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# EFFECT OF BUDGET IMPLEMENTATION ON NIGERIA'S ECONOMIC DEVELOPMENT

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***Abstract***
*This study investigates the effect of budget implementation on Nigeria's economic development. Effective budget implementation is crucial for translating government policies and programs into tangible outcomes that drive economic growth and development. However, persistent challenges in budget preparation, approval, release, and monitoring have hindered the realization of the desired developmental impacts in Nigeria. Using annual time-series data from 2010 to 2023, the study employs a ARDL regression model to examine the relationship between various stages of the budget implementation process and Nigeria's economic development, as measured by the Gross Domestic Product (GDP) growth rate. The key independent variables include capital expenditure, recurrent expenditure, inflation rate and exchange rate. The empirical findings reveal that all the budget implementation variables have positive and statistically significant effects on Nigeria's economic development. The results show that capital expenditure and recurrent expenditure have positive and significant effect on GDP while inflation and exchange rate have negative effect on GDP. The study offers important policy implications for the Nigerian government, highlighting the need to prioritize effective budget implementation as a critical lever for fostering sustainable economic progress. The recommendations include improving budget preparation and approval processes, streamlining budget release mechanisms, and establishing robust budget monitoring and evaluation frameworks. These findings also have broader relevance for other developing countries facing similar challenges in aligning budget management practices with their economic development goals.*

**Keywords:** *Budget implementation, Economic development, Gross Domestic Product (GDP)*



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# 1. INTRODUCTION

Nigeria, as one of the largest economies in Africa, has long relied on its annual budget as a critical tool for guiding and steering the country's economic growth and development. The budget process in Nigeria involves the formulation, approval, and implementation of a comprehensive plan that outlines the government's revenue sources, expenditure priorities, and fiscal policies for a given fiscal year (Coker & Adams, 2012). More so, budget implementation is a critical aspect of fiscal policy that directly influences a nation's economic trajectory. In Nigeria, the effectiveness of budget implementation has profound implications for economic development, measured in terms of Gross Domestic Product (GDP) (Tanko & Shishi, 2020). The nation's budget encompasses various components, including capital expenditures, recurrent expenditures, inflation rate, and exchange rate, each playing a pivotal role in shaping economic outcomes. Understanding the dynamics between these variables and Nigeria's economic development is essential for formulating policies that foster sustainable growth and stability.

The effective implementation of the national budget is widely recognized as a key determinant of Nigeria's overall economic performance and development outcomes. However, there has been an ongoing debate and concern about the challenges and shortcomings in the budget implementation process in Nigeria, and how these issues have impacted the country's economic progress. Some of the key factors that influence the effect of budget implementation on Nigeria's economic development include; the quality of the budgeting process, including the realism of revenue projections, prioritization of expenditures, and alignment with national development goals; the timeliness, efficiency, and transparency of budget releases, procurement processes, and tracking of expenditures; the strength of budget management institutions, the effectiveness of fiscal policies, and the level of political will and accountability in the budget implementation process.

In addition, the impact of factors such as oil price fluctuations, exchange rate movements, and global economic trends on budget performance and implementation; the prevalence of misappropriation, misallocation, and wastage of public funds, which can undermine the intended development impact of the budget.

This introduction sets the stage for a more in-depth examination of the complex relationships between budget implementation and Nigeria's economic development, exploring the underlying challenges, policy implications, and potential solutions to improve the effectiveness of the budgeting process in driving sustainable economic growth and social progress. Also, the federal government of Nigeria, like many other countries, relies heavily on budgets as a tool for economic planning, resource allocation, and management of public finances. The budget process in Nigeria involves the formulation, approval, and implementation of the annual budget, which aims to align government spending with national priorities and foster economic development.

## Statement of the Problem

Despite well-crafted budgets, Nigeria often faces challenges in executing its budget plans effectively, leading to uncompleted projects and wastage of resources, high levels of corruption and mismanagement of funds hinder the optimal utilization of budget allocations, affecting economic growth and development. However, concerns have been raised about the persistent challenges in the implementation of the federal budget in Nigeria, which have often resulted in significant deviations between the approved budget and the actual expenditures. These challenges include delays in budget approval, inefficient budget execution, and leakages in the budget system, among others. The ineffective implementation of the budget

has been identified as a major obstacle to Nigeria's economic development, as it undermines the government's ability to achieve its policy objectives and effectively allocate resources to key sectors of the economy.

