Government Expenditure and Its Implication for Economic Growth: Evidence from Nigeria

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Abstract
Government Expenditure is an important macroeconomic objective in an economy. In this study, the structure and size of government expenditure determine the pattern of growth in the economy. The Keynesian aggregate expenditure is adopted as a framework to explain the role of government spending on output. The Johansen cointegration test was applied to verify the long run relationship between the variables and the Granger causality test was employed to determine the existence and direction of causation between government expenditure and economic growth. The autoregressive distributed lag (ARDL) methodology was employed to examine the relationship between the independent variables and the dependent variable. From the analysis and findings, government spending significantly and positively explained the economic growth of the country. The relationship was significant at 5 percent level. In comparing the results of the total government expenditure with capital and recurrent expenditure, the result shows that they are positively related to economic growth however the recurrent component of the expenditure significantly explained more. Therefore, it is recommended that the government should give more priority to the capital component that is more productive and can induce rapid economic prosperity.
Keywords: Government expenditure, economic growth, ordinary least square

1.0 INTRODUCTION

Government expenditure is a term used to describe money that government spends in an economy. Government expenditure occurs on every level of government, from local city councils to federal organization. Government intervention in resource allocation arose due to the failure of the market mechanism to effectively and efficiently allocate these resources. The Nigeria economy operates a mixed economy, which is the combination of both the capitalist and socialist system, that is, the interaction between the private and public sector in an economy.

Economists classify government expenditure into three main types. Government purchases of goods and services for current use which is also referred to as government consumption. Government purchases of goods and services intended to create future benefits such as infrastructure investment or research spending which is referred to as government investment. Government expenditures that are not directly purchases of goods and services, they are also referred to as transfer payments. Government expenditure in Nigeria is financed through a variety of methods. Most often, government uses taxes to fund programs and expenditure, but this is far from the only means of creating assets for spending, where government may borrow based on future projected budgets in order to fund programs. Government may also choose to take loans from foreign countries to finance expenditure. How money is spent and from what source is the main component in a government's fiscal policy. The structure of Nigeria government expenditure can broadly be categorized into capital and recurrent expenditure. The recurrent expenditure are government expenses on administration such as wages, salaries, interest on loans, maintenance etc., whereas capital expenditure are expenses on capital projects like roads, airports, education, telecommunication, electricity generation. One of the main purposes of government spending is to provide infrastructural facilities. The general view is that public expenditure either recurrent or capital expenditure, notably on social and economic infrastructure can be growth-enhancing although the financing of such expenditure to provide essential infrastructural facilities including transport, electricity, telecommunications, water and sanitation, waste disposal, education and health can be growth retarding.

Economic growth refers to the increase in a country's GDP, although this differs depending on how national income has been measured. In a developing economy, in other to break the vicious circle of poverty, economic growth must be sustained. Developing economy usually make use of fiscal policy to achieve accelerated growth. Tanzi (1994) observes that fiscal policy applies to the use of fiscal instruments (taxation and spending) to influence the working of the economic system in order to maximize economic welfare with the overriding objective of promoting long-term growth of the economy. In Nigeria, Government expenditure is high compared to the revenue of the country which has led to a budget deficit over the years. The recent revival of interest in

growth theory has also revived interest among researchers in verifying the linkages between the government expenditure and economic growth in developing countries like Nigeria.

The growth in government expenditure in Nigeria, according to Buhari (1993) as citied by Ogwuru (2009), is due to, among other factors, rising income level, urbanization of the population, technological and innovative change in political and bureaucratic structures, and the productivity lag. Nigeria public expenditure accounts for over 20 per cent of the Gross Domestic Product (GDP) (Adubi and Obioma 1999). Nigeria government was able to maintain high levels of government expenditure in the late 1970s and late 1980s because of the gains gotten from petroleum sector which was enjoyed during that period. The interest which encouraged the massive intervention of the federal government in the 1970s began to lighten up in the 1980s when the fall in the prices of commodities in the world market resulted to an extreme reduction in government earnings. The objectives of the government in achieving steady growth were not possible because government expenditure was invested into projects that were not properly managed and conceived. The decline in government earnings (from N2815.2 million in 1978 to N2031.6 million in 1979 and from N3949.5 in 1982 to N2922.0 million in 1984) from non-oil revenue (CBN, 1994) and limited domestic savings narrowed the revenue base for financing public sector operations. The resort to borrowing for financing large government budgetary deficit led to, macroeconomic problems as excessive debt burden (both domestic and foreign); high inflationary pressures; exchange rate overvaluation; and external imbalance. Public sector borrowing from the domestic credit market also tended to crowd out private sector investments (Adubi and Obioma 1999).

