

The Inadequacy of Revenue Transfer and use of Equalisation to Sustain Public Goods Provision by Jurisdictional Government in a Federal Setting

Imuetinyan Press John Ugiagbe (Ph.D., Cert ED)

Department of Business Administration, College of Business and Management Studies, Igbinedion University, Okada, Edo State, Nigeria.

Abstract:

As will be presented later it is perhaps important to mention here that revenue sharing (intergovernmental transfer) or grants are not based on original revenue, therefore, it simply redistributes resources across jurisdictions. This approach does not provide subnational government with own revenues; subnational governments only have autonomy on spending the revenue. Tanzi (1999) posits two forms of fiscal balance that are present in any transfer from the central government to subnational government and they are vertical fiscal imbalance and horizontal fiscal imbalance and are both addressed in this article. This article is purely based on qualitative research that uses secondary sources of information to posit revenue transfer in the provision of public goods. The article posits that different types of transfer exist at any particular time to jurisdictional governments. Every country of the world at one point or the other the central government would have to transfer revenue to its jurisdictional governments with the aim of ameliorating the lives of its populace. The importance of public goods and services provision to the communities cannot be underestimated if only for the purpose of helping to alleviate poverty of the people. Therefore it is important to posit the need for revenue transfer and the subsequence outcome in public goods and services provision. It is hoped that people will continue to note that transfer by central government to jurisdictional government is done on the bases of equity and fairness as some to ensure an equitable distribution of income across the whole spectrum of the country, with the hope to ameliorating the lives of the people. Therefore the payment of taxes should not be seen as a burden but a necessary obligation for the benefit of mankind in the society. .

Keywords

Revenue Transfer, Equalisation, Public goods provision, Jurisdictional Government, Federal setting

Introduction

The transfer of revenue does not always go smoothly for any country to undertake, partly because of environmental variables and country-specific reason. All country whether it is federal, unitary, co-federation or quasi-federal is involved in fiscal policy that entails transfer of funds from the central to other jurisdictions within the country. The object is normally to attain the provision of public goods and services for an equitable distribution of needed resources throughout the country and certainly in case of Nigeria according to Okonjo Iwaela (2008) to ensure that each state that makes up the federation of Nigeria is able to stand on her feet. Therefore whilst the central government is in control of the revenue to be transferred subgovernments are in control of how the money so transferred to them are being spent, But In any transfer of funds from the central government to other subnational governments, it is imperative that fiscal balance is achieved.

Intergovernmental Fiscal Transfer

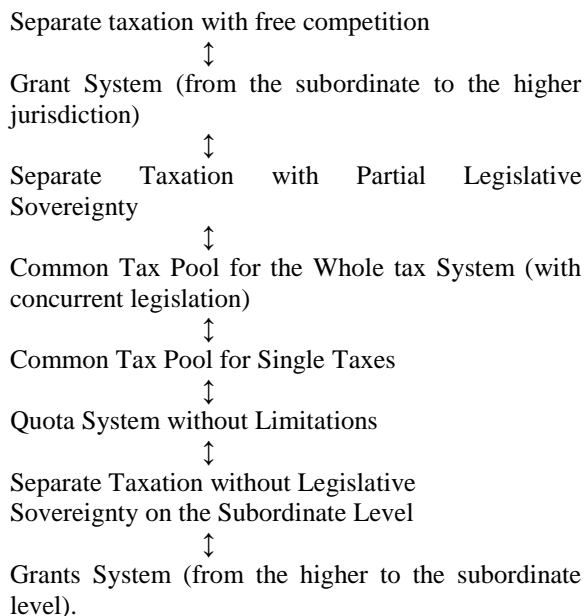
As posit above in any transfer of funds from the central government to other subnational governments, it is imperative that fiscal balance is achieved, that is, the country must ensure that the revenues and expenditure of each level of government are approximately equal. Consequently no jurisdictional governments will be left out in providing adequate basic level of public goods and services for its people; hence equity, fairness and equality in income distribution would bring about alleviation in poverty. Thus Petersen (2007) identifies four criteria of transfer in a federal system: 1. The separate taxation of the single jurisdiction, 2. Tax sharing, 3. Revenue sharing, 4. Grant systems. Each of these has its benefits and pitfalls, for example separate taxation is where subnational governments have legislative revenue and administrative jurisdictional sovereignties and as such provides subnational government most fiscal autonomy.

