

Monitoring Fiscal Effort to Reduce Inequality and Poverty

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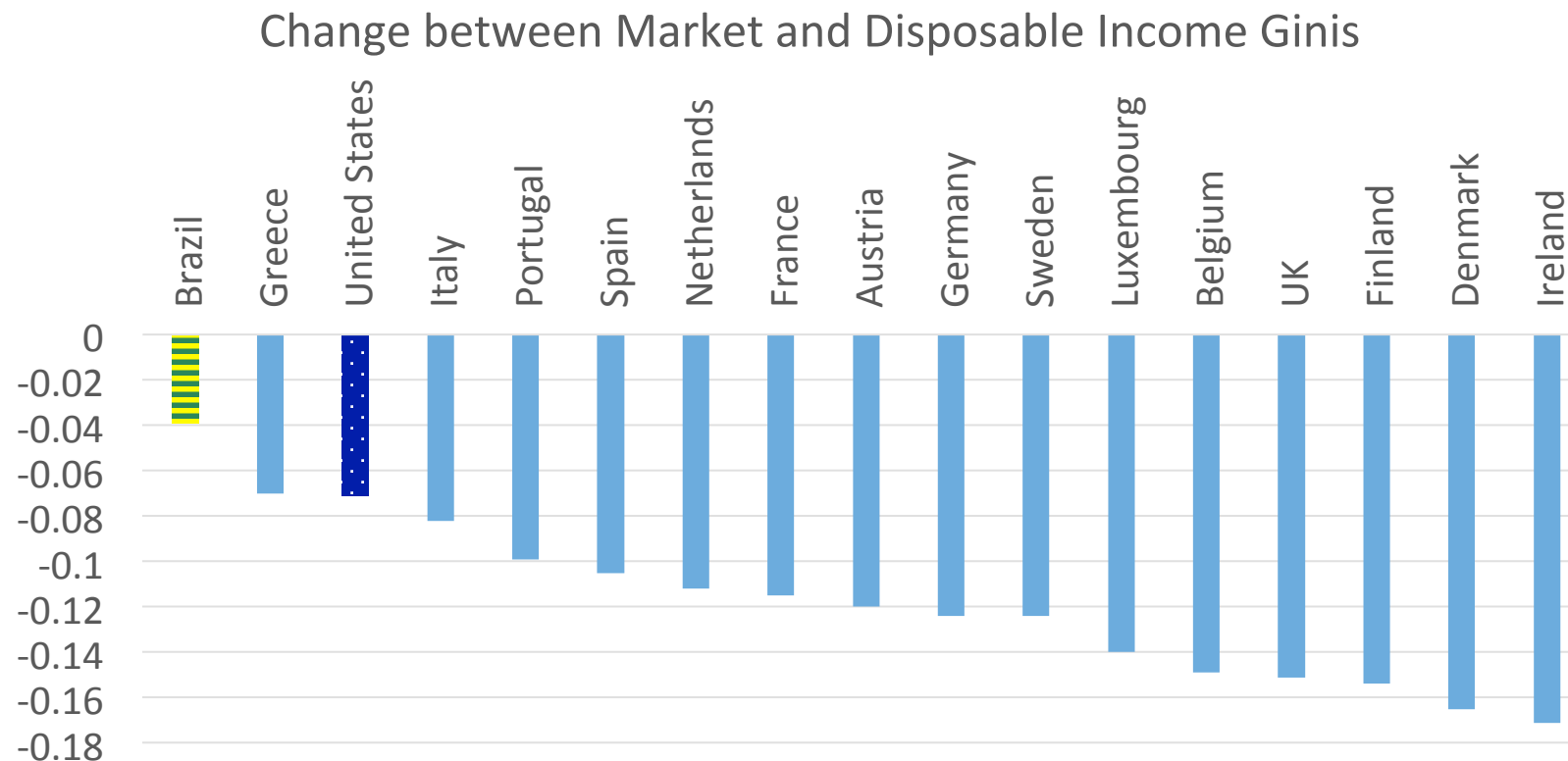
Filling the Gap: Inequality Indicators for Post-2015