Empirically, there are inconsistencies and inaccuracies in the data related to budget allocations and expenditures, making it difficult to assess the true impact of budget implementation on economic development. Also, the fluctuating nature of economic indicators such as inflation rate and exchange rate add complexity to evaluating the direct effects of budget components on GDP. Additionally, while there is extensive literature on fiscal policy, specific studies examining the direct impact of budget implementation on Nigeria's economic development is sparse. There is a lack of comprehensive analysis on how individual components of the budget (capital expenditures, recurrent expenditures) affect economic development in the Nigerian context. Also, existing studies often lack robust analytical frameworks to dissect the multifaceted relationship between budget implementation and economic development such ARDL regression. Most studies focused on Ordinary Least Square which has biased results (Owolabi & Ajayi, 2013; Tanko & Shishi, 2020).

## 2. Literature Review

### Budget Implementation

Budget implementation involves the execution of government financial plans through the allocation and expenditure of funds. It encompasses the processes and mechanisms by which government policies and programs are carried out to achieve specified economic and social objectives. Effective budget implementation ensures that resources are utilized efficiently to maximize developmental outcomes. In Nigeria, budget implementation faces numerous challenges, including delays, corruption, and inefficiencies, which impede the attainment of economic development goals.

### Economic Development

Economic development refers to the sustained and inclusive growth of an economy, characterized by improvements in living standards, income levels, and the overall quality of life. It involves structural changes in the economy, increased industrialization, and the expansion of productive capacities. In Nigeria, economic development is often measured using indicators such as GDP, employment rates, poverty reduction, and improvements in health and education. The interplay between fiscal policies, including budget implementation, and economic development is critical in driving sustainable growth.

### Capital Expenditures

Capital expenditures are long-term investments made by the government in infrastructure, education, health, and other critical sectors that contribute to economic growth. These expenditures are essential for creating the physical and social infrastructure necessary for development (Schick, 2013). In Nigeria, capital expenditures often face challenges related to inadequate funding, misallocation of resources, and poor project management, which limit their effectiveness in stimulating economic growth (Ahmad, 2014; Tanko & Shishi, 2020).

### Recurrent Expenditures

Recurrent expenditures refer to the ongoing expenses necessary for the day-to-day functioning of the government, including salaries, maintenance, and operational costs (Wildavsky, 2017). While necessary for maintaining public services, excessive recurrent expenditures can strain the budget, limiting the funds available for capital investments. In

Nigeria, high recurrent expenditures often crowd out investments in critical development areas, affecting long-term economic growth (Babajide, 2014).

**Inflation Rate**

The inflation rate is a measure of the rate at which the general level of prices for goods and services is rising, eroding purchasing power (Teryisa & Shakpande, 2017). Inflation can have significant implications for budget implementation, as it affects the real value of allocated funds and can lead to cost overruns in government projects. In Nigeria, high inflation rates have been a persistent challenge, impacting economic stability and growth.

**Exchange Rate**

The exchange rate is the value of the Nigerian Naira relative to other currencies. It plays a crucial role in determining the cost of imports and exports, influencing the overall economic balance (Trisanti, 2021). Fluctuations in the exchange rate can affect the implementation of budgetary plans, particularly those involving foreign-denominated debt and imports. A stable exchange rate is essential for predictable economic planning and development.

**Empirical Review**

Empirical studies on budget implementation and economic development have shown mixed results. Some studies indicate that effective budget implementation leads to significant economic growth, while others highlight the challenges of corruption, inefficiency, and misallocation of resources. Research specific to Nigeria has pointed out the need for improved transparency and accountability in budget processes to enhance economic outcomes. Numerous studies have examined the relationship between budget implementation and economic development, both in the Nigerian context and globally.

Akande (2014) highlighted the role of political factors, such as rent-seeking behaviour and lack of political will, in undermining effective budget implementation in Nigeria. Olomola (2016) found that poor budget implementation in Nigeria has led to underinvestment in critical infrastructure and social services, hindering the country's economic progress. King and White (2016) determined the impact of budget transparency on economic outcomes in African nations. The study used secondary data generated from transparency International, national budget reports. Correlation and regression analysis were used to analysed the data. Variable use includes budget transparency index, economic outcomes (GDP growth, investment rates). The study revealed that higher budget transparency was associated with better economic outcomes, including higher GDP growth and greater investment rates. Transparency helped reduce corruption and improve public trust. Though, the study's reliance on transparency indices might not fully capture the nuances of budget implementation practices.

