



Transparent Budget in the System of Public Administration

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Abstract

In the current digital age, budget transparency becomes an important characteristic of the quality of public administration. Over the past two decades, there has been a rapid increase in the level of openness of budget data. However, this is not happening in all countries; the gap in the level of transparency is striking, and it is growing. To a large extent, this level depends on the concept of public administration adopted by this or that state. The paper examines the peculiarities of the budget openness policy in the three most common public administration systems: the Weberian model, New Public Governance and New Public Management. In the countries practicing the Weberian system, budget openness is not maintained or is treated formally. The New Public Governance system, in terms of budget transparency, is mostly focused on the development of democracy rather than on addressing financial issues. New Public Management is aimed at improving the efficiency of public administration. This requires a high level of budget data transparency. However, this level has not yet been achieved; therefore, the real impact of the New Public Management system can only be expected in the future.

Keywords: public finance, public administration, transparent budget, weberian, new public governance, new public management

JEL: H61, H72

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INTRODUCTION

At the beginning of the 21st century, the interest in the topic of budget transparency has drastically increased. Initial contributions were made by influential international organizations which developed documents that still remain fundamental in the field of budget data transparency. Most notable in this regard are such organizations as the International Monetary Fund (IMF), which prepared the first edition of The Fiscal Transparency Code¹ in 1998; the Global Initiative for Fiscal Transparency (GIFT), which introduced the High-Level Principles

¹ The Fiscal Transparency Code has been updated and revised several times. The 2019 version is currently valid: The Fiscal Transparency Code. International Monetary Fund, 2019. Available at: <https://www.imf.org/external/np/fad/trans/Code2019.pdf>.

on Fiscal Transparency, Participation and Accountability² in 2012, and the Organization for Economic Co-operation and Development (OECD), which developed the Principles of Budgetary Governance³ in 2014. Since 2006, the International Budget Partnership (IBP) has been calculating the Open Budget Index for countries worldwide. The 2019 rating assesses budget openness of 117 countries.⁴

Initiatives of international organizations⁵ and the Open Budget Index have stimulated a significant increase in the level of budget openness over the past two decades. This was driven, inter alia, by the development of information technologies. Budget documents are usually voluminous and include many digital indicators. The transfer of budget information from paper to digital on the Internet has made extensive public finance data fundamentally more accessible to public finance professionals and ordinary citizens. This, in turn, has given an impetus to scientific research into the problems of public finance administration.

The studies explored the relationship between budget data openness and other elements of the socioeconomic system, e.g. relationship between budget transparency and macroeconomic indicators [Bastida, 2007], inflation [Montes and Da Cunha Lima, 2018], direct foreign investments [Cicatiello et al., 2021], corruption [Lederman et al., 2005; Lindstedt and Naurin, 2010; Montes and Luna, 2021], country credit ratings [Arbatli and Escolano, 2015], political competition [Wehner and De Renzio, 2013], and even voter turnout rates [Benito and Bastida, 2009]. Most appealing to scientists and experts was the relationship between budget openness and public accountability [Fox, 2007; Hood, 2010; Monteset et al., 2019].

Accountability is indeed central to determining the place of budget transparency in the public finance system. The IBP rating shows a wide variation in the budget data openness level between different countries around the world. According to 2019 data, Venezuela and Yemen scored 0, whereas the leaders, New Zealand and South Africa, scored 87 out of 100.⁶ This situation is quite explicable. Countries are not simply reluctant to publish budget data and be accountable to the society. Budget transparency is one element of the general concept of public administration. Therefore, it is necessary to consider the place occupied by budget openness in the existing public administration models.

