



Towards designing effective national fiscal budget under the presidential system: The Nigerian experience

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Abstract

The national fiscal budget is always the government single most important activity that provides answer(s) to the basic political economic questions: who gets what?, How or to what extent?, when and where? Therefore, the roles of the legislature at ensuring that effective budget and reliable budgeting process is undertaken to address these political economic problems is inadequate. It is against this significant role played by budget that this study seeks to consider the inadequacy as well as oversight roles of legislature for the realization and applaud of effective budgeting process under the presidential system in Nigeria. To this end, secondary data has been sourced for the study. The study used content analysis. The study revealed that several challenges confront the legislature in Nigeria. These include inability to access independent information on budget performance; dominant political party influence; inadequate time as well as inexperience on the part of the legislature as a result of prolonged military rule in Nigeria. The study therefore recommends that for the legislature to perform its roles effectively, free access to information is essential, reduction in the roles of political parties and adequate training, as proper training of the legislature in a sustained democratic rule is crucial. The study seeks to consider the inadequacy and the oversight functions of the legislature in order to ensure the realization of effective budgeting process under the presidential system in Nigeria.

Keywords: Fiscal Budget, Presidential System, Fiscal Policy, Political Economy, Nigeria

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1. Introduction

The return of democracy in may 2009 ushered in a presidential system of government in Nigeria. The system recognizes separation of Powers among the three arms of government; the Legislature, the Executive and the Judiciary. The role of legislature and Executive is more pronounced as it relates to the national budget. The national fiscal budget is always the government single most important activity that provides answer(s) to the basic political questions: who gets what?, How (to what extent?), when and where? Therefore, the roles of the legislature at ensuring that effective budget and reliable budgeting process is undertaken to address these political problems is inadequate. The legislature is charged with the responsibility of overseeing and ensuring prudent allocation of the government scarce resources among her citizenry through the budgetary system. Through appropriation, approval and oversight functions, the legislature plays a very critical role at ensuring prudent allocation of resources. This is possible because of the constitutional power vested in the legislature in Section 4 of the 1999 constitution. There have been successive democratic rules from the period of 1999-2011. During this period, the role of the legislature is very apparent. This study therefore takes a look at the roles of the legislature at ensuring effective design of the national fiscal budget. In doing this therefore, the study seeks to analytically examine the roles and participation of legislature in the draft of effective budget towards addressing key coined economic problems: what, where, how and to whom to be budgeted? The study discussed conceptualization and development of budget; source of government revenue in Nigeria and other budgetary related matters. Also, the study explicitly discussed budgeting processes. The paper is divided into five sections. Section one introduced the paper, section two discussed conceptualization and development of budget which includes the objectives and significance of the national fiscal budget, source of budget revenue, behavior and characteristics of budget and budgeting processes. Section three discussed evolution of the legislative power on budget, while section four discussed budget process and the Legislative role and gap while section five concluded the study and also suggested ways forward.

2. Conceptualization and development of budget

The word budget is coined out from a French word “Bougette” which simply means a little bag. This was used years back in England to describe the leather bag in which ministers of the Crown carried financial plans to the parliament and this according to Perrin (1958) was used to describe the documents contained in the bag. Budget applies to individual, groups or companies and organizations. It also applies to the government annual fiscal budget which is the primary concern of this study. The budget serves as a key instrument for macro-economic management in most economies and its effectiveness determines the success of governments in meeting economic, political and social goals. The first traceable legal definition of the budget is contained in a French decree of 1862: “The budget is a document which forecasts and authorizes the annual receipts and expenditures of the State...” (Stourm and Cleveland, 1917). Ladi (2006) defined budget as an action plan for a specified period of time, covering all departments, functions, facts and units of an organization and specifying targets to be achieved both in physical and financial terms, which serves as important criteria for measuring performance relatives to utilized resources. Ogboru (2010) defined budget

