Fiscal Sustainability part 1

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Fiscal sustainability

Fiscal sustainability is a key framework used to assess a government's financial performance.

Its capacity to remain stable while meeting long-term commitments.

Kraiwut Chaikampan (2021)

- Fiscal sustainability—particularly for **sub-national governments**—revolves around three core pillars.

Financial Solvency

- Evaluating liquidity levels and the capacity to meet debt obligations.

Revenue vs. Expenditure

- **Debt Burdens**

The government's capacity to maintain public services is a key sustainability indicator.

Multi-level Responsibility

Consistent Delivery

Macroeconomic Stability

Somboon Wattanaasakit (2003)

- Fiscal sustainability as the maintenance of financial balance in a way that protects national economic health.

Debt Strategy

- Managing the debt-to-GDP ratio strategically.

Socio-economic Stimulus

- Applying fiscal measures and budget deficits to encourage development.

Deficit Coverage

- Securing funding from domestic or international sources while ensuring long-term repayment capacity for interest and principal.

Scholar	Focus Area	Key Elements
Kraiwut Chaikampan (2021)	Sub-national / Local Government	Liquidity, service delivery, and debt servicing at the community level.
Somboon Wattanaasakit (2003)	National Macroeconomics	Balancing budget deficits with economic growth and long-term debt stability.

Definition and Synthesis of Fiscal Sustainability

Fiscal sustainability is the capacity of a government to manage its budget.

This requires strategic expenditure planning.

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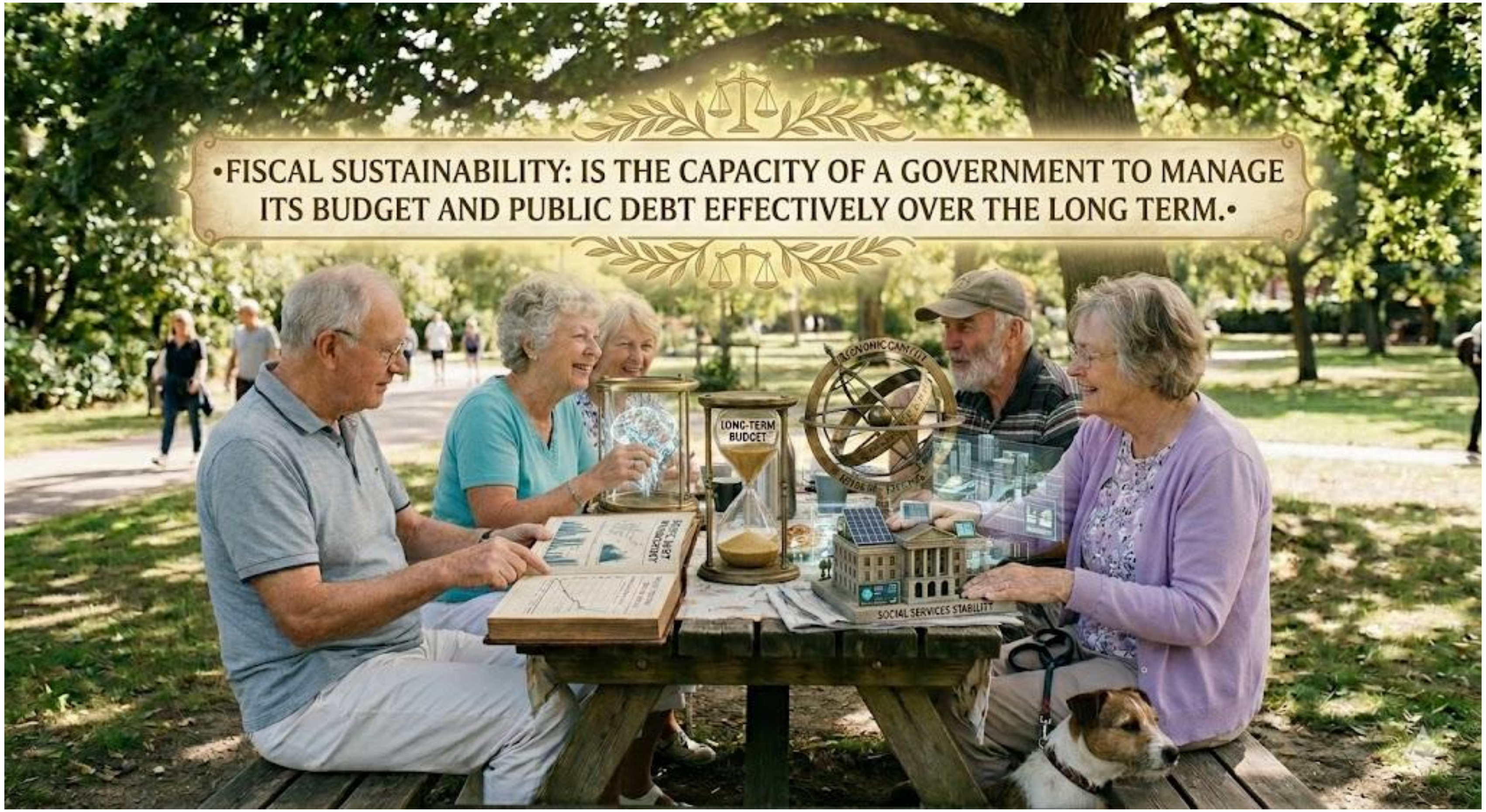
Definition and Synthesis of Fiscal Sustainability



Key Dimensions of Fiscal Sustainability

Financial Equilibrium

- A comprehensive consideration of revenue, expenditure, and the regulation of public debt at appropriate levels.

