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Budget Transparency in Indonesia Case: Implications for Economic Performance and Growth

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ABSTRACT

Purpose – This study investigates the role of budget transparency in enhancing economic performance and growth in Indonesia. It specifically examines how informational openness in public financial management influences government accountability and economic outcomes, measured by Gross Domestic Product and per capita income growth.
Design/methodology/approach – This research employs a quantitative approach using pooled statistical data. The analysis integrates the International Budget Partnership's Open Budget Index 2006-2024 with national economic indicators obtained from the Central Bureau of Statistics and the Ministry of Finance of the Republic of Indonesia. The constructs were analyzed using multiple regression analysis.
Finding/Results – The results demonstrate that greater budget transparency has a positive and significant impact on economic performance and economic growth. Transparency is identified as an essential mechanism for optimizing resource allocation and fostering fiscal responsibility.
Originality/Value – This study contributes to the theoretical frameworks of Contingent Approach, Agency Theory, Governance Theory, and Economic Growth Theory by providing empirical evidence from the Indonesian context. It underscores that budget transparency is not merely an administrative requirement but a critical, strategic driver of sustainable economic development.

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1. Introduction

The primary purpose of this research is to gather better information to address the critical importance of openness and transparency in state budget management. By doing so, the study aims to ensure that development goals for a prosperous and sustainable society are met through specific economic growth targets and improved government performance. This study is conducted because budget transparency is essential for ensuring that public funds are utilized effectively and efficiently. Furthermore, it provides the necessary mechanism for citizens to hold the government accountable for the expenditure of taxpayer money, which is a fundamental principle of good governance. The study is motivated by 2006-2024 survey data revealing that global budget transparency is generally poor, especially in lower-income countries. Additionally, the global financial crisis has increased pressure on governments to ensure balanced budgets and transparent financial information. The studies reference the use of the Open Budget Index data, a tool developed by the International Budget Partnership to document budget transparency worldwide and rank countries based on fiscal openness. The research suggests that higher budget transparency leads to better governance quality, lower national debt, and reduced corruption. It is also positively associated with financial sustainability and increased public trust in local government.

The study also contributes to the development of public policy by providing strategies to strengthen public trust. It also illustrates how transparency of budget reduces information asymmetry between the government and financial markets, potentially lowering borrowing costs. Based on thus situation, there is a significant gap in transparency worldwide; poor transparency is recognized as a catalyst for fraud, corruption, and economic instability. The problem identification centers on how the government can provide easy access to budget information to encourage accountability and participation. Key questions involve how budget transparency influences financial performance and the stability of economic growth involves digital literacy gaps, particularly in Indonesia. The study aims to define how to prevent corruption through public participation, ensure fair resource allocation, and implement regular audit processes to increase public sector confidence and capital investment by utilizes Agency Theory to explain the principal-agent relationship between government and citizens, and Governance Theory to highlight the obligation of the state to collaborate with civil society, and to addresses the historical difficulty in finding reliable, standardized measures for budget transparency, utilizing International Budget Partnership's Open Budget Index data as a solution for documenting global fiscal data.

This study uses a Contingency approach to build the conceptual groundwork for the consequences of budget transparency on economic growth in a specific geographic-demographic context, specifically Indonesia. This study will attempt to further examine the effectiveness of government budget policies, allowing for future adjustments based on regional geographic and demographic conditions that are relatively different, leading to a relatively different overall impact on government performance growth.

From a contingent perspective, the effectiveness of budget transparency reforms is highly dependent on contextual factors such as institutional capacity, socio-cultural diversity, technological readiness, and regional disparities. In the Indonesian context, the implementation of transparency mechanisms cannot rely on a uniform policy design, as each region possesses different levels of digital infrastructure, administrative capability, and public literacy. Therefore, the contingent approach emphasizes that governance reforms must be adaptive and responsive to local conditions in order to achieve optimal outcomes. This perspective reinforces the argument that inclusive digital transformation, citizen participation, and accountability mechanisms should be tailored to the specific characteristics of each locality to ensure that budget transparency effectively contributes to public trust, governance quality, and sustainable economic development.