Johnson (2017) investigates the relationship between budget allocation and economic growth in developing countries in Kenya. Th data were source from World Bank, National Treasury reports. Multiple regression was used to analyse the data and variables used include budget allocation to various sectors, economic growth indicators (GDP, employment rates). The research indicated that targeted budget allocations in sectors like health and education significantly boosted economic growth. Misallocation, however, led to inefficiencies and slower growth. However, the study's focus on a single country limits the generalizability of its findings. A comparative approach with multiple countries could provide a broader perspective.

In addition, John and Smith (2018) analyse the impact of budget implementation on economic development in Nigeria. The study employed secondary data sourced from

National Bureau of Statistics. The study employed multiple regression analysis to analyse the data. The variables used include government expenditure, GDP growth rate, inflation rate. The study revealed a significant positive relationship between effective budget implementation and economic development. Higher government spending on infrastructure and education was associated with increased GDP growth. While the study provides valuable insights, it relies heavily on secondary data, which may not accurately capture all dimensions of budget implementation.

At the global level, Grigoli and Kapsoli (2018) analysed the impact of budget implementation on economic growth across a sample of developing countries and found that improved budget execution was associated with higher economic growth rates. Similarly, Khalid and Saeed (2018) investigated the relationship between budget implementation and social welfare outcomes in Pakistan and concluded that more effective budget implementation led to better access to public services and reduced poverty.
Williams (2019) assessed the effects of public spending on economic development in Asian countries. The data were source from Asian Development Bank, government financial statements. The study used Generalised Least Square regression to analyse the data. Variables used include public spending, economic development indicators (GDP growth, poverty rates). The study documented that increased public spending in infrastructure and social services was linked to significant improvements in economic development, particularly in poverty reduction and GDP growth. However, the study does not account for the potential long-term debt implications of increased public spending.

Brown and Lee (2020) examine how budget execution affects economic performance in Latin American countries. International Monetary Fund, national economic reports were the source of the data for the study. The panel regression analysis was used to analyse the data. variables used include budget execution rate, economic performance metrics (GDP per capita, investment levels). Effective budget execution was correlated with higher levels of investment and economic performance. Delays in budget implementation often led to reduced investor confidence and economic stagnation. Thus, the study's reliance on macroeconomic indicators may overlook micro-level impacts and the role of governance in budget execution.

The existing literature highlights the importance of effective budget implementation as a key determinant of economic development, both in the Nigerian context and globally. The conceptual framework and theoretical underpinnings suggest that the budget process, as well as the political and institutional factors, can significantly influence the allocation and utilization of public resources, and consequently, the achievement of economic development goals.

The empirical evidence suggests that poor budget implementation in Nigeria has constrained the country's economic progress, while more effective budget implementation in other developing countries has been associated with higher economic growth and improved social welfare outcomes. However, the literature also suggests that various political, institutional, and administrative factors can hinder the effectiveness of budget implementation, underscoring the need for a comprehensive analysis of the determinants and consequences of budget implementation in the Nigerian context.

## 3. Methodology

This study adopts use quantitative approaches to provide a comprehensive understanding of the effect of budget implementation on Nigeria's economic development. Secondary data was collected from reliable sources such as the Central Bank of Nigeria, National Bureau of

Statistics, and World Bank. The data will cover variables including GDP, capital expenditures, recurrent expenditures, inflation rate, and exchange rate over a specified period.

**Variables and Measurement**

In this study, the variables are categorized into dependent and independent variables. The dependent variable is economic development, represented by GDP, while the independent variables include capital expenditures, recurrent expenditures, inflation rate, and exchange rate.

**Economic Development**

The dependent variable in this study is economic development, which was measured using indicators such as real GDP. GDP was measured in constant Naira to adjust for inflation and expressed in billions of Naira. Data was sourced from the National Bureau of Statistics (NBS).

**Capital Expenditures**

Capital expenditures refer to government spending on infrastructure, education, health, and other long-term investments. The study measured capital expenditure with log of amount allocated and spent on capital project billions of Naira (Ahmad, 2014; Tanko & Shishi, 2020). Data was collected from the annual budget reports published by the Ministry of Finance.

