Economic practice in political life in the second half of the 20th century saw long-term malfunctions besetting the fiscal policy, which was principally manifested in excessive deficits and overly high public debts, even during the times of economic prosperity. In the democratic system, partially due to the elections cycle, a propensity to overly pro-cyclical fiscal policy emerges, thus lowering the potential effectiveness of automatic stabilizers for the economic cycle that automatically stabilize the economy, without the state’s intervention.

The challenges faced by public finances are the long-term processes of population aging. Across the European Union additional problems for the fiscal policy result from the consequences brought by the desire for uniform monetary policy within the monetary union. Efforts to overcome these problems and improve the quality of the fiscal policy require the application of new, particularly forward-looking, instruments designed for public management.

The monograph comprises five chapters which display instruments used for public finance management from the theoretical and practical perspective. Considerable attention has been given to boost the effectiveness of disbursement of public funds. Therefore, the author provides an insight into specific tools designed for public finances management such as: long-term and medium-term planning in the public sector, independent fiscal institutions and spending reviews. Moreover, the publication discusses the indicators illustrating the effects obtained. Specifically, the author places an emphasis on measures employed in the domains discussed in Germany, Holland, Ireland, Australia and Poland. The selection of the countries, and comparison of their situation and policy with those prevailing in Poland is not accidental, which is subsequently clarified by the Author in the monograph.