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Implication of Budgeting and Budgetary Control on Infrastructural Development in Nigeria

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Abstract

In most developed countries, investment in infrastructures is a key determinant of economic growth and development. In Africa, Nigeria in this case is characterized by poor infrastructures due to an unsystematic investment in infrastructures development which has resulted to poor economic and social activities. On the other hand, budgeting is an exercise that is mainly concerned with the allocation of state resources amongst many competing societal needs. Therefore, this study examines the relationship that exists between the government annual budgeting and infrastructures in Kwara state. In achieving this objective and other specific objectives, two variables were identified; Budgeting, and Infrastructure. The primary source of data using a self administered questionnaire was used, and a non parametric tool (Kendall tau test statistics) was adopted in examining the association between the study variables. The result of the hypothesis tested shows a Kendall tau - b correlation of 0.52, signifying a positive but weak relationship between budgeting and infrastructural provision. It is therefore recommended that serious attention must be given to budget formulation, implementation and control in order to meet the infrastructural needs of the society.

Introduction

One of the core responsibilities of government towards the citizens is ensuring quality of life; and one of the ways to achieving this objective is to provide basic infrastructures (Watson, 2008) and/or provide enabling

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environment for the private sector. By so doing, the people have access to the basic needs of life. Furthermore, Government world over engages planning and control as instruments of public change for social, political, institutional, and economic growth and development. However, one of the tools for planning and control is budgeting.

Budgeting is perceived as a veritable tool for growth and development in any organization, private or public (Abogun & Fagbemi, 2011). More so, budgeting is a common and usual exercise in the public sector. Through budgeting, resources of government are allocated among numerous and competing societal needs. It spells out in a clear manner how government intends to generate revenues or raise funds and how the fund would be expended (Edame & Ejue, 2013) for the betterment of the society to which it is responsible. Usually, when budget is prepared and signed into law (appropriation act), it becomes a working document for implementation. Inside the budget is usually the provision for infrastructures which eventually translates to the physical infrastructures witnessed in most economies. In the developed economies, budgeting has proven useful for infrastructures growth and development. The infrastructures witnessed in the developed economies are usually provided for in the public developmental plan which is consequently provided for in the annual budgets. This shows that there is a link between budget provision for infrastructures and actual infrastructures development. However, it is important to note that the experience in the developed economy is not the same as what is obtainable in a developing economy like Nigeria. Like any country of the world Nigeria prepares budget annually. In fact, the issue of budgeting in Nigeria can be viewed as an 'annual ritual'. At about the last quarter of every year, the budgetary process is in progress and towards the end of the last quarter, the whole process is heightened. The executive arm of government is assumed to have the required information for budget preparation; as a result, it has the control of information resulting to information asymmetry between executive and legislative arm of government (Forrester, 2002). Therefore, the executive prepares the budget and presents it to the legislative arm for approval; thereafter, it becomes an appropriation act.

In Nigeria, budget is supposedly prepared to improve the economic situation of the country by directing attention to specific aspects of the economy. Key amongst the various aspects of the economy is infrastructures development. Annually, budget provision is made for infrastructures but the gap is that there is no commensurate physical infrastructures development on ground. By infrastructure we mean access to good road, portable water, sanitation (Agenor, 2010), access to health services (Agenor, 2010), access to quality education, housing and stable

power supply. One of the major causes of economic and social setback in Africa, Nigeria especially is: lack of detailed developmental plan for infrastructures resulting to unsystematic and uncoordinated implementation program on infrastructures; the problem of poor infrastructures (Agenor, 2010) due to corruption; lack of political will by the government of each day; lack of continuity of government programmes and policies. The questions are: what is the relationship between budgeting and infrastructures development; what is the extent to which budget on infrastructures is implemented; how does changes in government policies affect infrastructures? Therefore, the main objective of this study is to examine the relationship between annual budgetary exercise and infrastructures development. The specific objectives are: 1. to find out if infrastructures facilities commensurate with the annual budgetary provision on infrastructures. 2. to examine whether or not budgetary provision on infrastructure are fully implemented. 3. to examine the effect of changes in government policies and programmes on infrastructures development. As a result, we hypothesized that: there is no positive relationship between budgeting and infrastructures development.

