

1. Record Nr.	UNINA9910788416203321
Autore	Leruth Luc
Titolo	A Principal-Agent Theory Approach to Public Expenditure Management Systems in Developing Countries // Luc Leruth, Elisabeth Paul
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2006
ISBN	1-4623-8814-0 1-4519-8834-6 1-283-51214-9 1-4519-9323-4 9786613824592
Descrizione fisica	1 online resource (45 p.)
Collana	IMF Working Papers
Altri autori (Persone)	PaulElisabeth
Soggetti	Government spending policy - Management - Developing countries Expenditures, Public - Developing countries Public Finance Taxation Auditing Taxation, Subsidies, and Revenue: General National Government Expenditures and Related Policies: General Public Administration Public Sector Accounting and Audits Management accounting & bookkeeping Public finance & taxation Expenditure External audit Internal controls Tax incentives Expenditures, Public Revenue France
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	"September 2006."
Nota di bibliografia	Includes bibliographical references.

Nota di contenuto

""Contents""; ""I. INTRODUCTION""; ""II. INTERPRETATION OF PEM UNDER THE PRINCIPAL-AGENT THEORY""; ""III. THE BASIC MODEL ""; ""IV. EX POST AUDITS""; ""V. EX ANTE CONTROLS""; ""VI. CONCLUSION""; ""REFERENCES""

Sommario/riassunto

A well-functioning public expenditure management (PEM) system is considered a critical pillar of government efficiency, on par with a low-distortion tax system and efficient tax administration. The paper discusses PEM systems in developing countries using an analytical framework based on principal-agent theory. This simple model can be applied to various PEM systems, and allows for comparisons between institutional settings. To illustrate this, we analyze the benefits derived from the use by the Ministry of Finance (MoF) of two control instruments; ex post audits and ex ante controls, and assess their value in terms of their ability to deter cheating. We derive a set of possible "control regimes" which can be used by the MoF. Although we illustrate the use of the model using developing countries, it is also relevant to developed economies.