In Nigeria, government activities sometimes produce misallocation of resources and hinder the growth of national output. Increasing the government expenditure may result to reduction in the performance of the economy due to the fact that the government increases tax of individuals which leads to reduction in productivity. Government in power siphoned public fund and divert to unproductive projects. That is another way in which corruption can be viewed in Nigeria, and due to the fact that they invest in unproductive projects, it involves little part of the government revenue generated from the general public, and there will be nothing to show for it. This study has raised a research question of how government expenditure impacts economic growth in Nigeria and which of capital expenditure or recurrent expenditure stimulates growth in Nigeria. The objective of this study is to conduct an impact analysis of Government expenditure on economic growth in Nigeria and also to examine the direction of causation between the macroeconomic variables. The study was guided by a research hypothesis. The remainder of this study is divided as follows: section two provides the review of relevant literature, section three gives the methodology, section four shows the presentation of result while section five provides the conclusion and recommendation.

2.0 LITERATURE REVIEW

2.1 Theoretical review

The instrument through which government expenditure on public infrastructure affects the economic growth is dependent largely on the forms and size of total public expenditure allocated to economic and social development projects in the economy. Adolph Wagner (1835-1917) was a German economist who based his law of increasing public expenditure to historical facts, primarily of Germany. According to Wagner, there are inherent tendencies for the activities of different layers of a government to increase both intensively and extensively. There is a functional relationship between the growth of an economy and government activities with the result that the government sector grows faster than the economy.

2.1.1 Keynesian Economic Model

This model works on the belief that the private sector does not only produce the most efficient results from the economy as a whole. The application of the Keynesian model lies somewhere between markets based economy and a state controlled economy. The Keynesian model analyzed the fiscal policy where government increases spending at all time when the economy is in a slowdown. This involves a theory described as a multiplier. This theory states that if government spends to create jobs, the employed people will have more money to spend. Keynes further developed a theory which suggested that active government policy could be affective in managing the economy. Rather than seeing unbalanced government expenditure as wrong. Keynes also argued that government should solve problem in the short run rather than waiting for the market forces to do it in the long run, because in the long run, we are all dead. The macroeconomic study of Keynesian economics relies on three key assumptions: rigid pries, effective demand and savings-investment determinates. First, rigid or inflexible prices prevent some markets from achieving equilibrium in the short run. Second, effective demand

means that consumption expenditures are based on actual income, not full employment or equilibrium income. Lastly, important savings and investment determinants include income, expectations, and other influence beyond the interest rate. These three assumptions imply that the economy can achieve a short-run equilibrium at less than full-employment production. According to Keynesian theory, changes in aggregate demand, whether anticipated or unanticipated have their greatest short run impact on real output and employment, not on price. Rationalizing rigid prices is hard to do because according to standard microeconomics theory, real supplies and demands do not change if all nominal prices rise or fall proportionally. If government spending increases, for example, all other components of spending remain constant, then output will increase.

2.1.2 Endogenous Growth Rate

Endogenous growth theory provides a theoretical framework for analyzing growth, persistent economic growth that is determined by the system governing the production process rather than by forces outside that system (Tafaio and smith 2009). In the endogenous growth theory, the growth rate is depended on one variable that is the rate of return on capital. Endogenous growth model that explains growth further incorporate human capital as such the growth rate depends on the rate of return to human capital as well as physical capital (Todaro and Smith, 2009).

2.2 Empirical Review

Nworji and Oluwalaiye (2012) employed investigative and empirical methods to analyze the relationship between government spending on road infrastructure and economic growth in Nigeria. The variables used in the study includes GDP which is a proxy for economic growth and it is the explained variable, while the explanatory variables include expenditure on defense, transport and communication used as a proxy for road and inflation rate. Multiple regression analysis was employed to analysis the parameter estimate. The a priori expectation of the study is to have positive signs for the parameters. The estimate value of the partial regression coefficient in the study is that expenditure on defense, transport and communication expenditure and inflation rate correlate positively with economic growth. The model exhibited a very high explanatory power.

