The latest global recession has had strong impacts on global economic activity and financial sustainability of public administrations. The financial problems to keep public services running have made scholars and international organizations to focus on the link between financial sustainability and accountability. Nonetheless, the financial sustainability concept is a fuzzy concept based on the intergenerational equity term but difficult to operationalize. Thus, there has been many problems to set a measure to evaluate financial sustainability in public administrations and, nowadays, this issue remains as an unsolved question. This is why I focused my efforts in editing a book on financial sustainability with the aim at helping public managers, policymakers, and citizenry in managing and evaluating financial sustainability of public administrations.

The authors of the chapters in this publication have contributed to the success of our work by the inclusion of their respective studies. This book, consisting of 10 chapters, is divided into three parts: Prior research in the management of public finances, theoretical underpinnings and methods used to calculate financial sustainability in governments, and comparing international experiences in managing and
monitoring financial sustainability in governments. Also, a chapter for introducing the book and a conclusion chapter have been written with the aim at highlighting the relevance of the book.

In the introduction chapter, the authors explain the relevance of analyzing financial sustainability in public administrations and the gap of the research, opening the relevance in focusing on this issue in the book. Later, the first part of this book has sought to analyze prior research regarding methods used to manage public finances. Fiscal distress and financial positions have been traditionally two concepts linked to the financial health of governments, but are these measures good for financial sustainability of governments?

This way, the authors of Chap. 1 perform a literature review to understand the problem of financial condition and financial sustainability in public administration. Concretely, they try to summarize not only the evolution of the definition and measurement of the public finances toward the financial sustainability but also the internal and external factors that could jeopardize it following prior research and international organizations.

Having thus analyzed prior research about financial health in governments, the second part of the book has been aimed at providing a theoretical framework for calculating financial sustainability in governments. This way, authors have analyzed some of the key theoretical and practical elements to describe the financial conditions and distress of public sector entities, like universities (Chap. 2), while also clarifying the distinctive features of financial sustainability. In addition, the next chapter has also presented factors that could affect financial sustainability, highlighting possible future lines of research (Chap. 3).

In this regard, the European Union have pointed out that demographic variables could be the relevant factors to achieve financial sustainability. This issue has been verified in a research included in Chap. 4 of the book, which confirms that some demographics variables could act like main drivers or risks for financial sustainability in public administrations.

Finally, this part of the book has also included two Chaps. (5 and 6) which are addressed to analyze the role of accounting and integrated reporting in representing the financial sustainability of governments. This way, Chap. 5 aims at analyzing how specific accounting tools and
techniques can assist in the control of a local government’s financial sustainabil-
ity based on the governance setting adopted for service delivery, whereas Chap. 6 aims at presenting two conceptual models—financial sustainability and integrated reporting—and at overlapping the constituent elements in a matrix, allowing the analysis of delineation matches, as well as the characteristics of forward-looking capital allocation.

Part III of the book analyzes the compared experiences in managing and monitoring financial sustainability in governments all over the world. The objective of this part of the book is to learn from experience and to identify best practices in managing financial sustainability in governments. This way, Chap. 7 explores the link between sovereign debt capacity and financial sustainability in central government, whereas Chap. 8 investigates how local government’s financial sustainability is influenced by the regulatory framework comparing, from a constitutional approach, the regulatory regimes on local finances in England, Germany, and the Netherlands. Then, Chap. 9 is focused on Spanish public universities and their duty regarding the accomplishment of objectives of financial sustainability and net debt capacity.

Finally, in the conclusions and future research section, the book includes one chapter summarizing the findings of the contributions published in the earlier parts of the book in order to obtain interesting conclusions for theoretical contributions and future strategies in the financial sustainability area.

Therefore, the chapters included in this book incorporate both theoretical and practical aspects, and serve as baseline information for future research through which significant developments in financial sustainability can be expected. This book will be of great interest to the public managers, practitioners, policymakers, citizens, and research scientists working in the area of financial sustainability in public administrations.

With great pleasure, we extend our sincere thanks to all our well-qualified and internationally renowned contributors from different countries for providing the important, authoritative, and cutting-edge scientific information to make this book a reality. All chapters are well supported with appropriately placed tables and figures and enriched with up-to-date information. We are also thankful to the reviewers who carefully read and timely reviewed the manuscript.
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Granada, Spain

Prof. Manuel Pedro Rodríguez Bolívar
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