



Centre for Training and Research in Public Finance and Policy  
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## *From the Project Director's Desk...*



Having started the journey in 2011, CTRPF has completed five years in the field of research and training in Public Finance, Public Economics and Public Policy. I am happy to report the activities carried out between April 2015 to March 2016 at the Centre for Training and Research in Public Finance and Policy (CTRPF).

CTRPF has taken the initiative to publish 'India Public Finance and Policy Report', the first of its kind in India. The report is to be published biennially. The first volume is focused on 'Fiscal Issues and Macro-Economy' and is to be published by OXFORD University Press. A conference was organized on 17th and 18th September, 2015 to discuss the primary draft of the report.

CTRPF also organized a special conference to mark the fiftieth year of General Equilibrium Model pioneered by Ronald W. Jones (University of Rochester, USA). Professor Jones, Prof. Ngo Van Long (McGill University), Prof. Eric Bond (Vanderbilt University) and Prof. Noritsugu Nakanishi (Kobe University) participated in the conference. The conference was well attended by many other researchers from across the country.

Our annual two day international conference on Public Finance and Public Policy was held during 4th & 5th February 2016. Prof. Andrea Ichino (European University Institute, Florence), Prof. Orazio Attanasio (University College London and Institute of Fiscal Studies, London) and Prof. Farzana Afridi (Indian Statistical Institute, Delhi) were the plenary speakers of the conference.

CTRPF's annual training workshop on Fiscal Issues and State Finances was organized during August 22, 2015 to August 24, 2015. This year the participants were from the Commercial Tax Department, Government of West Bengal. As many as twenty five commercial tax officials were nominated by the Commissioner of Commercial Tax to attend this training programme.

Professor Kajal Lahiri (State University of New York, Albany, New York) delivered a set of lectures on 'Econometric Analysis with Binary Outcomes' during 30th December, 2015 to 6th January, 2016. Students and researchers of different institutes and universities benefited a lot from these lectures.

CTRPF will continue to contribute towards the understanding of global, national and local issues related to Public Finance and Policy and prescribe appropriate policy frameworks to tackle major problems.

Dr. Sugata Marjit  
RBI Chair Professor of Industrial Economics, CSSSC  
Project Director, Centre for Training and Research in Public Finance and Policy

## **Announcements...**

### *News and Upcoming Events*

- Dr. Sandip Sarkar has Joined CTRPF as Post-Doctoral Fellow.
- Dr. Seshadri Banerjee has been appointed as Research Consultant to CTRPF.
- CTRPF has provided financial support to research scholars to attend International Conferences held in foreign countries.
- The India Public Finance and Policy Report (IPFPR) shall be published in 2016. OXFORD University Press is the publisher of the report. The inaugural report will be on 'Fiscal Issues and Macro-Economy'.
- 5th Training Workshop on 'Fiscal Issues and State Finances' is scheduled to be held in August, 2016.
- Release function of India Public Finance and Policy Report to be held in September, 2016
- Annual International Conference on 'Public Finance, Public Economics and Public Policy' is scheduled to be held in December, 2016.

## Training Workshop on 'Fiscal Issues and State Finances'

A Training Workshop on Fiscal Issues and State Finances for the government officials of West Bengal was held during 20-22 August, 2015 at the Centre for Studies in Social Sciences Calcutta campus. This workshop is one of the regular activities of CTRFPF and is organized annually.

The topics discussed in this workshop were decided in consultation with Mr. Vinod Kumar, Commissioner, Commercial Taxes, Govt. of West Bengal. As many as twenty five commercial tax officials of West Bengal participated in this three days' workshop.

Prime focus of this training programme was to highlight and provide up-to-date knowledge to the participants on issues concerning tax mechanisms implemented worldwide and also on the evaluation of state finances. The training programme covered the following topics:

- Fiscal Federalism in India
- Goods and Service Tax: Concept and Present Status
- Taxation on Minerals
- Evaluation of State Finance for West Bengal

The workshop was inaugurated by Prof. Sugata Marjit, RBI Chair Professor of Industrial Economics, CSSSC and also the Vice-chancellor of University of Calcutta. The three day training programme included lectures, discussions and presentations of various relevant topics concerning the prime focus of the workshop. The workshop was coordinated by Dr. Tushar Nandi, CTRFPF.