Loto (2011) examined the relationship between government spending and growth in a linear form using the OLS method. The time series were tested for the order of integration of the individual series by conducting unit root test for stationarity. The study employed on each of the variable the standard Dickey- Fuller test. The essence of using the technique is to identify the relationship between government spending on the chosen sector and economic growth in Nigeria. The variables used include GDP growth rate, Education spending, Health spending, Agriculture, Transport and Communication. The outcome of the result revealed the existence of equilibrium condition that keeps the variables in proportion to each other in the long run.

In Devarajan S. et al (1996), the study focused on the link between the level of public expenditure and growth, a condition was derived in which a change in the composition of expenditure leads to a higher strategy- state growth rate of the economy. The condition not just depends on the physical productivity of the different components of public expenditure but also on the initial shares. Using the data from 43 developing countries over 20 years, they showed that an increase in the share capital expenditure has positive and statistical significant growth effect. The result implies that developing country governments have been misallocating public expenditure in favour of capital expenditure at the expense of recurrent expenditure. In the study by Khalifa (1997) the empirical analysis found no consistent evidence that government spending can increase Saudi Arabia's per capital output growth. Therefore, a fiscal policy aiming the control of the budget deficit in Saudi Arabia has to consider shrinking the size of the government and limiting its role in the economy. A time series analysis was conducted with particular intention given to the causal pattern in the context of Vector Auto Regression (VAR) in Saudi Arabia.

Benjamin and Tin (1997) examined the causality between government expenditure and economic growth along with money supply in a trivariate framework by applying VAR techniques to South Korean data for the period 1954-1994. The study found that there is bidirectional causality between government expenditure and economic growth in South Korean. It also found out that money supply affects economic growth as well. The findings supports that both the conventional Keynesian framework that causality runs from government expenditure to national income and the Wagnerian theory that national income causes government expenditure.

Barro and Sala-Martin (1992) as well as Easterly and Rebelo (1993) emphasized the importance of government policy (activity) in economic growth. They laid emphasis on the composition of public expenditure rather than its level and in that vein felt that the productive government expenditure has an effect while the unproductive government expenditure has no effect. But the problem is to identify which government expenditure is unproductive before the spending. This implies that government expenditure and composition of government expenditures are important determinants of growth. On the other hand, there seems to be a direct link between

budget policy and growth, and this has primarily been associated with tax policy. The structure of taxation could have important implication for growth. The empirical evidence of the impact of various aspect of tax policy on growth has so far been mixed. Easterly and Rebelo (1993) pointed out that a major difficulty in isolating the impact of tax on growth arises because key non-tax variables such as public expenditure that are often not independent of tax policy can also affect growth.

Anderson, Renzio and Levy (2006) studied the role of public investment in poverty reduction. The paper examined the linkage between public investment, growth and poverty reduction, with the aims of providing overall view of existing theories, evidence and methods, and of examining the ways to provide better guidance to policy makers in the use of available techniques and information to set priorities for public investment. These are several channels through which public investment might affect the economy. They reviewed the theory behind these channels, distinguishing the macro from micro effects.

According to Olugbenga and Owoeye, 2007 citied in Amassoma, Nwosa and Ajisafe (2011) who examined the relationship between government expenditure and economic growth for a group of 30 OECD countries during the period 1970-2005. The result shows that there is long run relationship between government expenditure and economic growth. The result reveals that there was a unidirectional causality from government expenditure to growth for 16 out of the total countries and this supported the Keynesian hypothesis. Causality test was said to run from economic growth to government expenditure in 10 countries which confirmed the Wagner's law.

Omoke (2009) investigated the direction of causality between Government expenditure (GE) and National Income (NI) in Nigeria using annual data. The researcher employed the co-integration and Granger Causality tests for the period 1970-2005. The result showed that no long-run relationship existed between government expenditure and national income in Nigeria. The Granger causality test revealed that causality ran from government expenditure to national income thus concluding that government expenditure plays a significant role in promoting economic growth in Nigeria.