The complexity and diversity of modern political and socioeconomic processes have given rise to a wide variety of theoretical concepts of public administration. Among them are Public Value Governance [Bryson et al., 2014], Participatory Governance [Fung and Wright, 2001], New Public Service [Denhardt and Denhardt, 2000], Collaborative Governance [Ansell and Gash, 2007], Interactive Governance [Torfing et al., 2012], Meta-Governance [Jessop, 2011], Network Governance [Rhodes, 2017] and many others. All of them are of considerable interest, as they reflect certain aspects of public administration processes. However, in real practice, three of the most developed concepts are used: the Weberian concept, New Public Governance and New Public Management. This paper considers the role and place of budget transparency in these conceptual models.

² The 2018 version is currently valid: *High-Level Principles on Fiscal Transparency, Participation and Accountability*. GIFT. Available at: https://www.fiscaltransparency.net/ft_principles/.

³ *OECD Principles of Budgetary Governance*. OECD Publishing, Paris, 2014. Available at: <https://www.oecd.org/gov/budgeting/Draft-Principles-Budgetary-Governance.pdf>.

⁴ *Open Budget Survey 2019*. International Budget Partnership, 2019. Available at: https://www.international-budget.org/sites/default/files/2020-04/2019_Report_EN.pdf.

⁵ Apart from the aforementioned IMF, GIFT, OECD, and IBP, a notable contribution to the budget transparency topic was made by World Bank Group, the International Federation of Accountants (IFAC), Public Expenditure and Financial Accountability (PEFA) and several other international organizations.

⁶ *Open Budget Survey 2019*. International Budget Partnership, 2019. Available at: https://www.international-budget.org/sites/default/files/2020-04/2019_Report_EN.pdf.

BUDGET TRANSPARENCY IN THE WEBERIAN CONCEPT

The Weberian concept of public administration is the most developed and tested. Its theoretical foundations were laid by Max Weber more than a century ago [Weber, 1978, 2009]. According to Weber, the bureaucratic system is the best form of organization of public administration. His theory is based on the concept of an ideal bureaucracy which relies on a rigid hierarchical structure. The elements of this structure have clear specialization and function on the basis of detailed rules and regulations. Effectiveness of public administration, in this case, depends on correctness of the regulations, clear distribution of duties and powers, availability of career incentives for officials, and competent recruitment and training of public servants.

Accountability in the Weberian system is identical to that of the lower level to the higher. Initiative is not welcome; it contradicts clearly defined rules and regulations — especially if it comes from individual citizens or the society. Citizens are considered incapable of participating in public administration as lacking knowledge or skills. For the majority of the population, the principle of Equal Treatment is more important than participation in administration. Max Weber himself was not a supporter of bureaucracy; he simply believed that it was the best way to structure the state.

The obvious conclusion that follows from the Weberian concept is that budget openness is not at all necessary for this model of public administration. Indeed, for whom and why should budget data be disclosed? The budget process is controlled by the executive branch with some involvement of representative bodies. The representative power, according to the Weberian concept, is usually heavily dependent on the executive branch. There are no provisions for participation of citizens in the budget process.

Some economists point out that low levels of budget transparency are observed in countries that have below-average per capita income, depend on hydrocarbon exports or foreign aid, and have underdeveloped democratic institutions [De Renzio and Masud, 2011]. One has to agree with that, but a deeper insight into the causal links of such dependence is required. The economies of countries using the Weberian public administration approach are based on agricultural production or mining. In such economies, the state plays a key role. Private capital seeks short-term profits, and therefore acts predatory towards agricultural land or subsoil resources. The state seeks to prevent this and establishes stringent control over the use of land and natural resources, i.e. the central part of the economy. In countries where land is the main factor of production, the Weberian concept naturally and logically becomes the dominant model of public administration.

