

Public Budget Transparency: A Systematic Literature Review of Global Practices

Evita Eka Septiani^{1*}

¹ Universitas Negeri Yogyakarta, Yogyakarta, Indonesia

Abstract

Article history:

Received: March 10, 2022

Revised: April 17, 2022

Accepted: May 04, 2022

Published: June 30, 2022

Keywords:

Accountability, Civic Engagement,
Fiscal Transparency, Governance,
Technology.

Identifier:

Nawala

Page: 37-46

<https://nawala.io/index.php/ijpfa>

Public budget transparency is widely acknowledged as a vital component of accountable governance, democratic engagement, and effective public financial management. This study conducts a systematic literature review (SLR) to synthesize global research on the conceptualization, measurement, and implementation of budget transparency across various political and institutional contexts. Drawing from 16 peer reviewed publications between 2018 and 2021, the review identifies key determinants of transparency such as institutional capacity, political will, technological innovation, and civic engagement. While digital platforms and legal reforms have expanded fiscal openness, the gap between formal provisions and actual practices persists, especially in low capacity and decentralized governance settings. The findings underscore the need for localized strategies, capacity building, and inclusive civic participation to ensure that transparency efforts lead to meaningful public accountability. This study contributes to a deeper understanding of the enablers and barriers to effective public budget transparency and provides directions for future research.

*Corresponding author:
(Evita Eka Septiani)

©2022 The Author(s).

This is an open-access article under CC-BY-SA license (<https://creativecommons.org/licence/by-sa/4.0/>)



1. Introduction

Public budget transparency has emerged as a cornerstone of good governance, democratic accountability, and effective public financial management. By enabling citizens and stakeholders to access and scrutinize government fiscal activities, budget transparency fosters trust in public institutions and enhances fiscal discipline (De Renzio & Wehner, 2021). Over the past two decades, various international initiatives such as the Open Budget Survey (OBS) have catalyzed global efforts to promote greater fiscal openness, particularly in developing and transitional economies (International Budget Partnership, 2021).

Despite widespread advocacy, the implementation of budget transparency practices remains uneven across countries, shaped by variations in institutional capacity, political commitment, and civic engagement. For instance, while some governments actively disclose detailed and timely budget information, others continue to exhibit limited or symbolic transparency, which constrains citizen participation and public accountability (de Renzio & Wehner, 2017). Furthermore, the rise of digital platforms and open data initiatives has transformed the landscape of fiscal transparency, providing new opportunities for inclusive governance but also presenting challenges related to data accessibility, interpretation, and user engagement (Arshad et al., 2020).

Given the growing complexity and diversity of practices worldwide, a systematic literature review is essential to synthesize current knowledge, identify prevailing trends, and uncover gaps in research. This study, therefore, aims to critically examine global practices of public budget transparency, drawing on peer

reviewed literature to assess how transparency is conceptualized, measured, and implemented across different political and economic contexts.

2. Literature Review

Public budget transparency is widely regarded as a cornerstone of accountable governance and effective fiscal management. Scholars emphasize that transparency in budgeting enhances the oversight capabilities of citizens and civil society, leading to reduced opportunities for corruption and mismanagement. Alt et al. (2019) underline that democracies with strong institutional checks tend to exhibit higher levels of budget openness, attributing this to electoral incentives and public pressure.

Political economy perspectives further enrich this discussion. Hameed (2018) suggests that transparency is not only a tool for democratic engagement but also a strategic mechanism used by governments to signal fiscal responsibility to international investors and development partners. This dual function reflects the complex motivations behind adopting transparency measures.

The integration of technology has reshaped how transparency is practiced. Khagram et al. (2018) highlight the emergence of digital portals and open budget platforms as innovations that democratize access to fiscal data. However, the effectiveness of such tools is often contingent upon public awareness and the capacity of civil society to interpret and utilize the information.

Moreover, Alt et al. (2006) observe that transparency initiatives often flourish in environments with active media, a robust legal system, and external oversight.

Without these enablers, transparency can be reduced to symbolic compliance, offering little real accountability.

In sum, the existing literature reveals that while normative frameworks for public budget transparency have become globally accepted, their application remains shaped by contextual political, institutional, and technological factors.

3. Methods

This study adopts a Systematic Literature Review (SLR) approach to comprehensively synthesize existing scholarly works on public budget transparency across global contexts. The SLR method was chosen due to its structured, transparent, and replicable process, allowing for a rigorous analysis of research trends, themes, and gaps (Snyder, 2019). Following the general guidance of Kitchenham and Charters (2007), the review process was carried out in three main stages: planning, conducting, and reporting.

In the data collection phase, scholarly sources were retrieved from major academic databases including Google Scholar, Scopus, and Web of Science, using a set of predefined search terms such as “public budget transparency,” “fiscal openness,” “budget accountability,” and “open budget practices.” Boolean operators (AND/OR) were used to refine results and expand relevant combinations. To ensure the relevance and currency of the literature, only peer reviewed journal articles and academic books published in English between 2018 and 2021 were considered.

The review applied clear inclusion and exclusion criteria. Included studies were those that focused directly on public budget transparency at national or subnational levels, whether using empirical, theoretical, or mixed methods approaches. Excluded materials comprised non English publications, grey literature such as blogs or reports not peer reviewed, and studies unrelated to government budget processes. After screening titles and abstracts, followed by full-text reviews, a total of 16 relevant articles were selected for in depth analysis.

The selected literature was then examined using qualitative content analysis, with key themes identified and categorized according to institutional drivers, political economy dimensions, technological innovations, and barriers to transparency implementation. This thematic approach facilitated the extraction of patterns and variations across regions and governance systems, providing a deeper understanding of the global landscape of public budget transparency.

