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Democratic Governance and Participatory Budgeting: A Theoretical Discourse of the Nigerian Experience[1]

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Abstract: This paper examines the issue of Democratic governance and participatory budgeting in the context of their relevance, challenges and implications for the masses in Nigeria in the context of the public sector finances and spending. It specifically focuses on the Nigerian experience. The necessary interconnectedness among these concepts was identified and examined vis-à-vis the implications of such affinities for the peoples' ability to understand where the ultimate powers over public policies in these respects abound.

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1. Introduction

Economic growth is a powerful solvent for the problems that trouble government. Each increment of real growth in national income can enhance the take-home pay of citizens or can be used to create new public programs without accelerating the rate of inflation or forcing politically divisive trade-offs between old programs and new demand. Because economic growth allows government benefits to expand without depriving anyone, it helps solve the most fundamental political problem of democratic societies: it helps maintain national consensus by reinforcing citizens beliefs that their system of government works to their advantage and that their taxes are being well spent by a government that is equitable, stable, and efficient (Levine, 1980: 3).

[1] This paper benefits from the previous research works of the leading author. These sources are hereby acknowledged.

This statement is appropriate for commencing the analysis of the subject matter of this topic which falls within the matrix of public finance management and, its relevance to the governmental process vis-à-vis the systemic existence of the citizenry within the democratic political landscape and its accompanying public sector in any nation, particularly those of mixed-economies, including Nigeria. However, such an exercise can only be meaningfully attempted within the analytical appraisal of the raison d'être of fiscal politics and policy through the political process and its relevance to the day-to-day financing of public institutions which is one of the most fundamental functions of government within the public sector of the economy.

Using this as the analytical premise, this paper is divided into six sections starting with the introduction. The second section consists of a brief examination of the issue of finance. This section while serving as the real analytical open-gate to the purpose of this paper, vividly captures the essence of the issue of finance and its domination of the raison-d'être of fiscal politics and policy in the context of the sustainability of economic and political harmony, progress and development within any given political system such as ours-Nigeria. The third and fourth sections respectively deal with the requisite analyses the concepts of democracy and governance including the affinity between the two – [democracy and governance]. While the concept of budget; its processes; problems and benefits amongst other variables form the core of the discussion in section five, section six concludes the paper.

2. The Issue of Finance and its Relevance to Fiscal Politics/Policy

The issue of finance is very paramount within the public sector of any economy. And, it has long remained so irrespective of the system of government, ideological beliefs or persuasion. This is particularly so, because, finance is the lifeblood that permeates the anatomy and physiological fibers of all institutions be it in the private or public sector of the political economy. It actually dictates the developmental trends, shapes or the real topography of the political landscape of all polities within the global community. Its operational tool - (money) - has been variously, in euphemistic context, described as the "root of all evils" on the one hand, and, as the "conqueror of all evils" on the other hand, meaning, that, whatever money could not do, will be permanently left undone.

The eulogies of money as the principal components of finance are not mere flukes but real promoters of its indispensability to the economic survival of mankind and its multiplier effects on other aspects of man's systemic existence, a combination of which calls for its proper sourcing and management particularly within the public sector of the political economy where Government as the employer and provider of public goods and services holds the sway in terms of the authoritative allocation(s) of the scarce societal values and determination of who gets what? When? Where? How? And why?, particularly at the local level.

Given the foregoing, and, the fact that, the goods and services that government provide are not costless, it is innocuous to argue that the issue of public finance, particularly, as it concerns the healthy relation of revenue with expenditure is crucial to the success or otherwise of any government and the prosecution of the raison-d'être of its existence within any polity of the world.

This relation of revenue with expenditure, in economic parlance, connotes fiscal policy and, it refers to the use by government of tax and spending practice to influence economic activity aimed at avoiding fiscal stress or fiscal crisis through a balanced budget and its neutral effects on total spending. In fact, fiscal policy as the sociological foundation of government or state finances is usually implemented by the government either through built-in stabilizers or through discretionary changes in taxes and /or expenditure. Its main concerns are "to discover the principles governing the volume and allocation of state finances and expenditures and, the distributions of the tax burden among various economic classes" within the political system/economy.