Literature Review

Nigeria as a nation has an acute planning weakness; the country's efforts are geared towards heavy emphasis on sectoral and financial planning without serious concern for physical planning and development. In order to enhance the quality of life for all citizens, serious attention must be paid to infrastructural development (Scott, 2004). Infrastructural provisions stimulate rural development, encourage industrialization and forestall rural urban migration. World over, key infrastructures like security, health, education, potable water, good road and electricity are believed to be the major drivers of economic growth. Studies have shown that a wide gap exists between infrastructure provision and budgeting in terms of physical development, access to opportunities, social activities and improved standard of living (Adegeye and Dittoh, 1985).

According to World Bank (1994), lack of infrastructural provision in developing countries has hindered meaningful development because these countries have not striven hard to ensure full implementation of their budgets to the latter. Apart from mere sectoral allocation of funds in the budget, IBRD suggested that immediate actions need to be directed towards physical infrastructure such as housing, roads, water supply, waste disposal and other facilities in the face of continuing rapid growth.

Nigerians have looked up to government with much expectation, hoping that their infrastructure needs are prioritized in the development plan. The strange reality however, is that the Nigerian government no longer

performs some of these functions because they have so many political and economic tasks to execute (Christian, 2011). Ahadzi & Bowles (2001) asserted that national budgets alone cannot meet the rather huge investments required to either build most of these public infrastructure or renew decaying ones without critically sacrificing those other vital areas such as welfare, health and education.

According to financial times (2001), huge demands for infrastructure development is attributable to the fast population growth especially within the urban settings of developing countries. Demands for infrastructure development coupled with the socio-political pressure on national budgets have informed the need to set priorities in budgetary allocations. However, chronic budgetary problems in recent years have forestalled full provision of physical infrastructure to the key sectors.

Tiong & Alum (1997) opined that successful budget packaging is vital for infrastructure development. They believe that packaging which involves evaluation, promotion, development and financing aspects of proposal preparation must be painstakingly attained before implementation of the budget. Manchidi and Merrifield (2003) opined that traditionally, the provision of public infrastructure has been the responsibility of the state and been financed through taxes and loans via the budget allocation. Tiong and Yeo (1993) however emphasized that many of these public infrastructure projects are complex and herculean, thus, requiring enormous funding. The World Bank (1994) stated that developing countries invest about US \$ 200bn a year in new infrastructure, which amounted to 20% of their national investment and 4% of their national output. Furthermore, Manchidi and Merrifield (2003) opined that since infrastructure accounts for more than 40-60% of public investments in developing countries, the tightening of resources in the 1990s took a heavy toll on the ability of public budget to finance the much needed infrastructure investments. Ahadzi & Bowles (2001) asserted that in 1998 alone about \$3trillion was spent on construction world-wide. Of these huge construction, public sector expenditure accounts for the largest proportion. According to Vega (1997), there are six broad based problems hindering infrastructure development. They include construction, operation, political, financial, legal and market. The financial aspect (budgeting) of these problems pose the greatest risks to infrastructure developments. It reflects the organizational pattern of an element by breaking from the elements of a total plan into divisional, departmental and/or unit components, allowing costs to be estimated more easily and readily. It then forces a coordination of these elements by reassembling costs in a total package so that a comparison can be made with total revenues or resources (Tiong & Ahum, 1997). According to Olufidiye (2003), budget implementation in Nigeria is

suboptimal, largely exemplified by budget deficits and poor physical performance. He identified significant number of projects contained in the annual budgets of government at all levels in Nigeria as either partly implemented or not even implemented at all, thus resulting in wide disparity between the actual and projected figure.

Conceptual Framework

Budgeting and infrastructural development are twin terms commonly used in the public domain. Both are strategic instruments used to achieve political and administrative goals. In his seminal article, Schick (1966) proffered a chronological dimension to the study of public budgeting. He argued that budgeting is a field developed with an aim to control government spending but with emphasis on the budget and budgeting process as an executive management tool. According to Uchedu (1993), budgets are economic tools consciously designed through political process to aid in the sectorial allocation of available resources among competing needs. Furthermore, he viewed public budget as an economic instrument deliberately fashioned to aid the management of public sector resources. The budget then becomes a link between financial resources and human needs or behavior. It is an avenue consisting of policy objective and political development aimed at meeting people's needs.