Center for Global Development

September 16, 2013, Washington, DC

Inequality Reduction by Direct Taxes and Transfers: Brazil, Europe and US

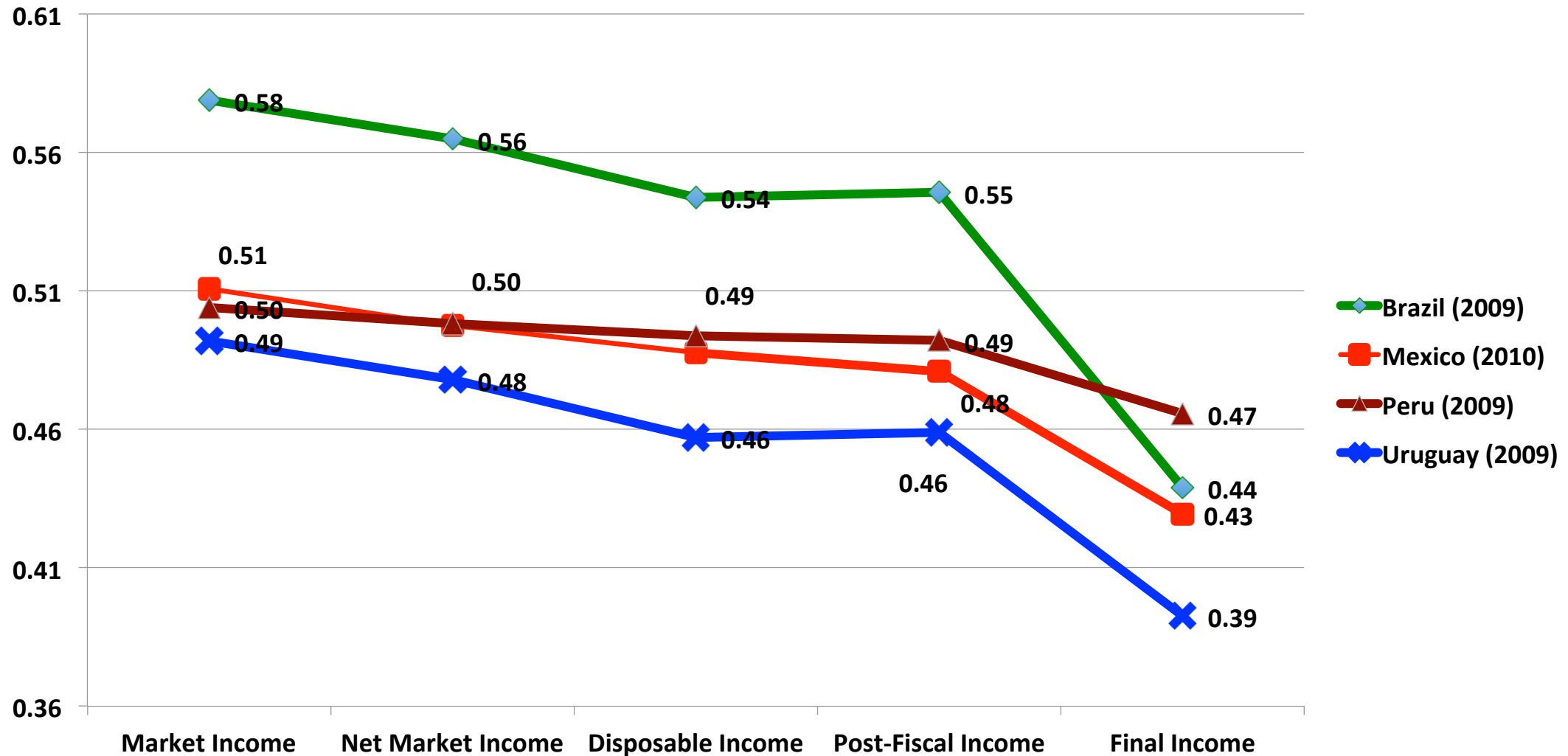
- Direct taxes and transfers reduce inequality by
 - 7.0 percentage points in US
 - 3.9 percentage points in Brazil



Source: authors' calculations for Brazil and US; Immervoll et al. (2009) for Europe

Inequality Reduction: Brazil, Mexico, Peru and Uruguay (2009)

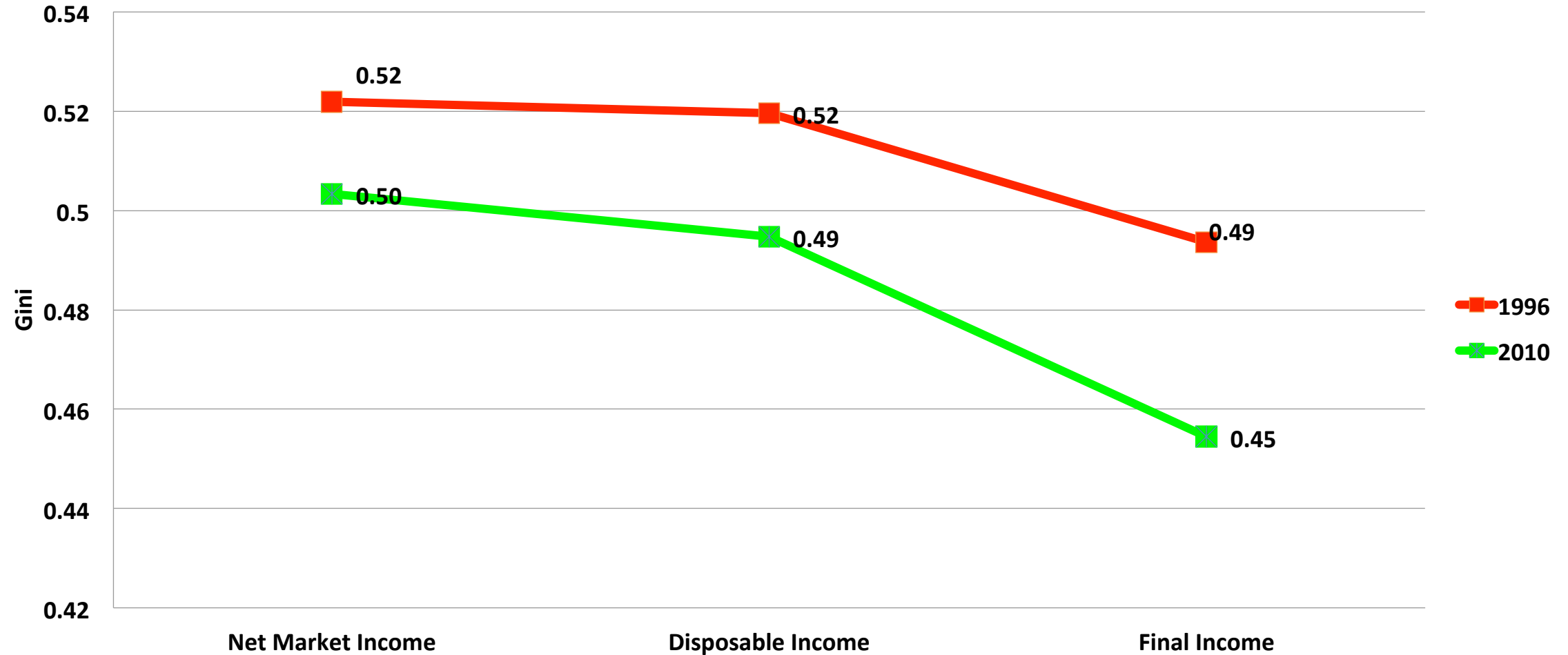
(Taxes and Social Spending)