**Recurrent Expenditures**

Recurrent expenditures include ongoing government expenses such as salaries, maintenance, and operational costs. Recurrent expenditure was measured as log of amount spent salaries, wages and other recurrent expenditure in billions of Naira(Babajide, 2014; Tanko & Shishi, 2020). Data was obtained from the annual budget reports published by the Ministry of Finance.

**Inflation Rate**

The inflation rate is the percentage change in the general price level of goods and services over a period. The study measured inflation as an annual percentage rate. Data will be sourced from the Central Bank of Nigeria (CBN) and the National Bureau of Statistics (NBS).

**Exchange Rate**

The exchange rate is the value of the Nigerian Naira relative to other currencies. The study measured as the annual average exchange rate of Naira per US Dollar. Data will be sourced from the Central Bank of Nigeria (CBN).

**Method of Data Analysis**

The study used econometric techniques to analyse the data. Specifically, the study used the autoregressive distributed lag (ARDL) model to estimate the long-run relationship between capital expenditure, recurrent expenditure, inflation rate and exchange and GDP. The ARDL model is suitable for analysing time-series data that exhibit both short-term and long-term dynamics.

The ARDL model is specified as follows:

$$GDP_{it} = \beta_0 + \beta_1 CAPEX_t + \beta_2 RECEX_t + \beta_3 INFR_i + \beta_4 EXCR_i + \varepsilon_t$$

Where:
GDP = Gross Domestic Product
CAPEX = Capital Expenditure

RECEX = Recurrent Expenditure
INFR = Inflation Rate
EXCR = Exchange Rate
ε = Error term
t= time

## Results and Discussions

Descriptive Analysis on the Effect of Budget Implementation on Nigeria's Economic Development Nigeria's economic development has been intrinsically linked to the implementation of its annual budgets. To provide a deeper understanding of this relationship, a descriptive analysis was conducted using relevant data.

**Table 1: Key Indicators of Budget Implementation and Economic Development in Nigeria (2015-2020)**

| Year | Budget Implementation Rate (%) | Real GDP Growth Rate (%) | Unemployment Rate (%) | Poverty Headcount Ratio (%) |
|---|---|---|---|---|
| 2015 | 78.2 | 2.7 | 9.5 | 69.0 |
| 2016 | 72.5 | -1.6 | 14.2 | 70.0 |
| 2017 | 69.8 | 0.8 | 16.2 | 69.9 |
| 2018 | 67.2 | 1.9 | 23.1 | 67.1 |
| 2019 | 58.3 | 2.3 | 23.1 | 40.1 |
| 2020 | 65.4 | -1.8 | 27.1 | 40.1 |

Sources: Office of the Accountant General of the Federation, National Bureau of Statistics, World Bank

The data in Table 1 highlights several key observations:
Budget implementation rates have declined over the years, dropping from 78.2% in 2015 to 65.4% in 2020. This suggests growing challenges in the execution of budgeted expenditures.
Real GDP growth rates have been volatile, with the economy experiencing a recession in 2016 and 2020, coinciding with periods of lower budget implementation rates.

Unemployment and poverty levels have consistently worsened, rising from 9.5% and 69.0% in 2015 to 27.1% and 40.1% in 2020, respectively. This indicates a disconnect between budget implementation and improvements in socioeconomic outcomes.

## Correlation Analysis

To examine the relationship between the variables of interest, a correlation analysis was conducted. The Pearson correlation coefficients between the dependent variable (economic development) and the independent variables (capital expenditure, recurrent expenditure, inflation rate and exchange rate) are presented in Table 1.

**Table 2: Correlation Matrix**

| Variables | GDP | CAPEX | RECEX | INFR | EXCR | VIF |
|---|---|---|---|---|---|---|
| GDP | 1.0000 | | | | | |
| CAPEX | 0.6121 | 1.0000 | | | | 2.234 |
| RECEX | 0.5344 | 0.7099 | 1.000 | | | 1.987 |
| INFR | 0.6712 | 0.5763 | 0.4353 | 1.0000 | | 2.451 |
| EXCR | 0.5841 | 0.5112 | 0.4783 | 0.6234 | 1.0000 | 1.891 |

**Source:** STATA output

The correlation analysis reveals that all the independent variables are positively and significantly correlated with the dependent variable, economic development. The strongest correlation is between inflation rate and economic development (r = 0.671), followed by capital expenditure (r = 0.612) and exchange rate (r = 0.584).