There are complexities, inequalities and economic distribution problems attached to this method because of the activities of the single jurisdiction.

But Tanzin (1996) enthuses that adopting a uniform –grand rule or best, national charges that can provide the most important autonomy to the jurisdiction could surmount the problem arising from this method. The tax sharing is the alternative method of the revenue assignment. Under this approach Petersen (2007) the subnational governments get a fraction of the national taxes originating within their jurisdictions. This approach denies the local jurisdiction fiscal autonomy over revenue. Whilst they have autonomy on spending of the given revenues, but they do not have power to control the amount of revenues they received, for example grants and some other transfers carry condition clauses such as standard of performance and sort of project to execute. Thus subnational governments cannot control the level of public spending.

Different Methods of Revenue Assignment

1.1. Decentralised System



1.2. Centralised System

Source: Petersen, 2007, p.15

As will be presented later it is perhaps important to mention here that revenue sharing or grants is not based on original revenue, therefore, it simply redistributes resources across jurisdictions. This approach does not provide subnational government with own revenues; subnational governments only have autonomy on spending the revenue. Tanzi (1999) posits two forms of fiscal balance are present in any transfer from the central government to subnational government and they are vertical fiscal imbalance and horizontal fiscal imbalance.

1.3. Vertical Fiscal Imbalance

Boadway and Hobson (1993) recognize that in most countries, sufficient mismatch in the revenue and expenditure assigned to different levels of government remains for some balancing role to be assigned to intergovernmental fiscal transfer. This imbalance could be in the form of vertical or horizontal imbalance. Alm and Boex (2002) referred that vertical fiscal balance is when the “distribution of public services between different levels of government” (p.19). Tanzi (1996) says that other incentives in conjuncture with transfers are needed for the fiscal gap to close and Tanzi (1996) posits four criteria to ensure this, which are: “By transferring revenue- raising power to local government, 2. by transferring responsibility for expenditure to central government, 3. by reducing local expenditure and 4. by raising local revenues.” (p.310). Any transfer from higher level to lower level will definitely help to close the gap that exists within localities hence Bird (1993) says that vertical fiscal balance is being achieved when expenditures and revenues (including transfers) are balanced for the richest local government, measured in terms of its capacity to raise resources on its own.

Tanzi (1996) helps to answer how transfers can help close the fiscal gap created by inequalities in different jurisdictions. According to Tanzi (1996) flexibility and stability are important characteristics of any good system of intergovernmental grants. Therefore fiscal gap can be closed if transfer can be flexible and stable. These can be achieved simultaneously by determining the amount that has to be transferred and this can be achieved in three ways. Tanzi (1996) identified three ways in which transfers can be affected: (sometimes called distributable or primary distribution) “as a fixed proportion of central government revenues, 2. On an ad hoc basis, that is the same way as in budgetary expenditure and 3. on a formula –driven basis” (p.900).

Most funds are transferred to subnational governments came from a pre-determined share of national funds –Internal Revenue Allocation and the formula generally followed says Anderson (2007) are: “equality, population, social development, internal revenue efforts, landmass.” (P.6). Tanzi (1996) contends that similar systems are obtainable in most major taxes sharing in some developed countries such as Australia, Japan. In Germany and Morocco, they use a formula that appears to be based on both “needs and capacity” (Tanzi, 1996, p.900). As the formula issue stands at the moment, subnational governments would find it difficult to budget properly,

1.4. Horizontal Fiscal Balance

Alm and Boex (2002) define horizontal fiscal disparity or imbalance as “the distribution of federal allocation between states and between local governments.” P.20

Horizontal fiscal balance or equalization as it is usually called is controversial and according to Bird and Smart (2002) because it is marred by interpretation and also because different countries have different preferences, for example if horizontal fiscal balance is seen as the same vein as vertical imbalance, what it implies is that significant transfers are needed to equalize revenue and the actual expenditure of each local government.

