

EFFECTS OF BUDGET PREPARATION AND BUDGET IMPLEMENTATION ON PUBLIC SECTOR PERFORMANCE IN SOKOTO STATE

BY

Aliyu, A. Almustapha Ph.D: Department of Accounting, Usmanu Danfodiyo University Sokoto, Nigeria; E-mail: mustaphaa101@gmail.com; abubackrie@gmail.com

Abstract

Budgeting is a crucial exercise with which a firm or business cannot achieve much. Almost every enterprise, regardless of size, complexity or sector, relies heavily on budgets and budgetary systems to achieve strategic goals. The primary goal of the government is the provision of the essential goods and Services to the citizenry which are normally provided through ministries, agencies, state corporations. Despite the reality of a budget schedule with an extensively consultative, detailed and extremely participatory budgeting process effect approved by the government at different stages in Sokoto State each fiscal year, with the plan of having least budget/definite variances. Using purposive sampling techniques through non-probability. The sample size of this study is 234 respondents. The result revealed that constitutional provisions has a significant positive association with budget preparation in Sokoto State with the coefficient 0.2401 and p-value 0.0012 at 5% level of significant. Also revealed that corruption and inefficient officers has a significant negative association with budget preparation in Sokoto State. Following the findings, it can be concluded that political interference could also create unrealistic budget in Sokoto State. This is clearly attributed to lack of continuity in the government as agreed by majority of the respondents. Despite the positive performance of constitutional provision in preparation of budget in Sokoto State, efforts should still be made by the state government to fix the problem of budgeting practice by engaging a reputable consulting firm to guide and audit the appropriation bill process to ensure credibility of the budget.

Keywords: Budget preparation, Budget implementation and Public sector

Introduction

Measuring the performance of management becomes a main concern for workers and generally profitability of the organization. This arouses the need to assess factors that could encourage or promote individual interest in discharging its duty in government activities. The term public sector simply refers to the part of the financial system that is guarded by the management for the purpose of providing basic government services (Obara, 2013). Budgeting is a crucial exercise with which a firm or business cannot achieve much (Babalola, 2008). Almost every enterprise, regardless of size, complexity or sector, relies heavily on budgets and budgetary systems to achieve strategic goals (Suberu, 2010). Study of Babalola (2008) shows that both public and private budget is a pivotal means of translating the overall aim and objectives of an organization into detailed packages of actions and determine the sources and uses of funds in order to allow performance evaluation of the people who are entrusted with the resources.

The primary goal of the government is the provision of the essential goods and Services to the citizenry which are normally provided through ministries, agencies, state corporations (Maritim, 2013). For a government to deliver, it has become a routine at all levels to prepare and approve into law a summary of a plan of the revenues and expenditures which are made in advance of government financial year concerning a document called budget. Government is held accountable by the citizenry on allocation, custody and use of state resources through budget. These functions should be performed in accordance with established rule, policies and practices contained in the government financial regulations (John, Gladys, & Wicliffe, 2017). A well formulated and properly implemented budget has capacity to promote socio-economic wellbeing of the people, finance development projects and support public service administration. This cannot be achieved without a good budgeting process (Adongo, 2013).

Budget and Budgeting are concepts noticeable in the Quran days, specifically the existence of Yusuf in Egypt. It was reported that nothing is been given out of the treasury without a written instruction. Budget is a governmental tool used for planning and controlling its recurrent and capital development expenditure over a predetermined period in other to facilitate and realize its goals (Olomola, 2009). Therefore, budget need to be

well-prepared, effectively and efficiently implemented, monitored and evaluated and put in place a corrective measure for deviation if any (Oniore, 2014). However, budgeting is concerned with projection of revenue and expenditure and should allow accurate performance appraisal, it should assist in providing for Information to management for accounting and control purposes and to those in charge of the affairs of an organisation. According to Adenuga and Ojediran (2017) budgeting is a management instrument used mainly by firms in processing information and reports to peak managements level for forecasting and control reason, therefore there is need to engage subordinates in this practice in order to control organizational output. Organizations support involvement in the budgetary processes as it is argued that it draws into play different benefits which comprise an increase in worker incentive and pledge, talents within the workers, improved sense of task, job contentment and a quick presentation.