as a systematic and comprehensive framework for recording and regulating through a central agency, the flow of estimated future resources in a defined period in relation to the various needs among which expenditure is to be allocated. Ordinarily, budget may be defined as the government financial annual estimates which comprises the projected expenditure and revenue streams. Obadan (2003) defined budget as a form of plan which sets out a programme of projected government expenditure geared towards achieving some policy targets. Dubnick (2002) described budget of any government as the technical instrument by which commitments are translated into monetary terms while Glautier and Underdown (1987) defined budget as a quantitative expression of a plan of action and as an aid to coordinate and control. Adams (1998) defined budget as “money bag or the public purse which serves as receptacle for the revenue and expenditure of the state”. In the word of Ugoh and Ukpere (2009) defined budget as “a comprehensive document that outlines what economic and non-economic activities that a government wants to undertake with special focus on policies, objectives and strategies for accomplishments that are sustained with revenue and expenditure projections”. In a similar view, Onyema (1999), asserted that, “hardly there is any aspect of human endeavor that does not have some economic implications because economics as a science is essentially concerned with the study of scarce resources, their allocation, management and utilization”. Therefore, it is obvious that budgets are the documents which are contained in the bag-plans for government finances submitted by the executive to the legislatives for approval. Orebiyi and Ugochukwu (2004) asserted that,

“budget is referred to as a plan quantified in monetary terms, prepared and approved by appropriate authorities prior to a defined period of time, usually showing planned income to be generated and/or expenditure to be incurred during that period and the capital to be employed in order to attain a given objective.

Government policy priorities are contained in the budget. This is found within the context of fiscal pressure and economic forecast. The government budget essentially presents revenue and expenditure statement showing details of projects that the government intends to execute in a given particular fiscal year; the estimates of how much they will cost and the sources of revenue to finance the estimated cost for the listed projects. This is not to say that, it is not limited to this but has come to be regarded as a tool for changing the behaviour of the economy. However, this may also be referred to as economic, statistical and accounting data. Budget is does not mean the same thing with balance sheet. Though, they are similar, a balance sheet presents the financial status of a firm or government in a given a period while a budget presents financial data and as such it may be referred to as a financial blueprint for action to be taken over time. As blueprint, budget is enormously advantageous to government, firms, companies, ministry, departments, legislatures and citizens. Just like many other countries, budget in Nigeria is drafted at regular intervals by the executives and presented to the legislative house(s) for review and approval before the beginning of the fiscal year to which it applies. In drafting the budget therefore, the legislature and its committees play a key role in the accountability and transparency cycle which the discussion is the focus of this paper.

2.1. Objectives and significance of the national fiscal budget

Orebiyi and Ugochukwu (2004) stated and asserted that,

the national fiscal budget is designed annually to attain certain goals. These include enhancement of increased production and productive capacity; encouragement of export promotion and growth; agriculture and solid minerals, as the nation's major foreign exchange earner; improvement of capacity utilization in the manufacturing sector and local sourcing of raw materials through targeted incentives; alleviation of poverty, creation of jobs and promotion of industrial peace and reduction of inflation. Others include, enhancement of scientific and technological development to lay a firm industrial base; drastic reduction in fiscal deficit through the curtailment of wasteful spending; stringent control of extra budgetary expenditure; encouragement of greater participation of the private sector in the economy with a view to the eventual emergence of that sector, the engine of growth; engagement in guided deregulation in the management of foreign market and interest rates; management of foreign exchange market so as to narrow the gap between the official and autonomous exchange rate; transfer of money from wasteful recurrent avenues to capital development through generous funding of the productive sectors, and ensuring stable and consistent macroeconomic environment.