The IBP's Open Budget Index, however, shows that some states using the Weberian approach have high scores in the rating. This is due to several reasons. Firstly, neither the Weberian model nor any other model of public administration can exist in its pure form. Each country has some elements of other concepts of public administration. Studies have shown that even among resource-dependent countries, budget openness can vary widely. This depends on many factors, including the degree of dependence on hydrocarbons, the existence of budgetary institutions, the nature of political regime and the maturity of civil society [De Renzio et al., 2005]. Secondly, the Weberian model itself varies from country to country. The ideal bureaucracy is only a theoretical concept that is not fully achievable in practice. Different countries may be more or less close to the ideal bureaucracy model. Thirdly, the Open Budget Index is far from perfect [Belousov and Timofeeva, 2021]. This rating focuses on the formal publication of documents regardless of their quality. Some countries publish a large number of budget documents, but the budget itself is so confusing that it cannot be understood even if there is open data. This takes some countries to high positions in the ranking notwithstanding the low level of budget transparency. Fourthly, proponents of the Weberian model are trying to modernize their theory [Pollitt and Bouckaert, 2017]. More effective options for hiring, training, and incentivizing civil servants are being

proposed; new mechanisms are being developed to improve the quality of public administration through customer orientation, but without commercializing the state; measures are being taken to boost economic growth in the context of globalization. A variety of theoretical proposals aimed at adapting Max Weber's ideas to modern realities are commonly referred to as the Neo-Weberian State [Pollitt and Bouckaert, 2017; Mazur and Kopycinski, 2018].

This theory examines and analyses issues that are important and relevant to many developing and resource-dependent economies of the world. Budget openness is not regarded as an important issue. Proponents of the Neo-Weberian State rightly ask, "How can civil society hold the bureaucracy accountable without depriving it of a special level of autonomy?"⁷ The answer to this question has not yet been found. Therefore, there is no need for budget disclosure.

BUDGET TRANSPARENCY IN THE NEW PUBLIC GOVERNANCE CONCEPT

The Weberian concept has been adopted by many countries, but none of them belong to the group of "developed" economies. In the latter, land is an important factor of production but not the main one. Capital has played the central role, at least in the past two centuries. The system of public administration has evolved correspondingly. Theoretically, the concept of public administration in developed economies was slow to mature; it did not take its final shape until the early 21st century [Osborne, 2006; Andrews, 2008]. It is referred to as New Public Governance (NPG).

Whereas the Weberian concept is based on unequivocal priority of the state in social life, NPG recognizes the existence of both the state and civil society. The role of the state is noticeably reduced, which is completely in line with the interests of capital. At the same time, it is understood that the interests of the society cannot be ignored, otherwise it may respond with conflicts: racial, interethnic, youth, migration and so on. The interaction between these two major public institutions becomes an essential condition for decision-making in public administration. Representative democracy is the main form of such interaction. Another important form is non-governmental organizations. Instead of tough hierarchy or competition, the effectiveness of public administration is built on interaction of civil society and the state, taking into account the interest of citizens in socioeconomic development.

Many elements of the New Public Governance theory are currently being promoted by international organizations such as OECD, the World Bank Group and IMF. It is fully applicable to public finance administration, and to the issue of budget transparency in particular.

Consider the most common interpretation of budget openness as outlined, for example, in one of the OECD program documents [OECD, 2017]. Budget transparency is viewed as timely and systematic full disclosure of all relevant fiscal information. It should ensure clarity, completeness, reliability, timeliness, accessibility and usability of public reporting on state finances, as well as provide opportunities for citizens' participation in the budget process. Budget transparency has such advantages as increased accountability, legitimacy, integrity, inclusivity and high quality of budget decisions. All of these should ultimately help build trust between governments and citizens.

From the OECD definition it follows that the main purpose of budget openness is to increase citizens' confidence in the government based on its accountability to society. This statement is widely spread and supported by many experts and international organizations [IBP, 2006; Folscher, 2010]. However, other researchers note that the connection between budget openness and government accountability to society is not as direct and obvious, and

⁷ UCL Institute for Innovation and Public Purpose. *Max Weber and the Neo-Weberian State*. Available at: <https://www.ucl.ac.uk/bartlett/public-purpose/events/2022/jan/max-weber-and-neo-weberian-state>.

transparency does not necessarily lead to accountability [Fox, 2007; Khagram et al., 2013; Rudiger, 2018; Zuniga, 2018]. Moreover, there is still no evidence that budget openness has somehow increased the level of trust between society and the state.