It should be stated at this juncture, that we are not unaware of the various disputations which the issue of fiscal politics had generated since the major work of the German Marxist Rudolph Goldshied, - (founder of the contemporary science of fiscal politics) - appeared in the second decade of the twentieth century and, since the work of Ralph Turvey, Richard Musgrave and the Keynesian Ersey Domar to mention only a few (O'Connor, 1973). However, the disputations are not really germane to our focus in this paper. Instead, we are concerned with the analytical by-product of the disputations, which among others had shown that *as government expenditures come to constitute a larger and larger Share of total spending in ... capitalist countries, economic theorists and, (Government or Government functionaries) who ignore the impact of the state budget do so at their own peril* (Musgrave and Musgrave, 1973).

Public finance as a subject matter of inquiry and, its relevance to the provision of national and local public goods had, as could be discerned from the argument above gone through various intellectual metamorphoses over the years. In the period of the classical economists such as Adam Smith, J.S. Mill and Ricardo, portion of write-ups on economic theory were dedicated to limited discussion on public expenditure, taxation and public debts. Some of these write-ups emphasized the effects of various taxes and in the case of Adam Smith, some principles of taxation, vis-à-vis the issue of public goods at all levels of the political system (O'Connor, 1973; Musgrave and Musgrave, 1973). In fact, as far as the classical economists were concerned, we can say that, there was the recognition of the division of the subject matter of public finance into its revenue, expenditure and debt aspects although in a rudimentary form within most polities of the global community.

Neo-classical economists of the Alfred Marshal era played down the discussion of public finance as part of the mainstream of economic theory thereby necessitating the development of an independent theory of public finance by the later generation of economists among whom were Bastable and Dalton who published the pioneering books on public finance in 1892 and 1922 respectively. In fact, Dalton in his book defined public finance as a field of study which is concerned with the income and expenditure of public authorities and with the adjustment of one to the other in the course of the determination of who gets what? When? Where? How? and Why? (Bastable, 1892; Dalton, 1922; O'Connor, 1973; Musgrave and Musgrave, 1973; Lipsey et. al, 1976).

The major difference between these books of public finance and the classical textbooks on economic theory is the increased recognition of the right of the expenditure as well as the revenue sides of public authorities to appear in any treatment of the subject of finance of, and by government. However, most of these textbooks concentrated mainly on knowing specifically the effect of various tax and expenditures but, due to the advent of Lord Keynes general theory and Pigeon's public finance, it has now been fairly recognized that the discussion of the effect of a particular taxes and government expenditure is only part of the subject matter of public finance and that any concrete treatment must include a full discussion of the influence of government and its fiscal operations on the level of overall activities and employment. This is why it has been noted that, government is a unit and must be considered as the subject matter of the public finance. It equally explains why it has been argued that public finance studies the economic activities of the government as a unit, and their effects. The public sector is that sector of national activities that represents the government as against the private sector. This sector narrowly defined, may include only the executive, legislature and the judicial arms of the government at the horizontal level with the armed forces police, paramilitary and other administrative arm on one hand, and, at the vertical level on the other hand.

In modern times, there are many ways in which one can set out the contents of the subject matter of public finance. While it can be safely said that it involves both micro and macro aspects and that the micro element in turn involves both matters of resource allocation and of the distribution of income, consumption and wealth, one can also say that it embraces consideration of public expenditure, public revenue as well as the proper and efficient control of public funds. In fact, the proper control of public fund will be efficiently done through proper budgeting and implementation by the policy makers in formulating the appropriate policies in this regard.

