

Day 4 – Thursday, 29 November 2007
Parallel Sessions – Session 3A 11.00am-12.30pm

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Position: Director

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Presentation Title: Transparenting subsidies: Promoting a pro-poor reform in public subsidies allocation

The efficient and transparent allocation of governmental subsidies constitutes an essential public policy for the promotion of social and economic development in Argentina. Indeed, the different types of subsidies may work as a key public policy's tool that could serve to fight poverty, to improve the schooling indexes, to guarantee adequate levels of child nutrition, to support productive enterprises, to guarantee certain rates in public services and to promote technical and scientific research, among many other desirable purposes. However, if governmental subsidies are allocated under conditions of lacking transparency, high discretionality and without involvement of civil society, ideal conditions are created for corrupt practices and political clientelism.

The creation of a Transparency Index and a systematized Database of public subsidies enabled citizens, NGO, journalists, political parties and private firms to identify the sources and allocation of public subsidies. Indeed, many governmental agencies, such as the Anticorruption Office and others in charge of the control of the State, have pointed out that this kind of public spending is one of the riskiest in terms of being subject to corrupt practices. The most common pattern is the lack of transparency and access to information established for the allocation of a subsidy.

Thus, the program had a twofold objective:

1. The program aimed at modifying the institutional conditions that promote corrupt practices and political clientelism in the allocation of public subsidies. This change was stimulated by generating public information, guaranteeing the access to such information and promoting citizens' control over the allocation of subsidies. Access to information was created via a free database of governmental subsidies.
2. The program aimed to promote transparency and access to information for poor and excluded groups. The promotion of transparency in the allocation of subsidies does not end in the development of mechanisms to enable citizens to access to public information. On the contrary, attaining real transparency demands the development of instances that may create opportunities for excluded social groups to obtain information on subsidies available and creating specific mechanisms to challenge the misuse of subsidies by politicians and public officials.