This approach is depicted by Rao and Chelliah (1991) dentistry that makes no sense. One of the reasons for decentralization says Tanzi (1996) is to ensure that local preferences and differences are put into consideration and catered for, but equalizing all the local governments in per capita income even to the richest local government, would undermine the preferences and differences rationale behind the functionality of local governments. It also ignores local differences in needs, in costs and in own revenue – raising capacity. Equalization actual outlays would discourage both local revenue raising effort and local expenditure restraint, since under this system Tanzi (1996) contends those with highest expenditures and lowest taxes get the highest transfers.

In this situation a grant system can create poor incentives, for local governments, especially in a situation where there is revenue – pooling system, such as in Russia, Nigeria, Germany and other countries, in which a given share of locally collected taxes are distributed among all local governments. In such a system local governments only gets a fraction of locally collected revenues in their own jurisdictions, through equalization system formula of some sort. In this situation, the benefit is lower than the cost of local taxation and the effect of this is that it crates disincentives to local governments and therefore the pooling system is tended to be avoided by local governments as a means of equalization process even when the central government sets the tax rate and the revenue are actually collected by local governments.

This system observes Bareth and Lichtblau (2000) has led to lower rates tax collection by state government in Spain, Germany. Similar problem led to the centralization of VAT collection in Mexico. Originally VAT was meant to be collected at state level. Disincentives writes Bird et al (1995) have also been prominent in China, before 1999, Russia still) in which central revenues are collected by tax administrative that are significantly influenced by local government. In order to cauterise this problem many countries have refrained from the pooling system and aim to equalize the capacity of the local governments to provide certain level of public services. This is more receptive to the local governments and more attractive to the central government because the central government can determine centrally the level of funding to local government and local governments can adjust the

performance criterion to the level of transfers from the central government.

In contrast to the pooling system, Tanzi (1996) posits that under capacity equalization, the aim is to provide each local government with sufficient funds to deliver a centrally pre-determined level of services. Transfers are based on a measure of each jurisdictions potential revenue-raising capacity and not on actual revenues. This, of course can only lead to induce undesirable incentives effects. Thus Smart (1988) argues that from a national point of view the capacity equalization may drive local tax rates higher than is desirable. The system works well if it is well managed. Thus Tanzi(1996) posits that full equalization which in all sense is the closing of all gaps can only be achieved if the standard revenue raising capacity which the grant is intended to provide is set al the level of the richest local government. Thus equalization transfers may have two distinct rationale: to provide underpinning for decentralization in general, by equalizing to some level the fiscal capacity of territorial entities, thus putting all closer to being on the same footing irrespective of incentives; to provide sufficient resources to enable all local governments even the smallest and poorest, to provide a basic package of local services. (Tanzi, 1996. p.202)

In conclusion a system of tax assignment designed in accordance with the above mentioned principles would result in a vertical imbalance at various levels of government as well as horizontal fiscal disparities among the governments at the same level due to differences in fiscal capacities and costs of the public goods and services. Vertical imbalances would also occur because the taxes assigned to the sub national governments would not be administered adequately. However, particularly the assignment of natural resources taxes and corporate income taxes to the local jurisdictions can create the horizontal disparities if the resources and economic activities are highly concentrated in few locations within a nation. If however the assignment creates vertical imbalances and horizontal disparities or the assigned taxes will not be provide the revenues to finance the service provision, grants from the higher level of government can compensate vertical imbalances or offset horizontal disparities and also close the revenue gap at the subnational levels. It is a fact of life that money hinders development progress. A rural area with no resources would find it difficult to provide any meaningful public services unless transfer of funds from somewhere aids it. One must not miss the idea of lack of resources, with lack of capacity when making transfer of funds decision. They mean two different things, when considering equalization. As Fiszbein (1997) and Faguet (2001) put it, there is strong evidence in some countries that even some poor areas may manage surprisingly well if they are enabled and encouraged to do so.