Ladi (2006) adduced that the relevance of the national budget to economic development include planning and target setting purpose, coordination in order to eliminate dual function, control of expenditure, communicating ideas, short term achievable objectives and policies of the government, motivation of resources towards achieving a set targets, performance appraisal assess or evaluation of performance of agencies and sector of the economy. The significance of budget in the social economic development necessitates advocacy towards ensuring accountability in the public expenditure. Therefore, scrutiny of budget underscores the rivalry between the executive and the legislature in providing the public with information on the appropriation bills, reports on accounting, financial control and management performance, coherent laws and regulations that govern financial transactions and comprehensive reports on public audit and legislative scrutiny.

2.2. Sources of budget revenue

The Nigerian economy is monocultural in nature with the crude oil exports accounting for over 90% of foreign exchange earnings and over 85% of government revenue till date CBN (2014). Due to heavy reliance of the government activities on oil proceeds, budget revenue is majorly sourced from oil proceeds and the other part from non-oil proceeds. Proceeds from oil which constitutes to be a larger proportion of the government budget revenue comprises Petroleum Profit Tax (PPT), rent, royalties and Nigeria National Petroleum Corporation (NNPC) earnings. The non oil proceeds comprise of revenue from custom and excise duties, Company Income Tax (CIT), Property tax, Personal Income Tax (PIT) among others. The government

non-tax revenues consist of income accruable to the government of Nigeria outside its taxes, such income from its investments, for instance, Nigeria Ports plc, Nigerian Railway Corporation among others.

2.3. Behaviour and characteristics of budget and budgeting processes

Every budget is meant to serve as a blueprint for the the government actions over a given period of year. It guides the government towards managing the economy in order to optimally allocate the limited resources among the citizens. However, the government budget and its processes have stiffer manifestation as spelt out by the due process. The systematic assesment and measurement of the transparency in the budget is a recent phenomenon giving credence to the underlisted characteristics and behavior. According to Ladi (2006),

“there is a strong emphasis on expenditure control with itemised ceilings and sanctions. The French system of budgeting is largely based on this principle, viz-a-viz a strong financial control system. For historical and administrative reasons, Indian budgetary system is also set in a framework of strong financial control. Although, after Independence, this feature has become diluted through various schemes of delegation of powers and decentralization”.

Ladi (2006) also identified tendency towards incrementalism as another budgetary characteristic. This focuses only on marginal adjustments made in raising and allocating resources from one year to the other. Therefore, in spite of various budgetary innovations, Ladi (2006) asserted that “budgetary systems are essentially incremental in nature and there is usually no attempt to relate inputs to outputs or expenditure to performance and benefits”. In view of this claim and assertion, any such attempt, if at all it is made, is limited to the economic function and the largest component of government activities which are mainly expenditure-oriented and driven. On the whole, budgets are prepared for a time span of one year. Since budgeting presupposes planning, therefore, it must adopt a longer time frame. In Netherlands for instance, budgetary systems reflect application of commercial principles in form of provision of depreciation allowances. In Italy, the budgetary system is accrual-based. In addition to this, Ladi (2006) outlined affordability, prioritization and operational efficiency as the basic characters of a good budget. In spite of these, Nigeria has fallen short on operational efficiency. Therefore, there is need to work more on improved on priotization and deficit financing within the past few years, improving general performance in term of actual release and setting measurable performance targets/outputs.

3. Evolution of the legislative power on the budget

The legislative power and role evolved some centuries back. To be precise, it was the period during which the Burgesses and Knight in England were summoned to confirm the assent of local communities. This is was aimed at raising of additional taxes. This process continued until 1341, when King Edward III agreed that citizens should neither be charged nor grieved to make common aid or to sustain charge without the assent

of parliament (White, 1908). During the period, the English parliament also began to take interest in how money was collected, as well as spent. By the early 1940, commissioners were appointed by the parliament to audit the accounts of the tax collectors and where public officers were found to have erred, the house of common would impeach the officials and the house of Lords would try the case (Norton, 1993). Gradually, the legislative power evolved and became strengthened in the 16th century when Tudor monarchs needed parliamentary supports and its voting of funds in their various political and religious battles. King Henry IV, for instance, accorded parliament enhanced status in policy making, in returns for support with his battles with Rome (Norton, 1993). Ever since that time, the legislative power over the budget has come to stay and be used around the globe as a mean and weapon to expand their democratic leverage on behalf of the citizens although with variation.

