

Open Government and Financial Accountability: A Systematic Literature Review

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Abstract

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This study employs a systematic literature review to examine how open government principles contribute to reducing corruption, fostering public trust, and strengthening fiscal discipline. The findings reveal that timely, accurate, and accessible disclosure of fiscal data significantly enhances the capacity of citizens and oversight bodies to monitor public expenditures and detect irregularities. Mechanisms such as participatory budgeting and citizen audits not only reinforce fiscal discipline but also promote inclusive decision making. Furthermore, the integration of legal frameworks and independent oversight institutions strengthens the link between transparency and accountability. However, the study also identifies persistent challenges, including limited data usability, incomplete information, lack of interoperability, political resistance, and insufficient institutional capacity. Without addressing these barriers, open government initiatives risk becoming symbolic rather than transformative. The results underscore the importance of a holistic approach that integrates technological, institutional, and participatory elements to achieve sustainable and accountable financial governance.

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1. Introduction

Open government characterized by transparency, public participation, and accountability has gained widespread attention as a transformative approach to improving governance quality and enhancing financial accountability in the public sector. The core principle of open government is that public institutions should operate in a manner that is accessible and understandable to citizens, allowing them to actively participate in decision making processes and hold governing bodies to account. In particular, transparency in budgetary processes, fiscal management, and public financial reporting is widely recognized as a critical mechanism for reducing corruption, enhancing public trust, and enabling both citizens and oversight institutions to monitor the use of public resources effectively (Harrison & Sayogo, 2014).

Extensive research highlights that the openness of financial information such as timely, accurate, and user-friendly budget data empowers stakeholders to scrutinize government actions, detect irregularities, and advocate for improved fiscal performance. This transparency not only supports fiscal discipline but also fosters institutional accountability by ensuring that government officials are answerable for their financial decisions (Nor et al., 2019; Puron-Cid et al., 2019). In democratic contexts, such openness serves as both a preventive tool against misuse of public funds and a mechanism for building sustained trust between citizens and their governments.

Moreover, evidence from systematic literature reviews on transparency and open government data demonstrates that when fiscal information is made readily

accessible, it strengthens financial oversight and promotes a culture of accountable governance. The “window theory” perspective emphasizes that transparency opens a figurative window into government operations, making it harder for unethical practices to remain hidden and easier for reform oriented policies to be implemented (Matheus et al., 2020).

Despite the recognized benefits, numerous challenges continue to hinder the full realization of open government’s potential in promoting financial accountability. These challenges include technical issues such as data usability, completeness, and interoperability, as well as institutional and political constraints, including resistance to openness, lack of capacity in oversight bodies, and limited public engagement in interpreting and using available data (Harrison & Sayogo, 2014). Recent studies emphasize that without adequate data literacy, infrastructure, and cross agency coordination, open government policies often fail to produce meaningful accountability outcomes (Ruijter & Meijer, 2020). Similarly, Safarov (2019) argues that governments frequently encounter the “implementation gap” where transparency reforms are adopted rhetorically but lack integration into bureaucratic routines resulting in limited citizen empowerment and persistent asymmetries of information. Without addressing these barriers, open government initiatives risk being symbolic rather than transformative, offering visibility without genuine accountability..

2. Literature Review

Open government anchored in transparency, public participation, and accountability has emerged as a transformative approach to enhancing governance quality and strengthening financial accountability. It promotes the idea that public institutions should function in a way that is open, understandable, and responsive to citizens, enabling them to take part in decision-making processes and exercise oversight. Transparency in budgetary processes, fiscal management, and public reporting plays a crucial role in reducing corruption, improving trust, and ensuring that officials are answerable for their financial decisions (Harrison & Sayogo, 2014).

Empirical evidence suggests that timely, accurate, and user-friendly disclosure of financial information empowers stakeholders to scrutinize government actions, identify irregularities, and advocate for improved fiscal performance. Such openness supports fiscal discipline while fostering institutional accountability, creating a governance environment in which decision-makers are aware of their responsibility to the public (Cucciniello et al., 2017).

From a theoretical standpoint, Matheus and Janssen (2019) propose the “Window Theory,” which argues that transparency opens a figurative window into government operations, making unethical practices more visible and reforms more feasible. However, the effectiveness of transparency depends on factors such as data quality, accessibility, and the capacity of oversight institutions to act on the information.