Despite all efforts to harmonize fiscal federalism through equalization process as espoused in the literature, fiscal federalism practice in federal developing countries of the world is adjudged a failure. However for transfer to be effective and meaningful in providing an acceptable level of public goods it must be matched by some forms of equalisation.

Theory of grant

The optimal constitution theory of grant stipulates that the best distribution of sovereignties posits Breton (1965) exist within a federation because of the nature of public good and only grants can lead to optimal allocation of resources in a federal systems. As the researcher had earlier written, the provision of public goods in a decentralized system can improve efficiency by ensuring better services, which better suited local improvement in terms of local accountability, but it has deficit equity and efficiency of the tax system. The tax bases of each local government vary and the capacity to raise taxes depend on the tax bases and the local jurisdiction's ability to provide public goods if capita income would supply less quality and quantity supply of public goods and services. Therefore fiscal capacity is a measure of per capita income and retail sales.

It is mentioned before in tax assignments section above that distribution function should best be carried out by the centre (central government) consequently the federal government (National) should be concerned with equity across the whole spectrum of the society to ensure that minimum level of public services throughout the nation are provided. This is an important objective which can only be achieved by providing intergovernmental grants to the subnational governments and it can also corrects inter-jurisdictional externalities and also helps to achieve an efficient allocation of public funds. According to Boadway and Flatters (1982) there are three reasons for grant subsidies, which are: closing the gap, correcting the spill over effect, and securing fiscal equity.

The grants are provided by the higher level of government to the next lower level of government and the difference in grants is only mainly on the restrictions for the use of the funds by recipient government levels. Some grants are transferred without any restriction for its use and others require the recipient to spend the grants on specific purposes. In general terms, Tanzi (1996) identifies three types of grants, which are: matching grants, non-matching grants and earmarked grants. The distinction between grants can be artificial because of the fungibles of money. (Money can be used for more than one purpose). A general unconditional grant (matching grants) is a transfer of funds from the higher level of government to a lower level for the equalization purpose, which includes revenue sharing among the

government without limitation on its use for specific services, such as, education, housing. Public services such as education, housing, waste treatment facilities generate spill over effects. When spill over exists the tendency is overspending or under spending depending on the costs or benefits and also the extent of the spill over among the jurisdictions. If the spill overs result is undersupply of the public goods and services the matching grants will be enough to subsidize the public services that generate the external benefits. The earmarked grants can be used to finance or fund specific public services.

As the researcher had earlier written, the provision of public goods in a decentralized system can improve efficiency by ensuring better services, which suited better to local improvement in terms of local accountability, but it has as well deficit equity and efficiency of the tax system. The tax bases of each local government vary and the capacity to raise taxes depend on the tax bases and the local jurisdictions ability to provide public goods if capita income would supply less quality and quantity supply of public goods and services. Therefore fiscal capacity is a measure of per capita income and retail sales. Three reasons for grant subsidies were given by Boadway and Flatters (1982), which are closing the gap, correcting the spill over effect, and securing fiscal equity. The grants are provided by the higher level of government to the next lower levels of government and the difference in grants is only mainly on the restrictions for the use of the funds by recipient government levels. Some grants are transferred without any restriction its use and other requires the recipient to spend the grants on specific purposes. In general terms, Tanzi (1996) identifies three types of grants, which are: matching grants, non-matching grants and earmarked grants. The distinction between grants can be artificial because of the fungibles of money. (Money can be used for more than one purpose).