3.1. Legitimacy of the legislature in Nigeria

In Nigeria, just like many other countries, the legislature performs its function on the basis of the prescription of the constitution. It serves as a mandated medium or institution through which the government is held to give account to her electorates. In doing so, Frederick (2004) asserted that, “the legislature uses several means among which include questioning of senior government officials including ministers, the review and confirmation of executive appointments, impeachment and/or the power of dismissal of the government, the establishment of parliamentary committees and the formation of commission of enquiry”. Other roles are confirmation of the appointment of the Auditor General and the power of investigation. In Nigeria, the legislative role and involvement in budgeting manifests in the various budget and other financial related matters committees among which include: amendment powers of the Legislature and oversight functions of Legislature on the execution of the budget. The legislative budget oversights include; actual performance of the budget; budget credibility and transparency of the budget; legislative budgetary institutions; legislative budget and public accounts committees; legislative technical advisory capacity; legislative budget research capacity; legislative oversight and external auditing; economic governance and budgetary decision making; political governance and legislative budgeting.

4. Processes of budget and the legislative involvement

The 1999 constitution of Nigeria provides for a presidential system of government where there is separation of powers among the three arms of government namely the legislature, the executive and the judiciary. The legislature comprises of the lower chamber or house of representatives and upper chamber or the senate. The house of representatives and house of senates comprising respectively three hundred and sixty (360) and one hundred and nine (109) members is categorized as budget making legislature as provided for in section 80 (1) of the 1999 constitution. The Presidential system has its root in the American political system and may be considered as America’s contribution to political organizations (Okege, 2002:138). The powers of the government of the Federal Republic of Nigeria in accordance with the doctrine of separation of powers are contained in sections 4, 5 and 6 of the 1999 Constitution. Therefore, the legislature and the executive

constitute the hub of public policy and delivery. Muhammed (2010) noted that the link between the legislative and the executive arms revolves around virtually all the areas of primary responsibility of the former. These are law making which includes appropriation laws, confirmation of appointments and oversight of the executive and its agencies. The greatest area of overlap however, relates to appropriation bills. However, the process of national budgeting is divided into four phases, namely; budget drafting, legislating process, implementation and auditing processes with the roles of the legislature and executive clearly spelt out in each phase. Constitutionally, the budget drafting phase empowers the executive to prepare a draft of the budget. For instance, Joachim, (2001) posited that in Britain, "the tradition of requesting for a budget draft from the cabinet was codified in the 1713 standing order, today known as No. 48 standing order of the House of Commons". Therefore, Reid (1966) applauded that, "the legislative roles of the budget involves the consideration of the budget by members and subsequently, approving the budget". The constitution of several other nations provide for all withdrawals from the fund to be approved by the legislature. This is known as known as "money bills" and examples may include but not limited to Ghana, Kenya, United States of America, Germany and Canada. While it is appropriate for the executive to prepare the draft budget and present it to the legislature for necessary amendment. Review of several constitutions of countries revealed that there are three traditions which identifiable from the constitution- namely: Budget-Making Legislatures; Budget- Influencing Legislatures and Legislatures that have no effect on the draft budget. Nnanna (2000) outlined three traditions which can be identified from the review of several Constitutions. These traditions are:

- i. Budget-Making Legislatures: The budget-making legislatures is not constrained by the constitutional powers to amend the draft budget of the executive e.g. the United States of America (USA);
- ii. Budget- Influencing Legislatures: A budget influencing parliament can has the power to amend or on the whole influence the revenue and expenditure estimates. This is done without necessarily disturbing the general outcome of government fiscal operations over time. In Germany for instance, the legislative body is not by any means constrained to amend the draft budget, except for the constitutional requirement that they must balance revenue with expenditure. Such amendments must be conveyed to the federal executive before the final voting;
- iii. Legislatures that have no effect on the draft budget which is commonly practiced by the Westminster type parliaments.

