Effect of Public Participation in Budgetary Process on Corruption Mitigation Practices in Nigeria

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Abstract

Research Objective: The study examined the effect of public participation in the budgetary process on corruption mitigation practices.

Methodology: Public participation in the budgetary process is the independent variable of the study, while corruption perception index is the dependent variable. The study adopted *ex-post facto* research design, covering the period between 2013 and 2022. Secondary data were extracted from Transparency International website and International Budget Partnership website. Multiple regression technique was used for the test of hypotheses.

Findings: Public participation in budgeting processes showed a statistically non-significant negative effect on the corruption perception index ($p = 0.5685$, $t = -0.6032$), indicating limited influence on transparency perceptions.

Recommendations: The study recommends that for three vital areas of governance improvement in Nigeria. Firstly, enhancing public participation in governance processes, particularly in budgetary decision-making, requires raising awareness among citizens, ensuring accessibility for all segments of society, and empowering citizens with the necessary knowledge and skills for meaningful engagement. Secondly, strengthening budget oversight mechanisms is crucial for ensuring accountability and detecting corruption, necessitating investments in capacity-building, transparency measures, and collaborative efforts between oversight institutions and civil society organizations. Finally, promoting budgetary transparency is essential for enhancing public trust and accountability, with recommendations including prioritizing open data initiatives, mandating public disclosure of budgetary information, and encouraging active citizen participation.

Key words: *Public Participation Budgetary Process, Corruption Perception Index, Transparency Perceptions, Budget Oversight Mechanisms.*

1. INTRODUCTION

1.1 Background of the Study

Corruption poses a profound threat to the economic stability and financial health of any state or country, with its roots deeply embedded in various societal layers. Understanding the sources and predicting the extent of corruption are crucial for developing effective countermeasures. Corruption, being a complex social phenomenon, is driven by multifaceted motives that interplay across micro, meso, and macro levels (Bichieri, 2017). Since the late 1990s, the enhancement in data quality and availability has spurred empirical research aimed at crafting more precise and effective anti-corruption strategies (Lambsdorff, 2015). In Nigeria, corruption has long been a pervasive issue, undermining state integrity since the colonial era, and becoming a deeply entrenched problem within the national system.

The Nigerian government has implemented various measures to combat corruption and improve governance, including public service reforms aimed at minimizing waste, streamlining personnel, and overhauling public procurement processes. Additionally, the establishment of anti-corruption bodies such as the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices and Other Related Offences Commission (ICPC), alongside ongoing reforms in the Nigerian National Petroleum Corporation, exemplify these efforts (Adeshina, 2015). Effective anti-corruption policies must, to some extent, strengthen the legal framework and limit governmental discretionary powers. This concept underscores the importance of transparency as a mechanism to curb discretionary actions and reduce corruption (Luna & Montes, 2017).

Transparency is universally acknowledged as a cornerstone of good governance (Kosack & Fung, 2014; Neshkova & Rosenbaum, 2015). Access to information regarding government actions and outcomes is essential for ensuring democratic accountability. In this context, transparency entails the openness of government processes, clear procedures, and the easy availability of public information. Higher transparency levels significantly enhance the likelihood of mitigating corruption by reducing opportunities for corrupt practices. Therefore, this study explores the role of public participation in the budgetary process as a critical component of transparency and its effect on corruption mitigation in Nigeria.

1.2 Statement of the Problem

Corruption remains a pervasive issue in Nigeria, severely hindering socio-economic development and eroding public trust in governmental institutions. Despite numerous efforts and initiatives, effectively mitigating corruption within the public sector continues to be a formidable challenge. A key area requiring attention is the level of transparency in governmental operations and decision-making processes. The lack of transparency in the Nigerian public sector creates an environment conducive to corrupt practices, with transparency deficits manifesting in opaque budgetary processes, restricted access to information, and inadequate oversight mechanisms. These shortcomings not only facilitate corrupt activities but also undermine accountability and foster a culture of impunity among public officials. Additionally, the absence of strong transparency measures exacerbates the vulnerability of marginalized populations, who often suffer the most from corruption's adverse effects. Resources meant for public welfare and development projects are frequently misappropriated or diverted, perpetuating socio-economic disparities and hindering progress towards inclusive growth.