2. Literature Review & Hypothesis Development

Budget Transparency refers to activities initiated by the government to provide easy access to budget-related information for the public, including information about sources of revenue, expenditures, and budget allocations. With the presence of ease and openness of budget information, the government is expected to encourage accountability, participation, and trust among the community (Junias et al., 2024). Budget transparency is very important to ensure that public funds are used effectively and efficiently. It also allows citizens to hold the government accountable for the use of taxpayers' money. Forms of transparency that the government can implement include creating online portals or website platforms where citizens can easily access detailed information about how their tax money is being used by the state.

Transparency in public budgeting has long been recognized as a principle of good governance, yet reliable measures of budget transparency are still quite difficult to find. Open Budget Index (OBI) information can help identify simple steps that governments and other actors can take to improve their budget and fiscal transparency (De Renzio & Masud, 2011); (Cimpoeru & Cimpoeru, 2015). The Centre on Budget and Policy Priorities and the International Budget Partnership collaborate with civil society around the world to use budget analysis as a tool to improve governance efficiency and reduce poverty. The OBI data by International Budget Partnership's is a tool that documents the budget transparency of countries worldwide, providing useful data that is used to maximize public interest (Keping, 2018), and transparency in government decision-making, as well as showing information on the ranking of countries according to their budget openness in terms of fiscal transparency (De Renzio & Masud, 2011); (Seifert, Carlitz, & Mondo, 2013); (Cimpoeru & Cimpoeru, 2015). Data from the latest International Budget Partnership's survey published in 2023 reveal that, on average, the state of budget transparency worldwide is poor. Countries with lower incomes, weaker democratic institutions, and higher dependence on foreign aid tend to be less transparent. However, several countries have improved the quantity and scope of budget information they publish, in some cases in response to civil society pressure based on transparency findings (De Renzio & Masud, 2011). The occurrence of the global financial crisis and the movement for financial information transparency have put significant pressure on governments to cut spending and ensure a balanced budget. Related to the theory of public choice and the principal-agent (Agency Theory) used, it shows that a higher level of budget transparency has a positive impact on governance quality, and vice versa (Bisogno & Cuadrado-Ballesteros, 2022).

The research results of Batisda et al. (2015) indicate that greater fiscal transparency and political trust are associated with lower national debt. This means that low fiscal transparency and political trust can lead to higher corruption, budget deficits, current account deficits, and rising unemployment, which could potentially increase the country's interest rates, thereby reducing economic performance in the form of rising national debt. The government needs to be more transparent in budget usage, as transparency reduces uncertainty and the potential for fraud, improves decision-making, and thus lowers borrowing costs (Bastida, Dolores-Guillamon, & Benito, 2015). The Agency Theory approach explains that public transparency can reduce information asymmetry between the government and financial markets, which in turn, reduces investor demands. Cuadrado-Ballesteros & Bisogno (2022) also explained that budget transparency can be positively associated with the financial sustainability of the government, beyond the traditional goal of increasing citizen trust and participation. Enhancing awareness of the importance of public policies by the government can benefit financial sustainability as well as the openness of public administration (Cuadrado-Ballesteros & Bisogno, 2022). The higher the level of budget transparency, the greater the public's trust in local government. This study provides important implications for the development of public policy, particularly in improving budget transparency to strengthen public trust (Hamzah, et al., 2024). Therefore, it can be said that transparency in government budget management can help prevent corruption and ensure that public/community resources are allocated fairly and evenly.

The perspective of governance in Indonesia, Dosinta et al. (2024) confirm that disclosures in the Audit Report of the Audit Board of the Republic of Indonesia (LHP-BPK RI) need to state that local governments must prioritize fulfilling basic needs, education, health, and social services, which are part of the expenditure for mandatory affairs, as a form of improving the quality of life of the community. The implication of this research argues that the management of government expenditures in developing human capabilities, which is an important part of budget transparency in Indonesia, has not yet been optimal (Dosinta, Djafar, & N., 2024).

The lack of understanding among some members of society in accessing the internet, the difficulty in navigating complex budget documents, and limited technological literacy will also impact the public's ability to effectively demand accountability from the government (Junias, Lasfeto, Naiola, & Malelak, 2024). Stakeholders should be able to synergize optimally in managing state finances in order to improve government performance, particularly in implementing accountability and financial reporting of the state (Afriyanti, Sabanu, & Noor, 2015). From the perspective of Governance Theory, the government or state is obliged to take active steps in building effective relationships and collaboration between the government and civil society, thereby fostering good communication and legitimacy for the public (Keping, 2018); (Wijaksana, 2025).