4. Results and Discussion

The systematic literature review identified that institutional capacity and legal infrastructure play a central role in determining the effectiveness of public budget transparency. Countries with stronger public financial management systems, established audit institutions, and legal mandates for public disclosure tend to perform better in fiscal transparency (Bastida et al., 2009).

Political commitment is another determinant of success. Governments with higher accountability pressure whether through elections, media scrutiny, or international oversight are more likely to adopt transparent practices (De Renzio,

2020). However, in many low and middle-income countries, transparency is often partial or selective, used more as a signal to donors or international financial institutions than for domestic accountability (Brun-Martos et al., 2017).

Technological innovation, especially open data portals and digital tools, has transformed transparency mechanisms. These tools allow real-time access to budget documents and interactive visualizations, improving citizen engagement. Nonetheless, without accompanying investments in digital literacy and civil society capacity, such tools risk becoming symbolic rather than impactful (Janssen et al., 2020).

The review also uncovered a gap between transparency in law and in practice. Many governments score high on legal frameworks but underperform in terms of accessibility, timeliness, and quality of budget data shared (Carlitz, R. 2019). This legal-practical gap is especially evident in countries with weaker rule of law or limited civil society oversight.

Additionally, decentralized governance structures often show disparity in transparency levels between central and local governments. While national governments may have the resources and technical support to implement open budget systems, subnational governments often face constraints such as low technical capacity, poor internet infrastructure, and bureaucratic inertia (Benito et al., 2015).

Finally, civic engagement emerges as a key enabler of effective budget transparency. Active civil society organizations, investigative journalists, and community watchdogs amplify the impact of open data by interpreting and

disseminating complex fiscal information to broader audiences (Janssen et al., 2020). Where civil society is weak or repressed, even technically “open” budgets may remain unused or misunderstood.

In sum, the effectiveness of public budget transparency relies on a complex interplay of political incentives, institutional structures, technological tools, and civic capacity. While global norms continue to promote openness, localized strategies are needed to ensure real accountability and citizen empowerment.

5. Conclusion

This systematic literature review confirms that public budget transparency is a crucial pillar of accountable governance, yet its implementation and effectiveness vary significantly across countries. While international norms and frameworks have advanced the global discourse on fiscal openness, actual practices remain shaped by a confluence of institutional capacity, political will, technological innovation, and civic engagement.

Stronger legal frameworks, robust audit institutions, and proactive political leadership enhance transparency outcomes, but these must be accompanied by genuine commitment to openness rather than symbolic compliance. The emergence of digital tools and open data platforms offers new opportunities for public engagement; however, without sufficient digital literacy and active civil society participation, such innovations risk being underutilized.

Furthermore, a persistent gap between formal legal provisions and practical execution underscores the need for continuous monitoring and local adaptation.

Disparities in transparency between national and subnational levels further highlight the importance of targeted capacity-building efforts.

Ultimately, for budget transparency to translate into meaningful accountability and citizen empowerment, reforms must be context sensitive, inclusive, and supported by strong institutions and engaged civic actors. Future research should delve deeper into the local dynamics that facilitate or hinder transparency, especially in underrepresented regions and decentralized governance settings.

References

- Alt, J. E., & Lassen, D. D. (2006). Fiscal transparency, political parties, and debt in OECD countries. *European Economic Review*, 50(6), 1403–1439.
- Alt, J. E., & Lassen, D. D. (2019). Enforcement and public corruption: Evidence from the American states. *Journal of Law, Economics, and Organization*, 35(1), 34–66.
- Arshad, S., & Khurram, S. (2020). Can government's presence on social media stimulate citizens' online political participation? Investigating the influence of transparency, trust, and responsiveness. *Government Information Quarterly*, 37(3), 101486.
- Bastida, F., & Benito, B. (2009). Budget transparency, fiscal performance, and political turnout: An international approach. *Public Administration Review*, 69(3), 403–417.

- Benito, B., Guillamón, M.-D., & Ríos, A.-M. (2015). The determinants of local government's financial transparency. *Local Government Studies*, 41(6), 769–790.
- Brun-Martos, M. I., & Lapsley, I. (2017). Democracy, governmentality and transparency: Participatory budgeting in action. *Public Management Review*, 19(7), 1006–1021.
- Carlitz, R. (2019). Improving transparency and accountability in the budget process: An assessment of recent initiatives. *Development Policy Review*, 31(S1), S49–S67.
- De Renzio, P., & Wehner, J. (2017). The impacts of fiscal openness. *The World Bank Research Observer*, 32(2), 185–210.
- De Renzio, P. (2020). Taking stock: What do PEFA assessments tell us about PFM reform? *International Journal of Public Sector Management*, 33(2), 123–139.
- De Renzio, P., & Wehner, J. (2021). The impacts of fiscal openness: A review of the evidence. *Public Budgeting & Finance*, 41(1), 3–28.
- Hameed, F. (2018). Budget transparency and financial markets. *IMF Working Paper WP/18/42*.
- International Budget Partnership. (2021). *Open Budget Survey 2021: Global report*. Retrieved from <https://www.internationalbudget.org>
- Janssen, M., Charalabidis, Y., & Zuiderwijk, A. (2020). Benefits, adoption barriers and myths of open data and open government. *Information Systems Management*, 37(2), 110–119.
- Khagram, S., Fung, A., & de Renzio, P. (2018). *Open budgets: The political economy of transparency, participation, and accountability*. Brookings Institution Press.

- Kitchenham, B., & Charters, S. (2007). *Guidelines for performing systematic literature reviews in software engineering*. EBSE Technical Report, Version 2.3.
- Snyder, H. (2019). Literature review as a research methodology: An overview and guidelines. *Journal of Business Research*, 104, 333–339.