



# AN ACCIDENT AT THE CROSSROAD: HOW RUSSIAN (DE)CENTRALIZATION INFLUENCED THE SOCIAL BENEFITS REFORM IN 2005

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# (DE)CENTRALIZATION – WHY IN *(BRACKETS)*?

1. Characteristics of (de)centralization and its impact on the subnational governments' autonomy;
2. How territorial problems are solved by the Russian federal government in the case of authority allocating procedures;
3. How does the installed system affect the efficiency of the current government

# ADMINISTRATION AND RESOURCES: HOW DOES IT WORKS?

Decentralization - is "the process of state reform, consisting of a set of public courses, which convey competence, resources or authority from the highest levels to the lower...»  
(Falleti, 2005: 328)

Intergovernmental relations as a struggle of national and regional elites for the most advantageous dimensions of regional autonomy  
(Riker, 1964; Filippov, 2005)

Implementation of administrative decentralization without providing independent from the central government financial resources of regional governments leads to a situation of "enslavement" of sub-national authorities  
(Falleti, 2005)

# AND WHAT ABOUT RUSSIA?

Russia as a significantly decentralized state in 2000

Provided compliance of the majority of regional constitutions with the federal laws + declining capacity of regional governments in 2001-2003

Cancellation of governors elections in 2004

The electoral results of the Communist Party, "Edinstvo" and the OVR in Russia, Moscow and Tatarstan on elections of deputies of the State Duma in 1999

	Russia	Moscow	Tatarstan
<b>KPRF</b>	24,29	11,8	18
<b>Edinstvo</b>	23,32	6,9	16,6
<b>OVR</b>	13,33	40,9	40,6

# "THE MONETIZATION REFORM"

- 150 FEDERAL LAWS
- RELATIONS BETWEEN ADMINISTRATIVE AND FISCAL POWERS TRANSFERS
  - CONTENT ANALYSIS METHOD
- SOCIAL REFORM, WHICH HAS SIGNIFICANTLY ALTERED THE DISTRIBUTION OF POWERS BETWEEN THE LEVELS OF GOVERNMENT

## Budgetary powers

<b>Word/Phrase</b>	<b>Before the Federal Law №122</b>	<b>After the Law №122 FZ</b>
<i>At the expense of the federal budget</i>	96	46
<i>At the expense of budgets of subjects</i>	14	5
<i>Budgets of municipalities</i>	2	1
<i>From the federal budget</i>	106	166
<i>The budgets of subjects</i>	13	2
<i>Expenditure obligations of the Russian Federation</i>	0	33
<i>Expenditure obligations of subjects</i>	0	10
<i>Expenditure obligations of the municipalities</i>	0	7
<i>Federal budget</i>	5	18
<i>In the federal budget</i>	2	11
<i>The revenue budgets of subjects</i>	2	2
<i>From budgets of subjects</i>	3	7

## Administrative authority

The word / phrase	Before the Federal Law №122	After the Law №122 FZ
The jurisdiction of the federal authorities	2	2
The jurisdiction of the entities	0	10
In accordance with the procedure established by the Government of the Russian Federation	34	37
In order determined by the public authorities of subjects	0	2
Set of subjects laws	0	2
Sets by the laws and other normative legal acts of subjects	0	2
Sets by public authorities of subjects	0	6



# “THE MONETIZATION REFORM”: EFFECTS

How has the reform affected the implementation of reforms?



Problems with implementation – many powers, not enough money

How has this model of decentralization affected the further development of intergovernmental relations in Russia?



Model of unsecured administrative centralization that takes away revenues from the regions and transmitting administrative powers to lower levels

THANK YOU