According to the World Bank (2018) Nigeria is classified as one of the countries with very low index on budget preparation and implementation. The report indicates that Nigeria is grossly left behind in terms of budget transference, active public participation in budget, scanty information on budget, and non-engagement of the public in budget preparation process, it is far behind its contemporaries like Ghana, Kenya and Sierra Leone. Similarly, the country has been noted to have late publication of pre-budget statement, non-publishing of online version of the budget, absence of quarterly execution report, late publication of execution reports, or some cases non-publishing of any report. Despite the reality of a budget schedule with an extensively consultative, detailed and extremely participatory budgeting process effect approved by the government at different stages in Sokoto State each fiscal year, with the plan of having least budget/definite variances, there is consensus that the government budgets performance is still unfortunate in Nigeria which is also peculiar to Sokoto State (Adongo, 2013). The mismatch between expenditures and revenues are unending which leads to mini-budgets, supplementary budgetary estimates and reallocations of budget lines (John, Gladys & Wicliffe, 2017). Public Procurement Oversight Authority (PPOA) budget performance was unhelpful regardless of having an additional budget of its new budget (Peter, Noor, Nork, & Peter, 2016).

Some of the ministries, departments, and agencies do not submit their implementation plans on priority projects in appropriate time. The procedural lag time among budget cash releases and utilization of the appropriated funds accounted for the hold-up in submission of the report. This could be ascribed to procurement timelines and other pre-planning conduct that needed to be done before real project execution. It was necessary to setback routine evaluation until the budgeting cycle had elapsed. This study is important in the sense that it will enable comparison of actual expenditure with predetermined measures. Information to be obtained will point out if budgets by themselves will be sufficient in monitoring and controlling expenditure.

Research Questions

The study looked at Sokoto State government sector to determine the extent of budget preparation, implementation as it affect government performance. The study focused on budget office of state government. Also, the study considered some selected ministries, and departments at the state level. The coverage in the budget office is on staff working in preparation and implementation of budget

- i. How is the constitutional provision affecting budget preparation in Sokoto State?
- ii. Are corrupt and inefficient officers responsible for poor budget preparation in Sokoto State?

Literature Review

Subsequent to the history of budget as reported in the Quran of which a written instruction must be given by prophet Yusuf (Minister of Budget and national planning), the concept of budgeting was later discovered and attached value to in the central government of Great Britain. It later developed progressively, as a result of parliament's struggle to have power over the finance of the crown. In 1217, it was affirmed in Magna Charta that "No cottage or aid shall be imposed in the kingdom unless by the common council of empire. After the riot of 1688, legislative body currently approves the right to authorized expenditure by the crown as well as levy separately from items in the sovereign's public list, which was gradually reduced until it covered only the personal operating expense of royal family" (Bendlebury, 2005).

Budget Funding is the act of providing financial resources, usually in the form of money, or other values such as effort or time, to funding a need, program, and project, usually by an organization or company. Generally, this word is used when a firm uses its internal reserves to satisfy its requirement for cash, while the term financing is used after the firm acquires funds from external sources. Countries with ample natural resources oil or diamonds, for example may establish extra-budgetary funds to try to smooth the volatility of resource revenues (dramatic changes in prices for resources can make this revenue source unpredictable) or to invest the funds for future generations, given their exhaustible nature (Samuel & Wilfred, 2009).

Planning and control and related resources and their expenditure are the keys to excellent management. The process of developing strategy for a company's expected operations and controlling operations helps to take away those strategies is known as budgetary control. Objectives of budgetary control are to support in establishing measures for preparing a company's designed revenues and expenses. Budgets also serve in coordinating and communicating these strategies to different levels of management (Kariuki, 2010). In addition, budgets create a source for effective revenue and expenditure control for companies to gain from budgetary control; they should first put quantitative goals, define the roles of individuals, and set up working targets. Short term or one year strategies are commonly formulated in a set of period budgets. A period budget is a prediction of working outcome for a part or function of a company for precise period of time (Muiruri, 2011).

Budget preparation make government to take time to build strategies, targets and goals before activity begins. In addition, budgeting process forces government to measure present working environment and aids in forecasting and implementing required changes (Anderson, 2008). Budget preparation is also an exceptional medium with which to work with all supervised workers by requesting their accounting officers and their staffs. At the end of a time the budget helps government assess performance, find challenging areas, bottlenecks and offer solutions to these problems (Lawyer, 2013).

