

Emerging trends in public budgeting essay sample

[Economics](#), [Budget](#)



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A budget refers to a spending plan for a given individual or a corporate body it shows ones priorities in respect to spending and the source of income. It consist of Income and expenditure in relation to that income such that we can have three scenarios, the first one being the balanced budget where the Income matches the expenditures, the second option is where the income exceeds the expenditure which symbolizes a surplus budget and finally a deficit budget where the expenditure exceeds the planned income. Public budgeting in this case refers to statement of priorities in relation to expenditures and revenues for a particular government, it elaborates on the intended source of revenue and its expenditure plan.

Study by International community has shown that over the last 25 years women have been neglected in the running of affairs in many nations, that is why it took the initiative to encourage nations to include women in their public budget so as to promote economic growth, social development, women empowerment as well as equitable allocation of resources and over 60 countries have answered to this call through implementation of gender responsive budget at all levels however it is interesting to note that gender responsive budget is unheard of in the united States of America both among the general public and public finance scholars.

The main reasons why gender based budget is advocated includes, labor force factors in that most women do earn less money than men because most of their work life is interrupted by family matters such as pregnancy and child care meaning that they will end up contributing less to their retirement package hence the need to consider them in public budgeting.

The first responsive to gender budget to be implemented was in Australia in

1984 at federal level of function, it's also important to note that once a responsive budget is developed analytical tools come into play to facilitate this process and includes gender awareness policy appraisal for purpose of appraisal, budget statements which identifies how budget affects equality and beneficiary assessment which measures how well the program as attained its objectives (D'Agostino, 2011).

In the past half a century there has been great expectations from the general population in regards to the effectiveness of the system used in public budgeting and whether it will deliver its goals of serving the citizens in the best possible way meaning that robust infrastructural system should be put in place to facilitate attainment of the intended objective of a well-functioning gender based responsive budget. The structures that constitute budget is purposed to insure fiscal discipline through controls that ensures that the public resources are directed toward those programmes that provides the highest return to the general public through proper appraisal of alternatives available, policies to ensure that there is efficiency in resource allocation as well as provision of free and transparent information in regards to the use of public funds all these supported by proper controls has led to efficiency in public budgeting.

There are many stumbling blocks towards achieving efficiency in public budgeting and includes: politics in that without both political will and motivations from the government it will almost be impossible to achieve efficiency and innovations in public budgeting and in so far as budgeting is concerned its ultimate measure is by the extent to which it has allocated resources efficiently to both public and private sectors.

Efficiency can be improved in budgeting as demonstrated in American government budget where more information has been incorporated in the making of a budget in addition to easy access of information by all so in summary budgeting process has been improved through provision of adequate information in the market place.

Priority funding area refers to areas where budget is concentrated due its important nature in terms of promoting economic growth and development of a particular country set up, Maryland a State in the United States of America came up with smart growth and conservation initiative which made the state to gain national recognition as well as several awards. The initiative involved a system that concentrated spending on urban areas as well as using economic incentive to manage growth in urban areas, it is now more than a decade since Maryland Smart growth legislation strategy was passed but to date there have been very few analyses in relation to the extent to which to which the program has met its set objectives (Donovan, 2012).

Maryland did find a way to shape local land use policy without intervention from the state, research conducted confirmed that urban development was more likely inside the priority funding areas and less likely in rural agency set up though the effects varied from one county to another in addition it also showed that more jobs opportunities were created inside the priority funding areas hence growth and development. Priority funding areas did share similarities with the following; the urban service areas, urban growth boundaries as well as enterprises zones where taxes are lower and regulations are relaxed in order to facilitate economic growth and development. Research in relation to infrastructural development has shown

that well developed infrastructure is vital to urban growth and development as it facilitates easy access to services and ease in transportation.

In regards to priority funding areas implementation audit was conducted which revealed that compliance with the reporting requirement was not adhered to as well as being incomplete. The most complete report was prepared for fiscal year 2002 by the office of Smart growth subcabinet but it was not clear in itself as it was not in a position to differentiate between how much spending was growth related and the actually money spent inside the priority areas in addition it had no information in regards to agency funding this made it almost impossible for state agency to determine whether the spending was in conformity with Smart growth objectives (Menifield, 2011). Implementation of Priority areas funding budget has had a number of challenges specifically the definition of which programs on growth related is vague and not carefully monitored since programs do change from time to time as new better ones are developed, in addition the programs used were poorly developed not forgetting the fact that there was laxity in state agencies in meeting reporting requirements. Despite all this it came along with benefits such as provision of framework for discussion between the state and local government.

Community participation involves participation by local residents in the budgeting process, this has enabled them to incorporate their voice in decision making process as well as participate in the process itself. April 10, 2010 was a day of reckoning for residents of Chicago, over twelve hundred residents came together to vote in relation to budget spending proposal meaning that they were now actually participating in actual budgeting

process this lead to improved infrastructure, improved sewerage systems, improved housing, schools as well as transport during this very periods of participatory budgeting.

Citizens' participation in public budgeting is not a new idea in small towns in England since throughout the years residents have been making budget spending decisions through voting conducted in town halls meeting. This concept was also practiced in Porto Alegre a city in Brazil. In the past decade participatory budgeting has been embraced in many countries in: Europe, Africa and Asia and by year 2007 over twelve hundred cities had adopted it in addition countries such as United Kingdom and Dominican Republic passed laws requiring all government units to implement participatory budgeting this led to declaration by United Nations and World bank that the concept was the best practice of democratic governance (Ledwith, 2011). Benefits of participatory budgeting are many and include: democracy where now an ordinary person as a say in decision making process this has encouraged politicians to build closer relationship with the local residents since they actually need them to facilitate the process of budgeting , transparency has also been facilitated since once a decision has been made by the residents there will be no further loophole for corrupt dealings, through participation the local residents have become more knowledgeable as a result of information disseminated to them in addition social justice has been upheld since each citizen get equal access to decision making process and finally through regular meeting communities do get to interact and know each other much better.

In conclusion the current emerging trends in public budgeting include, ability

to develop a budget which is responsive to gender based issues, an efficient budgeting system, priority funding areas and finally community participation in budgeting process.

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