Another controversial issue is the scope and quality of budget information disclosed by the state. Some scholars note that even in countries leading in budget openness, there is a gap between declarations and real transparency [Heald, 2003]. This is especially apparent when budget data is disclosed in a form that is understandable to citizens. IBP, OECD and other international organizations attach great importance to civil budgets. It is believed that the government becomes accountable to the society through disclosure of budget information to citizens. According to OECD, "Publication of a citizens' guide allows a government to explain in plain language the objectives of its budget" [OECD, 2017, p. 3]. Thus, the civil budget is prepared by the state to explain its position on budgetary matters. This is in line with other substantive documents on open budgeting. For example, one of the basic high-level principles of fiscal transparency is, "Citizens should have the right and they, and all non-state actors, should have effective opportunities to participate directly in public debate and discussion over the design and implementation of fiscal policies".⁸ Thus, citizens have the right to participate in the discussion of budget matters, but there is no promise that their opinion will be taken into account in any way.

If compared to the Weberian concept, NPG is taking a significant step in disclosing budget information, but this step is very cautious. The priority, albeit not declared, remains with the state. Suppose that in the course of work of state financial bodies on the civil budget the facts of inefficient use of budget funds or even corruption will be revealed. Will these facts be reflected in the civil budget prepared by the state structures? Of course not, because this would be tantamount to recognizing the poor quality of their own work. It just doesn't happen. Or are there civil budgets criticizing the government for proposing to increase the already high public debt? Again, the answer is no. The state presents budget information to citizens in a favorable light. This reduces reliability of information.

As a result, with rare exceptions, civil budgets are not popular with the citizens; nor are public discussions of budget matters. They only create the illusion of interaction between government and society. They also support the illusion of fostering proactive and involved citizenship. This would be secondary if the primary mechanism of interaction between government and society in the NPG model — i.e. the mechanism of representative democracy — worked properly. But this mechanism has recently been subjected to serious criticism. Many researchers agree that representative democracy is in crisis [Papadopoulos, 2013; Tormey, 2014; Innocity, 2020]. Deputies often focus on their own political and economic priorities instead of representing the interests of citizens [Martini, 2012; De Renzio and Lakin, 2019].

Despite the limited budget transparency in the NPG concept, it has one very important outcome. Countries using NPG tend to have low levels of corruption. This is an evidence of a rather high quality of public finance administration.

In recent years, the NPG concept gave birth to several actively developing new models, such as Participation Budgeting or Collaborative Governance. Proponents of these models see the open budget as a tool to develop or improve the quality of democracy [Cabannes, 2004; Rossmann and Shanahan, 2012; Ewens and Van der Voet, 2019]; and even, using the wording of S. Hong [Hong, 2015], "to address democratic deficits". In general, the NPG supporters are much more interested in promoting democracy than in improving the effectiveness of public administration.

⁸ *High-Level Principles on Fiscal Transparency, Participation and Accountability. GIFT. Available at: https://www.fiscaltransparency.net/ft_principles/.*

BUDGET TRANSPARENCY IN THE NEW PUBLIC MANAGEMENT CONCEPT

The New Public Management (NPM) model places the issue of government effectiveness at the center of its theory. This concept appeared somewhat earlier [Hood, 1991; Osborne and Gaebler, 1992; Lynn, 2001] than New Public Governance. Some elements of NPM began to be used in practice in a number of English-speaking and Scandinavian countries since the 1980s, but no full-fledged implementation occurred.

NPM can even hardly be termed a complete theory. Many scientists note its conceptual weakness. "NPM is a very diffuse concept," said V. Lapuente and S. Van de Walle [Lapuente and De Walle, 2020, p. 463]. Some other public administration professionals hold the same position. For example, H.G. Frederickson et al. [Frederickson et al., 2012] point out that NPM has no theoretical basis, so they consider it a variation of the classical theory of Public Administration.

