

The impact of targeting of subsidies on realization of social rights

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Abstract

Following globalization of free economy, liberation policies including reforming subsidies has attracted some attention because subsidies hinder free trade and cause shortage of budgets, environmental pollution, and loss of resources, etc. It should be noted that through general payment of subsidies, maintaining social equity is impossible. Studying the impact of subsidies reform on social rights and suggesting solutions to eliminate that is the aim of this paper. What is the effect of enforcing this law on social rights? It seemed that after enforcement of such law, subsidies will flow toward the target poor and social rights will become realized better. But in this law, target population has not been defined, subsidies have not been reformed, some articles concerning social security have legal mistakes and social rights have not been considered at all. Therefore, such law has mostly resulted in liberation and liquidation of subsidies and there is difficulty in terms of providing its funds. Thus, it is suggested that through amendment of this law and defining target population, true reform of subsidies becomes realized, social rights are taken into account and infrastructures of its enforcement such as amending tax system and observation of good governance principles are taken into account.

Keywords: subsidies reform law, target population, social rights, social equity, and economic liberation