Moreover, the relationship between corruption and transparency extends beyond national borders, impacting Nigeria's international reputation and discouraging foreign investment. Investors are often reluctant to engage in business transactions within an environment marked by widespread corruption and insufficient transparency safeguards, thereby stalling economic growth and obstructing efforts toward sustainable development. The central focus of this study is the urgent need to enhance public participation in budgetary process as a fundamental strategy for effectively combating corruption in Nigeria. By thoroughly examining the root causes and manifestations of transparency deficits within governmental institutions, this research aims to identify practical solutions and policy interventions that can bolster accountability, promote integrity, and ultimately curb corrupt practices within the Nigerian public sector.

2. REVIEW OF RELATED LITERATURE

2.1 Conceptual Framework

2.1.1 Fiscal Transparency

Fiscal transparency refers to the publicly available information about the government's fiscal policy-making process; it refers to the clarity, reliability, frequency, timeliness, and relevance of public financial reporting and the openness of such information (IMF, 2018). Fiscal transparency and the transmission of budget/fiscal information are relevant in improving economic management and promoting fiscal stability (Sedmihradská & Haas, 2012). This also includes reducing the overstatement of benefits and understatement of the cost, i.e., reducing fiscal illusion (Afonso, 2014), reducing the magnitude of political budget cycles (Aaskoven, 2016), decreasing the corruption and increasing government´s credit rating (Chen & Neshkova, 2018; de Simone et al., 2017). Fiscal transparency through open budgets increases public vigilance over government actions, leading, for instance, to more efficient spending (Arbatli and Escolano, 2015).

2.1.2 Participatory Budgeting

Participatory budgeting is an approach to budgeting that involves direct participation of citizens in the decision-making process regarding the allocation of public funds. Goldfrank (2007) has noted that a broad definition of participatory budgeting usually describes it as a process through which citizens can contribute to decision making over at least part of a governmental budget, and that narrow definitions usually derive from particular experiences of particular budgeting. Also, participatory budgeting is a process that is open to any citizen who wants to participate, combines direct and representative democracy, involves deliberation, redistributes resources toward the poor, and is self-regulating, such that participants help define the rules governing the process, including the criteria by which resources are allocated (Iloh and Nwokedi, 2016). Zhang and Yang (2009) defined participatory budgeting as a process of democratic policy-making in which the government invites citizen inputs during the budget process and allow their influence in budget allocations.

2.1.3 Corruption

Transparency International (2015) defines corruption as the misuse of entrusted power for private gain. According to the World Bank Group (2016) corruption is a global challenge threatening the development and proper functioning of governments. It can be in the form of grand corruption which consists at high level of government, distorts policies aiding the leaders to take advantage of the public good at the expense of the public. Corruption increases along with the level of poverty. First, poorer countries are less likely to devote the necessary resources to building an effective legal system. Second, the main motivation for paying bribes in this case would be to gain access to basic public services (such as education, permits, and licenses) for which the state has a monopoly, that is a strong motivation to break the law (Domashova & Politova, 2021).

2.1.4 Corruption Perception Index

The corruption perception index (CPI) is a corruption index published by the Transparency International. The index has been compiled since 1995 and is published in the form of a rating that compares perceived levels of public sector corruption in 180 countries. Transparency International is a non-governmental organization dedicated to fighting corruption around the world. The organization defines corruption as the abuse of entrusted power for personal gain, which ultimately harms everyone who depends on the integrity of people in a senior position (Bhattacharyya, 2015). The CPI is a composite index based on various surveys and studies conducted by more than ten independent institutions (Domashova & Politova, 2021). The Corruption Perceptions Index (CPI) is the most widely used global corruption ranking in the world. It measures how corrupt each country’s public sector is perceived to be, according to experts and businesspeople.

According to Transparency International (2021), each country’s score is a combination of at least 3 data sources drawn from 13 different corruption surveys and assessments. These data sources are collected by a variety of reputable institutions, including the World Bank and the World Economic Forum. They further state that A country’s score is the perceived level of public sector corruption on a scale of 0-100, where 0 means highly corrupt and 100 means very clean. A country's rank is its position relative to the other countries in the index. Ranks can change merely if the number of countries included in the index changes.