The resource persons for the training course included senior bureaucrats from Govt. of India, Govt. of West Bengal and experts from various universities of the country, including G. R. Reddy (Retd. IES and Financial Advisor to Govt. of Telangana), Pinaki Chakraborty (Professor, National Institute of Public Finance and Policy, New Delhi), Binod Kumar (Commissioner, Commercial Tax, Govt. of West Bengal), Tapas Kumar Sen (Professor, National Institute of Public Finance and Policy, New Delhi) and Jayanta Kumar Dwivedi (Assistant Professor, B. K. C. College, Kolkata).

Feedback on Workshop was collected from the participants using a structured response sheet.

- The topics and lectures were highly appreciated by the participants.
- They suggested taking up the topics related to best practices of tax administration in India and elsewhere for our next training workshop.



*Mr. Binod Kumar, Commissioner, Commercial Taxes, Govt. of WB, speaking on 'Goods and Service Tax'*



*Participants of CTRFPF training workshop on 'Fiscal Issues and State Finances' held during 20-22 August, 2015*

- They also suggested taking an initiative to arrange for a workshop on GST.
- Suggestion to extend the programme for a week and holding such training more frequently in future is also placed by the participants.
- The hospitality of Prof. Jyotsna Jalan and Prof. Tushar Nandi is appreciated.

Overall feedback from the participants was extremely positive and encouraging.

## International Conferences

- During the period covered in this newsletter, CTRFPF organized three International Conferences. Highlights of the conferences are given below. All papers/presentations have been uploaded in our website.

### **INTERNATIONAL CONFERENCE ON INDIA PUBLIC FINANCE AND POLICY REPORT (IPFPR) DURING 17TH & 18TH SEPTEMBER 2015**

This conference was organized on the occasion of the forthcoming India Public Finance and Policy Report to be authored by CTRFPF and published by OXFORD University Press. The conference was inaugurated by Prof. Sugata Marjit, RBI Chair Professor of Industrial Economics, CSSSC and also the Vice-chancellor of University of Calcutta.

Prof. Fabrizio Carmignani of Griffith University, Australia and Prachi Mishra of Reserve Bank of India, Mumbai were the two invited speakers of the conference. Prof. Fabrizio Carmignani presented a paper titled 'Fiscal Policy Interdependencies and Contagion Effects in South Asia'. Dr. Prachi Mishra gave a talk on 'The Transmission of Monetary Policy Within Banks: Evidence from India'. Prof. Sugata Marjit presented an overview on 'India's Fiscal Policy: Past, Present and the Way Forward'.



*Dr. Prachi Mishra from Reserve Bank of India registering at IPFPR Conference, September, 2016*

Other speakers in the conference were Pranab Kumar Das & Saibal Kar (CSSSC, 'Fiscal Issues and Demography: Theory and Evidence from India'), Vivekananda Mukherjee (Jadavpur University, 'On Autonomous Devolution from the Union Government and Provision of Local Public Goods'), Jayanta Kr. Dwivedi (B.K.C. College, Kolkata, 'Intergovernmental Transfers and Fiscal Dynamics of Indian States') and Hersch Sahay (Pondicherry University, 'Deficits and Inflation').

### **INTERNATIONAL CONFERENCE TO CELEBRATE 50 YEARS OF SIMPLE GENERAL EQUILIBRIUM MODELS AND POLICY IMPLICATIONS IN OPEN DEVELOPING ECONOMIES - HISTORICAL AND EMERGING ISSUES - 17TH AND 18TH NOVEMBER, 2015**



*Prof. Ronald W. Jones, Xerox Professor of Economics, University of Rochester, USA*

This conference was organized to celebrate the 50th Year of General Equilibrium Models as introduced by Ronald W. Jones and published in Journal of Political Economy in the year 1965. Prof. Jones, the Xerox Professor of Economics of University of Rochester attended the conference and gave a talk on 'Thoughts and Remarks after 50 years of Simple General Equilibrium Models'. Renowned economists working in the areas of general equilibrium models participated in the two day conference. Other speakers of the conference were Prof. Ngo Van Long (James McGill Professor of Economics, McGill University), Prof. Eric Bond (Joe L. Roby Professor of Economics, Vanderbilt University), Prof. Noritsugu Nakanishi (Professor,





*Participants attending the conference on '50 years of Simple General Equilibrium Models and Policy Implications in Open Developing Economies - Historical and Emerging Issues'*

Wage Inequality and Capital Accumulation: A Dynamic Analysis).