A general unconditional grant (matching grants) is a transfer of funds from the higher level of government to a lower level for the equalization purpose, which includes revenue sharing among the government without limitation to be used for specific services. Public services such as education, housing, waste treatment facilities generate spill over effects. When spill over exists the tendency is overspending or under spending depending on the costs or benefits and also the extent of the spill over among the jurisdictions. If the spill over result is undersupply of the public goods and services the matching grants will be enough to subsidize the public services that generate the external benefits. The earmarked grants can be used to finance or fund specific public services. Apart from the subsidies mentioned so far to ensure equalization or equity among jurisdictions, the lower level of governments have other sources of borrowing depending, of course if the constitution of the county allows it.

Borrowing by Local Government

Borrowing according to Lane (1993) by subnational jurisdictions does contribute to a country's macroeconomic difficulties because few countries have a strict constitutional limitation on borrowing and also market forces have proven unable to discipline borrowing (in part because of information deficiencies) This implies that if there was a strictly applied constitutional limitations that prevent subnational governments from borrowing, and also if market is able to impose discipline on borrowing by subnational governments, that is, if national government does not intervene to bail out subnational governments when they are in trouble, then borrowing by subnational governments or jurisdictions does not contribute to a county's macroeconomic difficulties.

Experience of borrowing exists among different countries of the world, for example Tanzi (1996) explains, in Argentina; all level of government can borrow both domestically and abroad. The provincial governments in Argentina were able to finance deficit of about 0.7 percent of GDP. Brazil can borrow from many sources. A province of Brazil, Sao Paulo accumulated a debt of some \$40 billion (Financial Times, 25 March 1995. p4). According to Chelliah (1991) in India the states and the centre can borrow domestically. In Nigeria, says Alm and Boex (2002) the central government and state government can borrow domestically and abroad, a state borrowing has a string attached to it. The money borrowed by a state must first be deducted from the revenues that are going to be transferred to all the states from the Federation Account before a transfer is made. This was deemed to be unfair, as the deduction was not only affecting the borrowed state but all the states in the federation. This has now changed to affect the culprit state as the money borrowed by a state is now first deducted from whatever is due to the state from the Federation Account without having any effect on another state (Alm and Boex, 2002).

In Mexico, the finances of its thirty –two states have been described as “precarious” and some states as “bankrupt” (Financial Times, 7 April 1995, p.7) It is posited by Tanzi (1996) that constitutional controls in Pakistan over provincial borrowing do not seem to be effective. In Italy borrowing by local jurisdictions have contributed to deterioration in the fiscal situation and have led to the emergent of ‘hidden’ debt and Napples and Puglict have encountered major financial difficulties (Tanzi, 1996, p.309)

The reasons for this state of affairs were given by Tanzi (1996) as ranging from the fact that in many cases “the revenue assignments do not match the expenditures assignments and more proximate

reasons such as: absence of good management systems within the subnational jurisdictions to register and monitor debt obligations and commitments. Lack of incentives for local policy makers not to borrow and subsequent benefits often go to those in power while the costs are paid later, perhaps by a different administration and this often led to soft budget and excessive borrowing. There are no competent budgetary systems by subnational governments that prepare competent projects for revenue and expenditure.” (p.309)

There are multitude of ways in which loan can be acquired; national government, Central Bank, national or foreign banks, provincial banks, suppliers, the capital markets, pension funds, arrears on civil servants, salaries, arrears on payment to utilities. Thus Tanzi (1996) concludes that as long as there is the belief that central government will honour subnational governments' obligations, and as long as the incentives for these governments encourage higher spending, decentralization will contribute to macroeconomic instability.

Local Government Finance

Type your In much literature on decentralization the question often raised is how expenditure responsibilities of local governments can be meant by revenue assignment. In another word, how will resources be generated to match the precise expenditures of local government! (Revenue and expenditure) It has generally been argued that local government should finance their spending through “benefit pricing” or “benefit taxation”. Musgrave and Musgrave (1984) posit that “the choice” of tax instruments to be used by “local jurisdiction”----- should conform to the rule that each jurisdiction pays for its own benefits (p.17). This is necessary because “benefit taxation” requiring as it does a balance of tax burdens and benefit gains neutralizes the impact of fiscal operations on location choice (p.518) This is necessary according to Tanzi (1996) for the result to be optimal. Thus Musgrave and Musgrave (1984) also recognize, however that “universal taxation is not possible or realistic” (p.518). However in all these the maximization of local satisfaction in terms of provision of public goods and services is the ultimate goal of fiscal decentralization. It is hoped that decentralization would result in expansion of the economy consequently with effect on poverty.