2.2 Theoretical Framework

The study was anchored on Institution Theory by Meyer and Rowan (1977).

2.2.1 Institution Theory

Institutional Theory, introduced by Meyer and Rowan (1977), explores the impact of formal and informal structures (institutions) on organizational and societal behavior. The theory emphasizes how organizations conform to or deviate from institutional norms and practices (Meyer & Rowan, 1977). Institutions involved in the budgetary process, oversight, and transparency indices play a crucial role. Institutional Theory helps in understanding how these institutional factors shape perceptions of corruption and influence behaviors within the public sector (Rivera, 2004).

The theory introduces the critical concept of isomorphism, elucidating the tendency of organizations to become similar or mimic each other in terms of structure, practices, and behaviors due to institutional pressures. The concept of isomorphism is crucial, illustrating the tendency for organizations to mimic each other due to institutional pressures. If corruption is normalized within an institutional environment, organizations may emulate corrupt practices, fostering a culture of corruption. Conversely, institutions that discourage corruption can help curb such behavior through isomorphic pressures. Organizations within the public sector, influenced by institutional pressures, may conform to established norms to gain legitimacy and support. This conformity can either mitigate or exacerbate corruption, depending on the prevailing norms.

2.3 Empirical Review

Kipyego and Mwanza (2017) examined the factors affecting public participation in budgeting process in the County Government of Nandi. The study was analyzed using descriptive statistics of frequency, percentages and means. Qualitative data on the other hand was analyzed thematically. The study found that public education enhanced the budgeting process and thus affects the quality of public participation and that the budget workshops were vital in collecting public views regarding the budgeting process. The study found a statistically significant positive relationship between public participation forums and budgeting process.

Hariyanto (2018) examined the effect of participative budget on manager's performance, and to examine the indirect effect of goal commitment and motivation as intervening variables. The data collected by survey questionnaires. Partial least square (PLS) to run a structural equation modeling (SEM) technique was employed to analyze the data. The finding showed that participative budget did not significantly influence manager's performance.

Johny (2018) ascertained the effect of corruption on government expenditure in Nigeria from 1994 to 2017. The study used corruption perception index, government recurrent expenditure and government capital expenditure as variables and utilized vector auto regressive technique. The empirical estimates revealed that corruption affects both recurrent and capital expenditure negatively but not significant, on the other hand, it was recurrent and capital expenditure in Nigeria that do influence corruption greatly.

Igwe-Omoke, et al. (2020) examined the effect of the legislative oversight on budget implementation in the Nigeria Army. The Survey research design method was used to generate primary data. The target population of this study is the member National Assembly committees, clerks/secretaries in both the Senate and House of Representatives. Multiple regression analysis was used to analyze the data. Finding from the study revealed that, the legislative oversight committee reports on the implementation of annual budget in the Nigerian Army have not been always released to Budget Office of the Federation and even to the Nigerian Army itself.

Ejumudo and Ejumudo (2020) examined the problematic of budget implementation in Nigeria using Delta State as a case study. The design of the study was descriptive survey. The sample of the study consisted of 350 senior staff drawn from level 10-16 of Delta state ministry of basic and secondary education, ministry of economic planning, ministry of works, ministry of housing and ministry of finance using stratified and simple random techniques. The data were analyzed using mean rating and chi-square. The findings of the study revealed that there is significant relationship between compromised budget monitoring and budget implementation in Delta State.

Hanovinsah, et al. (2020) examined the effect of accountability, transparency, and supervision on- budget performance of the Value for Money concept. The research was conducted on 43 local work units in Special Capital Region (DKI) Jakarta Province. The sample of the research consists of 86 government officials using Structural Equation Modeling (SEM) analysis to test the hypothesis. The result of this research-proven that accountability and supervision have significantly affected the on-budget performance of the Value for Money concept, while transparency showed no effect on the effectiveness on-budget performance of the same concept.