The weakness of the NPM theory is indeed obvious. However, one can hardly agree with the claims that NPM is gone for good [Dunleavy et al., 2006]. On the contrary, its time has not yet come. We will try to prove this argument.

NPM focuses on the problem of improving public administration effectiveness. All other characteristics of this concept derive from the search for tools to increase effectiveness, which is always a fraction. The numerator is the result or effect, the denominator is the cost. Effectiveness increases if the numerator increases or the denominator decreases. Otherwise, there is a decrease in effectiveness. Therefore, the goal of public administration is to improve its results and/or reduce costs.

In the budget area, calculating effectiveness is a difficult task. Cost calculation is less problematic, but still not without serious complications. Consider, for example, budget investments. Any state, region or municipality makes plans to invest in socioeconomic development from the budget. The public is informed that, as the case may be, last year budget investments amounted to 3 billion currency units, and the next year plan is 5 billion. Sounds great. But it makes sense to ask the question, "How much do you need?" 3 billion or 5 billion doesn't mean anything unless you know how much you need. Maybe twenty billion, maybe two. But in the field of public finance, no one knows the answer — unlike in business. The finance experts at any firm can say exactly how much investment is needed for simple reproduction, how much for expanded reproduction, and what happens if the investment falls below the amount of depreciation.

Take another example. Budget planning is usually carried out by the executive branch. The representative branch makes some adjustments and approves the budget. The basis of the draft budget is seldom changed by legislators. We can say that the executive branch renders a service to society in preparing the draft budget. Here the first question arises: does the executive branch perform this service well enough? When we get a taxi service or a hairdresser service, we can evaluate its quality by comparing it to the services of other suppliers. The draft budget has no basis for comparison since the executive branch holds a monopoly on budget planning. Thus, society receives a draft budget but does not know whether it is good or bad.

The second question concerns the draft budget. How much does the budget planning service rendered by the executive branch cost society? No one knows that either. Perhaps this service can be made cheaper, for which it is necessary to change the budget planning technology. Why does the executive branch have a monopoly on drafting the budget? There is no scientific research on this topic, and as a rule, employees of financial authorities give one reason: only the executive branch has the necessary input information for budget planning. This argument was perfectly valid ten or twenty years ago. Currently, in many countries almost all budget information is available in the public domain. The volume of business data in the world is growing rapidly, doubling every 1.2 years [Schwab, 2016]. According to the

International Data Corporation, the total data amount will grow from 33 Zettabytes in 2018 to 175 in 2025 [Reinsel et al., 2018].

The lack of competition in the provision of such an important service as budget planning does nothing to improve the draft budget quality. Perhaps it makes sense for different structures, including non-governmental ones, to prepare budget alternatives. Such structures could be, for example, political parties. Competition between draft budgets would improve their quality and bring about additional requirements for openness of budget information. In addition, the executive branch would get rid of “extra” work. What is the intended use of the executive authority? To execute, not to prepare draft budgets.

The examples above show that in many countries the problem is not that the government hides or does not want to publish budget data, but that this data is insufficient to improve the effectiveness of public finance administration. Quality public administration is impossible if the society is simply unaware of how much investment is required, or if the cost of services provided by a public body is unknown. Such issues are not addressed in the New Public Governance system; whereas for NPM, these are important and fundamental questions, but there is not enough information to answer them. Such information must first be obtained, then made public, and only then used to increase the public finance administration effectiveness.

Budget data openness is an essential element of the NPM system. When information is accumulated in state structures and not made publicly available, the effectiveness of public finance administration is out of the question. Tight budgets will be difficult to implement — and this is not in the interest of the executive branch. The lack of transparency in budget data reduces opportunities for public scrutiny of the activities of the executive branch. And the fact that these activities are far from effective in many countries is quite obvious. Just look at the public debt figures. This debt will have to be repaid, sooner or later. Who will do this? Apparently, our children and grandchildren. An absurd situation; while parents usually try to leave their children an inheritance, the state leaves debts.