Using the foregoing as a premise, one will not be wrong to say and conclude that public policies formulated would not be meaningful, effective and efficient if the financial resources needed to transform them into concrete and practical realities are not available or made available to the respective tiers of government or, if the lower tiers are continuously made to be financially dependent in contemptuous disregard for the constitutional stipulations and allocation of functions among the three tiers or vertical organs of government. And, the combination of the foregoing, show that, regardless of the geo-political location of the country within the global political community, the issue of finance relative to its sourcing and prudent management vis-à-vis the functional performance of public institutions cannot be taken for granted because, as once noted whether it is private or public, no organization can function effectively without adequate finance (Aghayere, 1997). Thus, the issue of finance particularly as it concerns how government/officials can find "less expensive ways to provide services continues to be problematic. This has been particularly so looking at the ever-increasing rate of demand on government amidst constant reduction in the payment of taxes by the citizenry coupled with cutbacks in financing by federal government and deliberate avoidance or evasion of such payments particularly in the developing polities of the world, Nigeria inclusive (Johnson and Walzer, 1996).

3. The Concept of Democracy

Democracy as a form of political organization, like other concepts of its calibre, has not been easy to define without ideological equivocation (Akindele and Obiyan, 1996; Akindele and Olaopa, 1997; Akindele, 1995; Akindele and Ajila, 1992; Akindele, 1992; Akindele, 1993; Akindele et al, 1998). The major problem in this area is that of ideological sectarianism vis-à-vis the nitty-gritty of democracy as a form of political governance hence, as once articulated, democracy as a "concept of governance has become all things to all men" (Ol0wu, 1995: 16).

This notwithstanding however, from a concrete perusal of the tomes that have been written on it by scholars of repute, it is clear without equivocation that democracy had its first appearance in the fifth century B.C., following its coinage by the great historian-Herodotus. This historical initial effort catalyzed the genesis of democratic ideas in antiquity (Akindele, 1987: 47).

Democratic ideas in antiquity combined two Greek words, "demo", meaning people and "Kratein" meaning the rule. Thus, the original meaning of democracy was the "rule of (by) the people". At this time, Herodotus included among its specific features, "equality before the law and popular deliberations" (Akindele, 1987: 47).

Even though, many obstacles riddled the historical stages of democratic ideas, it gained ground in the nineteenth century when "every important Western European monarch started to adopt a constitution limiting the power of the crown and giving a considerable share of power to its people". This period witnessed the various elaborations of democratic theory by people like Abraham Lincoln, Thomas Jefferson, John Stuart Mill and Alex de Tocqueville. In short, the historical background of democratic ideas as outlined up to this point is what sets the stage for what is today known and called democracy.

Many normative definitions of democracy had been given. Their general focus had been on value and norms of society. Empirical definitions of democracy which focused on political reality had also been given. While the normative definitions focused on shared beliefs and attitudes, the "normative-empirical" definitions combined empiricism and normative aspects of society.

The normative definition of democracy was variously approached by people like Thomas Hobbes, Jean Jacques Rousseau, John Locke, Thomas Jefferson, Abraham Lincoln and John Stuart Mill. This explains why Thomas Hobbes, in his explanation of the social contract and its consequent by-product (state), treated the solitary, nasty, brutish and alienating state of nature as the catalyst for the volitional collective agreement - social contract - between men.

On the same token, Rousseau, in his work, identified people's surrender of "natural rights" for "civil rights" as the basis of the emergence of a social contract which created the general will of the people (Khan et. al, 1972: 27-28). The creation of the general will through the social contract in Rousseau's view resulted in the existing state of nature when men were limited by their individual incapacities for self governance.

In addition to Hobbes and Rousseau, John Locke also theorized about the concept of social contract. However, unlike Rousseau's views of the individual's incapability, John Locke believed that life in the state of nature was pleasant, but men were hampered by the absence of any socially recognised authority to adjudicate and settle disputes and conflicts between them hence the need for democratic government (Khan et. al, 1972: 20).

As for John Stuart Mills, he believed in the welfare of the individual, as well as individual liberties. Writing on Democracy and liberty, he maintained that the only way power can be, or, should be exercised over any member in the society against his will, is when it can be established that, such individual intends to injure, or, do harm to other. He further emphasized the notion of liberty within the framework of representative government. Along this analytical plane democracy has been defined as *"the institutional arrangement for arriving at political decision, in which individuals acquire the power to decide by means of a competitive struggle for the people's vote" (Schumpeter, 1955: 40)*.

