

Timeline

11:30AM-1:00PM ET

Date

June 03, 2021

Building State Capacity for Tax Collection: Emerging Evidence and Implications for Practice

In the Democratic Republic of Congo, tax revenues are equivalent to 7.5% of GDP. This stands in stark contrast to higher-income countries, in which tax revenues represent an average of 34% of GDP and generate billions of dollars for essential government services. The challenges of domestic resource mobilization are complex and involve factors related to state capacity for tax collection and delivery of public services, the prevalence of informal economies, and firms' and citizens' knowledge and beliefs about paying taxes. This webinar will discuss randomized evaluations funded by the Governance, Crime, and Conflict Initiative (GCCCI) and others that address these questions and their implications for policymakers.

This is the fourth webinar in a series showcasing emerging results and policy lessons from the first three years of GCCCI. J-PAL's **Crime and Violence Initiative** and **Governance Initiative** and Innovations for Poverty Action's **Peace & Recovery Program** jointly launched GCCCI in 2017 to produce new research on effective policies to promote peace and good governance, reduce crime, and support individuals and communities recovering from conflict. Supported by the UK's Foreign, Commonwealth & Development Office, GCCCI has funded almost 100 randomized evaluations to date.

During this webinar, panelists shared emerging insights from randomized evaluations on tax policy and administration in the Democratic Republic of Congo, where researchers have worked with the provincial government of Kasai-Central to address questions of optimal tax policies. They also discussed the implications of this new research for evidence-informed decision-making.

Speakers

Dina Pomeranz, *Panelist*

Dina Pomeranz is an assistant professor of applied economics at the University of Zurich and a J-PAL affiliate. She provided an overview of the literature on taxation in low-capacity settings, framing the contribution of the studies.

Augustin Bergeron, *Panelist*

Augustin Bergeron is a postdoctoral fellow at the Stanford King Center on Global Development. He discussed the results of the GCCI-funded randomized evaluation, **The State Capacity Ceiling on Tax Rates: Evidence from Randomized Tax Abatements in the DRC.**

Gabriel Tourek, *Panelist*

Gabriel Tourek is a postdoctoral associate at the Massachusetts Institute of Technology and J-PAL Global. He shared evidence from the randomized evaluation, **Local Elites as State Capacity: How City Chiefs Use Local Information to Increase Tax Compliance in the D.R. Congo.**

Jonathan Weigel, *Panelist*

Jonathan Weigel is an assistant professor in the Department of International Development at the London School of Economics and Political Science. He presented findings from the randomized evaluation, **The Participation Dividend of Taxation: How Citizens in Congo Engage More with the State When it Tries to Tax Them.**

Marina Mavungu Ngoma, *Panelist*

Marina Mavungu Ngoma is a PhD Candidate in economics and public policy at Tufts University, with a focus on structural transformation, firms and misallocation. She previously worked on issues of agricultural and rural development for the Office of the Prime Minister in the Democratic Republic of Congo. She spoke to how these results can be interpreted and applied in practice.

David Alzate, *Moderator*

David Alzate is a senior policy associate in the Political Economy and Governance sector at J-PAL and the manager of the Governance Initiative.

City

Webinar

Country

United States