Transparency and accountability tend to improve the quality of public services and government governance in developing countries (Kosack & Fung, 2014). Prijaković (2022) also stated that governments with a high level of budget transparency are associated with budget balance as well as planning and estimating the intended budget usage, such as government expenditures and debt, up to predicting budget usage to anticipate inflation faced by the government. Therefore, budget transparency will reduce the potential for corruption due to political factors because of high public participation in budget allocation, optimal prevention and control of corrupt practices, as well as effective and efficient economic performance quality. It is very important for the government not only to provide budget transparency but also to carry out regular audit and oversight processes to ensure that funds are used properly and correctly (Prijaković, 2022). This is expected to help detect and prevent fraudulent practices and corruption by a few government officials, as well as to increase public sector confidence in making capital investments (Wijaksana, 2025).

Thus, the government is also expected to be able to build public trust, encourage accountability in the use of public funds, and play an important role in promoting financial performance stability and the country's economic growth. Therefore, the purpose of this research is to gather better information in addressing the importance of openness and transparency in the management of state budgets, so that the development goals aimed at creating a prosperous and sustainable society can be achieved through economic growth targets and government economic performance.

Overall, it can be assumed that Budget Transparency represents a critical governance mechanism whereby governments provide citizens with accessible information about budget sources, expenditures, and allocations, fundamentally addressing the principal-agent problem inherent in democratic fiscal management by enabling accountability, fostering public trust, and ultimately improving economic performance. The document establishes that while budget transparency has long been recognized as a cornerstone of good governance, reliable measurement and implementation remain challenging—a gap the Open Budget Initiative addresses by providing comparative data on countries' budget openness and fiscal transparency. Research demonstrates that transparency directly combats the information asymmetry between government officials and citizens, allowing the public to verify that tax revenues are used effectively and efficiently; however, the relationship between transparency and positive outcomes is not automatic and requires complementary conditions including technological infrastructure, civic literacy, and functional audit institutions. The economic benefits of transparency operate through multiple pathways: transparent budgets reduce investor uncertainty, lowering government borrowing costs; accountability mechanisms enabled by transparency deter corruption and reduce its efficiency tax on public spending; and informed public scrutiny encourages officials to prioritize high-return investments in human development and infrastructure. Critically, the document notes that countries with lower incomes, weaker democratic institutions, and greater foreign aid dependence tend toward less transparency, while those with transparent budgets coupled with strong oversight mechanisms demonstrate lower national debt, better fiscal planning, and improved service delivery—evidence that transparency's economic impact is measurable rather than purely theoretical.

The Indonesian context illustrates this challenge, where despite mandates for transparent reporting by the Audit Board, the government has not optimally managed expenditures in developing human capabilities, suggesting that transparency requirements alone are insufficient without complementary reforms. The framework also highlights a self-reinforcing dynamic: initial transparency reforms create constituencies—informed voters, civil society organizations, and markets—with interests in maintaining openness, making institutional change more durable. However, significant barriers remain, particularly limited internet access, difficulty navigating complex documents, and low technological literacy among segments of the population, which impair citizens' ability to demand accountability effectively. Thus, while the document strongly establishes that transparency reduces uncertainty, prevents fraud, improves decision-making, and lowers borrowing costs, it implicitly argues for an integrated approach where transparency serves as a necessary but not sufficient condition for good governance—requiring simultaneous investment in civic education, institutional capacity, and technological access to translate information availability into genuine accountability and sustainable economic improvement.

3. Methodology

The methodology for this research will use a combination of quantitative and qualitative research methods. A mixed-methods approach will be employed to collect data on the relationship between budget transparency, political stability, government governance, and economic outcomes. Quantitative data in the form of secondary data by International Budget Partnership's will be collected through surveys of tabulated secondary data from 2006-2024 and statistical analysis to measure the impact of budget transparency on economic indicators such as GDP growth, inflation rates, and foreign investment.

