

Fiscal Rules and Debt Sustainability in Sub-Saharan Africa and ASEAN: Post-COVID Lessons (2010–2024)

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ABSTRACT: This narrative review investigates global practices and lessons learned regarding fiscal policy and public debt sustainability, aiming to identify institutional, structural, and strategic factors that influence long-term fiscal balance. The study draws upon peer-reviewed empirical studies, panel data analyses, and case studies sourced from Scopus, Google Scholar, and other academic databases, using keywords such as "fiscal policy," "public debt," "fiscal sustainability," and "debt analysis." Studies were selected based on inclusion criteria that focused on national-level fiscal management and policy effectiveness, with particular emphasis on comparative and empirical analyses. Findings indicate that high debt-to-GDP ratios reduce fiscal space and hinder governments' ability to respond effectively to economic crises. Structural vulnerabilities, including institutional weaknesses and income inequality, further aggravate the sustainability of public debt. Effective strategies identified include the adoption of fiscal rules, independent fiscal councils, tax system reforms, and long-term investments in infrastructure and innovation. Comparative perspectives show that Nordic countries and selected Asian nations have achieved greater fiscal discipline through integrated institutional and policy frameworks. This review underscores the urgent need for systemic reforms that prioritize transparency, policy coordination, and inclusive economic growth. Future research should explore tailored debt sustainability frameworks and assess the political economy dimensions of fiscal governance. The findings provide evidence-based insights for policymakers seeking sustainable pathways to manage public debt without compromising developmental goals..

Keywords: Fiscal Sustainability, Public Debt, Fiscal Rules, Institutional Quality, Economic Growth, Fiscal Policy Effectiveness, Comparative Policy Analysis.



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INTRODUCTION

In the last decade, fiscal rules and independent fiscal councils have become central to debates on debt sustainability, especially in Sub-Saharan Africa (SSA) and ASEAN countries during the post-COVID period (2010–2024). This study seeks to answer a key question: How do fiscal rules and fiscal councils affect debt sustainability in these regions, and which institutional and structural

indicators determine their effectiveness?. The financial and social ramifications of COVID-19 and recurring recessions have placed immense strain on public finances, particularly in SSA and ASEAN. These regions face heightened vulnerability due to weaker institutional capacity, external debt dependence, and limited fiscal space. Governments in SSA and ASEAN expanded fiscal expenditures in response to COVID-19, yet the long-term implications for debt sustainability remain contested, raising questions about the role of fiscal discipline versus countercyclical policy.

Scholarly debates now focus on whether fiscal expansion—mediated by fiscal rules and councils—can simultaneously support recovery while ensuring debt sustainability. This paper contributes by reviewing comparative evidence across SSA and ASEAN, narrowing the scope to post-2010 fiscal reforms and debt strategies. Literature suggests a nuanced relationship between these two goals. On the one hand, fiscal stimuli have proven effective in mitigating downturns and stabilizing employment and healthcare systems in the short term (Punyaratabandhu & Swaspitchayaskun, 2020; Liu et al., 2023). On the other hand, their long-term impact on debt sustainability is less conclusive, particularly when fiscal expansion is financed through external borrowing. This complexity necessitates a more detailed understanding of the structural factors that underpin debt dynamics, especially in developing countries where institutional capacity and access to concessional financing are limited (O'Mahony et al., 2023).

The COVID-19 pandemic has emerged as a critical juncture in public debt trajectories worldwide. In response to the pandemic, many governments implemented large-scale fiscal stimulus packages, which significantly increased debt-to-GDP ratios (World Bank, 2021). Developing countries, in particular, turned to external borrowing to finance emergency health measures and social protection programs. These efforts, while necessary, have exacerbated pre-existing debt vulnerabilities. Multilateral institutions, including the International Monetary Fund (IMF) and the World Bank, have emphasized the urgency of debt restructuring and fiscal reform to prevent a looming debt crisis (IMF, 2022).

