

Book Review

Public Budgeting in African Nations: Fiscal Analysis in Development Management, edited by Peter Fuseini Haruna and Shikha Vyas-Doorgapersad. New York, NY: Routledge, 2016.

The Africa Competitiveness Report 2015 shows that the African economy grew by more than 5 percent, on average, over the past 15 years. Sustenance of this growth would require substantial improvements in governance, better management of public resources, and reforms in planning, budgeting and implementation. In this context, *Public Budgeting in African Nations* is a relevant and timely book that provides a unique compilation of essays on budgeting and financial management in Africa. The essays analyze the challenges and opportunities African countries face in linking budget practices to sustained economic growth and development. The editors bring together scholars from different geographical regions of Africa and draw from ten country case studies, namely Botswana, Cameroon, Ghana, Kenya, Malawi, Rwanda, South Africa, Tanzania, Uganda, and Zimbabwe.

The introductory chapter by Peter Haruna explains the historical conditions that have shaped the political economy of African countries. Haruna highlights that several governments in the continent have relied on a short-term approach to fiscal policy that has further aggravated the continent's development challenges. He traces the impact of colonialism on the public budgeting process as reflected in the design of budget institutions. The chapter highlights the mismatch between the African socio-political context and the western institutional structures

inherited from the colonial period. Countries such as Ghana, Kenya, and Uganda follow the Anglo-American budgeting and fiscal management model, which focuses on centralized government and managerialism, whereas countries like Cameroon and Senegal follow the Francophone model of executive accountability to parliament. In the former British colonies, for example, the weakened role of the legislature in the budgetary process has led to a lack of direct accountability that has often translated to mismanagement of scarce public resources. Relatively recent institutional reforms, such as fiscal decentralization and medium term expenditure framework, have also yielded mixed results. Haruna advances a case for budgeting that focusses on long-term fiscal sustainability with due attention to political and material conditions.

In chapter 2 of the book, Lucas and Tshukudu discuss the case of Botswana and provide a general overview of the budgeting process, institutional design, and major components of the budget in that country. They note that the executive dominates the budget process in Botswana, there is limited budget transparency, and there is no scope for citizen participation. Furthermore, the parliament has limited power to intervene in the budget process and the absence of an active civil society poses further challenges. The authors recommend that the budget process should be made more participatory, transparent, and accountable.

Chapter 3 focuses on Cameroun. Ngwafu and Foyou explain that following independence from France in 1960, Cameroun's public financial management system adopted several features of the French public expenditure management model. The authors outline the key components of the budget process and suggest that the traditional budget framework has not functioned effectively. They conclude that recent initiatives, such as participatory budgeting and performance budgeting, are still evolving, and improvements in parliamentary oversight, citizen participation, and technical capacity are necessary.

The next two chapters reflect on the case of Ghana. In chapter 4, Adu Amoah elaborates on how the budget process developed in Ghana during the colonial and postcolonial period and argues that the historical environment had a significant influence on contemporary budgeting because of path dependency. Furthermore, Amoah argues that the lack of reliable data and indigenous expertise, focus on neoliberal policy instruments and insufficient institutional development, were some key challenges that affected the budget process. In Chapter 5, Frank Ohemang analyzes budget reform in Ghana beginning from 1983 when the country implemented a structural adjustment program. He also analyzed the government's introduction of a medium term expenditure framework and activity-based budgeting in the 1990s. These reforms were not successful in solving Ghana's budgetary problems; thus, the government, in more recent years, adopted performance-based budgeting. Ohemang argues that for performance-based budgeting to succeed, the government must address issues related to organizational capacity, personnel training, transparency and accountability, and citizen participation.

In chapter 6, Meru and M'ariba provide an overview of the budgeting system in Kenya, focusing on key historical, legal, and institutional aspects. Since gaining independence in 1963, Kenya has experimented with several budgeting frameworks, namely line item budgeting, zero-based budgeting, performance budgeting, and medium-term expenditure framework. After independence, Kenya invested significantly in training budget personnel and public sector economists and has kept pace with international developments in public budgeting. The authors state that as Kenya moves toward further fiscal decentralization by shifting some budgetary responsibilities to counties, it will face significant budgeting challenges.

The next chapter by Kayuni focusses on the case of Malawi. Budget reforms in Malawi are relatively young, given the recent political history characterized by the lack of free and fair elections. After independence from the British, the country adopted the colonial budgeting system, and the budget process remained centralized in the Office of the President and Cabinet without any parliamentary oversight. In the 1990s, Malawi reformed its budgeting structure by adopting the medium-term expenditure framework. In 2000, the government undertook a comprehensive review of budgetary framework and recommendations from that review informed several reforms over the last decade. Kayuni highlights some positive aspects of Malawi's budget system, notably its relatively functional decentralized system and sound local government financing mechanism. The transition to multi-party democracy and budgetary reforms during the last two decades has created several opportunities and challenges for Malawi.