Usman. A et al (2011 pp 104-113), in their study, they explained how public expenditure is used as proxy for public capital which is further decomposed by sectors. This helps to investigate the impact of each sector on economic growth. A multivariate time series framework is used. Augmented Dickey- Filler test indicated that two of the variables are stationary at levels. Philip Peron test show that three are stationary at levels and others at first difference. Result of the regression show that in the short run public spending has no impact on growth. However, co integration and VEC results shows that there is long run relationship between public expenditure and growth.

Ogbole, Amadi and Essi (2011 pp 401-417) adopted a growth model; they however made some adaptations to suit their study. The study was between 1970-2006. The study involved comparative analysis of the impact of the fiscal policy on economic growth in Nigeria during regulation and deregulation periods. The result obtained showed that there is difference in the effectiveness of fiscal policy in the stimulation economic growth during and after regulation, than in the regulation period. The focus of the study is the differential in the fiscal policy effectiveness in promoting economic growth in the two broad periods. The main variable is fiscal policy. They used federal government spending as a proxy for fiscal policy.

Nkwatoh. L.S (2012) study analysed the relationship and direction of causality between government expenditure and economic growth in Nigeria using annual data from 1961 to 2009. Using co integration and Toda-Yamamoto Granger causality test. The analysis was both at the bivarate (aggregated) and multivariate (disaggregated) systems. The result of the Johansen bivarate/multivariate co integration revealed that there was no long run relationship among the stationary variables. Government expenditure causes economic growth at a bivarate level supporting Keynes hypothesis that increased government expenditure amplifies economic growth.

The study by Bakare (2012) was based on assessing the role of government spending for sustainable growth using annual data from 1975-2008. In the study, ordinary least square multiple regression was used and the Harrod Domar growth model was analyzed. The study found out that increase in government expenditure does not contribute to sustainable growth in Nigeria. The findings demonstrated that, the allocation of public expenditure does not fulfill the parent- optimal criterion. The study examined that there is a long run and significant relationship between public spending and sustainable growth in Nigeria.

Omojimite. B.U (2010) showed that there is co-integration between public expenditure and education, primary school enrolment and economic growth. The test revealed that there is bi-directional causality between public recurrent expenditures on education and economic growth. No causal relationship was established between capital expenditure on education and growth.

3.0 METHODOLOGY

This paper is on government expenditure and its effect on economic growth for the period 1980-2013. The data used for this study was a secondary and was obtained from World Bank. The data will be analysed and interpretations will be made so as to draw a conclusion on the impact of the independent variables on the dependent variable.

3.1 Model Formulation

For the purpose of this analysis, two model are specified; the first is the where government expenditure is taken as a lump while the second is when the government expenditure is disaggregated into its recurrent and capital components. The models are set as Autoregressive Distributed Lag (ARDL) specifications.

GDP= f[(GDP(-1), GDP(-2), GOV, GOV(-1), GOV(-2), INV INV(-1), INV(-2)]

Where GDP stands for Gross Domestic Product; GOV for government expenditure and INV for Investment

The model consist of Gross Domestic Product which is a proxy used for calculating economic growth in Nigeria, Total government expenditure and Investment which is also a proxy for gross capital formation in Nigeria. The explanatory variable stated above is expected to have positive relationship.

Furthermore, the total government expenditure in Nigeria can be divided into capital government expenditure and recurrent government expenditure. The two types of government expenditure can be used to determine which has more impact on economic growth in Nigeria. It can be modeled as:

GDP= ƒ[(GDP(-1), GDP(-2), TREC, TREC(-1), TREC(-2), TCAP, TCAP(-1), TCAP(-2)]

Where TREC is Total recurrent expenditure and TCAP is Total capital expenditure.

4.0 DATA ANALYSIS AND INTERPRETATION

Table 4.1: Unit root test

Variables	Augmented Dickey-Fuller Test Statistics	Phillips-Perron Test statistics	Order of Integration	Max No. of Lags
GDP	-4.012759	-4.012759	I(1)	7
GOV	-7.159771	-6.976486	I(1)	7
INV	-3.697693	-3.558430	I(1)	7
TCAP	-5.660589	-5.652449	I(1)	7
TREC	-7.975949	-8.065964	I(1)	7

 Source: Authors' computation

Table 4.2: Cointegration result (a)

Trend assumption: linear deterministic trend.