Kobe University, Japan). Prof. Sugata Marjit also presented a paper on 'Credit, Inequality and Trade'. Prof. Ngo Van Long lectured on 'International Competition with Non-linear Pricing'. Prof. Eric Bond gave a talk on 'Gradualism, Compensation, and Safeguards' and Prof. Noritsugu Nakanishi presented on 'Farsightedly Stable FTA Structures'.

Other speakers in the conference were Anvesha Aditya (Indian Institute of Technology, Kharagpur, 'Trade, Factor Flows and Product Variety in a Small Open Economy'), Sudeshna Mitra (St. Paul's C.M. College, Kolkata, 'Product Differentiation, Quality of Innovation and Capital Mobility: A General Equilibrium Analysis') and Priya Brata Dutta (Visva Bharati University, 'Skilled-Unskilled

## **INTERNATIONAL CONFERENCE ON PUBLIC FINANCE AND PUBLIC POLICY DURING 4TH & 5TH FEBRUARY 2016**

A Two day International Conference was organized on Public Finance and Public Policy by CTRFPF on 4th and 5th February, 2016. The conference was well attended by the faculty members, research scholars and students of various institutes and universities.

The conference was inaugurated by Prof. Sugata Marjit, RBI Chair Professor of Industrial Economics, CSSSC and also the Vice-chancellor of University of Calcutta. Prof. Andrea Ichino of European University Institute, Florence, Prof. Orazio Attanasio of University College London and Institute of Fiscal Studies, London and Prof. Farzana Afridi of Indian Statistical Institute Delhi were the invited speakers of the conference.

Prof. Andrea Ichino presented a paper on 'Cognitive and Non-Cognitive Costs of Day care 0-2 for Girls'. Prof. Orazio Attanasio presented a paper on 'The Accumulation of Human Capital in the Early Years: Parental Investment and Interventions'. Dr. Farzana Afridi gave a talk on 'Women Political Leaders, Corruption and Learning: Evidence from a Large Public Program in India'.

Other participants of the conference were Prof. Jyotsna Jalan (Professor of Economics, CSSSC, 'Empowering women: Evaluation of a Socio-Cultural Intervention'), Prof. Sugata Marjit (RBI Professor, CSSSC, 'False Litigation, Delay Tax Payment and Evasion – The Role of Informal Sector'), Prof. Saibal Kar (CSSSC, 'Policy Shocks and Asymmetric Emigration Patterns'), Prof. Tushar K. Nandi (CTRFPF, 'Choice Between VAT and Turnover Schemes: The Role of Supply Chain') and Dr. Sandip Sarkar (CTRFPF, 'On The Quasi Approaches of Polarization Ordering for Ordinal Data').