Further compounding this issue is the economic downturn triggered by successive global shocks. The decline in economic activity has reduced government revenues, thereby limiting the fiscal space available for sustainable development initiatives (Naga et al., 2020). Consequently, many countries face the dilemma of balancing immediate social needs with long-term debt servicing obligations. The inability to maintain essential public services under high debt stress has further deepened socio-economic instability, particularly in regions already burdened by structural poverty and weak governance frameworks (Beran et al., 2021).

Despite these challenges, a trend of increased international cooperation has emerged, aiming to strengthen fiscal and social resilience. Collaborative efforts, particularly in the domains of healthcare and infrastructure, have opened avenues for reducing reliance on external borrowing. Countries in Asia and Africa, for instance, have engaged in regional initiatives to improve healthcare systems and education, which could potentially reduce the pressure on fiscal budgets over time (Head et al., 2014; Sallaba et al., 2017). These measures suggest a promising path toward fiscal sustainability through investment in human capital and institutional development.

Nevertheless, significant systemic challenges persist. Chief among them is the volatility of global markets, which undermines the ability of developing countries to engage in effective fiscal planning (Punyaratabandhu & Swaspitchayaskun, 2020). Fiscal policy is often constrained by external shocks such as commodity price fluctuations, currency instability, and capital flight. In response, many governments resort to short-term borrowing, which may result in escalating debt service obligations and reduced fiscal autonomy (Korneeva et al., 2021).

In addition to economic volatility, another critical issue is the limited institutional capacity to manage public debt efficiently. Weak public financial management systems, lack of transparency, and ineffective monitoring mechanisms hinder the optimal allocation of borrowed resources (Liu et al., 2023). Empirical evidence indicates that, in several cases, debt-financed projects fail to deliver expected returns, thereby eroding fiscal credibility and constraining future borrowing capacity (Coque et al., 2023). This highlights the pressing need for comprehensive debt management strategies that integrate fiscal planning with accountability and performance evaluation.

The existing literature reveals a notable gap in understanding the long-term consequences of fiscal stimuli on debt sustainability. While many studies affirm the short-term benefits of fiscal expansion, few offer robust empirical assessments of its enduring fiscal impacts (Lavee, 2020; Zoumpourlis et al., 2020). The absence of such analysis limits the ability of policymakers to design interventions that are both responsive and sustainable. Moreover, the variation in fiscal responses across countries suggests the need for context-sensitive evaluations that account for institutional diversity and regional economic structures (Irwin, 2019; Dovgyi et al., 2020).

This literature review aims to explore how fiscal policy interventions affect public debt sustainability, with a focus on understanding the mechanisms through which fiscal tools can support economic resilience without compromising fiscal discipline. It will synthesize evidence from empirical studies, policy evaluations, and theoretical models to assess the effectiveness of various fiscal strategies. The objective is to identify best practices and common pitfalls in fiscal governance, particularly in countries that have faced substantial debt-related stress.

The review will primarily focus on developing economies in Sub-Saharan Africa and Southeast Asia, regions that have experienced substantial fiscal strain and possess diverse policy environments. Sub-Saharan Africa is characterized by high debt burdens exacerbated by external shocks, while Southeast Asia offers insights into managing fiscal sustainability amid rapid economic transformation and global interdependence (Hu et al., 2022; Head et al., 2016). By comparing the fiscal trajectories and policy frameworks in these regions, the review aims to provide a comprehensive understanding of the contextual factors influencing debt sustainability.

Ultimately, this study seeks to contribute to the academic and policy discourse by bridging the gap between short-term fiscal responses and long-term debt sustainability. By examining diverse regional experiences and integrating them into a cohesive analytical framework, this review will offer insights into how fiscal policy can be effectively leveraged to navigate crises while safeguarding macroeconomic stability. The findings will be relevant not only to scholars of fiscal economics but also to practitioners engaged in public finance management and international development planning.

METHOD

This study employed a comprehensive literature review methodology to investigate the relationship between fiscal policy and public debt sustainability. The objective was to synthesize empirical and theoretical insights from peer-reviewed academic literature in order to understand how fiscal interventions impact long-term debt trajectories in different country contexts. The methodology was developed to ensure both breadth and depth in the identification and selection of relevant sources, using transparent criteria and systematic procedures throughout the research process.