Series: GDP GOV INV

Unrestricted Cointegration Rank Test (trace)

Lags interval (in first differences): 1 to 1			
Eigen value	Trace value	5% critical value	No of CE's
0.847699	82.62526	29.79707	None *
0.455944	28.05021	15.49471	At most 1 *
0.301308	10.39782	3.841466	At most 2 *
Trace test indicates 3 cointegrating eqn(s) at the 0.05 level			
* denotes rejection of the hypothesis at the 0.05 level			
**MacKinnon-Haug-Michelis (1999) p-values			

Unrestricted Cointegration Rank Test (Maximum Eigenvalue)

Eigen value	Max-Eigen statistics	0.05 critical value	No of CE's
0.847699	54.57504	21.13162	None *
0.455944	17.65240	14.26460	At most 1 *
0.301308	10.39782	3.841466	At most 2 *

Max-eigenvalue test indicates 3 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values

Table 4.3 Regression Result (a)

Variables	coefficient	Standard error	t-statistics	probability
C	5.337038	2.210052	2.414893	0.0237
LNGDP(-1)	0.944916	0.212534	4.445959	0.0002
LNGOV	0.339385	0.150765	2.251089	0.0338
LNINV(-1)	0.006003	0.091554	0.065570	0.9483
LNGDP(-2)	-0.299370	0.203505	-1.471074	0.1543
LNGOV(-2)	0.038524	0.147986	0.260325	0.7968
R-square	0.996371	Adjusted R^2	0.995615	
Prob(F-statistics)	0.000000	D-W statistics	2.296987	

Source: Authors' computation from result

Table (4.1), it is observed that the variables are cointegrated. The existence of cointegration implies that there is long-run equilibrium relationship between the stated variables.

From the result stated, given the value of adjusted R^2 that the independent variables in the model statistically explains the changes in the position of the gross domestic product in Nigeria. 99% changes of the dependent variables are attributed to the independent variables. The model is statistically significant given the value of the F-statistics implying that the relationships estimated in the model is appropriate and the Durbin-Watson statistics is also significant having a value of 2.296987, it allows us to conclude that there are no problems of autocorrelation between the variables.

From the model stated, the GOV at the current period has a positive relationship to GDP and it is statistically significant at 5% level of significance. Also GOV when lagged by two periods has a positive relationship but not statistically significant relationship with GDP. Therefore the a priori expectation is confirmed, that government expenditure will rise in the same direction as GDP in Nigeria. In this model, INV in the first period has a positive relationship to the dependent variable but it is not statistically significant.

Table 4.4 Granger Causality

Pairwise Granger Causality Tests
Date: 07/08/13   Time: 23:50
Sample: 1980 2011
Lags: 2

Null Hypothesis:	Obs	F-Statistic	Prob.
LNGOV does not Granger Cause LNGDP	30	1.73301	0.1973
LNGDP does not Granger Cause LNGOV		3.98410	0.0315
LNINV does not Granger Cause LNGDP	29	0.11136	0.8951
LNGDP does not Granger Cause LNINV		1.55055	0.2326
LNINV does not Granger Cause LNGOV	29	2.37425	0.1146
LNGOV does not Granger Cause LNINV		0.94906	0.4012

Table (4.4) examines the direction of causation between the macroeconomic variables. The significance causality determines the rejection of the Null hypothesis of no difference, the alternate hypothesis will be accepted. In the causality between government expenditure and the gross domestic product, Government expenditure does not granger cause gross domestic product to be significance, in this case the null hypothesis is accepted. Gross domestic product does not granger cause government expenditure produces a significant result and the conclusion will be to reject the null hypothesis and therefore accept the alternate hypothesis that gross domestic product granger causes government expenditure. This granger causality identifies a unidirectional causality.

The causality between investment and gross domestic product are not significant and in this situation the null hypothesis will be accepted. It implies that investment does not granger cause gross domestic product likewise, gross domestic product does not granger cause investment. There is no causal relationship between the two variables. The causality between investment and government expenditure are not significant and in this situation the null hypothesis is accepted which implies that non of the variables granger causes the other. It can be stated as investment does not granger cause government expenditure and also government expenditure does not granger cause investment.

Table 4.5: cointegration result (b)

Trends assumption: Linear deterministic trend.

