

# Contents

---

<i>List of contributors</i>	vii
<i>Preface</i>	ix
<i>List of abbreviations</i>	xii
<b>PART I FRAMEWORKS FOR CENTRAL–LOCAL GOVERNMENT RELATIONS</b>	
1 Frameworks for central–local government relations and fiscal sustainability <i>Peter J. Morgan and Long Q. Trinh</i>	3
2 Looking beyond conventional intergovernmental fiscal frameworks: principles, realities, and neglected issues <i>Paul Smoke</i>	64
<b>PART II MECHANISMS FOR PROMOTING FISCAL SUSTAINABILITY AT THE LOCAL GOVERNMENT LEVEL</b>	
3 Federalism, fiscal space, and public investment spending: do fiscal rules impose hard-budget constraints? <i>Pinaki Chakraborty</i>	103
4 Fiscal equalization schemes and subcentral government borrowing <i>Salvador Barrios and Diego Martínez-López</i>	130
5 How well do subnational borrowing regulations work? <i>Jorge Martínez-Vázquez and Violeta Vulovic</i>	161
<b>PART III COUNTRY STUDIES OF CENTRAL–LOCAL GOVERNMENT RELATIONS</b>	
6 The fiscal risk of local government revenue in the People’s Republic of China <i>Ziying Fan and Guanghua Wan</i>	223

7	Key issues of central and local government finance in the People's Republic of China <i>Qichun Zhang and Shufang Li</i>	250
8	The government decentralization program in Indonesia <i>Anwar Nasution</i>	276
9	A case study of central and local government finance in Japan <i>Shun-ichiro Bessho</i>	306
10	Fiscal decentralization and local budget deficits in Viet Nam: an empirical analysis <i>Peter J. Morgan and Long Q. Trinh</i>	333
PART IV BEHAVIORAL IMPLICATIONS OF CENTRAL–LOCAL GOVERNMENT RELATIONS		
11	Debt dynamics, fiscal deficit, and stability in government borrowing in India: a dynamic panel analysis <i>Panchanan Das</i>	371
12	Forms of government decentralization and institutional quality: evidence from a large sample of nations <i>Rajeev K. Goel and James W. Saunoris</i>	395
	<i>Index</i>	421