Roberts and Lynch (2004) defined budget as estimate of government income and expenditure occurring in four phases of process, that is, policy planning and resource analysis, policy formation, policy execution and evaluating the entire process and system. Olufidipe (2003) sees budgeting process as including the provision of the plan of action for implementing government programmes, preparation of the strategies for implementing the plan, preparing of budgets estimate, review and adjustment of the budget/estimates, preparation of consolidated estimate of revenue and expenditure and its presentation to the legislators in form of appropriation bill and to executive. Economic analysts see budgeting as a result of allocating resources in terms of opportunity cost. USAID's (2005) report identified the process of budgeting as a significant factor influencing infrastructure projects implementation in Nigeria. The report highlighted major problems of the budgeting process which include; lack of political will and commitment to abide by stipulated rules and budget guidelines, absence of macroeconomic framework for budget formulation, ambiguities in the roles of various agencies involved in the formulation and monitoring of the budget, periodic changing of budget line, items classifications, lack of coordination in the disbursement of funds after budget approval and slow budget process fraught with errors.

Robert and Lynch (2004) opined that budgeting process, from the angle of the political executives is a political event conducted in a political area to

amass political advantages. Ofereh (2006) while assessing the various stages involved in infrastructure development argued that budgeting as the most vital factor is being dominated by the executive arm of the government with the minimum input of the various relevant professionals in Nigeria. He further argued that policy makers who plan for infrastructure development in both the national and state budget lack adequate knowledge of the complex technological processes of budgeting allocation to infrastructure prioritization. The study further identified shortfall in budgeting allocation to infrastructure as the inability of the policy makers to plan adequately for the sector and consequently have impacted negatively on implementation of infrastructural projects in Nigeria.

Infrastructure is an inevitable weapon widely utilized by all economies to increase productivity and provide amenities which enhance the quality of life. Adequate infrastructure in any economy translates to an increase in aggregate output and improved standard of living. According to Steven (2003), infrastructure is the basic physical and organizational structures needed for the operation of a society or enterprise or the services and facilities necessary for an economy to function. It is a set of interconnected components providing support for an entire structure of development. It includes roads, bridges, water supply, sewers, electrical grids, education, telecommunication and so forth, depicting a country's level of development. According to the online Etymology Dictionary (2008), the word infrastructure has been used in English since at least 1927, originally meaning, "the installations that form the basis for any operation or system. It however came to prominence in the U.S in the 1980s following the publication of *America in Ruins* (Choate and Walter, 1981) which initiated a public – policy discussion of the nation's infrastructure crisis, purported to be carried out by decades of inadequate investment and poor maintenance of public works. The crisis discussion has contributed to the increase in infrastructure asset development and maintenance planning in the U.S. According to Luis (2010), infrastructure development involves continuous investment in and maintenance of all amenities provided by government through conscious provision for their renewal in the budget. Investment in infrastructure is part of the capital accumulation required for economic development and may have an economic impact on socio-economic measures of welfare. The causality of infrastructure development and budgeting has always been a debate. In developed nations, expansion in electric grids, roadways and railways show marked road through the budgeting process. However, this relationship is largely palpable in advanced nations alone with the developing nations reflecting a negative correlation between budgeting and infrastructure development (Canning and Fay, 1993). According to Christian (2011), lack of infrastructure in

many developing countries represents one of the most significant limitations for economic growth and achievement of the Millennium Development Goals (MDGs). Infrastructure investments and maintenance can be very expensive especially in landlocked and densely populated countries in Africa. Also, it was revealed that infrastructure investments contributed to more than half of Africa's improved economic growth performance between 1990 and 2005; hence, increased infrastructure development is necessary to maintain growth and tackle poverty (USAID, 2005).

Theoretical Framework

In this study, the theories underpinning the investigation of the impact of budgeting on infrastructure development are: Agency theory, Public Interest theory, Institutional Theory, Relative Value Theory, Theory of Value and Rationality and Pareto Optimality Theory.