The first step in the methodological design was the identification of appropriate academic databases for the literature search. Given the multidisciplinary nature of the subject matter, the literature was retrieved from a combination of reputable and widely used scholarly databases, including Scopus, Google Scholar, JSTOR, SpringerLink, and ScienceDirect. These databases were chosen for their comprehensive coverage of economics, public policy, and development studies. Each database was accessed through institutional subscriptions or open-access portals, ensuring legitimate retrieval of published articles. The time frame for the literature search was restricted to studies published from 2010 to 2024, as this range captures both pre- and post-COVID-19 research, which is essential for understanding the evolving dynamics of fiscal policy and debt sustainability.

A keyword-based search strategy was used to collect the most relevant academic materials. Several combinations of keywords and Boolean operators were employed to increase the sensitivity and specificity of the search results. The primary keywords used included "fiscal sustainability," "fiscal policy," "public debt," "budget policy," "debt analysis," "evaluation of policy effectiveness," and "public investment." These were used individually and in combination with secondary terms such as "empirical studies," "case studies," "panel data analysis," and "systematic reviews." Search queries were refined iteratively based on the preliminary results, with additional filtering using search tools such as date range, subject area, and document type (e.g., journal articles, conference proceedings, and research reports). The search focused exclusively on peer-reviewed literature, ensuring the reliability and credibility of the findings.

To determine which studies to include in the review, a set of inclusion and exclusion criteria was developed. Inclusion criteria comprised empirical or theoretical studies that directly addressed fiscal policy interventions and their impact on public debt dynamics. Studies had to be published in English and present either a quantitative or qualitative analysis relevant to macroeconomic policy, particularly in the context of low- and middle-income countries. In addition, only those articles that provided sufficient methodological detail and presented clear policy implications were considered. Exclusion criteria involved studies that were conceptual in nature without empirical grounding, opinion pieces, or those that focused solely on microeconomic fiscal issues without connecting to broader debt sustainability frameworks. Duplicate articles, non-English publications, and working papers without peer-review status were also excluded.

The types of research designs represented in the reviewed studies were diverse but shared a common focus on macroeconomic evaluation. A significant portion of the literature consisted of empirical studies employing panel data analysis, which allowed for multi-country comparisons over

extended time periods. These studies were instrumental in identifying patterns in fiscal discipline, public expenditure, and debt servicing under varying institutional and economic conditions. Another major category consisted of country-specific case studies, which offered detailed contextual analysis of fiscal performance and debt evolution in response to national policy measures. Such studies often incorporated mixed-method approaches, blending statistical evidence with institutional analysis to draw policy-relevant conclusions. A smaller number of systematic reviews were also consulted, particularly those synthesizing evidence from multiple developing countries or offering meta-analytical perspectives on fiscal sustainability indicators.

Once articles were retrieved, a rigorous selection process was employed to filter and evaluate their relevance. Initially, all search results were screened based on titles and abstracts to determine thematic alignment with the research objective. Articles that appeared to meet the inclusion criteria were then subjected to full-text review. During this stage, two reviewers independently assessed each article's methodological soundness, relevance, and analytical clarity. Discrepancies in inclusion decisions were resolved through discussion and consensus. A data extraction form was developed to standardize the process, capturing key variables such as country context, type of fiscal intervention, methodology used, main findings, and policy implications. The reliability of the selection process was further ensured by cross-checking extracted data against original articles.

The evaluation of selected articles also involved a quality assessment to gauge the robustness and credibility of findings. Criteria for quality assessment included clarity of research questions, appropriateness of methodological design, transparency in data sources, and consistency between data analysis and conclusions. High-quality studies typically offered clear theoretical frameworks, robust empirical modeling, and policy implications grounded in evidence. Studies with ambiguous methodologies or insufficient data transparency were either excluded or flagged as having limited generalizability.

A narrative synthesis approach was adopted for analyzing and integrating the findings of the included studies. This approach facilitated the organization of diverse research outputs into coherent thematic categories, including fiscal response to crises, institutional constraints on debt management, and effectiveness of fiscal rules. Thematic coding was conducted manually, guided by an initial conceptual framework developed from the literature. Through iterative reading and coding, new themes were identified, particularly those addressing regional differences in fiscal strategy and long-term sustainability challenges. Comparative analysis across studies was used to highlight patterns, contradictions, and gaps in the literature, thereby supporting the development of a more comprehensive understanding of fiscal-debt relationships.