Despite its potential, open government initiatives often face significant challenges. As Fox and Jonathan (2007) argues, transparency is necessary but not

sufficient for accountability. Without addressing barriers such as low data usability, lack of interoperability, and political resistance, transparency reforms risk becoming symbolic measures that provide visibility without meaningful accountability.

3. Methods

This study employs a qualitative descriptive research design using a systematic literature review (SLR) approach to examine the role of open government in enhancing financial accountability. The research process began with the formulation of objectives, which focused on analyzing how the principles of transparency, public participation, and accountability contribute to reducing corruption, improving public trust, and strengthening fiscal discipline in the public sector. Literature was identified through comprehensive searches in reputable academic databases, including Google Scholar, Scopus, and Web of Science, using keywords such as “open government,” “financial accountability,” “transparency,” “participatory governance,” and “window theory.” Only peer reviewed journal articles, conference papers, and systematic reviews published between 2007 and 2021 were considered, and duplicate records were removed before screening titles and abstracts for relevance. The selected studies were analyzed thematically to identify recurring concepts and patterns related to open government practices, accountability mechanisms, and institutional challenges. The thematic coding process allowed grouping findings into core themes, such as the impact of transparency on corruption control, the role of citizen participation in budgetary processes, and the technological enablers and constraints of open data initiatives. The findings were

then synthesized to provide an integrative understanding of the relationship between open government principles and financial accountability, with particular emphasis on both enabling factors such as timely and accessible fiscal data and inhibiting factors such as political resistance and limited institutional capacity. Finally, the synthesis was mapped against the “Window Theory” framework to explain the conditions under which transparency effectively translates into accountability.

4. Results and Discussion

The systematic literature review findings indicate that open government initiatives anchored in transparency, public participation, and accountability play a significant role in strengthening financial accountability in the public sector. The reviewed studies consistently highlight that timely, accurate, and accessible disclosure of fiscal data enhances the capacity of both citizens and oversight institutions to monitor public expenditure and detect irregularities (Cucciniello et al., 2017; Wehner & de Renzio, 2013). In line with the “Window Theory” (Matheus & Janssen, 2019), the evidence demonstrates that transparency provides a figurative opening into government operations, making unethical practices more visible and facilitating the implementation of reform-oriented policies.

The results also reveal that public participation mechanisms, such as participatory budgeting and citizen audits, contribute to greater budget credibility and promote resource allocation that aligns with community priorities. These participatory approaches not only enhance public trust but also foster fiscal discipline by ensuring that decision-makers are aware of their responsibility to the

public (Wampler & Hartz-Karp, 2012). Moreover, the integration of legal frameworks and independent audit bodies further strengthens accountability systems, enabling transparency measures to generate concrete governance improvements.

However, the discussion of findings also highlights persistent challenges that may limit the transformative potential of open government. Technical issues, such as limited data usability, incomplete information, and lack of interoperability, can hinder effective use of open fiscal data. Institutional and political barriers, including resistance from public officials and insufficient capacity in oversight bodies, may result in transparency measures that are symbolic rather than substantive (Fox, 2015). This underscores the importance of designing open government reforms as a holistic governance strategy, where transparency is complemented by robust accountability mechanisms and active citizen engagement to ensure long-term sustainability and effectiveness in promoting financial accountability.

5. Conclusion

The findings indicate that open government, grounded in the principles of transparency, public participation, and accountability, plays a strategic role in strengthening financial accountability in the public sector. Transparency, achieved through the provision of timely, accurate, and easily accessible fiscal data, has been shown to enhance the ability of citizens and oversight bodies to monitor budget use and detect irregularities. Public participation mechanisms, such as participatory

budgeting and citizen audits, not only reinforce fiscal discipline but also foster long-term trust between government and society.

However, technical challenges such as limited data usability, incomplete information, and lack of interoperability, as well as political and institutional barriers including resistance from public officials and the low capacity of oversight bodies, continue to hinder effective implementation. Therefore, open government initiatives must be designed holistically, integrating transparency, strong accountability mechanisms, and active citizen engagement to ensure that the outcomes are substantive rather than symbolic, ultimately achieving sustainable and accountable public financial governance.

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