It was revealed earlier above that fiscal federalism practice enables revenues to be spread to local jurisdictions in form of redistribution of income to help alleviate poverty. It is also revealed in the literature that instead of poverty being alleviated the reverse has been the case for developing countries practicing fiscal federalism as evidenced by rise in inflation, budget deficits, debt burden, exchange rate and other macroeconomic crisis in those countries.

These crises tend to be on the increase, which researchers such as Wibbels (2000) ascribes to ineptitude on the part of the developing countries policy makers in formulating effective economic measures to bring about positive economic growth result. For example Nigeria has a long history of fiscal federalism practice and this is dated back to 1946 when federalism was first introduced by Richards constitution (Aiyede, 2009). But literature on poverty reveals a stark reality for Nigeria (Ugiagbe, 2013).

Conclusion

There is no uniform design program because each country is different because of environmental differences of these countries. Thus Nigeria's pattern of transfer may be different from that of Ghana, Uganda, or Britain and USA. Experience throughout the world shows that it is important that those receiving transfer need a clear mandate, adequate resources and sufficient flexibility to make decisions, and also they must be held responsible and accountable for results.

Therefore in order to satisfy these conditions transfer must be properly design. Thus enthuses Bird and Smart (2002) the best task is transfer is thus to get prices "right" in the public sector – right that is, in the sense of making local governments fully responsible –at least at the margin of decision - making to bother citizens and where appropriate, to higher levels of government" (p.5).

Summary

The levels of tax assignment that can be effectively allocated to each level of government have been a major debate by authors. Even though such general discussions are useful, but in reality the environmental variables and country-specific factor play a large role in assigning tax to local jurisdictions. Many researchers such as Hansmann (1998) Riker (1964) May (1969) Alesina and Drazen (1996), Gourevitch (1986) assert that local jurisdictions raise whatever taxes they are capable of raising, often without worrying much about the economic distortion that these taxes may create, Thus Bahl and Lin (1992), Bird (1996) posit that the good taxes that have been exploited by local jurisdictions that would not create economic distortions to the economy, have yielded very good results. It is concluded by Wibbles (2000) that the kind of taxes local government often raise especially in the developing countries, tend to be poor quality that lead to economic distortion.

This has led researchers such as Tanzi (1996) to ask if the distortion caused by raising tax outwits the benefits it derives from decentralization, even though decentralization is adjudged to improve allocation of resources on expenditure side. Tanzi (1996) asserts

that there is no easy answer to this but it is the one that must be addressed when the costs and benefits of decentralization are being discussed. Therefore, if good taxes were assigned to local jurisdictions, then it would be more justifiable to assign expenditure responsibilities to them. It is also necessary to avoid imbalance between expenditure responsibilities and the means to available to local government to carry them out.

Thus subnational governments cannot control the level of public spending. Perhaps it is important to mention here that revenue sharing or grants is not based on original revenue, therefore, it simply redistributes resources across jurisdictions. This approach does not provide subnational government with own revenues; subnational governments only have autonomy on spending the revenue. Tanzi (1999) posits two forms of fiscal balance are present in any transfer from the central government to subnational government and they are vertical fiscal imbalance and horizontal fiscal imbalance..

