of decentralization vary widely across countries. These variations have financial as well as redistributive implications when it comes to providing access to basic public services at local levels. This book is an analytical examination of financing and public service delivery challenges in a decentralized framework. In addition it provides critical insights into the effectiveness of public expenditure through benefit incidence analysis of education and healthcare services in India.

The benefits of decentralization always come with conflicts and trade-offs. By unpacking the process of decentralization, the authors identify that 'unfunded mandates' arising from the asymmetry between finances and functions at local levels is a major challenge. The analysis is carried out by distilling the existing studies in this area and through an empirical investigation of public finance data at different public sector levels in India as well as in some selected developing countries. Using the household survey statistics of consumption expenditure, an analysis of utilization or benefit incidence of public spending on social sectors in India is done, covering education and health sectors. A serious study of this kind, linking decentralization to social sector impacts, is unique in case of the public sector expenditure in India.

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India in the Era of Globalization

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