Due to the nature of their reasoning, Rousseau and other theorists (e.g. Lincoln) mainly concerned with the welfare of the community as a whole, are classified into the "collectivistic school of thought", while John Locke and John Stuart Mills are classified into the "individualistic school" relative to the emergence of democratic system of government which emphasizes equality and liberty of men through volitionally chosen representatives of the people. Thus, Representative democracy has been variously defined.

Burns (1935: 29-46), defined representative democracy as a system whereby "all (i.e. people) elected a few to do for them what they could not do together". On the same token, John Stuart Mill (1962: 73-74), concentrated a significant portion of his writing on representative democracy. While accepting the desirability of equal participation by everybody in the affairs of the government, he nevertheless claims that, it cannot be realized. Instead, he argued that representative government is the perfect form of government. But, he further argued that, for representative government to be democratic, it must be accompanied by universal adult suffrage, free elections, short terms of office and individual liberty. Without these things, any government will, in Mill's view, cease to be democratic.

Contemporarily, and, in line with the "fight against system of economic exploitation, political repression, and cultural oppression" and, their accompanying "moral, political, economic and social decay", other scholars have increasingly paid attention to the issue of democracy and its propensity for good governance (Nzongola-Ntalaja, 2001: 20-24). This probably explains why it was once articulated that "democratic arrangement constitutes an approach to connecting the rule-ruler-ruled relationship" which forms the core of governance and, "the main buzz-word and activity of these times" in most polities of the world (Olowu et. al, 1995: ix).

4. The Concept of Governance

The concept of governance like most concepts of its kind has not been amenable to easy or simplistic definition due to its complex weaving of economic, political and social aspects of a nation (Shehu, 1999). As a concept, the term governance has not been an exception to the volatility and eclecticism for which the disciplines in the Social Sciences have been globally noted. This explains the claim that "no two political scientists would agree on what the concept of governance is or what it means" (Esman, 1997:1). If this is correct or, should be taken to be correct, what exactly or actually is governance?

World Bank (1989) defines governance as "the manner in which power is exercised in the management of a country's economic and social resources for development" and good governance. According to the World Bank (1992, 1993) governance has three dimensions. These dimensions are: "the nature of political regimes; the exercise of authority in the management of social and economic resources and, the capacity of government to design and implement policy and to discharge its functions" without putrid political capturing of public services by the elites for idiosyncratic ends (Eyinla, 1998).

4.1 Good Governance

It is decipherable from the chronology of the discussion in this paper so far on the concept of governance, that, the issue of the latter (i.e. governance), its goodness and utility to mankind cannot be taken for granted without severe consequences. This is particularly so, in that "the way a people are governed is of paramount importance in determining the quality of life of the people" (Ogunba, 1997:1). It is equally more so because "governance is a process that requires a viable authority" through which "the leaders are expected to exercise the power that resides with them in the interest of the state" [23]. However, "it is the responsibility of citizens to demand good governance" because "it may not be forthcoming from the political leaders without prodding" (Obadan, 1998: 39).

Other Institutions and scholars have considered good governance vis-à-vis the raison d'être of statehood in this manner as well (World Bank, 1989, 1992, 1993; Kaufman et. al, 1999; Corkery and Bossuyt, 1990; Healey and Robinson, 1994; Bello-Imam, 1997; Ayo and Awotokun, 1996; Ayo and Awotokun, 1997; Nkom and Sorkaa, 1996). These scholars' works on the concept of good governance treat the latter as a system of rulership that is devoid of political expediency and antidemocratic political ends. It is deducible from their works that, good governance stands for dignified existence of all political animals in democratic political settings within the global political community.