References

- Alesina, A and Drazen, A. (1991) "Why are Stabilizations Delayed?" American Economic Review.
- Alm, J, and Boex. J. (2002) An Overview of International Fiscal Relations and subnational Public Finance in Nigeria: Andrew Young School of Policy Studies; Georgia State University
- Bahl, R. W. and J. F. Linn (1992) Urban Public Finance in Developing Countries. New York; Oxford University Press.
- Baretti, C, Huber, B., and Lichtblau, K. (2000) A tax on tax revenue. The incentive effects of equalizing transfers: evidence from Germany. Working Paper CeSifo University of Munich.
- Barnett, S. and Ossowski (2002) Operational Aspects of Fiscal Policy in Oil Producing Countries. International Monetary Fund WP/02/177 IMF Working Paper.
- Bird, R. M. and Vaillancourt, F. (1996) Fiscal Decentralization in Developing Countries. Cambridge: Cambridge University Press.
- Bird, R. M., Ebel, R. D. and Wallich, C. I. (1995). Decentralization of the Socialist State. Washington, D.C: World Bank.
- Boardway, R. and Flaters (1982) Equalisation in a Federal State: an economic analysis: Economic Council of Canada.
- Boadway, R and Wildsin, E. D. (1984) Public Sector Economics. Boston: Little, Brown, and Company.
- Broadway, R.W. and Hobson, P (1993) Intergovernmental finance in Canada. Toronto Canadian Tax Foundation.
- Bretton, A. (1965) Theory of government grants," Canadian Journal of Economics and Political Science, May pp157-187.
- Broadway (2000) Fiscal Federalism: Theory and Practice: Subsidiary in the Theory of Fiscal Federalism: London
- Fiszbein, A. (1997) Emergency of local capacity: Lesson from Colombia. World Development, 25, 1029-1043.

Gourevitch, P. (1986) politics in Hard Times: Comparative Response to International Economic Crisis. Ithaca : Cornell University Press.

Hirschman, E. C (1985) Primitive Aspects of Consumption in Modern American Society. Journal of Consumer Research, 12, 237-249.

May, R. J. (1969) Federalism and Fiscal Adjustment. Oxford: Oxford University Press.

Musgrave, R. A. (1984) Who should tax, where, and what? In Mclure, C. E. editor, Tax Assignment in Federal Countries. Australian National University Press, Canberra.

Okonjo-Iwela, N. and Osafo—Kwaako, P. (2008) Nigeria's Economic Reforms: Progress and Challenges, The Brookings Institute, Washington. DC20036.

Peterson, H. G. (2007) Fiscal Federalism in Germany and Europe: Basic Issues and some Modern Developments. Presentation on Strategies for Regional Development and Reduction of Regional Economic Disparities, Berlin.

Rikker, W. H. (1987) The Development of American Federalism, Boston. Kluwer Academic Publishers.

Tanzi, V. (1996) "Fiscal Federalism and Decentralization; A Review of some efficiency and Macroeconomic Aspects" in Annual World Bank Conference on Development Economics, Washington. Michael Bruno and Boris Pleskovic, eds.

Tanzi, V (1999) Tax Bases for Redistribution and Public Spending in A Federation. Journal of Public Economics, (eds) Principles and practice in Business Management Research, Aldershot, Dartmouth.

Ugiagbe, I. P. J (2015) Fiscal Federalism has failed to alleviate poverty with special reference to Nigerian Society: Unpublished Thesis, Leeds Beckett University: Leeds. England, UK

Wibbels, E. (2000) Federalism and Politics of Macroeconomic Policy and Performance. American Journal of Political Science 44(4): pp. 687-702..

Biographical note: Dr Imuetinyan Press John Ugiagbe was the director of Press way Global Ventures INC, and also a Marketing Director at JECOM Ltd UK. He has a wide array of experience as lecturer in the UK. He is now a lecturer at Igbinedion University Okada, Nigeria. He holds a degree in law, economics, and also in African studies, a master degree in marketing and finance (MBA) and Ph.D. in Development Economics from Leeds Beckett University, Leeds, UK. He also holds a number of vocational and professional qualifications, which include a Higher National Diploma in Business studies (HNDBS), Chartered Institute of Marketing Diploma, Cert Ed (Garnett College UK). His research interests include: Fiscal federalism, poverty and poverty alleviation in sub-Saharan Africa, marketing ethics across the globe and Nigeria's political and social development.