

# Call for Sessions - WEHC 2015 [S20077]

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## **Proposed title of the session**

The power of the purse: public finance and human development in the developing world

## **Abstract**

Public finance is crucial to human development because public revenues pay for the services that support and enhance the quality of life and standard of living. Next to direct sources of family income, services like physical infrastructure, public safety, clean water and functioning sewer systems, public health care, hygiene, and education constitute the greatest determinants of welfare in modern societies. For most of human history, these services such as they existed were paid for by local notables or private charitable organizations. Taxation by the state was almost entirely related to maintaining internal order and protecting external boundaries. Beginning in the nineteenth century, however, as governments consolidated central authority and secured the ability to regularly assess and collect taxes, they conceived of a larger role by investing in social overhead capital to promote well being and enhance economic growth. The rise of the liberal fiscal state and expanded public services in national experiences was neither uniform nor inevitable, but it was an identifiable trend in Western nations.

While the rise of the liberal fiscal state and its impact on human development in the developed Western economies tended to take a virtuous path, far less is known about the relationship between public finance and human development in the developing world. Did governing regimes in less developed countries hold a similar notion that the state played a role in improving the quality of life of its citizens? This panel addresses the question through a comparative exploration of budgetary and fiscal policies in states under colonial and imperial rule and in their post-independence periods. Focusing thus far on British, French, and Portuguese Africa, Eastern Europe, and Latin America, we ask how the sources and uses of public revenues for the investment (or lack thereof) in public goods affected human development.

The panel invites papers on all aspects of budgetary and fiscal policy that engage questions of the relationship between public finance and its socioeconomic outcomes in the developing world. On the revenue side, what were the major sources of public finance and how did these sources shape investment in public goods? Did the type of state (colonial, independent, autocratic, democratic, stable, war-torn) affect the ability to extract revenue and the willingness to invest in public services? Were revenue sources progressive or regressive, that is, from which sector or socio-economic strata was the bulk of the revenues extracted? In the absence of state investment in human development, did local groups act as fiscal agents to mobilize resources for the provision of public services? On the expenditures side, what do we learn about human development policy from the prioritization of public spending in federal, state, or local budgets? What public services were provided? Who benefited from the types of investments made in public services? Did the uses of public finance worsen or ameliorate inequalities? Papers may focus on the revenue or expenditure side of public finance, or both. We welcome qualitative and comparative analyses of the origins and impact of public finance policies.

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## **I. Corresponding Session Organiser**

Dr. Anne G. Hanley (Northern Illinois University [United States of America])

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## **II. Co-Organiser(s)**

1. Corresponding Organiser.

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## **III. Expected Participant(s)**

1. same as correspondent.
2. Graciela Marquez (El Colegio de Mexico [Mexico])
3. Ewout Frankema (Wageningen University [Netherlands])
4. Kleoniki Alexopoulou (Wageningen University [Netherlands])
5. Krige Siebrits (Stellenbosch University [South Africa])
6. Estian Calitz (Stellenbosch University [South Africa])
7. Ada Jansen (Stellenbosch University [South Africa])
8. Marlous van Waijenburg (Northwestern University [United States of America])
9. Yannay Spitzer (Hebrew University of Jerusalem [Israel])