Newman and Tinotenda (2021) investigated the relationship between financial accountability or transparency and corruption in parastatals using G.M.B as a case study. A total population of 24 employees including top management, accountants, auditors, HR and IT was sampled using convenience and purposive sampling. The data accumulated was analyzed using regression analysis as a statistical method and conclusions were drawn from this. After the analysis it was revealed that financial accountability or transparency have a significant effect on corruption.

Rukavina (2022) evaluated positive and negative media coverage of online local budget transparency (OLBT) and its impact on budget transparency in Croatian local administrative units in 2018. Using multinomial logistic regression, research confirmed a strong impact of media coverage on budget transparency. Positive media coverage of OLBT increases the probability that local administrative units will attain a higher level of transparency, while negative media coverage is accompanied by a higher likelihood of local units' retention in the lower transparency range.

Montes and Pineiro (2022) investigated whether countries with higher levels of participatory budgeting have larger government spending on education, and whether corruption affects government spending on education. The study is based on a sample of 53 countries (21 developed countries and 32 developing countries) for the period between 1996 and 2014. Based on panel data approach, the estimates are made using the least squares method controlling for fixed effects. The results indicate that in countries where popular participation in the preparation and execution of public policies is greater, the allocation of resources in education also tends to be greater; and this effect is even stronger in developed countries.

Makar, et al. (2023) examined the impact of corruption on economic growth in Nigeria from 1986 to 2019. The study used the Johansen cointegration test and vector error correction tests for the data analysis. The study shows that increases in the level of corrupt practices significantly inhibit economic growth in Nigeria in the long run but are insignificant in the short run at the 5% level of significance.

2.4 Gap in Empirical Review

The gap in knowledge identified from the reviewed empirical studies is the need for a more comprehensive understanding of the impact of public participation in budgeting processes on corruption mitigation. While existing research, such as that by Kipyego and Mwanza (2017), highlights the positive relationship between public participation forums and budgeting processes, there is limited exploration of the mechanisms through which increased public involvement can effectively combat corruption. Therefore, the study incorporate other fiscal transparency metrics in one model to properly understand the effect of these variables on corruption mitigation in Nigeria.

3. METHODOLOGY

This research adopted an *ex-post facto* (after the facts) research design to establish the effect of public participation in budgetary process on corruption mitigation activities in Nigeria. The use of an *ex-post facto* research design ensures that the study can be replicated as many times as is practical in the future by different researchers who might want to verify or contest the validity of the findings.

Model Specification

To comprehensively assess the effect of public participation in budgetary process on corruption mitigation activities in Nigeria, this study drew inspiration from the works of Ihenyen and Ogbise (2022), Apinoko, et al. (2021), and Bingilar and Preye (2020). However, in the current study, these models were thoughtfully adapted and tailored to align with the specific research objectives. The formulation of these composite multiple regression (prediction) models is statistically articulated as follows:

$$CPIS_t = \beta_o + \beta_1 PPB_{t} + \beta_2 BOV_t + \beta_3 BTI_t + \mathcal{E}_t$$

Where;

CPIS	Corruption Perception Index Score
PPB	Public Participation in Budgetary Process
BOV	Budget Oversight (control)
BTI	Budget Transparency Index (control)
ε	Stochastic Disturbance (Error) Term
β_o	Coefficient (constant) to be estimated
$\beta_i - \beta_3$	Parameters of the independent variables to be estimated
t	Current period

Table 3.7.1 Description of Variables

Short Form	Variable Name	Variable Type	Definition and Measurement	Sources
CPIS	Corruption Perception Index Score	Dependent	The CPI is a composite index based on various surveys and studies conducted by more than ten independent institutions. A country's score is the perceived level of public sector corruption on a scale of 0-100, where 0 means highly corrupt and 100 means very clean.	Transparency International (2021)
PPB	Public Participation in Budgetary Process	Independent	Participatory budgeting is an approach to budgeting that involves direct participation of citizens in the decision-making process regarding the allocation of public funds. It is measured from 0-100%.	Goldfrank (2007)
BOV	Budget Oversight	Control	Encompasses the processes involved in monitoring, reviewing, and managing financial activities and resources to ensure that	OECD (2012)

			budgets are adhered to and funds are utilized efficiently and effectively. It is measured from 0-100%.	
BTI	Budget Transparency Index	Control	The Budget Transparency Index (BTI) is a measure used to assess the extent of transparency and accessibility of government budgets. It is measured from 0-100%.	International Budget Partnership (2023)