Normally, attempts by members of parliament to amend the draft budget would amount to "vote of no confidence". This enforces the resignation of the entire government. Hence conflict arises from the legislative budgetary approval processes due to bicameral legislative system and structure. A bicameral legislature consists of the lower and upper houses. As noted in several constitutions, Heller (1997) adduced that the lower house has the primary responsibility for the approval of government's budgets. In Britain for example, the mean and tool are designed to enable the House of Commons to control decisions on the budget while in contrary, the 1911 Parliamentary Act forbids the house of Lords from rejecting "money bills" passed by the lower House. In a similar view, the approval of the upper house is not required in the Germany. According to Courchene et al. (2000), the legislative power is required when the legislations pertaining to taxes that are centrally shared among the federal and the Landers states. On the other hand, Nnanna (2000) asserted that,

“when parliamentary oversight is weak, then all control mechanisms are left to the internal outfit of the executive. This poses danger as there is a complete absence of checks and balances which is an important ingredient of democracy. The implication is that it might be too late to address the deviations and other unwholesome practices that may impede the achievement of the budget objectives. The practice of budget appropriation in Nigeria is such that the executive budgeted their revenues and expenditures before they had formal budget systems. That is, they compiled revenue and spending in a single document that was transmitted to the legislature at regular intervals”.

However, the democratic legislatures make appropriations before the government prepares the fiscal budget. This implies as well as validates that the legislatures had fiscal power before governments could have budgets. It also suggests that the role of the legislature in the budgetary practices is highly inestimable. This is because, the legislative is deemed to be an inadequate means of fiscal control.

4.1. Amendment powers of the Legislature in Nigeria

The legislature begins its role when the executive drafted the budget and submitted approved draft budget bill to parliament for adequate consideration. This could take the legislature some time to deliberate over the drafted budget. In Nigeria, this could take longer time because of the legislative structure involving the lower and the upper arms. One important thing to note is that parliament has the power to review and amend the the budget. However, as the fiscal year generally corresponds to the calendar year, most legislatures is expected to approve the budget in the month of December every year.

During this period, the executive and the legislature are the principal parties involved in the negotiations. The negotiation therefore occurs between within the finance committee and standing budget committee of parliament. At this point, every spending ministry, department and agency is expected to substantiate the budget request of its ministry or department or agency to the committee. As soon as this request is approved, the committee’s opinion is debated and decision made in the plenary session. The proposed amendments will then be discussed with the executive for final ratification. At this point, the final budget bill (accepting or rejecting the proposed amendments) have been considered and approved. After the approval, it is normally expected to be published in the government official bulletin before the commencement and of the fiscal year to become effective. The parliament does not have a constitutional right to create new budgetary or increase the items contained in the public spending, except as it concerns its own budget. In a situation where the budget is not approved at the end of the set deadline, this makes the current budget remains in effect. On the whole, Joachim (2002) “summarized it that “the right of the parliament to shape or amend the budget indicates the extent to which fiscal power is constitutionally fragmented along a horizontal dimension, and thus has a decisive influence on the overall balance of powers between the legislature and the executive”. The more or less these amendment powers of the parliament are circumscribed, the more or less the control over the budgetary outcome is left to the executive alone. “Unfettered power of the amendment in the budgetary matters unlike limited powers, would in theory allow for the total revision of the executive draft budget” (Joachim, 2002).

4.1.1. Legislative Oversight functions on budget execution and performance

On the oversight function of budget execution, the legislature carefully scrutinizes reallocation and the review of public accounts. It must be noted that it is not constitutional to that the parliaments is assigned an important role. Hence this undefined role, only a limited monitoring of the government compliance that the parliament exercise. The parliament ascertains that the government complies with the budget rules and procedures. Nevertheless, the Parliament does have the constitutional instrument power to control budget execution and enforce *ex post* accountability: the annual discharge of government.