This methodology enables the review to achieve both systematic coverage and analytical depth. By incorporating a wide array of research designs and regional perspectives, the study captures the complexity of fiscal policy implementation under conditions of debt distress. At the same time, the methodological rigor ensures that the findings are grounded in high-quality evidence, offering valuable insights for researchers and policymakers concerned with fiscal sustainability. The next section will present the synthesized results of the selected literature, organized according to the major themes identified through this methodological process.

RESULT AND DISCUSSION

The findings from the reviewed literature highlight several critical dimensions in the analysis of fiscal sustainability and public debt, particularly in developing economies responding to global crises. This section organizes the results thematically, focusing on key challenges, policy instruments, regional comparisons, and lessons learned from best practices.

The first major challenge identified in the literature relates to the long-term burden of public debt, which significantly constrains fiscal space. Countries with elevated debt-to-GDP ratios often struggle to expand non-essential public spending, such as infrastructure development or investment in health and education, without exacerbating their fiscal vulnerabilities (Irwin, 2019; Atkinson et al., 2019). High levels of public debt divert resources from productive investments to debt servicing, ultimately diminishing the government's capacity to support inclusive growth. Empirical studies consistently find that countries with debt ratios exceeding 60% of GDP encounter higher borrowing costs and declining investor confidence, limiting their fiscal maneuverability during economic downturns (Gauld, 2014).

During periods of economic distress, such as the COVID-19 pandemic or global recessions, highly indebted countries often resort to expansionary fiscal policies to stimulate demand and safeguard employment. However, these responses are not always effectively implemented due to prevailing debt constraints. In the European context, Bannayan et al. (2016) and Yao et al. (2019) document how several EU member states were compelled to undertake budgetary adjustments, including austerity measures, to maintain their sovereign credit ratings. These adjustments curtailed their ability to roll out robust stimulus programs. Consequently, social expenditures were frequently reduced, undermining the very growth these policies intended to support (Warnken & Guilding, 2013). The cyclical nature of austerity measures further deepened economic contractions, reinforcing a negative feedback loop between fiscal policy and public debt.

Effective strategies to improve debt-to-GDP ratios are often rooted in structural reforms and disciplined fiscal governance. Numerous cross-country studies reveal that the most successful policies in managing public debt involve revenue enhancement through tax reform and expenditure rationalization. These are complemented by investments that improve productivity and foster long-term growth, especially infrastructure development (Garrison & Deschamps, 2013). Such investments tend to have high fiscal multipliers and can generate future revenue streams to service debt obligations. Moreover, the implementation of fiscal rules—formal constraints on budget deficits and debt accumulation—is positively correlated with greater fiscal discipline (Luo et al., 2014; Marczewska & Kostrzewski, 2020).

Countries with independent fiscal councils exhibit improved fiscal outcomes due to enhanced oversight and institutional accountability. These councils act as watchdogs, providing objective assessments of government fiscal plans and debt strategies. Studies by Santosa et al. (2014) and Coppens et al. (2018) demonstrate that countries with well-functioning fiscal councils are more likely to contain non-productive spending and achieve sustainable debt targets over time. The councils also contribute to investor confidence by promoting transparency in fiscal decision-making, thereby lowering risk premiums on government bonds.

A comparative analysis across regions reveals significant variation in debt management approaches. In Europe, strict adherence to the Fiscal Compact and Maastricht criteria governs fiscal behavior. These rules enforce limits on budget deficits and debt ratios, aiming to preserve financial stability within the Eurozone. However, such rigid frameworks often limit counter-cyclical responses during crises, as witnessed during the 2008 financial crisis and the COVID-19 pandemic. Critics argue that these constraints have led to premature fiscal tightening, impeding recovery efforts in some EU states.