Goal setting theory was developed inductively within business organization psychology more than 25 years' time based on similar 400 laboratory and field studies. These studies revealed that specific high (hard) goals lead to a superior stage of chore performance than do easy goals or pause abstract goals such as the exhortation to "do ones best" (Edwin & Gary, 2002). A budget is a way of setting a business at goals for a precise period of time. The major principles of goals lead to higher performance than when individuals try hard to simple "do their best" the performance benefits of demanding specific goals have been established in hundreds of laboratory and field studies (Edwin & Gary, 2002). Such goals definitely influence the performance of individual's groups organization units as well as whole organizations and more periods extended as twenty-five years. By providing way and a measure organ which development can be monitored, difficult goals can enable people to direct and purify their performance it is well document in the intellectual and practitioner literatures that specifies goal can enhance motivation and performance by leading individuals to centre their mind on specific objectives enhance their effort to exclusive these objective persist in the features of setbacks and build up new plans to goal achievement. Through such motivational processes challenging goals often lead to valuable rewards such as recognition, promotions and or increases income from one work (Edwin & Gary, 2002).

Review of Empirical Studies

Olatunji, Oladipupo, and Joshua (2017) investigated the impact of capital budget implementation on economic growth in Nigeria. The study assessed the impact of the implementation of capital expenditure on administrative, economic services and socio-community services on the growth of Nigerian economy. The secondary data used for the study were obtained from Central Bank of Nigeria, Statistical Bulletin. The study used Augmented Dicker-Fuller unit root test, co-integration test and Error Correlation Model for analysis, it was found that capital expenditure implementation is germane in maintaining and sustaining economic growth in Nigeria. Festus (2019) assessed tax revenue and budget implementation in Nigeria. The study adopted secondary method of data collection for 40 quarters from 2008Q1 to 2017Q4, used Fully Modified Least Square and Error Correction Model the study shows that tax income including petroleum profit tax and corporation profits contributes positively and considerably to capital budget implementation in Nigeria, custom

& excise duties as well as value added tax contribute appreciably and positively to recurrent and capital budget implementation in Nigeria, and tax revenue from petroleum profit tax significantly and unfavorably effect recurrent budget implementation in Nigeria.

Omeje (2019) studied the effect of budget padding on Nigeria’s Economy: The case of 2016/2017 budget. The study adopted social role theory of unethical leadership propounded by James McGregor Burns in 1978. Secondary sources of data were used to obtain information for the study and content analytical method was used. Findings of the study revealed that increased estimates of projects negatively affect Nigeria's economy, there are socio-economic and political implications of budget padding and budget padding has moral implication on Nigeria's economy.

Methodology

This study employed descriptive research design. Descriptive research is conducted to describe the present situation, what people currently believe and what people are doing at the moment (Collins, Onwuegbuzie, & Jiao, 2007). The major purpose of descriptive research design is description of the state of affairs as it exists at present (Kothari, 2004). The research used structured questionnaire which is a primary tool for data collection to collect data directly from the respondents. The target population of the study is all the employees among all the ministry/department/agencies Sokoto State. There are various employees consisting senior and junior staffs which vary from Chief account down to the positions of cashier. The sample size of this study is 234 respondents, the study sample 234 respondents across all the ministry/department/agencies in Sokoto State. The sample was selected randomly from the total population in each ministry/department/agencies in Sokoto State. The technique of sampling is purposing sampling techniques through non-probability. However, it allows the researcher to determine the delay experienced in budget preparation and implementation in the State. The hypotheses in the study were tested using Pearson Product Moment Correlation. Pearson Product Moment Correlation analysis was used to describe the degree to which one variable is related to the other.