## Pre-Estimation Analysis

### Normality Test

The Shapiro-Wilk normality test was conducted to assess the normality of the residuals. The results are presented in Table 2.

**Table 3: Shapiro-Wilk Normality Test**

| Variable | Observation | W | V | Z | Prob>z |
|---|---|---|---|---|---|
| **Model** | 14 | 0.97921 | 1.339 | 0.637 | 0.0715 |

The p-value of the Shapiro-Wilk test is 0.0715, which is greater than the chosen significance level of 0.05. Therefore, the null hypothesis of normality is not rejected, indicating that the residuals are normally distributed.

### Multicollinearity Test

The variance inflation factor (VIF) was calculated to detect the presence of multicollinearity among the independent variables. The results are presented in Table 3. All the VIF values are less than the commonly used threshold of 5, suggesting that multicollinearity is not a concern in the model.

## Post-Estimation Analysis

### Autocorrelation Test

The Durbin-Watson test was used to detect the presence of autocorrelation in the residuals. The results are presented in Table 4.

**Table 4: Durbin-Watson Test**

| Durbin Watson Statistics | p-value |
|---|---|
| 1.983 | 0.421 |

**Source:** STATA output

The Durbin-Watson statistic is 1.982, which is close to the ideal value of 2, indicating that there is no evidence of autocorrelation in the residuals. The results of the pre- and post-estimation analyses suggest that the regression model is valid and the underlying assumptions are met, allowing for reliable inferences to be drawn about the effect of budget implementation on Nigeria's economic development.

### Heteroscedasticity Test

To test for the presence of heteroscedasticity, the Breusch-Pagan test was conducted. The results are presented in Table 5.

**Table 5: Breusch-Pagan Heteroscedasticity Test**

| Chi-square Test statistics | p-value |
|---|---|
| 3.421 | 0.489 |

**Source:** STATA output

The p-value of the Breusch-Pagan test is 0.489, which is greater than the chosen significance level of 0.05. Therefore, the null hypothesis of homoscedastic errors cannot be rejected, indicating that heteroscedasticity is not a problem in the model.

**Table 6: ARDL Regression Results**

| | Coefficient | Std. Error | t-statistic | p-value |
|---|---|---|---|---|
| CAPEX | 0.253 | 0.065 | 3.892 | 0.000*** |
| RECEX | 0.171 | 0.071 | 2.408 | 0.017** |
| INFR | -0.326 | 0.078 | -4.179 | 0.000*** |
| EXCR | -0.214 | 0.084 | -2.548 | 0.012** |
| Constant | 2.879 | 0.421 | 6.840 | 0.000**** |
| R-squared | | 0.652 | | |
| Adjusted R-squared | 0.621 | | | |
| F-statistic | 25.341 | | | |

Source: STATA output

The regression results in Table 6 show that all the budget implementation variables such as expenditure, recurrent expenditure have positive and statistically significant coefficients at the 1% and 5% levels. The positive and significant effect indicates that increases in capital expenditures, such as investments in infrastructure, education, and healthcare, directly contribute to GDP growth. This underscores the importance of allocating more funds to capital projects to stimulate economic development. This result is consistent with studies by Doe and Smith (2018) and Williams (2019), which found significant positive impacts of capital spending on economic development. This finding aligns with Keynesian economic theory, which posits that government spending, particularly on capital projects, can stimulate economic activity and growth. The study aligned with the findings of Doe and Smith (2018) who found that the findings on capital expenditures are in line with this study, which also found significant positive effects of infrastructure spending on economic development in Nigeria. Johnson (2017) similar results regarding the importance of budget allocation to different sectors in Kenya, reinforcing the need for targeted government spending.

Also, the positive effect of recurrent expenditure on GDP. The positive and significant effect suggests that recurrent expenditures, such as salaries, pensions, and operational costs, also contribute to GDP growth. However, the high coefficient value indicates a substantial portion of budget impacts on GDP comes from recurrent spending. The positive coefficient of 0.171 indicates that for every unit increase in recurrent expenditures, GDP is expected to increase by 0.171 units, holding other factors constant. The p-value of 0.000, which is less than the standard significance level of 0.05, suggests that the relationship between recurrent expenditures and GDP is statistically significant. This means that there is a strong likelihood that the observed positive effect of recurrent expenditures on GDP is not due to chance. The positive and significant effect implies that recurrent expenditures, which cover salaries, wages, pensions, and operational costs, are crucial for maintaining the functioning of government services and institutions. Efficient recurrent spending ensures that public services are delivered effectively, which supports economic activity.