Source: Researcher's Arrangement, 2024

4. DATA PRESENTATION AND ANALYSIS

Table 4.2.1 Descriptive Statistics for the Variables

	CPI	PPB	BOV	BTI
Mean	25.90000	20.60000	57.10000	26.30000
Median	26.00000	20.50000	56.50000	21.00000
Maximum	28.00000	26.00000	61.00000	45.00000
Minimum	24.00000	13.00000	55.00000	17.00000
Std. Dev.	1.370320	4.221637	1.911951	10.30696
Skewness	-0.087392	-0.312702	0.756093	1.011494
Kurtosis	1.793250	1.981623	2.669755	2.380775
Jarque-Bera	0.619498	0.595092	0.998237	1.864968
Probability	0.733631	0.742638	0.607066	0.393575
Sum	259.0000	206.0000	571.0000	263.0000
Sum Sq. Dev.	16.90000	160.4000	32.90000	956.1000
Observations	10	10	10	10

Source: Eviews 10.0 Software

Table 4.2.1 shows that descriptive statistics for the Corruption Perception Index (CPI) show a skewness of -0.087392 and a kurtosis of 1.793250. These values suggest a distribution that is nearly symmetrical but with slightly heavier tails than a normal distribution. However, the

Jarque-Bera test yields a p-value of 0.733631, well above the typical significance level of 0.05. This indicates that we fail to reject the null hypothesis of normality, suggesting that despite the deviation from perfect normality, the CPI scores can be reasonably assumed to follow a normal distribution. Similarly, the Public Participation in Budgetary Process (PPB) exhibits skewness close to 0 (-0.312702) and slightly higher kurtosis (1.981623), yet the Jarque-Bera test's p-value of 0.742638 further supports the assumption of normality.

Moving to Budget Oversight (BOV), the positive skewness (0.756093) implies a right-skewed distribution, coupled with higher kurtosis (2.669755) indicating heavier tails. Nonetheless, the Jarque-Bera test yields a p-value of 0.607066, suggesting no significant departure from normality. Lastly, the Budget Transparency Index (BTI) also displays positive skewness (1.011494) and higher kurtosis (2.380775), indicating a right-skewed distribution with heavier tails. Despite this, the Jarque-Bera test's p-value of 0.393575 supports the assumption of approximate normality. In summary, while these variables exhibit some deviation from perfect normality, the results of the Jarque-Bera tests suggest that the departures are not statistically significant, allowing for the assumption of normality in the analysis.

Table 4.2.2: Panel Regression Analysis (CPI)

Variable	Coefficient	Standard Error	t-Stat	p-Value
PPB	-0.041603	0.068971	-0.603192	0.5685
BOV	0.543433	0.247364	2.196896	0.0704
BTI	-0.185081	0.038884	-4.759817	0.0031
C	0.594589	13.25369	0.044862	0.9657
R^2 = 0.76, Adjusted R^2 = 0.64, F-Stat = 6.332481, Prob(F-stat) = 0.027381, DW = 2.03,				

Source: Eviews 10.0 Output, 2024

Table 4.2.2 presents the results of a panel regression analysis examining the effect of several variables: PPB, BOV, and BTI on Corruption Perception Index (CPI). Each coefficient in the table represents the estimated effect of the corresponding independent variable on the CPI.

The analysis reveals that the coefficient for PPB is -0.041603, indicating a negative relationship between PPB and CPI. However, the coefficient is not statistically significant at conventional levels, as indicated by the t-statistic of -0.603192 and the p-value of 0.5685.

This suggests that the relationship between PPB and CPI may not be reliably discernible within the sample data.

In contrast, the variable BOV exhibits a positive coefficient of 0.543433, implying that an increase in BOV is associated with a rise in the CPI. Although the coefficient is statistically significant at a 10% significance level, according to the t-statistic of 2.196896 and the p-value of 0.0704, it falls short of achieving conventional significance levels. This suggests a potential influence of BOV on inflation, albeit one that requires further scrutiny or confirmation in future research.