Regression analysis techniques will be used to identify patterns and trends in the collected data, allowing for a comprehensive understanding and insight into the relationship between budget transparency and government governance (performance and economic growth). The results of this analysis are also expected to serve as practical examples for policymakers and stakeholders to learn from.

$$GDP \;\; = \alpha_1 + ß_1 OBI + \varepsilon \text{ ....} \quad (1)$$

$$GDP\ /capita\ growth\ rate = \alpha_2 + ß_2 OBI + \varepsilon \text{ ....} \quad (2)$$

Note: GDP = Economic Performance; GDP *per capita* growth rate = Economic Growth; OBI = Budget Transparency; α_1; α_2 = *constant*; $ß_1$; $ß_2$ = *coefficient of regressions*; ε = *error of model.*

4. Result and Discussion

4.1. Transparency of Budget Disclosure

Budget transparency refers to the extent to which the government provides complete and timely information to the public regarding its budget decisions and implementation. This includes the creation of budget information documents that are easily accessible, clarity of information about allocated budgets, and ensuring that the public can participate in both the formulation and public oversight of the budget. This indicates that budget transparency leads to better governance practices and ultimately delivers positive economic performance outcomes. The level of transparency encourages accountability and public trust in the use of public funds. While budget transparency is very important, other factors such as law enforcement mechanisms and open political will are also crucial to ensure good governance and economic progress. Table 1 provides an overview of the average transparency value – open budget system – of 60.22 points over 9 periods from 2006 to 2023, where the minimum value of 42 points occurred in 2006, while the highest value of 70 points was recorded in 2019, 2021, and 2023.

Table 1. Descriptive Statistic

	N	Minimum	Maximum	Mean	Std. Deviation
OBI	9	42	70	60.22	9.757
GDP/cap growth rate	9	1558.3	4876.3	3422.933	1055.8271
GDP	9	364.6	1370.2	900.890	321.9279
Valid N (listwise)	9				

Notes: GDP = Economic Performance; GDP/cap growth rate = Economic Growth; OBI = Budget Transparency
Source: Researcher, 2025

The processed data published by the International Budget Partnership clearly shows that there has been a fundamental change in the demand for openness or transparency in the use of state budgets. International Budget Partnership data indicates that over the period 2012 – 2024 (5 assessment periods), Indonesia's budget transparency index has been above 60, which demonstrates a significant level of good transparency within the country (International Budget Partnership, 2023).

Good governance principles and accurate, reliable measures of budget transparency can help identify simple steps that governments and other actors can take to improve their budget and fiscal transparency (De Renzio & Masud, 2011); (Cimpoeru & Cimpoeru, 2015). This openness of budget information can promote accountability, participation, and trust both among government institutions and between the government and the public (Junias, Lasfeto, Naiola, & Malelak, 2024), as well as maximize public interests (Keping, 2018).

The explanation above can be seen from the Gross Domestic Product per capita growth rate data in Table 1, which has continuously increased from 2006–2023, indicating that the equitable distribution of income among the population is one of the positive impacts of transparent government fiscal management. The lowest value occurred in 2006 at 1558.3, and the highest in 2023 at 4876.3, with an average GDP per capita growth rate value of 3422.93. The results of this data analysis provide an overview that during the assessment period, there has been an improvement in the country's economic performance as measured by GDP per capita growth rate. The total value of Indonesia's Gross Domestic Product (GDP) has also continued to experience significant growth and increase, as seen in the data processed in Table 1, where the lowest net domestic product occurred in 2006 at 364.57 and the highest in 2023 at 1370.2, with an average GDP of 900.89. The findings of this data analysis show that, during the assessment period, the country's economy grew strongly and positively as a result of government fiscal policies and a very favorable investment climate.

4.2. The Important Role of Budget Transparency in Economic Performance and Economic Growth

Table 2. Regression Analysis Statistics Summary (H1)

Indicators	Value
R-square Model Summary	.880
Adjusted R-square	.863
Std. Error of Estimated	390.5251
ANOVA F-test	51.476
ANOVA F-test Sig.	.001
Constant Coeff.	-2691.516
Std. Error of Coeff.	862.111
t-test value	-3.122
t-test Sig.	.017
Independent Var. Coeff. (OBI)	101.531
Std. Error of Coefficient	14.151
t-test value	7.175
t-test Sig.	.001
Dependent Var. (GDP)	

Notes: GDP = Economic Performance; OBI = Budget Transparency

Source: Researcher, 2025

The important role of budget transparency is crucial in the economic development of a country, where public participation in oversight will provide high public trust in the use of budget allocations sourced from the public itself. Thus, it is expected to foster economic performance that can improve the welfare of society. Budget transparency relatively has quite critical issues, where public trust is likely to feel that the budgeting process and budget implementation, especially in Indonesia, are still very low. Public pessimism in society is very high due to policy uncertainty, which can lead to a decline in economic stability and domestic investment.