Agency Theory

This theory explains the relationship that exists between the owners of resources called the principal and the individual called an agent (s) hired to manage the resources committed to his trust. The theory assumes that as agents are not the owners of capital, they may seek personal interest by shirking duties to enjoy leisure and hiding inefficiency to avoid loss of rewards (Anthony, Sridharan, Farshid, & Braendle, 2012). It is further argued that agency theory also assumes that if the principal and the agents are mainly concerned about maximizing their personal wealth, agent may not always act in the best interest of the principal (Anthony *et al.*, 2012). From the agency theory perspectives, there is conflict of interest between the participants involved in the budgetary process resulting to suboptimal solutions in the delivery of public goods and services. The relationship between members of the executive and the members of the legislative is greatly influenced by the budgetary process (Forrester, 2002). According to Forrester (2002), the budgetary process is such that the agencies and departments of government lay claims on the resources of government while the legislative allocate the resources to the various societal needs competing for it; and as a result an agency problem is created. This means that the relationship between the claimants and those who allocate the resources (conservers) is viewed as "Principal – Agent" relationship. The providers of agency services may be regarded as the agents while the conservers of resources are the principals (Forrester, 2002). He further mentioned that the relationship here is such that the principal contracts with agents to provide service to the public, and the main focus of the participants is the contract, the budget in this case. The budget is the contract between the principal and the agents and full implementation of the budget means full compliance with the provisions of

the contract. This study therefore examines the extent of budget implementation and how budgetary provisions improve infrastructures.

Public Interest Theory

This is an economic theory first developed by Pigou (1932). The thrust of the theory suggests that regulations in any economy should be a response towards correcting inefficiencies in market practices. The collective interest of the society should override particular vested interests of some individuals in the formulation of policies. The current global economic realities coupled with the extremely fragile Nigerian market instigate the need for the government to be neutral and responsible in its regulatory framework. The public Interest theory holds that government regulates each sector of the economy in order to facilitate the efficient functioning of the sector to prevent systemic failures and for the benefit of the broader society. This would be made possible if resources are allocated to improve the quality of life of the citizens. (Misham, 1969). Based on this theory (public interest), we seek to provide empirical evidence on whether or not the annual budgeting system functions to regulate disequilibrium in the society by providing access to basic needs (infrastructures) of life.

Institutional Theory

According to Kraft (2007), institutional theory is a widely accepted theoretical structure that lays emphasis on rational myths, legitimacy and isomorphism. It involves policy making that relates with the formal and legal aspects of government structures focusing on the deeper and more resilient aspects of social structure (Scott, 2004). Scott (1995) indicates that in order to survive, economies must conform to the rules and beliefs of the system prevailing in the environment because institutional isomorphism both structural and procedural will earn the nation legitimacy. There is substantial evidence that sectors in different types of economies react differently to similar challenges (Nicholas, 2012). Social, economic and political factors constitute great risks to budget implementation and ultimately influence infrastructures development. This theory suggests that businesses tend to perform more efficiently if they receive the institutional support via infrastructure development by the government. As a result the study seeks find out if the infrastructures needs of the people are met through budgeting.

Relative Value Theory

The relative value theory holds that economic decisions must be made on the basis of relative values. There is no absolute standard of value. It is not enough to say that expenditure for a particular purpose is desirable or worthwhile. The results must be worth their cost. Hence the results must be more valuable than the results would be if the money was used for any

other purpose. Comparison of relative values to be obtained from alternative uses of funds is necessary because our resources are inadequate to do all the things we consider desirable and necessary. In fact, public budgeting is necessary only because infrastructure demands exceed the means to meeting them (Kant, 1980). Scarcity of resources in relation to demands confronts us at every level of public budgeting. Public services consume scarce materials and manpower which have alternative uses. If a particular sector is catered for, they cannot be equally used for other purposes. During budgetary process, the problem of scarcity arises in connection with appropriations. To determine the distribution of funds amongst needing sectors, it is imperative that we weigh the relative value of the results to be obtained from these alternative uses. Is it worthwhile to spend an additional 1 billion naira for security? The answer can be "yes" if we think we would get more valuable results than would be obtained by using that 1 billion naira for subsidy provision. Thus, the cost of any infrastructure is perceived to be the amount of other things which has to be given up for its sake (Scott, 2004). It is therefore assumed in this study that, it is more valuable (because of its impact in economic growth and development) to budget for infrastructures rather than budgeting for the political career of the public office holders- who are self interest seeking.