4.2 The Relationship between Democracy and Governance

From the discussion of the concepts of democracy and governance within the context of this paper so far, we found it innocuous to contend that, the relationship between the two vis-à-vis the governance of men and/or the relational thread between the "ruler" and the "ruled" within most political systems particularly, the democratic politics of the world, is self evident. Without gainsaying, it is deducible from this discussion and/or analysis that both concepts constitute the traditional and contemporary flashpoints, which cannot but provoke the mind-set of the elites and the laymen in equal measure. The concepts are both fundamental and inalienable vis-à-vis the socio-political and economic systemic existence of all human beings within the various if not all polities of the world today in that "when democracies are working well, they tend to create strong incentives for accountability, good governance and development" (Obadan, 1998: 39).

Concretely put, however, we would like to contend that, the relationship between democracy and governance vis-à-vis the fortunes and/or misfortunes of the larger citizenry could actually, in the real sense of it, be better appreciated, determined and analysed within the context of the evolution of most if not all polities of the world over time. This is particularly so if as it was once opined, "no society escapes its past" and, if "there is a definite past dependency" that "bears on the present" (Hyden, 1995: 58). It is equally more so if "building democracy is not an exercise that starts from a clean state" (but), on the "ruins of the past order". The political history of most African states (particularly Nigeria) with respect to the issues of democracy and governance becomes relevant in this regard.

Democracy as we come to know and think of it today, to be meaningful as a mechanism of governance, it has to encompass the elements of (good) governance and, it has to be brought to bear in terms of practical conduct of the business of governments most especially the budgetary process as it affects public finance and/or spending. This leads us to the discussion of the concept of the budget and its processes.

5. The Concept of Budget

The budget is a financial statement that sets out the estimate of expenditure and revenue of a government or an organization for the coming year. It is a "mechanism through which subunits of government or any organization bargain over goals, make side-payments, and try to motivate one another to accomplish their objectives (Wildavsky, 1976: 245). Thus, it is referred to as a political document that involves bargaining between various sectors of the political economy. It is a "planning device" used for the translation of "present scarce fiscal and human resources in the public sector into future government goal and programmes" (Wildavsky, 1976: 245). It is a coordinating device used as a tool of fiscal policy in public administration. Thus serving as "a legal document that provides a vehicle for fiscal controls over subordinate units of government by the politically elected representatives of the people" [38]. It constitutes one of the policy-nerve centers of government's response to the political environment in terms of authoritative allocations of scarce societal values. The political view of the budget sees it less as a tool of public management and much more as a part of the general social decision-making process in which various participants, clientele groups, agencies and the council of economic advisers combined to determine who gets what? Where? When? How and Why?

5.1 Problems of the Budgetary Process in Nigeria

The rationality of the budgetary process and its political utility has been variously taken for granted in Nigeria over the years. This has been largely so because Nigeria is a place where unreasonable and sentimental extra-budgetary spending has become a way of life. It is a fact of history that most of our leaders in Nigeria in the past and even, up till now are internationally acclaimed as "father Christmas" in terms of emotional or primordial extra budgetary spending. In Nigeria, in most instances, donations have seen made by our Leaders here and there even to questionable and dead organizations and persons. In fact, in Nigeria the budgetary process has been taken for granted by all its regimes and /or governments in power without regard for its indispensability to the attainment of national goals and good governance devoid of financial insolvency.

This way of life as it relates to the budget as a whole is very disturbing. There is the need to respect the budget as a tool of national fiscal control. It is our belief that it is after the recognition of the budget as the only translator of financial resources into human purposes that, its sectoral allocation could be specifically analyzed in terms of adequacy or otherwise, because once the whole is disregarded as we are now used to in Nigeria, it would be meaningless to dissipate energy on its components.

Our contention here, is grounded on the fact that, in Nigeria, emotional extra budgetary spending by Nigerian leaders at national, state and local levels has made it impossible for the past budgets to perform their predictive functions for the Nigerian economy despite their typifications as "budget of hope", "budget of reconstruction", "budget of determination" and "budget of consolidation" among other terminologies. These problems, apart from those associated with the undemocratic nature of the military regimes when they existed in Nigeria, are more pronounced during the democratic dispensations the nation has had so far due to Executive-Legislative rifts.