Obtaining new additional information for the development of measures to improve public finance administration is a major challenge. This applies to the data required for the analysis of budget expenditures, as discussed above. However, information about the results of budget activities presents a much more complex problem. Criticism of certain measures aimed at improving the effectiveness of public administration is largely due to the fact that one has to use the information that is available, but it can distort the result and goals of the activity.

Consider such a type of social activity as education. To determine the outcome of educational activities, one should focus on the needs of the client. The main clients are schoolchildren, students and their parents who are decision makers until their children reach a certain age. What do parents want? They want their children to find a well-paid job quickly after graduation. Everything else is secondary. But there is only fragmentary information about achievement of this primary goal. Therefore, the main objective is replaced by a number of secondary ones for which statistics are available. But they don't help determine the result and, therefore, calculate the effectiveness of educational activities. The actual effectiveness can only be determined after obtaining new data reflecting the satisfaction of consumers of public services. This new data is difficult to collect. It is even more difficult to single out the role of education in the problem of youth employment and labor compensation. But this has to be done, otherwise the effectiveness figures will be far from the needs of children and their parents.

The aforementioned cases are exemplary of the main mechanisms used in the NPM concept to improve public administration effectiveness. These are customer orientation, competition, use of non-governmental structures to fulfill state functions, and elimination of a rigid hierarchy in governance while increasing initiative and responsibility of budget

recipients. We believe that these NPM fundamentals are likely to provide a more effective public administration system, including public finance administration. But for the NPM mechanisms to pay off, much more information of much higher quality is needed. This kind of information began to appear only in the 21st century. Competitiveness, productivity and, eventually, effectiveness of activities in the information era “depend upon their capacity to generate, process, and apply efficiently knowledge-based information” [Castells, 2010, p. 77].

The use of individual NPM mechanisms in the late 20th century could not provide the desired results. This led to criticism of NPM and the emergence of some theories, such as Post-NPM or Digital Era Governance (DEG), aimed at eliminating the NPM shortcomings.

Post-NPM [Christensen, 2012a; 2012b] suggests improving NPM through borrowing some elements of the Weberian model [Lodge and Gill, 2011], just as the New-Weberian concept uses some elements of the NPM concept. The central objective of NPM — improving the effectiveness of public administration — is sidelined in Post-NPM. “NPM’s guiding values favor efficiency over democracy to an excessive extent,” notes E. Ferlie [Ferlie, 2017], and it is difficult to disagree with this. Post-NPM departs from the primary goal of NPM or tries to achieve this goal through Weberian methods.

The DEG theory [Dunleavy et al., 2006; Margetts and Dunleavy, 2013] emerged due to the rapid spread of digital technologies in the early 21st century. The authors of this theory focus on the use of computer technologies in public administration, but pay little attention to the availability of information and its quality. In the meantime, this is the main problem nowadays. If information is not sufficient or its reliability is compromised, digital technologies will be useless.

Generally, neither Post-NPM nor DEG advances the NPM theory, at least in terms of budget openness. Perhaps the time has not yet come to develop a full-fledged NPM concept. Firstly, there is not yet enough data to calculate the effectiveness of public administration. The upcoming digital age is based on processing huge amounts of information. The budget sector is just beginning to adapt to the requirements of digital technologies and artificial intelligence.