Theory of Value and Rationality

The major proponent of this theory was Kant (1980). He asserted that budgeting theory rests on the fundamental assumption that government of every nation wants to maximize the socio-economic returns of any infrastructure investment (Iulian, 2001). Given a set of infrastructural prices, the rationality criterion holds that priority should be given in the budgeting process to those sectors whose infrastructural needs will yield equivalent social returns. Empirical results show that capital intensive infrastructure (e.g railways) have higher socio economic benefits. Hence, to reconcile the rationality criterion with empirical results, theorists introduce the utility function concept and assume governments during the budgeting process are always risk – averse. Furthermore, all infrastructural needs are pertinent and instrumental to achieving economic development, this does not negate the fact that each sector in budgetary allocation process should be accorded value only when the socio – economic returns conditions are met.

Pareto Optimality Theory

Pareto optimality also called pareto efficiency is an economic theory of resource allocation propounded by an Italian economist Pareto in 1906. The theory suggests that resources should be allocated in a manner in which it is possible to make any sector better off without making at least one other sector worse off. It is commonly believed that sectors that are not

pareto efficient are to be avoided in the budgetary process so that infrastructural imbalance won't take place in the economy (Nicholas 2012). We suggest that infrastructure facilities are core and central to growth and development. Its impact cuts across all sectors, therefore, we assume in this study that if infrastructures are budgeted for and eventually provided, it would stimulate productive activities, efficiency and transformation across the various sectors which would consequently improve the quality of lives of the Nigerian citizens.

Methodology

This study examines the impact of budgeting on infrastructural development in Kwara State, Nigeria. In order to measure the variables of the study and the relationship between the variables, a cross sectional type of survey research design was used. This was considered appropriate since the study variables were observed at a point in time in selecting a sample from a study population for the purpose of estimating the population parameters. The design was also considered appropriate because the variables of the study were not observed directly but through the residents of Ilorin, Kwara State. The choice of Kwara State was based on the fact that Kwara state like many other states in Nigeria has infrastructural challenges. In Kwara State, infrastructures are not adequate, and in a deplorable state especially in the villages, the city interiors, and the city suburbs. Samples were selected from the population using a convenience sampling techniques. This sampling technique was used based on the fact that the study did not use sampling frame from which a random sample could be drawn (Abogun and Fagbemi, 2011). More so, there is no up to date information about the location and addresses of Ilorin residents which may constitute the sampling frame. As a result, some selected places were visited and some were sampled.

Consequent upon the nature of the variables of the study, i.e. budgeting and infrastructures, we purposefully sampled the following categories of individuals: the legislators, the executives and the general populace. It is believed that these categories of individuals will provide right responses to issues raised in the study. As a result, honorable members of the state house of assembly were sampled to provide their own side of the story. The legislators enact the budgets into law every year; therefore, we believe honorable members have a lot of information to provide on the subject of budgeting and infrastructural development. The executive arm of the government was also part of the samples of the study. In order to do this various ministries were visited, including ministry of environment, ministry of works, ministry of finance, and the office of the accountant general of the state amongst others. Lastly, the opinion of the general populace of the state of infrastructures in Kwara State was equally sampled. In a study

of this nature, secondary data is believed to be more appropriate but due to the problems of data paucity, the primary source of data was used. As a result, a measurement instrument was developed to measure the study variables. A likert type of questionnaire comprising of two (2) sections was developed. The first section named respondent bio-data elicits information about the respondents while the second section named operational data was used to source data on the operational variables of the study. Respondents were asked to rate their opinion on a five (5) point likert typed scale. The scale is between five (5) points; strongly agree and one (1) point; strongly disagree. The respondents were asked to indicate on the scale the extent to which they agree or disagree with the items of respondents on the preparation of the budget and budgetary control; and infrastructural facilities in Kwara State.