The Legislative and Executive organs of government as key decision makers on the budget have not been really able to perform their respective functions in the budgetary process due to the unwarranted problems of role and powers misconception and flexing of political muscles which have been to the disadvantage of the citizenry over the years. In the process, the issues of funds, its allocation and control have been expediently politicized. It appears that both actors in the budgetary decision making at all levels of the nation's political landscape (local, state and federal) do not really understand their roles, powers and, limitations. In most cases, these political actors (the Legislators and the Presidency) had, in the past and, even at present abused the system of democratic governance to the extent of using the mandate freely given to them by the citizens as a device for settling expedient political differences between and among themselves. These political gladiators have in most cases, abused the provisions of Chapter V, Sections 80-89 (for the National Assembly) and Sections 120-129 (for the States Assembly) and, Chapter VI Sections 162-168 (for the Federal Executive) of the 1999 Constitution of the Federal Republic of Nigeria as they affect the powers and control over public funds or public revenue (The Constitution of the Federal Republic of Nigeria, 1999).

These respective allocated constitutional powers have not been dispassionately used in most cases by the affected organs of government. None of these organs can actually be exculpated from these abuses. In most cases, the Executive arms at the National and state levels have been subjected to avoidable trauma by the legislative arms. The Executive arms are sometimes asked to seek approval for projects in all ramifications even when such projects have already been approved in the budget(s). This attitude is untenable in the sense that such unrestricted policing may lead to redundancy and double approval for some programmes/projects. Attachment of too much importance to words like "ratification"," authorization", "approving", "ensuring" etc by the lawmakers in some cases without the expected understanding of the fact that these words are only meant to provide for a balance of power in the nation's democratic landscape are contributory factors to these problems.

It is important to stress the fact that the lawmakers' ambiguous uses and interpretations of these words and words like "vetting" and "monitoring" as synonyms for the word "approval" are parts of the causal factors of these problems. The constancy of these problems within the Nigerian political space once led to an observation that:

> *Monitoring is the appraisal of performance which takes place during various stages of execution….the primary motive of budget monitoring is to assess as the implementation progresses, the degree of the achievement of original objective with a view to correcting any negative variance (and, as such, it does not call for fresh or any approval)(Adelowokan, 1991: 3-5).*

Given these, there is the need to respect the fiscal requirements of the budget. The first thing the government should do in this respect is to imbibe the etiquette of fiscal process as it relates to budget's implementation. It has to do this to survive economically because, whenever the budge is idiosyncratically tampered with by a way of disregard for fiscal requirements, it becomes impossible for it to serve its purposes of (i) a planning device for translating present scarce fiscal and human resources in the public sector into future government goals, (ii) an economic document (iii) a tool for fiscal policy and (iv) a tool for internal co-ordination and efficiency in public administration. Not only this, such a spending orientation, usually takes for granted the log rolling (competition or lobbying), compromise and bargaining involved in the determination of the current priorities of the nation. While doing this, the sectoral allocations of the budget should be respected and money should be disbursed in line with it rather than through a fire-brigade approach.

The subject-matter of budget as synopsized above has long been constantly misconstrued and wrongly conceptualized in Nigeria by our leaders and/or public officials through their proclivities (among other things), for shabby political goings-on and putrid conducts which caused incalculable economic problems and fiscal stress at various points of the nation's history and, which can be said to have been largely due to non participatory nature of the budgetary process. In fact, it can be reasonably argued to some extent that the management of fiscal stress in the Nigerian public sector has not been properly done hence, the constant turbulence in the sector and the whole political economy's landscape over the years. Without any gainsaying, the constant languid attitude of the Nigerian state to her budgetary process and its provisions over the years remains one of the major causes of fiscal stress in the nation's public sector.