### **SPEAKERS AT INTERNATIONAL CONFERENCE**



*Farzana Afridi*

*Andrea Ichino*

*Sandip Sarkar*

*Saibal Kar*

*Tushar Nandi*

*Sugata Marjit*

*Orazio Attanasio*

## CTRFPF Working Papers for 2016-2017

- Tushar K. Nandi and Saibal Kar: Short-Term Migration and Intergenerational Persistence of Industry in Rural India.
- Sugata Marjit, Hamid Beladi and Avik Chakrabarti: Why Do the Poor Save Less? The Role of Economic Status in Inadequate Saving.
- Sugata Marjit, Sattwik Santra and Koushik Kumar Hati : Does Inequality Affect the Consumption Patterns of the Poor? The Role of “Status Seeking” Behaviour.
- Sugata Marjit, Sattwik Santra and Koushik Kumar Hati: Relative Social Status and Conflicting Measures of Poverty - A Behavioral Analytical Model.
- Jayanta Kumar Dwivedi, Sugata Marjit and Koushik Kumar Hati: Tax Effort of West Bengal and Andhra Pradesh: A Comparative Study Based on Consumption Expenditure.
- Tushar K. Nandi: The Effect of Employment Guarantee Scheme on School Attendance in Rural India.
- Ranajoy Chaudhury: Status Seeking Behavior and the Life Cycle Hypothesis.
- Jayanta Kumar Dwivedi and Sugata Marjit: Relative Affluence and Child Labor - Explaining a Paradox.
- Sugata Marjit and Punarjit Roychowdhury: Inequality and Trade: A Behavioral-Economics Perspective.
- Sugata Marjit and Biswajit Mandal: International Trade, Migration and Unemployment – The Role of Informal.
- Hamid Beladi, Sugata Marjit, Xinpeng Xu and Lei Yang: Strategic Enforcement, Intellectual Property Rights and Contractual R&D.
- Sugata Marjit, André Seidel and Marcel Thum: Tax Evasion, Corruption and Tax Loopholes.
- Reshmi Ahuja: Sequencing of External Sector Reforms and Wage Inequality.

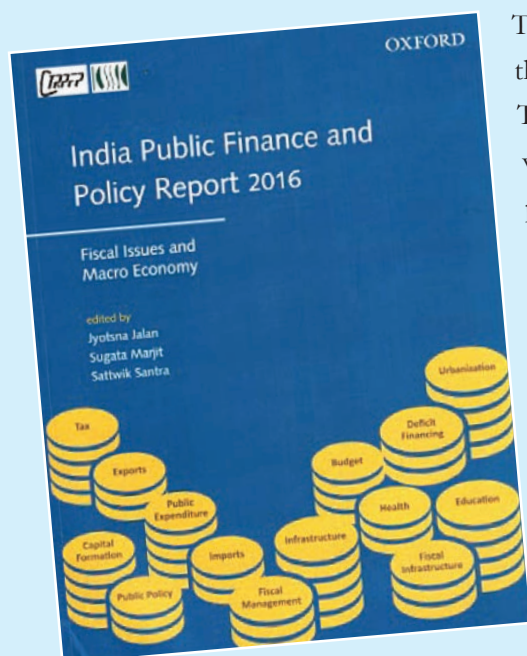
*Papers are available to download at <http://www.ctrpfp.ac.in/wp.htm>*



*Prof. Avinash K. Dixit, Princeton University delivering R. C. Dutt Memorial Lecture. He visited CTRFPF during the period 16th to 21st December, 2015*

## Our Publications

### INDIA PUBLIC FINANCE AND POLICY REPORT (IPFPR)



The India Public Finance and Policy Report (IPFPR) is a flagship endeavour of the Centre for Training and Research in Public Finance and Policy (CTRFPF). The report will be published every two years. It is unique in its objective which is to showcase contemporaneous issues in public finance and public policy from a national and a global perspective. The IPFPR is non-technical, reader-friendly, and is aimed at a broad range of audiences, from academics to policy makers. The inaugural volume “Fiscal Issues and Macro Economy” to be published in 2016, presents a comprehensive survey of fiscal policies in India from post-Independence period up to present times and discusses a range of contemporary issues on fiscal policies and its implications for the economy. It discusses issues like the current fiscal performance of the different states, impact of demography on issues related to public finance and public economics, and interdependencies of fiscal policies across South Asian countries, assessing the fiscal performance of states using a CTRFPF-constructed fiscal index. The IPFPR also provides a detailed

statistical appendix on various facets of the Indian economy. Some of these tables will be updated in subsequent reports. The IPFPR will not only be beneficial to policy makers but also to students and researchers who are seeking to get an in-depth understanding of the fiscal policy of an emerging economy.

### SOUTH ASIAN JOURNAL OF MACROECONOMICS AND PUBLIC FINANCE (SAJMPF)

The publication of the South Asian Journal of Macroeconomics & Public Finance is a significant and ambitious addition to the activities under the RBI Endowment Scheme at Centre for Studies in Social Sciences, Calcutta and Centre for Training and Research in Public Finance and Policy. The Board of Advisors of this journal consists of distinguished economists from all over the world. The South Asian Journal of Macroeconomics & Public Finance is listed under the AEA electronic indexes, which are included in JEL on CD, e-JEL and EconLit.