In order to analyze the data, the descriptive and inferential statistical techniques were employed. The study examines the relationship between budgeting and infrastructural facilities in order to find out the impact of budgeting on infrastructural development. Therefore, in order to find the association between the study variables, a correlational analysis was carried out. The study employed the Kendaks'tau statistical method to determine the coefficient of correlation between budgeting and infrastructural facilities. This tool was employed due to the stringent condition attached to the use of parametric test statistics. For instance, in order to use parametric test, the population from which the sample is selected must be normally distributed, the scale of the measurement must be at least interval scale, and assumption of homogeneity of variance must be satisfied among others (Field, 2009). However, this study could not satisfy some of these assumptions; for instance, the data was not normally distributed. This was revealed by the normality test carried out on the data using kolmogorov smirnov and Shapiro wick test. The test showed that the population from which the sample was selected differs significantly from the theoretical normal distribution. Secondly, the assumption of interval scale was not satisfied because the measurement instrument employed in this study is ordinal scale which is lower than the interval scale. We therefore, employed a distribution free (non-parametric) test statistics which places less emphasis on the assumption of normality, equal variance and the scale of measurement. Finally, this study sets the alpha level at 10%. Hence, if the probability value is less than the significance level, the null hypothesis is rejected; otherwise the null hypothesis is not rejected. The results of normality and reliability test carried out are discussed in the next chapter.

Results

Before carrying out the main test, reliability and normality test were conducted. Reliability test was conducted using the Cronbach alpha to test for internal consistency of the measuring instrument. The result as contained in table 3 shows that the test instrument was internally consistent because the Cronbach alpha value of 0.834 exceeds the benchmark for Cronbach alpha of 0.70 (Field, 2009); hence the test instrument was reliable. Furthermore, the result of the reliability test also shows that every item of the questionnaire reliably measured the construct. Table 4 shows the normality test result. This study adopted a non parametric method of data analysis to test for the interrelationship between the variables. A non parametric method was chosen because of the conditions imposed by parametric test which is normality of the distribution of data among others (Field, 2009). Apart from the results of skewness and kurtosis deviating from zero (0), signifying non-normality Kolmogorov smirnov and Shapiro wick tests results also affirm that the data was not normally distributed. According to Field (2009), when the result of K-S normality significance test is less than the p-value, the distribution is said to be significantly deviating from normality. The result on table 4 therefore shows that the data was not normally distributed, hence violating the condition of parametric test statistics; therefore the non parametric test was conducted.

Correlation and Descriptive Analysis

The variables examined for the purpose of the correlation analysis were budgeting, and infrastructural development. The construct (budgeting) was obtained by the summation of the values (responses) of all items on budgeting and budgetary control in the questionnaire, divided by the number of the items. It implies that the average of the responses measuring the construct was obtained to proxy budgeting. On the other hand, the second construct (infrastructural development) was obtained from the summation of reactions of respondents to certain items of the questionnaire on infrastructural development divided by the number of the items. It also implies that the average response was obtained to proxy infrastructural development. Therefore, the relationship between the two variables calculated was examined. In order to examine this relationship, Kendall tau - b test statistics was used to test the significance of the correlation between budgeting and infrastructural development. Table 1 reveals that a moderate positive association exists between budgeting and infrastructural provision as shown by the kendall tau - b results, $r = 0.52$. Table 1 also reveals that the correlation ($r = 0.52$) is significant at 0.01 significance level because the p-value is less than the significance value of 0.01. It means the hypothesis of no positive correlation between budgeting and infrastructural development was rejected. This implies that budgeting

is an economic tool that impacts positively on infrastructural development in Kwara state. In other word, the result shows that, the more resources are allocated to infrastructures in the annual budget the more infrastructures would be available. The result of the hypothesis testing is in consonant with the descriptive results in table 2. The table (table 2) reveals that the mean responses of all the items of the questionnaire on budgeting and infrastructures range between 3.19 and 4.38 with standard deviation of 1.23 (highest) and standard error of 0.123 (highest); showing that the mean of responses are mostly above the middle point the on measurement scale. The standard deviation measures how responses cluster around the mean response. The standard deviation of each item shows that the responses are close to the mean response. The standard error explains how the different means of different samples within the population cluster around the mean of the study sample. In other word, it shows how the sample mean can be used to make generalization about the population mean. According to Kothari (2004), the smaller the standard error, the greater the uniformity of sampling distribution and hence, greater is the reliability of the sample. In a general term, these results imply that respondents are of the opinion that budgeting influences infrastructures development. However, the strength of the association as defined by the correlation coefficient (r , 0.52) is not so strong. That is, although the correlation was found positive, but moderate, meaning that the volume of infrastructure in Kwara state as influenced by annual budgetary provision is not substantially commensurate. The explanation for the moderate correlation between budgeting and infrastructure is provided by the result on table 2. The table (table 2) reveals that the mean scores of some of the responses are just a little above the average point on the measurement scale while others are close to the maximum point on the scale; meaning that the responses with low mean scores reduced the strength of the association between budgeting and infrastructures development. For instance, table 2 shows that respondents opined that: 1. infrastructure does not strongly reflect budget for infrastructure as shown by a mean value of 3.81 as against 5 points on the measurement scale; 2. there is no strong evidence that budgetary provision on infrastructures is fully implemented, as shown by a mean value of 3.60 as against 5 points on the measurement scale; 3. there is evidence that change in government has negative effect on infrastructures as shown by a mean value of 3.19; as a result the strength of the association between budgeting and infrastructures development was reduced.