Conversely, the variable BTI demonstrates a negative coefficient of -0.185081, indicating that an increase in BTI corresponds to a decrease in the CPI. This relationship is statistically significant at the 5% level, as evidenced by the t-statistic of -4.759817 and the p-value of 0.0031. The significant and negative coefficient suggests that higher values of BTI, possibly indicating better business conditions, may exert downward pressure on inflation.

Overall, the regression model exhibits a reasonable level of explanatory power, with an R-squared value of 0.76, indicating that approximately 76% of the variation in the CPI is explained by the included independent variables. Moreover, the F-statistic of 6.332481 confirms the overall significance of the model, with a p-value of 0.027381, suggesting that the independent variables collectively have a statistically significant effect on the dependent variable.

4.3 Test of Hypotheses

Decision Rule: According to Gujarati and Porter (2009), the decision rule involves accepting the alternate hypothesis (H_1) if the sign of the coefficient is either positive or negative, the modulus of the t-Statistic > 2.0, and the P-value of the t-Statistic < 0.05. Otherwise, accept H_0 and reject H_1.

Hypothesis One

H_0: Public participation in the budgetary process has no significant effect on the corruption perception index of Nigeria.

H_1: Public participation in the budgetary process has a significant effect on the corruption perception index of Nigeria.

Decision: Since the modulus of the t-Statistic (-0.603192) is less than 2.0 and the p-value of the t-Statistic (0.5685) is greater than 0.05, we accept H_0 and reject H_1. Therefore, public participation in the budgetary process (PPB) has no significant effect on the corruption perception index of Nigeria.

4.4 Discussion of Findings

The finding revealed that public participation in the budgetary process (PPB) has a non-significant negative effect on the corruption perception index of Nigeria raises important considerations about the complexities of governance, citizen engagement, and perceptions of corruption within the country. There are several plausible reasons behind this unexpected outcome, each shedding light on the challenges and nuances inherent in the Nigerian context.

One potential explanation is the limited implementation and effectiveness of participatory budgeting initiatives in Nigeria. While participatory budgeting holds the promise of fostering transparency, accountability, and citizen empowerment, its practical application may fall short of expectations. In Nigeria, bureaucratic inefficiencies, institutional weaknesses, and governance deficits may hinder the meaningful engagement of citizens in budgetary decisions. If participatory mechanisms are perceived as tokenistic or lacking genuine influence over budget allocations, citizens may remain skeptical about their ability to combat corruption effectively.

Moreover, political interference and elite capture pose significant challenges to the integrity of participatory processes in Nigeria. Political elites and vested interests may seek to manipulate or co-opt public participation initiatives to serve their own agendas, thereby undermining the credibility and legitimacy of these efforts. If citizens perceive participatory platforms as dominated by elites or susceptible to political manipulation, their confidence in the efficacy of such initiatives to address corruption may be undermined.

Furthermore, the lack of information and awareness about participatory opportunities could contribute to apathy or disengagement among citizens. Limited access to information about budgetary processes and insufficient awareness about avenues for public participation may hamper efforts to mobilize citizen involvement. Without robust information dissemination and awareness-raising campaigns, citizens may remain uninformed or indifferent to opportunities for engagement, limiting the potential impact of participatory mechanisms on corruption perception.

Cultural and socioeconomic factors also play a role in shaping attitudes towards government transparency and citizen engagement. Nigeria's diverse cultural landscape, socioeconomic disparities, and historical legacies influence how citizens perceive and interact with governance institutions. In contexts where trust in government is low or where hierarchical power structures prevail, citizens may harbor skepticism or disillusionment towards participatory initiatives, constraining their ability to shape perceptions of corruption through engagement. Montes and Pineiro (2022) discovered that in countries where popular participation in public policy preparation and execution is greater, the allocation of resources in education tends to be greater as well.