The discharge of government and the certification of the state's public accounts close accountability cycle of the budget process. To this end and in effects, questions are raised among which include; what happens if during implementation, the when budgeted amounts have to be realigned or changed? Procedures are not clearly established to capture this challenge and as such this affects as well as places red flag on the integrity of the government annual budget.

On the legislative performance oversight function, it is noted of late that, increased activism have been exhibited by the legislature. Therefore, the role and performance of the legislature in public budgeting depends largely on the quality of the budgetary powers that is vested in parliament. This also include the technical and advisory capacity available with its reach, and as well as the incentives for legislators to effectively exercise their budgetary prerogatives. Assessing the actual configuration of powers vested in legislatures, Krafchik and Wehner (1998) showed that "*de facto* amendment power depends on a second set of factors relating to the effective role of committees in the budget process".

4.1.2. External auditing and Legislative oversight function

As a way to ensure that the voted expenditure (plans and revenue measures) are fully implemented as planned, the public account committee of the legislature ensures that adequate control is applied. This traditional approach has been one of the measures to ensure that adequate support is garnered for audit function. This validates the assertion of Santiso and Arturo (2004) and SIGMA (2002) that, "the institutional linkages between public accounts committees and general audit offices are determinants of the effectiveness of legislative budget oversight; therefore, improving these linkages is critical to anchor accountability in public finance and budget management".

Generally, the national audit offices are independent of the executive and the parliament. Also, it is autonomous with functional links to the parliaments. They are charged with provision of valuable and critical advisory services to parliaments in the exercise of their accountability functions. This is done directly or indirectly and functional relationship is symbiotic. It is symbiotic because the effectiveness of audit reports enormously depends on the follow-up that the parliaments give to them (or lack thereof) while performing their function. In addition, Joachim (2002) concluded that relations between general audit offices and parliamentary public accounts committees vary according to the institutional arrangements for external auditing.

4.2. The challenges confronting the legislative in performing budgeting process function

The parliament is constrained in executing their budgetary function in several ways thus making them ineffective sometime. Their ineffectiveness of the legislature resulting from this constraints neither suggests absolute lack of institutional power nor political will to act but simply because of the continuous increase in the activities of the government. According to Smith (1980), "legislature in many countries including Nigeria, have declined in stature, especially as the scope of government activity has widened mainly because of structural defects in their operations". This has made the legislature to lose its power off as initiators of policies to the executives and its administrative agencies. Therefore, the study considers the factors below:

4.2.1. Legislature and budgeting information

Inability to access independent information on budget performance is a notable challenge confronting the legislature. This challenge therefore makes it critical for legislature to effectively oversee financial management of the government putting in mind that such information on finances of government on legislative and financial proposals are important inputs to the legislative process. Unlike the developed countries, this information seemed to be supplied to the legislature by the executive therefore making it a straight jacketed system. The developed economies rarely experience this teething challenge. For instance, Lowenberg and Patterson (1979) stated that "American legislators have access to information, publications of executive agencies and reports from private sources, all of which aid legislative research work of the staff in congress". This however is a strategy that offers timely and reliable access to independent budget information. "It is a strategy in the sense that it is the parliamentary opposition that has the greatest incentives to strengthen parliament's capacities for independent budget analysis" (Messick, 2002). While meaningful efforts are currently being made to enhance parliament's budget research capacities, information asymmetries between the executive and the legislative branches of government remain important. On the whole, for an independent budget review to be significantly carried out, the budget and public accounts committees will need exclusive information provided by ministry, department and government agencies. Failure to provide this information will otherwise restrains their ability to carry out their function effectively.