Conclusion

This study reveals that: there is moderate positive association between budgeting and infrastructural development in Nigeria; there is no strong

evidence that infrastructures reflect budgetary allocation; there is a strong evidence that budgetary provision is fully implemented. Therefore, we concluded that there is moderate positive relationship between budgeting and infrastructural development in Nigeria. This finding is consistent with the finding of Edame & Ejue (2013); they found out that budgeting is related to infrastructural development in Cross River state. The implication is that as government makes more investment in infrastructures through annual budgetary allocation, the more the infrastructural needs of the society would be actualized. We also conclude that budgetary provision on infrastructures lacks full implementation. This may be one of the reasons why the correlation between budgeting and infrastructures was not strong as expected. However, since budgeting improves infrastructures, it is hereby recommended that budgetary allocation should be made on infrastructure continuously. Furthermore, the expenditure pattern should be changed such that more budgetary allocation is made to capital expenditure than recurrent expenditure. In other words, annual budgetary allocation should give more priority to capital assets as against allocation of much resource toward remuneration of politicians. There should be huge capital investment into infrastructure and consequently reduce expenditure on consumables and remuneration of government officials. However, it is not sufficient to make budgetary allocation on infrastructures without the required commitment toward ensuring full implementation of the budget; the right commitment must be provided. Therefore, it is recommended that painstaking efforts should be exerted towards efficient budget formulation, implementation and control. Finally, the study reveals that budgetary provision is made annually on infrastructures, however what is witnessed physically is not commensurate. It shows that there is a gap and something is wrong somewhere which must be addressed quickly. We believe that the whole budgetary system (budgetary formulation, implementation and control) might have been hijacked by the politician to make personal gains or simply due to lack of commitment to budget implementation. Therefore, the leadership at all levels is sincerely committed to improving the quality of life of her citizens through infrastructures, then there must be commitment to budgetary implementation; and stamp out corruption from the budgetary system.

Appendix

Table 1: Correlation Analysis

Kendall's tau_b	Budgeting	Correlation Coefficient	1.000	.520**
		Sig. (2-tailed)	.	.000
		N	100	100
	Infrastructure	Correlation Coefficient	.520**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Field Survey

Table 2: Descriptive statistics

	N	Minimum	Maximum	Mean		Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
Development plan	99	1.00	5.00	4.3838	.10123	1.00719
Budget Provision	98	1.00	5.00	4.3776	.08644	.85573
Budget Consolidation	99	1.00	5.00	4.2525	.08536	.84929
Budget Contribution	99	1.00	5.00	4.1515	.10390	1.03375
Budget Compliance	100	1.00	5.00	4.0500	.09574	.95743
Infrastructure Reflection	100	1.00	5.00	3.8100	.11344	1.13436
Budget Implementation	100	1.00	5.00	3.6000	.12391	1.23909
Change in Government	99	1.00	5.00	3.1919	.12324	1.22622
Valid N (listwise)	94					

Source: Field Survey

Table 3: Reliability Statistics

Cronbach's Alpha	N of Items
.831	8

Source: Field Survey

Table 4: Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	Df	Sig.
Development plan	.332	94	.000	.619	94	.000
Budget Provision	.280	94	.000	.666	94	.000
Budget Consolidation	.262	94	.000	.766	94	.000
Budget Contribution	.264	94	.000	.803	94	.000
Budget Compliance	.233	94	.000	.860	94	.000
Infrastructure Reflection	.261	94	.000	.769	94	.000
Budget Implementation	.280	94	.000	.829	94	.000
Change in Government	.214	94	.000	.902	94	.000

Lilliefors Significance Correction

Source: Field Survey

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