Secondly, actors interested in implementing the NPM ideas must emerge. This process is well underway. The traditional capital underlying New Public Governance is taking on a supporting role, whereas startups specializing in data processing are emerging as leaders of global economic development. Microsoft, Apple, Amazon, Alphabet (Google), Alibaba Group were created in the late 20th century, Meta Platforms (Facebook) and Tesla — in the 21st century. All these companies specialize in the development or use of digital technologies. New digital technologies will appear, and other companies, unknown today or not yet created, will become leaders in global business. It appears that in the modern economy, a new factor of production is beginning to play a central role; it is information that stands in line with land, labor and capital. The predictions of some scientists [Berczi, 1981; Castells, 2010], made in the late 20th century, are beginning to come true.

Thirdly, NPM’s most influential opponents today are governmental structures. NPM sees the state as an organization that provides services to society. This is the intended purpose of the state. From this point of view, public servants are simply hired managers who must obey the instructions of those who established the state, i.e. the citizens. Some managers, e.g. elected presidents or governors, are recruited into public service on a competitive basis; others are appointed according to certain rules.

However, state servants tend to dislike the role of hired managers — and all the more so the public control over their activities. The more transparent the budgetary data, the higher the level of control. And this increasing control does not come from representative authorities, which is what the theory of New Public Governance suggests. Citizens begin to control the state, which is much more effective.

Citizens are the main pillar and beneficiary of NPM. This concept favors the mechanisms of direct democracy over representative democracy. And direct democracy, despite its appeal, can create significant risks to public administration [Bulmer, 2017; Donovan, 2019; Collin, 2019]. At present, populism is becoming the main problem of direct democracy, including its modern form of technopopulism [Deseriis, 2017; Marres, 2017; De Blasio and Sorice, 2018]. In order to reduce the impact of populism, introduction of census-like qualification can be predicted. But it would only apply to budgetary votes and not political elections.

To date, some countries have implemented elements of NPM with varying degrees of success. Large-scale application of NPM in the practice of public administration requires that society experienced the need to improve the state's effectiveness. Most often, such a need arises in times of crisis. However, the transition to the NPM system cannot occur in an instant. Digitization enables the use of NPM, but long-term preparatory work is needed. Technology and business were exposed to similar processes. To create an unmanned vehicle, it is necessary to design, manufacture and install many sensors and microprocessors that will collect and process the necessary information. To implement an ERP system in a company, one needs to carry out a lot of preparatory work to re-engineer business. As a result, a lot of new data appears in the course of implementation of the process approach.

To summarize, we can say that budget data openness in the 21st century has created a certain basis for the use of the NPM mechanisms in public finance administration. This process has just begun and is far from complete; it will develop in countries where information becomes the main factor of production.

CONCLUSION

The information era, which began several decades ago and is rapidly evolving, contributes to an increase in the level of budget data openness. Over the past twenty years, budget transparency has significantly improved, and this is an ongoing process. However, it will go hand in hand with an increasing gap between countries in this regard. To a large extent, the level of openness will depend on the choice of public administration concept.

Countries practicing the Weberian model are not interested in budget transparency. They can maintain a rather high level of openness, but formally. The Weberian model is focused on a rigid hierarchical control structure in which controlling influences are conveyed from top to bottom. Citizens do not participate in management decisions in the field of public finance; therefore, it makes no sense to provide them with a large amount of budget information.

At the same time, countries that use the Weberian management concept can actively develop information technologies in order to improve the efficiency of public administration. The modern data-based administration model does not contradict the Weberian concept, but has certain constraints. Four of them are worth notice. No. 1: The rigid hierarchical management structure does not allow the capabilities of the process approach to be exploited. As a result, a departmental approach prevails in the budget sector. Each agency, ministry or another department is trying to win more money for itself, which may or may not be the state priority. No. 2: Control over the effective use of budget funds is carried out from top to bottom. Any administration body reports not to the consumer, but to the senior management. This often results in a high level of corruption. The budgetary sphere entails a large scope of procurement and other activities which the senior body is not able to control. The use of digital technology and artificial intelligence can significantly reduce the level of corruption, but not defeat it. A fundamental solution to the problem of corruption is to involve the general public in controlling the financial activities of the state, but the Weberian model is against this. No. 3: Control by senior authorities leads to attempts to falsify information. These are not always identifiable or are detected with great delay. As a result, inaccurate information is used to make decisions, leading to mismanagement. No. 4: The budget sector

is still struggling to adopt customer-centered approach. The budget exists to meet the needs of citizens. But these needs are volatile and often contradictory. The Weberian system does not pay due attention to the channels of communication from consumers of public services to the authorities.