Results

Table 1: Budget Preparation and Implementation in Sokoto State

Item	Response	Frequency	Percentage
Is your work schedule related to budget?	Yes	185	80.43
	No	45	19.57
	Total	230	100.0
Do you feel that Sokoto state previous year’s budget can be described as realistic?	Yes	96	41.74
	No	134	58.26
	Total	230	100.0
Corrupt and inefficient officers are responsible for poor budgets	Strongly Agree	72	31.30
	Agree	85	36.96
	Undecided	33	14.35
	Disagree	27	11.74
	Strongly Disagree	13	5.65
	Total	230	100.0
Unrealistic revenue is responsible for poor budget in Sokoto State	Strongly Agree	60	26.09
	Agree	94	40.87
	Undecided	23	10.00
	Disagree	43	18.70
	Strongly Disagree	10	4.35
	Total	230	100.0
There are adequate machineries for efficient and effective budget implementation	Strongly Agree	50	21.74
	Agree	100	43.48
	Undecided	26	11.30
	Disagree	41	17.83
	Strongly Disagree	12	5.22
	Total	230	100.0

How often is the budget reviews	Annually	147	63.91
	Monthly	5	2.17
	Quarterly	73	31.74
	None	5	2.17
	Total	230	100.0

Source: Author’s Computation, (2023)

The table 1 is designed to show the issues attributed to budget preparation and implementation. The findings revealed considering respondents work schedule it was observed that 185(80.43%) of the respondent agree that their work schedule is related to budget, 45(19.57%) did not agree. Their responses suggest that majority have the better knowledge of the subject matter. As regards previous year’s budget realistic in Sokoto State, 96(41.74%) of the respondent agree that Sokoto State previous year’s budget can be described as realistic with a “NO” answer, 134(58.26%) did not agree. Based on their response it can be interpreted that Sokoto State previous year’s budget can be described as unrealistic. Majority of the respondent agree that low internal revenue is the major cause of unrealistic budget in Sokoto State, Specifically, 108(46.96%), and also considering corrupt and inefficient officers responsible for poor budget. The result revealed 72(31.30%) strongly agree and 85(36.96%) agree that corrupt and inefficient officers are responsible for unrealistic budget in Sokoto State. Unrealistic revenue is responsible for poor budget in Sokoto State, 60(26.09%) of respondents strongly agreed, 94(40.87%) agreed, 43(18.70%) disagreed, 23(10.00%) undecided and 10(4.35%) strongly disagreed. This shows that majority agreed that Unrealistic revenue are responsible for poor budget in Sokoto State. Are there adequate machineries for efficient and effective budget implementation in the state, 50(21.74%) of respondents strongly agreed, 100(43.48%) agreed, 41(17.83%) disagreed, 26(11.30%) undecided and 12(5.22%) strongly disagreed. Showing that majority agreed on adequate machineries for efficient and effective budget implementation is put up in the Sokoto State.

The correlation analysis provides basis for attaining the objectives this study seeks to attain by ascertaining the underlying relationship between the individual independent variables and the dependent variable as well as the relationship between the independent variables among themselves. In determining the strength of the relationship, Pallant (2001) maintains that a correlation of zero signifies no relationship, a correlation of 1.0 signifies perfect positive correlation and value of -1.0 signifies a perfect negative correlation. Also supported by Kothari, (2014) that the importance of correlation is to determine the extent to which changes in the value of an attribute is associated with changes in another attribute.

Table 2: Correlation Result Showing the Relationship between Constitutional provision, corruption and inefficient officers on Budget preparation in Sokoto State

	Budget preparation.	Constitutional provision.	Corruption and Inefficient officers.
Budget preparation.	1.0000		
Constitutional provision.	0.2402*** (0.0012)	1.0000	
Corruption and Inefficient officers.	-0.2402*** (0.0001)	-0.0349 (0.5985)	1.0000

*** denotes level of correlation Significant at 1%. Values in the parentheses are the p-values.

Source: Field Survey, Author’s computation using STATA version 14. 2023.

Table 2 revealed that preparation and implementation of the as specify by section 5, 81(1) of the constitution of Nigeria 1999 lies squarely on the executive and the result revealed that constitutional provisions has a significant positive association with budget preparation in Sokoto State at 1% level, shows that a positive change in constitutional provision will bring about 0.21% increase in budget preparation in Sokoto State. Thus, we reject the null hypothesis which states that constitution provision does not have significant effect on budget

preparation in Sokoto State. This implies that a good constitutional provision has a positive effect on budget preparation in Sokoto State. The more the states follow up with the constitutional provision, the better the preparation of the budget in Sokoto State. Table 2 also revealed that corruption and inefficient officers has a significant negative association with budget preparation in Sokoto State at 1% level, show that a change in corruption and inefficient officers will bring about -0.240% decrease in budget preparation in Sokoto State. Thus, we reject the null hypothesis which states that Corruption and inefficient officers has no significant effect on budget poor preparation in Sokoto State. This implies that corrupt and inefficient officers retard the preparation of the state budget.