In contrast, countries in Asia and Africa exhibit more flexible fiscal frameworks, often using public debt to stimulate economic growth through targeted investments. For example, in Southeast Asia, nations like Indonesia and the Philippines have issued public debt to finance large-scale infrastructure projects aimed at boosting long-term productivity. Although these strategies can accelerate development, they also heighten vulnerability to external shocks and debt distress, especially when borrowing is heavily reliant on foreign currency loans (Hu et al., 2022; Head et al., 2016). In Africa, public debt is increasingly used to finance social infrastructure; however, weak debt management systems and reliance on concessional loans continue to pose risks to fiscal sustainability.

A nuanced picture emerges when considering the fiscal experiences of developing economies. While European nations benefit from institutionalized fiscal oversight, developing countries often lack the administrative and technical capacity to monitor and manage debt effectively. Consequently, the absence of transparency and weak institutional frameworks contribute to the misallocation of borrowed resources and hinder the achievement of fiscal goals. In this context, external support mechanisms and capacity-building initiatives become essential for reinforcing domestic fiscal institutions and ensuring the sustainability of debt-financed development programs.

Valuable policy lessons can be drawn from countries that have successfully navigated high debt burdens. In particular, the experiences of Nordic countries such as Sweden and Finland offer instructive examples. These nations have reduced their debt-to-GDP ratios through prudent fiscal management, efficient public spending, and progressive taxation systems. They have also implemented policies that promote synergies between fiscal and monetary policy, ensuring macroeconomic coherence and sustained growth (Head et al., 2014; Sallaba et al., 2017).

The adoption of independent fiscal councils has further bolstered their fiscal frameworks by embedding principles of transparency and accountability. These institutions have played a vital role in evaluating the fiscal impact of policy proposals and ensuring consistency with long-term debt sustainability goals. Empirical analyses indicate that countries with active fiscal councils are less likely to engage in politically motivated fiscal expansion, reducing the risk of unsustainable borrowing (Santosa et al., 2014).

Collectively, these findings underscore the importance of balancing fiscal responsibility with developmental objectives. The evidence suggests that sustainable debt management is not solely a function of austerity but also hinges on the quality of spending, institutional integrity, and the strategic use of fiscal space. For developing countries, achieving this balance requires tailored policy frameworks that consider local economic structures, institutional capacity, and external financing conditions.

Furthermore, the integration of fiscal and economic planning, supported by reliable data systems and transparent reporting mechanisms, is crucial for managing debt sustainably. By leveraging international best practices and adopting innovations in fiscal governance, countries can strengthen their resilience to economic shocks while advancing their development agendas.

In summary, the literature demonstrates that while fiscal policy remains a critical tool for economic management, its efficacy in promoting debt sustainability depends on multiple interacting factors. These include the initial debt level, the structure of public spending, the design of fiscal institutions, and the broader economic environment. Understanding these interdependencies is essential for developing effective fiscal strategies that are both responsive to short-term needs and aligned with long-term sustainability objectives. The next section will further discuss the implications of these findings and identify areas for future research and policy intervention.

Institutional Factors and Fiscal Policy Effectiveness

Institutional quality is consistently highlighted in the literature as a determinant of fiscal policy effectiveness and debt sustainability. Strong institutions promote transparency, fiscal accountability, and adherence to fiscal rules, which together form the bedrock for sustainable debt management (Santosa et al., 2014; Coppens et al., 2018). In contrast, countries with weak institutional frameworks often suffer from short-termism in public finance management. This short-sightedness is typically characterized by politically motivated spending, lack of oversight, and susceptibility to corruption, which ultimately erodes fiscal discipline and investor confidence. The establishment of independent fiscal councils has been shown to produce better fiscal outcomes, as these bodies can provide unbiased assessments, resist populist pressures, and increase the credibility of fiscal forecasts (Luo et al., 2014; Marczewska & Kostrzewski, 2020).

During economic crises such as the 2008 global recession and the COVID-19 pandemic, institutional robustness often determined the scale and effectiveness of fiscal responses. In nations with established fiscal oversight mechanisms, governments were better able to balance the trade-off between stimulus spending and fiscal discipline, thereby maintaining creditworthiness while supporting economic recovery (Bannayan et al., 2016). Conversely, countries without such institutions often faced spiraling debt levels and downgraded credit ratings, which exacerbated their economic challenges.