5. CONCLUSION AND RECOMMENDATIONS

Corruption remains a pervasive issue in Nigeria, significantly hindering socio-economic development and undermining public trust in governmental institutions. Despite various efforts and initiatives, the effective mitigation of corruption within the public sector continues to pose a significant challenge. The study investigated the effect of public participation in budgetary process on corruption mitigation in Nigeria. The findings of the regression analysis revealed that firstly, the research indicates that public participation does not have a statistically significant effect on the corruption perception index, as evidenced by the non-significant negative coefficient observed. This suggests that the level of public involvement in governance processes, particularly in budgetary decisions, may not significantly influence perceptions of transparency and accountability.

However, the findings also reveal interesting insights into the impact of other governance mechanisms. While budget oversight was found to have a statistically non-significant positive effect on the corruption perception index, the absence of strong statistical significance implies that the influence of oversight mechanisms may be limited in shaping perceptions of corruption. Similarly, the budgetary transparency index was found to have a statistically significant negative effect on the corruption perception index. The significant negative coefficient suggests that greater transparency in budgetary processes is associated with lower perceptions of corruption. Approximately 76% of the variation in the CPI is explained by public participation in budgetary process, budget oversight, and budget transparency, hence, the study therefore concludes that public participation in budgetary process significantly influences corruption perception index in Nigeria.

Enhancing public participation in governance processes, particularly in budgetary decision-making, requires a multi-faceted approach. Firstly, there is a need to increase awareness among citizens about the importance of their involvement in shaping government policies and budgets. This can be achieved through comprehensive public awareness campaigns that highlight the value of citizen engagement in fostering transparency, accountability, and effective governance. Additionally, efforts should be made to ensure that public participation forums are accessible to all segments of society, including marginalized communities and vulnerable groups. This may involve leveraging diverse communication channels and providing accommodations for individuals with disabilities to ensure inclusivity. Moreover, capacity-building initiatives should be prioritized to empower citizens with the necessary knowledge and skills to engage meaningfully in governance processes, including budget analysis, advocacy, and decision-making. By equipping citizens with the tools and resources they need to participate effectively, stakeholders can foster a culture of active citizenship and strengthen democratic governance in Nigeria.

This study addressed a critical gap in the existing literature by examining the effect of public participation in budgetary process on corruption mitigation in Nigeria. While previous research, exemplified by Kipyego and Mwanza (2017), highlighted the positive relationship between public participation forums and budgetary processes, there remained a significant knowledge deficit regarding the specific mechanisms through which increased public involvement could effectively combat corruption. By incorporating other fiscal transparency metrics into a unified model, this study provided a more comprehensive understanding of the effect of public participation in budgetary process on corruption mitigation in Nigeria. This approach allowed for an analysis of how public participation, budget oversight, and budgetary transparency collectively influenced perceptions of corruption in Nigeria. By bridging this gap in knowledge, the study contributed to advancing theoretical frameworks and empirical evidence on public participation in budgetary process and anti-corruption efforts, thereby informing more targeted and effective policy interventions in the field of governance reform.

The researcher suggests that further study be carried out on a comparative analysis of governance mechanisms and their impact on corruption perceptions across different regions or countries within Africa. This comparative study could provide insights into the contextual factors influencing the effectiveness of governance interventions in combating corruption.

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Appendix

Appendix A: Data Analysis Results

Dependent Variable: CPI

Method: Least Squares

Date: 03/12/24 Time: 17:10

Sample: 2013 2022

Included observations: 10

HAC standard errors & covariance (Bartlett kernel, Newey-West fixed bandwidth = 3.0000)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
PPB	-0.041603	0.068971	-0.603192	0.5685
BOV	0.543433	0.247364	2.196896	0.0704
BT	-0.185081	0.038884	-4.759817	0.0031
C	0.594589	13.25369	0.044862	0.9657

R-squared	0.759975	Mean dependent var	25.90000
Adjusted R-squared	0.639963	S.D. dependent var	1.370320
S.E. of regression	0.822234	Akaike info criterion	2.735591
Sum squared resid	4.056415	Schwarz criterion	2.856626
Log likelihood	-9.677957	Hannan-Quinn criter.	2.602817
F-statistic	6.332481	Durbin-Watson stat	2.036164
Prob(F-statistic)	0.027381	Wald F-statistic	35.20967
Prob(Wald F-statistic)	0.000333		