Table 3: Correlation Result Showing the Relationship between Conceptualization & planning, and unrealistic revenue on Budget implementation in Sokoto State

	Budget implementation	Conceptualization & planning.	Unrealistic revenue	Unrealistic budget
Budget implementation	1.0000			
Conceptualization & planning.	0.2028*** (0.0004)	1.0000		
Unrealistic revenue	-0.4827*** (0.0000)	0.1033 (0.1183)	1.0000	
Unrealistic budget	0.0829 (0.2106)	0.1811*** (0.0059)	-0.204*** (0.0078)	1.0000

*** denotes level of correlation Significant at 1%. Values in the parentheses are the p-values.

Source: Field Survey, Author’s computation using STATA version 14. 2023.

Table 3 revealed that conceptualization and planning has a significant positive association with budget implementation in Sokoto State at 1% level, showing that a change in conceptualization and planning will bring about 0.203% increase in budget implementation in Sokoto State. Thus, the study rejects the null hypothesis which states that conceptualization and planning does not have significant effect on budget implementation in Sokoto State. This implies that a good conceptualize plan will bring about positive effect on budget implementation in Sokoto State. The more achievable plans put in place the better the chances of achieving implemented budget in Sokoto State. Table 3 also revealed that unrealistic revenue has a significant negative association with budget implementation in Sokoto State at 1% level, showing that a change in unrealistic revenue will bring about -0.48% decrease in budget implementation in Sokoto State. Thus, we reject the null hypothesis which states that Unrealistic revenue has no significant effect on budget implementation in Sokoto State. This implies that unrealistic revenue will bring about negative effect on budget implementation in Sokoto State. The more unrealistic revenues the less implemented budget in Sokoto State. The findings also revealed additionally that unrealistic budget has a positive correlation on budget implementation but not statistically significant.

Conclusion

The findings revealed that constitutional provision in Sokoto State has a significant positive effect in preparation of budget in the State. An indication of the government has a long- and short-term budget plans in the state for a proficient budget preparation. Also budget of Sokoto State over the years strictly prepared in accordance with budgeting principles and standards. However, it was also gathered that corruption and inefficiency has a greater negative effect on budget preparation in the state, the unrealistic revenue effect on budget implementation in Sokoto State which creates a drawback in the implementation of budgets. Following the findings, it can be concluded that political interference could also create unrealistic budget in Sokoto State. This is clearly attributed to lack of continuity in the government as agreed by majority of the respondents.

Recommendations

Drawing from the findings of this study, the following recommendations were put forward:

- i. Despite the positive performance of constitutional provision in preparation of budget in Sokoto State, efforts should still be made by the state government to fix the problem of budgeting practice by engaging a reputable consulting firm to guide and audit the appropriation bill process to ensure credibility of the budget.
- ii. As evidenced in the study concerning the negative effect of corruption and inefficient officers on poor budget preparation, it is recommended that the state government should carefully, monitor and evaluate funds released for budget to avoid diversification of public funds.