This has to stop for her to resolve or be able to resolve the problems of her fiscal stress. Thus, there is need for her to make effort in this regard by inculcating the culture of participatory budgeting through real respect for the inputs of all relevant organs or units of the political process. This can be actually done if all the relevant political actors in the Legislature(s) and the Presidency/ Executive(s) at all levels of the polity are truly committed to the consolidation of the gains of the democratic governance so far entrenched without misunderstanding and, misrepresenting the goals and relevance of the respective institutions/arms to which they respectively belong. This is particularly important because most of the problems disturbing the Legislative-Executive relations in the area of budgetary process as it affects the control of public funds/revenue can be reasonably traced to the misunderstanding of the constitutional provisions of the doctrine of separation of powers and its accompanying principles of checks and balances which are put in place to remove the possibility of one arm/organ unreasonably dominating the other.

This misunderstanding in Nigeria by our political actors has been largely caused by their misinterpretation of the demands of the principles of these doctrines in their practical political actions and inactions. Thus, there is the need for them at this stage of the nation's democratic political development to know and understand that separation of powers and checks and balances are no mechanisms for settling personal/political scores as far as the issue of funds control and management is concerned.

The Legislative-Executive relations must not be coloured with unwarranted political cleavages to avoid the forfeiture of the requisite goals of democratic governance and their benefits to the citizenry. The Legislature and the Presidency must ensure without expedient political purposes that the Constitutional stipulations of their functions as fully documented in the 1999 Constitution of the Federal Republic of Nigeria are enforced with humane dispositions in conformity with the undercurrents of the theory of separation of powers and its accompanying principles of checks and balances (The Constitution of the Federal Republic of Nigeria, 1999). The Legislative arm must be tolerant and reasonable in the ways it makes use of the powers constitutionally allocated to it while the Presidency/Executive must and should be reasonable and tolerant in its use of executive powers of approval and prerogative of mercy on issues of finance and other matters of National importance. The constant lateness of the Executive in sending the annual appropriation/budget draft to the Legislative arm must be avoided or discouraged while the Legislative arm's indulgence in transferring recurrent vote in the budget draft to capital vote in the guise of trying to better the lot of the citizenry must always be done with policy decorum where and if it cannot be avoided. Even though, the argumentative premise for this legislative function could be sometimes tenable, it repetitiveness without the requisite consultations may be dangerous and counter-productive. This is particularly necessary in order to be able to continuously avoid fiscal stress which is a state of budgetary stringency that is next to financial insolvency and /or fiscal crisis which occurs or would automatically occur whenever the revenue and expenditure flanks are running neck and neck and, which eventually breeds financial asphyxiation.

There is no doubt whatsoever, that the symptoms of fiscal stress can be found almost everywhere (today) in our governmental system (Levine, 1980). The areas where these symptoms are easily identifiable in most polities of the mixed-economy traditions include: national health insurance programme; national housing scheme, defense spending, transportation, electricity among others. These symptoms, in themselves, have constantly and, increasingly too, created points of stress in the public sector. And, such points have been identified to include:

- The methods used for setting priorities for government action and public programs.
- The methods used for taxation and revenue generation.
- The way public services are organized and public employees are compensated to produce services, and
- The methods used for scaling down and terminating public programs that are no longer of high priority (Levine, 1980).

These symptoms can only be effectively dealt with through a much more participatory budgetary process devoid of constitutional strangulations or muscling among the relevant organs of government most especially between the Executive and the Legislative arms which are the most relevant in terms of the fiscal process and its relevance to the governmental or political process.

5.2 Participatory Budgeting and Its Relevance to the Management of Public Finance in Nigeria

As variously stated in the proceeding sections of this paper, there is no doubt whatsoever that fiscal stress is a reality in today's world. Hence, finding the optimal strategy for its management becomes imperative for straight forward and right thinking nation-states. What should be done or, to do in this regard through participatory budgeting include:

- Identification of the causes of government's fiscal problems and development of a multiyear forecast of revenue- yielding capacity as well as that of the demand for its services.
- Development of a "list of priority rankings for all government programmes, projects, services and benefits so that high- priority items could be retained or augmented and low-priority items could be reduced or terminated.
- Designing of an integrated strategy to generate new resources, improve productivity, and ration services so that both revenue and expenditure sides of the budget could be neatly balanced (Levine, 1980; Wildavsky, 1976; Adelowokan, 1991).