Chapter 8 of the book, by van der Waldt and Vyas-Doorgapersad, discusses the South

African experience. The authors note that the budgeting process in South Africa is highly functional but the country's development outcomes do not reflect effectiveness of the budget process. The International Open Budget Survey ranked South Africa's budget process as the first among 94 countries, but the country continues to struggle with corruption, lack of accountability, and weak institutional capacity. The authors explain in detail the dynamics of the budget process in South Africa, from strategic planning to execution and accounting.

The next two chapters focus on Uganda and Zimbabwe—two countries that have witnessed long periods of political instability and lack of democratic governance. In chapter 9, Baheka traces the reforms in Uganda after the National Resistance Movement came to power in 1986. Uganda adopted a new constitution in 1995 and employed instruments such as a medium-term budget framework. The authors describe the budget process from formulation to execution and accounting and note that reforms during the last twenty years are still evolving, with the country pioneering innovative reform programs such as monitoring budget outcomes through public expenditure tracking surveys. As for Zimbabwe, the authors show that its budgeting problems are tied to the political climate in the country. Mr. Mugabe became the president in 1980, and lack of multi-party competition limited the avenues for innovation in the budgetary process. The authors provide an insightful historical account of public budgeting during three postindependence decades. In 2008, three parties in Zimbabwe signed a Global Political Agreement after which the public budgeting system saw some improvements. However, the agreement ended in 2014 and, since then,

budgeting has reassumed the populist approach that tends to be unsustainable in the long run, especially given the economic challenges that the country is currently facing.

The next two chapters focus on Rwanda and Tanzania. After a long period of civil conflict, Rwanda remains heavily dependent on foreign aid; thus, budgeting reforms in the country have been significantly influenced by donor agencies. The strong emphasis on decentralization by the donors has led to increasing devolution of budget responsibilities to the country's thirty districts that receive around 30 percent of the national budget. The author concludes with a discussion of key challenges, including the lack of capacity at the subnational level and unsustainable dependence on foreign aid. In the next chapter on Tanzania, Kamugisha and Kihamba outline the dynamics of the budget process, revenue collection, and resource allocation. They conclude with a discussion of the challenges faced by Tanzania that are similar to other African countries, in particular, unreliable revenue estimates, inefficient tax administration, tax evasion, untimely disbursement of foreign financial aid, unbalanced decentralization, and mismanagement by public officials.

The last chapter, by the editors Peter Haruna and Shikha Vyas-Doorgapersad, synthesizes the public budgeting experiences in the ten countries discussed in earlier chapters and examines the effectiveness of different budgetary framework in the African context. The authors highlight that public budgeting is still a relatively new field in most parts of Africa and with the countries experimenting with a variety of approaches, the jury is still out on which approaches are most appropriate in particular socio-political contexts. For example, approaches like medium-term expenditure framework have gained considerable

political support and legitimacy, but performance-based budgeting has had little impact. The authors emphasize that sustainable budgeting and fiscal management in Africa would require collaborative engagement among different stakeholders that can blend theoretical insights with contextual realities. Initiatives such as the Collaborative Africa Budget Reform Initiative (<http://www.cabri-sbo.org/>) that facilitate peer learning among African budget officials are doing important work in this area.

This book highlights the lack of research on budgeting and financial management in developing countries and it is essential that more scholarship that accounts for socio-political realities of these nations is encouraged. It is refreshing that the editors acknowledge that Africa's own home-grown budgeting initiatives are emerging in the fiscal policy landscape. This profound recognition should motivate a groundswell of collaborative efforts among developing and developed country scholars and provide new insights on optimal budgetary procedures and models that can transform African economies and sustain long-term development.

The book does not cover some African countries like Mozambique that have undertaken significant reforms. The selection of countries also ignores a country like Nigeria, which has a large systemic presence in the African economy. Discussion of the public budgeting experiences of these two countries would have provided more insights on

budgeting in Africa within the specific contexts of a rapid budget reformer and a relatively large economy, respectively. Furthermore, the book could have drawn some linkages with other developing economies in Asia and Latin America that have a similar historical trajectory as some African countries and face similar development challenges.

Even in its current form, the book fills an important gap in scholarship. Most of the literature on public budgeting in Africa is written by western scholars and often lacks the rich contextual details that the book provides; authors of the chapters of this book provide an internal perspective that is unique and desirable. The book is a must-read for scholars who want to understand the dynamics of budgeting and development management in developing countries. It is also a highly useful resource for development practitioners and general readers interested in understanding the political economy of Africa.

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