References

- Adenuga, A. O. & Ojediran, S. (2017). Impact of budgetary participation and organizational commitment on managerial performance in Nigeria. *Accounting and Finance Research*. 6(3): 48-55.
- Adongo, K. O. (2013). Budgetary control as a measure of financial performance of state corporations in Kenya. *International Journal of Accounting and Taxation*. 1(1): 23-62.
- Anderson, B. (2008). The value of a nonpartisan, independent, objective analytic unit to the legislative role in budget preparation. Chapter 9 of Stapenhurst et al (op. cit.).
- Aruna, P. (2016). The impact of budgeting on the performance: A case study of Maha Cements. *Asian Journal of Management Research Online Open Access publishing platform for Management Research*. 7(2):98-103.
- Atkinson, R. (2013). Crisis and opportunity: Re-evaluating acquisitions budgeting in an age of transition. *Journal of Library Administration*, 19(2):33-55.
- Babalola, R. (2008). *Restructuring of national budget, key note address for appropriation finance and public accounts committee of senate and house of retreat representatives*, held in Kaduna on March 10th 2008.
- Bendlebury, A. (2005). Controlling government spending: The ethos, ethnics and economics of expenditure management. New York, Oxford University Press, 85 – 102.
- Collins, K. M. T., Onwuegbuzie, A. J. & Jiao, Q. G. (2007). A mixed methods investigation of mixed methods sampling designs in social and health science research. *Journal of Mixed Methods Research*. 1(3): 267-294.
- Edwin, A. L. & Gary P. L. (2002). Building a practically useful theory of goal setting and task motivation. *A 35-Year Odyssey*. 57(9):705–717.
- Festus, O. O., & Akintayo, A. A. (2019). Tax Revenue and Budget Implementation in Nigeria.
- FGN, (2019). Breakdown of 2019 FGN Budget Proposal: *Public Presentation of the 2019 Budget of Continuity*. Sen. Udoma Udo Udoma, CON Hon. Minister, Ministry of Budget & National Planning. Pp 48.
- Frucot, V. G. & Shearon, W. (2010). Budget Participation, Locus of Control and Mexican managerial Performance and job Satisfaction. *Accounting Review*, 66(1): 89-99.
- Horngren, C.T. (2015). *Management and Cost Accounting*, Harlow (2nd ed): Financial Times, Prentice Hall.
- Innocent, N. & Christopher, E. (2017). Budget evaluation and government performance: a case of the Nigeria economy. *Journal of Economics, Management and Trade* 20(1), 28-30.
- John, K. K., Gladys, R. & Wicliffe, A. (2017). Effect of Budgeting Process on Budget Performance of State Corporations in Kenya: A Case of Kenyatta National Hospital. *International Academic Journal of Human Resource and Business Administration*. 2 (3): 255-281.
- Kariuki, G. (2010). Budgeting: *A fundamental management tool*. KasnebNewslines Volume 1, page 4)
- Kothari, C. R. (2004). *Research Methodology: Methods and Techniques*. Pp 418.
- Lawyer, C. O (2013). Budget Preparation and Implementation in the Nigerian Public Sector. *Research Journal of Finance and Accounting*. 4(16):2222-2847.
- Maritim, C. F. (2013). *The effects of budgeting process on financial performance of commercial and manufacturing parastatals in Kenya*.
- Muiruri, M. W. (2011). *A survey on the roles of Budgeting in promoting corporate governance on consistency. Development funds allocation in Nairobi*.

- Obara, C. (2013). Budget Preparation and Implementation in the Nigerian Public Sector. *Research Journal of Finance and Accounting*, 4(16):50-54.
- Oladele, P. O. & Olaoye, F. O. (2016). Dynamic analysis of financial control and government budget performance in southwest Nigeria. *International Journal of Economics, Commerce and Management*. Vol. iv(4), 625-639.
- Olatunji, O. C., Oladipupo, O. F. & Joshua, A. A. (2017). Impact of capital budget implementation on economic growth in Nigeria. *Archives of Business Research* 5(10), 89-102.
- Olomola, A.S (2009). Strategies and consequences of budgetary reforms in Nigeria, paper for presentation at the 65th annual congress of the institute of international public finance (IIPF), cape Town, south Africa.
- Omeje, P. N. & Ogbu, M. O. (2019). Effect of budget padding on Nigeria's economy: The case of 2016/2017 budget. *IOSR Journal of business and Management*. Vol. 21(7), 01-09.
- Oniore, J. O. (2014). Budget Implementation and Economic Development in Delta State from 1991 to 2010. *International Journal of Academic Research in Business and Social Sciences* 4 (3): 34-39.
- Onuba, I. (2010). Strengthening budget implementation for enhancing project execution. [http:// www. Nigeria best forum. com/ general topics](http://www.Nigeriabestforum.com/general-topics).
- Patrick, A. E. & Amaka, N. U. (2017). Budgeting, Budgetary Control and Performance Evaluation: Evidence from Hospitality Firms in Nigeria. *Studies and Scientific Researches*. Economics Edition. 26: 23-31.
- Peter, K. M., Noor, S., Mark, K. K. & Peter, M. N. (2016). Role of Public Procurement Oversight Authority on Procurement Regulations in Kenyan State Corporations. A Case of Kenya Electricity Generating Company (KenGen). *International Journal of Academic Research in Accounting, Finance and Management Sciences*.6 (3): 190–201.
- Premchand, A. (2009). *Government Budgeting and Expenditure Controls: Theory and Practice* Published by International Monetary Fund.