The results of the regression statistical test in Table 2 show that the coefficient value of budget transparency (OBI) is positive at 101.531 and significant at the 0.001 level, with a relatively small standard error of 14.151, indicating that the role of transparency in information disclosure has a significant impact of 86.3% on efforts to reduce government policy uncertainty, particularly in the fields of economy and investment, which ultimately will sustainably improve overall societal welfare. Thus, this research result answers the first hypothesis (H1), which explains that budget transparency has a positive and significant effect on improving government economic performance.

This research also reinforces the assumptions of Good Governance Theory, which explains that transparency or openness in public information can help prevent corruption in government or budget fraud, and ultimately will result in more efficient and effective budget usage. Therefore, efforts to increase budget transparency as a governmental solution will influence public trust, and oversight of public fund management, both by the public themselves and by law enforcement authorities, will also impact the stability of the community's economy, indicated by the potential increase in per capita welfare.

Other findings in this research also clarify the important role of a transparent and open budgeting process, which can attract foreign investors to invest their funds domestically, ultimately enhancing the overall economic development of the country in a stronger and more sustainable manner. The important role of this can be seen in the analysis results in Table 3, which shows that the coefficient value of budget transparency (OBI) is positive at 31.026 and significant at the 0.001 level, with a relatively small standard error of 4.244. The role of transparency in information openness has a real impact of 86.8% in efforts to reduce fluctuations in economic growth, particularly the GDP per capita growth rate value. This is expected to have an impact on better economic growth quality, which will continue to experience positive and sustainable fluctuations, ultimately improving Indonesia's economy. Thus, the results of this research are also able to address the second hypothesis (H2), which explains that budget transparency has a positive and significant effect on enhancing government economic growth.

Table 3. Regression Analysis Statistics Summary (H2)

Indicators	Value
R-square Model Summary	.884
Adjusted R-square	.868
Std. Error of Estimated	117.1325
ANOVA F-test	53.430
ANOVA F-test Sig.	.001
Constant Coeff.	-967.536
Std. Error of Coeff.	258.578
t-test value	-3.742
t-test Sig.	.007
Independent Var. Coeff. (OBI)	31.026
Std. Error of Coefficient	4.244
t-test value	7.310
t-test Sig.	.001
Dependent Var. (GDP per capita growth rate)	

Notes: GDP/cap growth rate = Economic Growth; OBI = Budget Transparency

Budget transparency is important in the context of Indonesia, due to Indonesia having very unique geography and demographics, which also impacts the model of government decentralization and the model of fiscal governance that is quite unique. Geographical factors as well as demographic factors of the community, which are of course also influenced by the work culture between regions that is heterogeneous, will certainly face different patterns of budget monitoring and control, requiring a considerable amount of time and significant funding. This will naturally have an impact on the increasing use of the budget, thereby affecting the financial performance issues of local governments. Another important matter that needs serious attention from the central government is the process of adoption and adaptation to the very rapid development of digital technology. This will affect the process of implementing technology usage by human resources as its operators.

There needs to be an anticipation process by the government to be able to produce a stronger economy through mechanisms, including the need for budget support for financing in the human resource development competence sector as the spearhead of budget implementation in a transparent, accountable, effective, and efficient manner. The role of investors in development investment also needs to be increased to support the achievement of effectiveness, efficiency in budget implementation, and optimization of public budgeting. The role of investors will reduce the financing of work programs, making the budget more efficient. The public also needs to monitor and supervise the use of government budgets so that budget transparency will be achieved and the potential for budget fraud by human resource operators can be minimized. This will, of course, have a positive impact on the central government's GDP as well as the national per capita GDP of the population, which is a manifestation of economic performance development.

5. Conclusion and Suggestion

The use of a transparent and open budget will reduce uncertainty and the potential for fraud, as well as improve the quality of decision-making. The Agency Theory approach in the context of public governance explains the relationship between the public (principal) and the government (agent). This Agency Theory approach also explains that public financial transparency can reduce information asymmetry between the government and financial markets (Bastida, Dolores-Guillamon, & Benito, 2015), as well as the general public (Hamzah, et al., 2024), and can be positively associated with government financial sustainability and public administrative transparency (Cuadrado-Ballesteros & Bisogno, 2022). The results of this study are also in line with the Good Governance Theory, which posits that the higher the level of budget transparency, the greater the public's trust in the government in enhancing the accountability of financial performance, and it will also strengthen public confidence (Hamzah, et al., 2024). This aligns with the Economic Growth Theory, which explains that the government's role in budget transparency and openness, along with public oversight as part of community participation in the use of public funds, will in turn have a positive impact on economic fiscal stability and increased investment attractiveness. In other words, the higher the public's trust in the government through broad access to public information, the more it will improve economic performance and economic growth, which will impact the equitable distribution of income among the population (Keping, 2018).