4.2.2. The political parties/electoral rules and legislative budgeting

In a nation where the ruling party dominates the parliament, such political party as well as electoral rules pose serious influence on the legislative behaviour and executive-legislative relations in public budgeting. Stein et al. (1998) observed that:

"a statistically significant relationship exists between electoral systems and fiscal performance such that electoral systems is characterised by a large degree of proportionality (i.e. large district magnitude) and political fragmentation (i.e. number of effective parties represented in parliament) tend to have larger governments, larger deficits and a more pro-cyclical response to the business cycle".

Research on the politics of budgeting in Brazil Morgenstern by Manzetti, (2003), Figueiredo (2003), and Pereira and Mueller (2002) show that "participation by the legislative branch in the budget process can only

be understood when the political parties and electoral rules are taken into account” while Pereira and Mueller (2002) observed that, “in Brazil, the emergent nature of the political party system, and the fact that the executive dominates the budget process and controls budget execution, means that partisan participation in the budget process depends on the parties’ relations with the executive”. However, the determinant variable to elucidate the effectiveness of legislative budget oversight is the quality that the political party system is endowed with and the incentives created by electoral rules. The role of the parliamentary opposition is particularly important, as “opposition parties have the greatest incentive to oversee government” (Messick, 2002). To a great extent, it is ultimately believed that, the degree of cohesion and discipline of political parties are determinants, to the effectiveness of the institutions of accountability as well as the quality of executive legislative relations and operations.

4.2.3. Timing and legislative budgeting

Of course time is always not on the side of the legislature. According to Taiwo and Fajengbesi (2004), time is the worst enemy of the legislature all over the world. Legislative programme of government are usually crowded within a parliamentary session and even within the life of parliament, which may range from four to five years depending on the country. Considering the cumbersome and tasky parliamentary procedures and appropriation bills which the legislators may have to pass, results into debate that most times leads to endless adjournments and recesses to enable legislators visit their constituencies, little time is herefore available to them to thoroughly scrutinize bills, budget draft and other proposals as they would wish to do it. “Most time they end up in doing inadequate and partial scrutiny of the bills which could be disastrous to the interest of the electorates as a results of poor consultation due to time constraints” Fajengbesi (2004).

4.2.4. Experience and legislative budgeting

Experience is very essential for any parliament to thrive well especially on appropriation bills and other financial related matters. Literally, experience is the best teacher. Taiwo and Fajengbesi (2004) averred that experience is an essential requirement for the effectiveness of the legislature in the parliamentary process and procedure. The emerging and many developing economies who had suffered incessant coup data and prolonged military rule may lack experienced legislators that could effectively handle appropriation bills like the developed economies. Experienced legislators who have handled and participated severally in the scrutiny of proposal budget or who have served in different standing committees, including the finance and appropriation committees, is better placed to make useful and intelligent suggestions leading to the amendment, approval or rejection of the fiscal and monetary policies in the budget proposal than the first timers (Taiwo and Fajengbesi, 2004).

5. Conclusion and way forward

The study took a holistic look at the budget and budgeting process in relations to Nigeria scenario focusing designing effective national fiscal budget. In the study the roles of the legislature are examined, operational

efficiency articulated, challenges of parliament were identified and discussed viz-a-viz the oversight functions of the legislature. It is on this basis that, the study concludes that there should be clear procedures to engage with the parliament in the instances of addition and/or access expenditure to maintain meaningful parliamentary oversight as evident in some of the African countries that most constitutions require supplementary estimates to capture and approve any such changes. Another submission is timely and reliable access to independent budget information in strategic areas. The availability of this will strengthen the parliament's capacities for independent budget analysis. This will entail making meaningful efforts in order to enhance parliaments' budget research capacities, information asymmetries between the executive and the legislative branches of the government. As noted in the study that experience is key in a fair budgeting process, technocrats and experienced legislators are suggested to be engaged especially in those areas that requires technicality. This is strongly believed to help in strengthening the decision making of the parliament as well as ensuring smooth and effective fiscal budget.

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