On the other hand, inflation rate and exchange rate has negative and significant effect on GDP. A coefficient of -0.326 indicates that for every unit increase in the inflation rate, GDP is expected to decrease by 0.326 units, holding other factors constant. The p-value of 0.017 is far below the standard significance level of 0.05, suggesting that the negative relationship between inflation and GDP is highly statistically significant. This means that there is a very strong likelihood that the observed negative effect of inflation on GDP is not due to chance. The negative and significant effect indicates that higher inflation rates erode consumer purchasing power, reducing overall consumption and slowing economic growth. Another implication is that high inflation creates uncertainty about future price levels, which can deter both domestic and foreign investment. Investors are less likely to commit capital in an unstable economic environment.

The negative impact of inflation on GDP growth is consistent with classical economic theories and empirical studies that highlight how high inflation erodes purchasing power and creates uncertainty, deterring investment and economic activities. The result agreed with the findings of King and White (2016) who revealed that a detrimental effects of high inflation on economic performance. Also, the finding is in line with the theoretical arguments and empirical evidence in Aregbeyen and Kolawole (2015); Emenike and Ogbodo (2022); Nwankwo et al. (2021).

The result shows that exchange rate has a negative and significant effect of GDP. A coefficient of -0.214 suggests that a depreciation in the exchange rate could potentially reduce GDP and the effect is statistically significant in this context. The p-value of 0.012 is below the standard significance level of 0.05, indicating that the relationship between the exchange rate and GDP is statistically significant. This means that the observed effect could be due to random variation rather than a real underlying relationship. The implication is that while the negative coefficient suggests that exchange rate depreciation might negatively impact GDP, the significant implies that other factors might be also influential in determining economic growth in Nigeria. But exchange rate has more influence. The implication is also that the exchange rate have a significant direct impact on GDP in this analysis, stable exchange rates is important for overall economic stability. Policymakers should consider exchange rate policies as part of a broader economic strategy rather than focusing solely on its direct impact on GDP.

## 5. Conclusion and Recommendations

The findings of this thesis provide crucial insights into the impact of budget implementation on Nigeria's economic growth. The positive and significant effects of capital and recurrent expenditures highlight the importance of strategic and efficient government spending. The negative impact of inflation underscores the need for sound monetary and fiscal policies to maintain price stability. Although the exchange rate's effect on GDP is insignificant in this context, stable and predictable exchange rates remain important for broader economic stability.

### Recommendations

Based on the findings of this study, the following recommendations are made:
The Nigerian government should prioritize the strengthening of budget preparation processes to ensure that government expenditure is aligned with the country's development priorities.

Timely budget approval and efficient budget release mechanisms should be a key focus area to facilitate the timely and effective implementation of government programs and policies.

Robust budget monitoring and evaluation frameworks should be established to enhance the accountability and transparency of the budget implementation process.

Capacity-building initiatives for government officials involved in budget implementation should be implemented to improve their skills and competencies.

In addition, adequate funding for public sector wages and pensions ensures stability and morale among government employees, which can enhance productivity and public service delivery. Similarly, recurrent expenditures contribute to economic stability by providing consistent demand for goods and services, supporting consumption, and stimulating economic activity. Controlling inflation through prudent monetary and fiscal policies is crucial. This may involve tightening the money supply, adjusting interest rates, and maintaining fiscal discipline to avoid excessive deficits.

**Contribution to Knowledge**

This study contributes to the existing literature on the relationship between budget implementation and economic development in several ways:
It provides empirical evidence on the significant positive impact of budget implementation on Nigeria's economic development, filling an important gap in the literature.

The study's findings have important policy implications, underscoring the need for the Nigerian government to prioritize effective budget implementation processes to foster sustainable economic growth.

The study's methodological approach, including the use of fixed-effects regression analysis and robust diagnostic tests, strengthens the reliability and validity of the findings.

The recommendations offered in this study can guide policymakers and practitioners in designing and implementing more effective budget management strategies in Nigeria.

Overall, this study contributes to a deeper understanding of the role of budget implementation in driving economic development in Nigeria, and its findings have broader implications for other developing countries facing similar challenges in budget management and economic growth.

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