Series: GDP TCAP TREC

Unrestricted cointegration Rank Test (trace)

Eigen value	Trace Value	5% critical value	No of CE's
0.936444	112.0463	29.79707	None *
0.510858	29.37109	15.49471	At most 1 *
0.231975	7.918000	3.841466	At most 2 *

Trace test indicates 3 cointegrating eqn(s) at the 0.05 level

* denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Unrestricted Cointegration Rank Test (Maximum Eigenvalue)

Eigen value	Max-Eigen statitics	0.05 critical value	No of CE's
0.936444	82.67522	21.13162	None *
0.510858	21.45309	14.26460	At most 1 *
0.231975	7.918000	3.841466	At most 2 *

Max-eigenvalue test indicates 3 cointegrating eqn(s) at the 0.05 level.

*denotes rejection of the hypothesis at the 0.05 level

**Mackinnon- Haug- Michelis (1999) P-values.

Table 4.6: Regression result (b)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	5.499331	2.225095	2.471504	0.0213
LNGDP(-1)	0.943785	0.241815	3.902923	0.0007
LNTCAP	0.023481	0.105230	0.223137	0.8254
LNTREC	0.238128	0.099548	2.392090	0.0253
LNTREC(-1)	0.058198	0.130698	0.445290	0.6603
LNGDP(-2)	-0.287916	0.188560	-1.526919	0.1404
LNTCAP(-1)	0.041405	0.100973	0.410056	0.6856
R-squared	0.996834	Adjusted R^2	0.996008	
Prob(F-statistics)	0.000000	D-W statistics	2.192883	

Authors' computation

This model identifies total capital expenditure and total recurrent expenditure as the independent variables. It is observed that there is cointegration between the variables and that implies that there is existence of long-run relationship of the variables. Table (4.6) gives the adjusted R^2 the independent variables statistically explain the changes in the dependent variable. 99% changes of the dependent variable are attributed to the independent variables. The model is statistically significant given the F-statistics and the Durbin-Watson statistics shows no

indication of autocorrelation. From the model, TCAP coefficient in the current period and the first period are positively related to GDP but they are not statistically significant. This confirms the apriori expectation that it is positively related. This result is related to the study of Muritala and Taiwo (2011) who also found that there is positive relationship between GDP against TCAP.

TREC variable shows that that in all the periods the coefficients are positive. TREC in the current period is statistically significant while TREC in the first period is not significant; this is related to the study conducted by Modebe, Regina, Onwumere and Imo (2012). The a priori expectation of TREC having a positive relationship to GDP is correct. In Nigeria, recurrent expenditure contributes a large percentage to the gross domestic product. The analysis above on the impact of the lump sum government expenditure, recurrent expenditure and capital expenditure shows that the independent variables are positively related to economic growth.

5.CONCLUSION AND RECOMMENDATION

This study has modeled and estimated the aggregate expenditure for Nigeria in order to examine the long run relationship between the variables influencing economic growth in Nigeria. The study also examines the impact of the components of government expenditure on economic growth in Nigeria. It is shown in this study that increase in government expenditure over the years primarily drives economic growth. Government expenditure is positively related to economic growth and it is statistically significant. Investment on the other hand is positively related the economic growth but not statistically significant. This study has contributed to the research effort at empirical measure of the impact of government expenditure on economic growth. The analysis revealed that there is relationship between government expenditure and economic growth. The aggregated effect of government expenditure on economic growth is statistically significant. This study adopts the Keynesian model (1936) of government intervention in the economy.

The dissemination of the government expenditure in Nigeria is into the total capital expenditure and total recurrent expenditure. The study shows the impact of each component on the Nigeria economy. The result of the total capital expenditure is not significant but is positive while the total recurrent expenditure is positively related and is significant. In the Nigeria economy, there is concentration on the recurrent expenditure. Capital expenditure is necessary for capital formation and infrastructural development. In Nigeria, the recurrent expenditure grows at a higher rate while the capital expenditure grows at a slower rate. The consequence of this is that the country takes the risk of not meeting her aspiration. One of the major problems of the economy is corruption and this affects the expenditures allocated to different sectors. In order to obtain economic growth it will require level of transparency, accountability and integrity of the government on the expenditure at various sectors of the economy. There is need for adequate planning of the government expenditure.

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