Resource Efficiency

- Utilizing financial resources effectively to meet organizational goals and mandates.

Transparency and Accountability

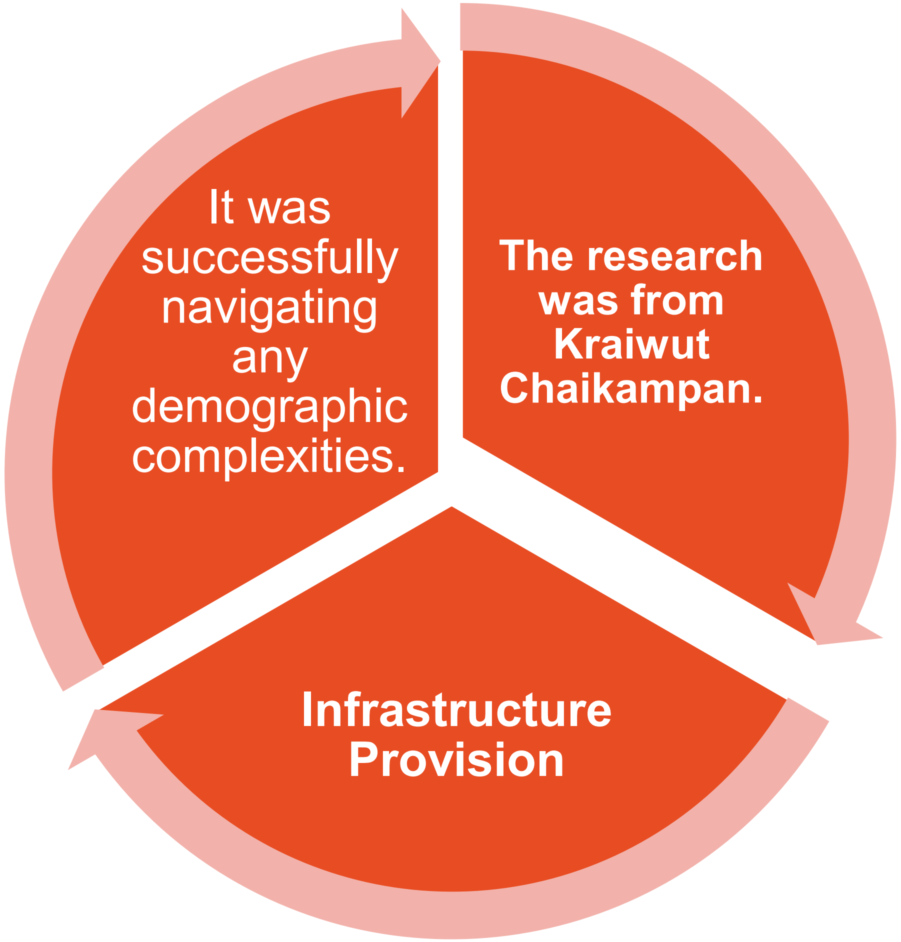
- Integrate transparent and verifiable fiscal planning processes
- Public involvement in the administrative functions of government

Economic Adaptability

Economic Adaptability

The capacity to adjust to changing economic conditions in the future to strengthen national security and promote long-term economic growth.

Alignment with Research Findings



Budgetary Management

- Budgets are allocated and managed effectively.

Regulatory Flexibility

- Relaxing rigid regulations to foster collaboration with various networks and stakeholders in organizing activities and services for the citizens.

The Synergy of Fiscal and Monetary

The Synergy of Fiscal and Monetary

- To ensure economic sustainability, government spending and central bank policies must operate in tandem.

Inflation Control

- Targeting a **1–5%**

Inflation


TARGETING A 1–5% "MILD INFLATION" RATE IS CRITICAL FOR STABILIZING CONSUMER PURCHASING POWER
STRATEGIC OVERSIGHT IN THIS AREA PREVENTS THE MARKET VOLATILITY OFTEN CAUSED BY RAPID INTEREST RATE CHANGES
CONSUMER PURCHASING POWER & INFLATION TREND


• BUILDING LOCAL RESILIENCE: Cultivating food security and modular community resources to adapt to local volatility.
• PRACTICE fosterers skills networks and deepens local connections.
ESSENTIAL SKILLS:
• CRITICAL THINKING
• COMMUNICATION
• PROBLEM-SOLVING
FOOD SECURITY & SUSTAINABILITY
COMMUNITY SKILLS TOOLKIT
MAPPING LOCAL NETWORKS & SUPPORT
CONSUMER RESILIENCE: SKILLS SKILLS & FOOD TREND
• LOCALLY GROWN PRODUCE
• SKILLS CERTIFICATIONS
90% 30% 90% 100%

Key Success Metrics

- Financial stability management shows a high probability of fostering sustainable development.

Investment and Economic Growth

- Strategic infrastructure and innovation investments are critical for sustained growth.
- Following the policy example of former Thai PM Srettha Thavisin, the government seeks to stimulate the economy.
- **Foreign Direct Investment (FDI)**, leading directly to robust **Job Creation** and accelerated **GDP Growth**.

Government Expenditure Framework

Government Expenditure Framework

- Effective spending is driven by **value-based allocation**.

Government Expenditure Framework

- By targeting investments with long-term benefits.

Strategic Government Expenditure and Fiscal Discipline

Strategic

- Fiscal sustainability is driven by balancing proactive revenue generation.

Strategic

- By integrating strategic monetary tools


Strategic Government Expenditure and Fiscal Discipline
The foundations of long-term sustainable growth and national prosperity.

Do you have any questions?

THANK YOU