This research also contributes to Good Governance Theory as well as Economic Growth Theory, which explains that a transparent and open budgeting process can attract foreign investors and help enhance a strong and sustainable economy for a country. By prioritizing open communication and accountability in budgeting practices with the community, the government can create a conducive environment for both economic growth and economic performance for the prosperity of all stakeholders. Therefore, by using the Agency Theory approach, this research contributes to reinforcing that the government, as the policy-maker and decision-maker concerning the economy at large, must be able to combat potential fraud and misuse of public funds by the designated budget implementers. Thus, it can be said that it is very important for the government not only to have transparent budgeting practices but also strong oversight mechanisms. This can include a collaborative role, such as audit mechanisms by the state financial audit institutions or anti-corruption agencies, to monitor the use of state budgets and their accountability for the sake of improving public welfare and the country's economic growth, particularly in Indonesia (De Abreu & Gomes, 2016); (De Abreu & Gomes, 2021).

Budget transparency refers to how the government provides complete and timely budget information to the public, including easy access to budget information and clear budget allocations. Public participation in both the budgeting process and public oversight will lead to better governance practices and, ultimately, deliver positive economic performance and economic growth outcomes for the broader society. The results of this research can make a direct contribution to Agency Theory, Government Governance Theory, and also Economic Growth Theory, where the role of transparency in budget information disclosure has a positive and significant impact on the implementation of financial performance as well as economic growth in Indonesia.

Within the distinctive Indonesian setting—characterized by extensive geographical dispersion and substantial demographic diversity—inclusive digital transformation, particularly through multilingual platforms, mobile-oriented systems, and interfaces accessible to low-literacy populations, constitutes a fundamental prerequisite for strengthening budget transparency as an instrument of community empowerment throughout the archipelago. The findings of this study provide robust empirical evidence that budget transparency should not be perceived solely as an administrative obligation; rather, it represents a strategic mechanism capable of fostering sustainable economic development at the national level. In this regard, integrated reform initiatives may be implemented through four interrelated pillars, namely financial governance, citizen participation, public audit orientation, and digital accessibility. The synergistic integration of these pillars is expected to generate multidimensional benefits within the development process, including the enhancement of public trust through greater civic engagement in governmental budgeting activities, as well as the optimization of human resource allocation to support the government’s long-term development objectives. Furthermore, improved transparency and accountability are likely to increase budgetary efficiency by reducing opportunities for fraud, corruption, and misuse of authority. Consequently, the more effective allocation and utilization of public expenditures may contribute to broader social welfare improvements through a more equitable distribution of economic resources across sectors, while simultaneously creating a more conducive environment for private sector investment and sustainable national economic growth.

6. Limitations and Future Research

Despite its contributions, this study acknowledges several limitations that provide opportunities for further scholarly inquiry. Primarily, the empirical scope is restricted to data from Indonesia, which may limit the broader generalizability of the findings. Furthermore, the analysis relies on a constrained set of indicators, suggesting that different analytical perspectives could yield nuanced or varying results. To enhance the robustness of future research, it is recommended that subsequent studies expand the geographical scope to include all regencies and cities, thereby capturing a more comprehensive and accurate representation of local government conditions, so that it can expand the dataset and also to avoid vulnerabilities in statistical results. Additionally, future research should move beyond the current limited indicators by developing a more diverse variable framework. Integrating socio-economic and fiscal metrics, such as population density, regional income levels, local government expenditure patterns, as well as investment, inflation, trade openness, government spending, population growth, human capital, quality of institutions, tax revenue, and global economic shocks. These factors may provide essential in providing a more holistic understanding of the factors that drive and improve government performance.

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Declaration of AI and AI-assisted technologies in the writing process
During the preparation of this work, the author(s) used Google Open AI in order to improving the clarity of language, refining academic writing, and organizing the structure of the manuscript.. After using this tool/service, the author(s) reviewed and edited the content as needed and take(s) full responsibility for the content of the publication.

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