

Preface

We came up with the idea for this book a few years ago. We thought there was room for a volume on fiscal decentralization in developing countries that focused on design, implementation and sustainability, and tried to balance the economic, public management, and political economy factors that determined success. An old saw is that ‘we know some things because we have seen some things.’ We thought we had seen quite a lot during the several decades we have worked, occasionally together, but mainly independently with international agencies, officials and political leaders in many countries around the world. We have been fortunate enough to know and work with many smart people and have (we hope) learned much from them over the years, and we thought we were familiar with much of the literature. Moreover, each of us has published several books before – indeed, a colleague once said several forests must have fallen to produce all the paper we have generated over the years. Yet another book, especially one done jointly, did not seem to be such a big deal.

However, we did not quite understand what we were taking on with this book. There is a mountain of literature on this subject, much of it good and most of it relevant. Some may of course be found in scholarly books and articles, but most is buried in reports to or by governments or agencies. No one – certainly not us – can find everything relevant, let alone read and understand it. Moreover, some of the most critical points emerge only when one is involved in the actual experience of designing and especially implementing fiscal decentralization. Getting as far into this material as we could, attempting to digest it and put it into a proper framework and perspective turned out to be a far more difficult task than we had anticipated. What we have finally come up with in this book is thus inevitably far from being the complete or the definitive work that we may initially have had in mind. Many caveats must be noted. We try to cover all subnational governments, but focus more on local than on regional governments. We try to cover both unitary and federal countries, but we do not attempt to treat federalism thoroughly. We try to cover the developing (and transitional) world, but miss many important places. We try to be as accurate and up to date as we can, but things change frequently and our discussion of practices in specific countries may be a bit dated at times. We do not cover some important topics – borrowing, user charges, rural

local governments and so on – in the depth they deserve. We would have liked to do more to offset these lapses, but time waits for no man, and our long-patient wives were about to banish us to our respective doghouses, so we had to call a halt. Finally, we have tried to make this book as readable as we could, although there is only so much that can be done with a topic like ours, at least by authors whose lives have been spent in spinning out academic and official prose. Despite these (and no doubt other) lapses, we hope this book may find its way to the desks (or screens) of those who deal with these issues in practice, as well as to those whose research may, in time, solve some of the problems that we never could.

As we already mentioned, this book owes much to the many colleagues, officials, and politicians around the world from whom we have learned so much over the last half century, especially those with whom we have had the pleasure of working on some of the topics discussed here – not least the editor of this series, our long-time friend and collaborator, Jorge Martinez-Vazquez. Though few match Jorge in terms of the number of works we cite here, many other scholars with whom we have worked and from whose research we have learned are included in the extensive list of references included in this book. We have also learned as much or more from the many officials and policy-makers with whom we have discussed and worked on these subjects in countries around the world, although they can seldom be cited directly. As is usually the case when it comes to discussing public policy, those who do the job are the real heroes of the story, and it is their accumulated experience and wisdom that in many ways provides the glue holding together our attempt to pull together theory and experience in this book.

In some ways, we have written this book for our grandchildren, who may perhaps someday find here at least part of the answer to their questions about what, if anything, we really do. As always, however, we owe most to the always essential support of our respective life partners, Marilyn Bahl and Marcia Bird, for putting up with the (too many) years of constant travel and absence from family obligations that lie behind this book. We could not have done it without them, though they will – we suspect – be delighted to learn that we do not plan to write any more books.

Roy Bahl
Richard Bird

To our grandchildren
Roy – Margot, Thomas, Hadley and Carleigh
Richard – Austin, Spenser, Jack, James, and Rose.