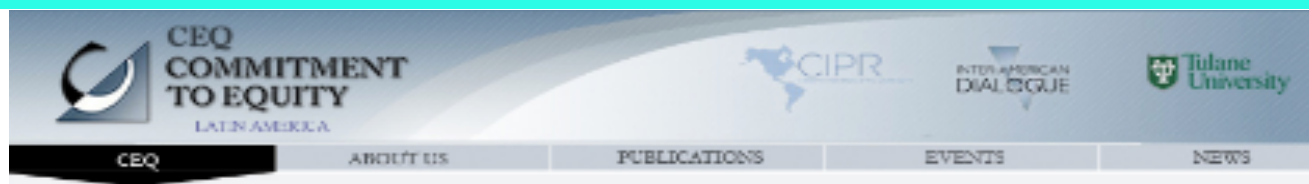
Poverty Reduction: Brazil, Mexico, Peru and Uruguay (Income Taxes, Cash Transfers and Consumption Taxes; Poverty line US\$4ppp/day)



Inequality Reduction: Mexico 1996 vs. 2010 (Social Spending)



Commitment to Equity (CEQ), joint project of Tulane University and Inter-American Dialogue. www.commitmenttoequity.org



What is CEQ

The Commitment to Equity (CEQ) is a joint project of CIPR and the Department of Economics at Tulane University and the Inter-American Dialogue. Directed by **Nora Lustig** and **Peter Halkins**, the CEQ was designed to analyze the impact of taxation and social spending on inequality and poverty in individual countries, and provide a roadmap for governments, multilateral institutions, and nongovernmental organizations in their efforts to build more equitable societies.

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NEWS

4/11/2013: CEQ Working Paper 13, An Overview, is now available. [Learn](#)

3/21/2013: CEQ Featured at Colombia Equity Day Event

3/13/2013: Brazilian President Dilma Rousseff announced the end of federal indirect taxes on all items in the basic needs basket

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References

Slide 2:

Higgins, S., N. Lustig, W. Ruble and T. Smeeding. “Comparing Taxation, Transfers, and Redistribution in Brazil and the United States,” working paper, Tulane University.

Slides 3 & 4:

Brazil: Higgins, Sean and Claudiney Pereira. 2014. The Effects of Brazil’s High Taxation and Social Spending on the Distribution of Household Income. Forthcoming in Lustig, Nora, Carola Pessino, and John Scott, Eds. “Fiscal Policy, Poverty and Redistribution in Latin America,” Public Finance Review.

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Peru: Jaramillo, Miguel. 2014. The Incidence of Social Spending and Taxes in Peru. Forthcoming in Lustig, Nora, Carola Pessino, and John Scott, Eds. “Fiscal Policy, Poverty and Redistribution in Latin America,” Public Finance Review.

Uruguay: Bucheli, Marisa, Nora Lustig, Máximo Rossi, and Florencia Amábile. 2014. Social Spending, Taxes, and Income Redistribution in Uruguay. Forthcoming in Lustig, Nora, Carola Pessino, and John Scott, Eds. “Fiscal Policy, Poverty and Redistribution in Latin America,” Public Finance Review.

Slide 5:

Lopez-Calva, L., N. Lustig, J. Scott and A. Castaneda. Gasto social, redistribución del ingreso y reducción de la pobreza en México: 1996 y 2010. Book chapter (in-progress)

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