Another group of countries employs the New Public Governance theory. This is a large group of developed economies that are not among the most advanced in digital technology. These countries will continue to focus on the interaction between the state and civil society regarding budget information. At the same time, the public will have no real opportunity to participate in the public finance administration. The attention of citizens will be diverted to various surrogate systems of public participation, such as the modern Collaborative Governance or Participant Budgeting. Citizen participation in governance will still be assumed to occur through the electoral system and representative democracy. The rapid increase in the effectiveness of public finance administration in these countries can hardly be expected; for them, democracy is more important.

Significant changes in public finance administration can be expected in the countries that are world leaders in digital technology. The information age opens up opportunities for the practical use of the central provisions of the New Public Management theory. However, their full-fledged use requires a lot of preparatory work. Several main areas of such preparatory work can be identified. No. 1: Re-engineering of public administration processes in order to move from departmental hierarchical administration to process administration. No. 2: Pervasive automation of public finance administration using ERP-class systems. No. 3: Widespread use of artificial intelligence tools in such areas as public procurement, financial control and audit. No. 4: Mass implementation of quality management systems based on ISO 9000 series standards in the budget sector. No. 5: Development of administration accounting in the budget sector. No. 6, the most important: Full disclosure of state information, with the exception of sensitive information, to the public, and citizens involvement in public finance administration. The budget should always be managed by the owner. If the owner does not participate in the administration of his or her own funds, the outcome will always be negative. Who owns the budget funds? Certainly not the executive or representative branch. The owner is the community of citizens. Citizens should feel like co-owners and make decisions, and not just participate in political elections. The forms of citizen participation in the public finance administration have yet to be worked out, as the forms that exist today are ineffective. The New Public Management theory is focused on improving effectiveness. Today this theory comprises a set of ideas that need to be integrated into a full-fledged and cohesive theory. One of the most important provisions of this theory is that effective public administration is only possible through the use of large amounts of high-quality and reliable budget information. Therefore, budget transparency is an essential element of the New Public Management system.

To conclude, it should be mentioned that this section of the paper provides a forecast of budget transparency development in the near term. It may or may not come true, as it happens with forecasts. Possibly, life will make its unexpected adjustments. In the digital age, changes happen rapidly.

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Прозрачный бюджет в системе государственного управления

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Аннотация

В начавшуюся цифровую эпоху прозрачность бюджета становится важной характеристикой качества государственного управления. В последние два десятилетия произошел стремительный рост уровня открытости бюджетных данных. Однако это происходит не во всех странах, разница в уровне прозрачности разительная, и она увеличивается. Это в значительной степени зависит от концепции государственного управления, выбранной тем или иным государством.

В работе рассматриваются особенности политики открытости бюджета в трех наиболее распространенных системах государственного управления: вебериянской (Weberian), нового общественного управления (New Public Governance, или NPG) и нового государственного управления (New Public Management, или MNPM). Странам, практикующим Weberian, открытость бюджета не свойственна или осуществляется формально. Система New Public Governance в вопросе прозрачности бюджета ориентирована в первую очередь на развитие демократии, а не на решении финансовых задач. Концепция New Public Management нацелена на повышение эффективности государственного управления. Для использования данной концепции в практике управления требуется высокий уровень открытости бюджетных данных. Однако такой уровень в настоящее время не достигнут, поэтому реальную отдачу от системы New Public Management можно ожидать только в будущем.

Ключевые слова: государственные финансы, государственное управление, прозрачный бюджет, новое государственное управление

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