Authors intending to publish papers in the forthcoming issues should submit suitable papers consistent with the aims and scope of the journal. Papers should be addressed to the editor and sent simultaneously to the following e-mail addresses: smarjit@hotmail.com and saibal@cssscal.org. All papers should be in PDF, double-spaced and written in English.

Details about the journal can be obtained at <http://smp.sagepub.com>





## Visitors to CTRPF P

Quite a few visitors have visited CTRPF P between April 2015 to March 2016.

- Andrea Ichino, European University Institute, Florence
- Avinash K. Dixit, Princeton University
- Dyuti Banerjee, Monash University, Clayton
- Eric Bond, Vanderbilt University
- Fabrizio Carmignani, Griffith University, Australia
- Farzana Afridi, Indian Statistical Institute, Delhi
- Kajal Lahiri, University at Albany, State University of New York
- Nakanishi Noritsugu, Kobe University, Japan
- Ngo Van Long, McGill University
- Orazio Attanasio, University College London and IFS
- Sajal Lahiri, Southern Illinois University
- Prachi Mishra, Reserve Bank of India
- Ronald W. Jones, University of Rochester

## Seminar by Faculties & Visitors

- Financing Growth: Foreign Aid vs. Foreign Loan - Sajal Lahiri, Southern Illinois University (6th November, 2013)
- Credit, Inequality and Trade: Sugata Marjit, Centre for Studies in Social Sciences, Calcutta (9th April 2015)
- Evaluating Expert Talents by Setting Tasks: Jaideep Roy, Murdoch University, Western Australia (9th July 2015)
- Application of Chaos and Non Linear Technique in Complex Systems – MARKET(financial time series), MEDICINE(medical diagnosis) and MUSIC(emotion quantification): Dipak Ghosh, Dept. of Physics, Jadavpur University (14th August 2015)
- VAT & Firm Formality Choices: Evidence from West Bengal: Lucie Gadenne, University of Warwick and Institute for Fiscal Studies, UK (15th October 2015)
- R&D Efficiency, Product Differentiation and Enforcement Policies: Dyuti Banerjee, Monash University, Australia (17th December 2015)
- Lecture Series on Econometric Analysis with Binary Outcomes: Kajal Lahiri, State University of New York, Albany, NY (30th December 2015/4th and 6th January 2016)
- Peer Effects in Consumption: Punarjit Roychowdhury, Southern Methodist University, USA (7th January 2016)
- Do International Students Improve the Performance of Domestic Graduate Students in the US ? : Sajal Lahiri, Southern Illinois University (11th January 2016)
- Poverty, Purchasing Power Parity and Inequality: Is there a link? : Ranjan Ray, Monash University (15th January 2016)
- Sectoral Composition of Foreign Capital Inflows and Skilled-Unskilled Wage Gap: A Theoretical Model : Rashmi Ahuja, University of Delhi (5th April, 2016)

## About CTRFPF ...

The Centre for Training and Research in Public Finance and Policy (CTRFPF) was established in 2011 as a consequence of a MOU signed between the Centre for Studies in Social Sciences, Calcutta and the Ministry of Finance, Government of India, for promotion of study, research and training in Public Finance and Policy.

CTRFPF emphasizes on research and policy based studies related to contemporary fiscal affairs, specially focusing on taxation and various fiscal support programmes of Central as well as State Governments. The Centre aspires to promote effective economic, social and public policies through better understanding of their impact on individuals, families and business. It desires to communicate its research conclusions effectively, thereby maximizing their impact on policy, both directly and through public debate to a wider range of audience. It plans to establish itself as the authoritative commentator on public finance, tax and welfare policy, inequality and poverty issues, productivity and innovation etc. For further details on our work please visit [www.ctrfpf.ac.in](http://www.ctrfpf.ac.in) or contact our Program Coordinator at: [mailus@ctrfpf.ac.in](mailto:mailus@ctrfpf.ac.in)