The foregoing should be done or embarked upon through democratic and participatory budgetary process in a country like Nigeria without the usual apolitical politicking which, hitherto, had permeated its approach to the problems of maintaining fiscal solvency in the past and, even, up till the present era of democratic governance of the fourth republic. Added to these, to be able to manage fiscal stress in a public sector like Nigeria, the government and its officials should and, must be prepared to clear the "underbrush of the ambiguity and/or habit" that may serve as obstacles to the making of tough decisions and designing of innovative solutions.

Putting our analysis so far together, we find it innocuous at this juncture, to ask the question that: to what extent have the foregoing strategies of managing fiscal stress in the public sector taken place or adopted in Nigeria? A concrete probing into this question forms the core of the discussion and / or analysis in the next section.

5.3 Benefits of Participatory Budgeting to the Nigerian State

There is no doubt that a nation like Nigeria or any nation at all, stands to benefit from the effective management of her public sector's fiscal stress through the process of participatory budgeting. Even though, some of these benefits have been variously touched upon and analyzed to some extent, in the proceeding sections of this, paper, relevant others are synoptically examined in this section of the paper.

Through effective and participatory management of her public sector's budgetary process, the Nigerian state will be able to meaningfully foster greater harmony among her political, economic and market choices and/or forces. This, in return will aid her capacity to reduce or clearly avoid political bankruptcy (Guy Peters and Rose, 1980: 34). This reduction or avoidance of political bankruptcy from constituting a major problem to politico –economic benefit will aid the ability and capacity of the Nigerian state to find and maintain a balance between fiscal solvency and levels of services and benefits that are adequate, equitable and stable. Through this, effective management of the public sector's finances would be enhanced and the Nigerian state would be able to avoid some of the defects which had occurred at various stages of her economic planning and, which had, in most cases, rendered them impotent as mechanisms for pursuing national agenda on economic and political fronts. In the process the government will be able to identify and vigorously purse for attainment, some key national challenges stated below:

- Put in place appropriate macroeconomic policies and framework that will promote rapid industrial and technological development of Nigeria and support effective economic performance of all sectors;
- Increase participation of the poor in the economy through expanding employment, increasing their productivity and skills and widening their access to other productive assets;
- Empowerment and organization of the poor to enable them participate more effectively in social, political and economic processes;
- Targeting resources to programmes directed to the poorest localities and groups to improve their conditions;
- Devising appropriate social protection schemes to meet the basic needs of the poor, especially the handicapped, marginalized women and youth;
- Mobile and augment community, national and voluntary funds for anti-poverty programmes;
- Pay attention to the interlinkages of sustainable development and poverty reduction, emphasizing environmental protection and management;
- Strengthen collection of development indicators and gender-disaggregated statistics and consequent utilization in socio-development planning;
- Strengthen the legal, political and institutional structure and coordination among government agencies, civil society and the business sector for poverty reduction and
- Promote good governance and an efficient administrative and institutional support structure at both the national and local levels for the effective delivery and monitoring of social development programmes (NCAA, 2001: 73).

Equally, key political challenges of tension over "the distribution of power and resources" "friction between legislative and executive branches of government", "transparency in governance", "religious contestations and regional groupings", "sustainability of the democratic transformation" and "weak political party structure" (NCAA, 2001: 50-51) among others, will become tactically manageable for effective governmental process and actions which would as expected benefit the masses.

6. Conclusion

We have examined the issue of democratic governance and participatory budgeting in this paper in the context of their relevance, challenges and implications for the public sector finances and/or public spending and, the masses, zeroing- in on the Nigerian experience/situation. In the process, the subject –matters of democracy, governance, budget and its participatory nature were examined. The necessary interconnectedness among these concepts was identified and examined in the context of the implications of such affinities for the people's ability to understand where the ultimate powers over public policies in these respects abound.

In the course of our analysis, we identified and examined what the relevant political actors in Nigeria should do in her efforts to inculcate the values of good governance and participatory budgetary process.

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