Structural Imbalances and Public Debt Burden

Structural economic imbalances are another significant contributor to unsustainable public debt burdens. Countries with narrow economic bases—particularly those reliant on volatile commodity exports—are prone to revenue instability. This instability, coupled with limited tax bases and inadequate diversification strategies, undermines fiscal resilience. For instance, countries in sub-Saharan Africa and parts of Southeast Asia have faced rising debt-to-GDP ratios when commodity prices fell, highlighting the vulnerability of mono-sectoral economies (Irwin, 2019; Atkinson et al., 2019).

Moreover, income inequality and uneven access to public services exacerbate fiscal stress. When governments are pressured to compensate for these disparities through expanded social programs, the resulting fiscal outlays can quickly outpace revenues. Such structural weaknesses make long-term fiscal planning difficult, especially in the absence of institutional checks and balances. The

interaction between structural inefficiencies and institutional weaknesses creates a feedback loop that intensifies fiscal fragility, rendering traditional debt management strategies less effective.

Policy Recommendations and Systemic Interventions

To address these multifaceted challenges, scholars have emphasized the need for systemic reforms and innovative policy interventions. A recurring recommendation in the literature is the adoption of more flexible and inclusive debt restructuring mechanisms, particularly for low-income countries. Traditional debt workouts, often driven by creditor interests, are ill-suited for addressing the socio-economic complexities of developing nations. More equitable arrangements that incorporate developmental goals alongside repayment plans are essential for long-term sustainability.

Another proposed strategy is tax system reform. Progressive taxation and enhanced revenue collection mechanisms are considered fundamental to improving debt sustainability without stifling economic growth. By broadening the tax base and reducing evasion, governments can increase fiscal space while minimizing reliance on borrowing (Gauld, 2014; Garrison & Deschamps, 2013). Simultaneously, fiscal consolidation efforts must prioritize expenditure efficiency. Rather than indiscriminate austerity, targeted cuts—especially in unproductive spending—can yield better results while preserving essential social and development programs.

Public investment, especially in infrastructure, education, and green technologies, is also emphasized as a long-term solution. These investments can catalyze productivity gains, enhance economic resilience, and ultimately improve the fiscal balance through higher growth (Luo et al., 2014). However, such investments must be accompanied by robust monitoring and evaluation mechanisms to ensure accountability and value for money.

Another layer of systemic intervention involves embedding fiscal rules into legal and regulatory frameworks. These rules should be designed to accommodate cyclical fluctuations while maintaining long-term debt targets. When paired with independent fiscal institutions, such as fiscal councils or watchdogs, these rules can help insulate fiscal policy from political cycles and foster public trust (Santosa et al., 2014).

Limitations and Directions for Future Research

Despite the growing body of literature on public debt sustainability and fiscal policy, several limitations persist. First, most existing studies focus predominantly on macroeconomic indicators, often overlooking the political and social dimensions of fiscal governance. While quantitative models provide important insights into debt dynamics, they do not capture the full complexity of institutional behavior and citizen-state relations.

Second, there is a geographical bias in the current research landscape. Much of the empirical evidence comes from OECD countries or select middle-income economies, which may not reflect the realities of low-income or fragile states. This gap limits the generalizability of current policy recommendations and highlights the need for more context-specific analyses.

Third, there remains a lack of longitudinal studies that track the long-term impact of fiscal rules, independent oversight bodies, and debt restructuring mechanisms across different economic

contexts. Such studies are crucial for understanding the temporal dimension of fiscal sustainability and for identifying best practices that evolve over time.

Future research should therefore aim to bridge these gaps by integrating interdisciplinary perspectives and expanding the empirical base to include underrepresented regions. Additionally, there is a need for greater exploration of the role of digital technologies and data analytics in fiscal management. Emerging tools such as AI-driven forecasting models and blockchain-based public finance systems offer new avenues for enhancing transparency, efficiency, and citizen engagement in fiscal governance.

Overall, while the literature has provided valuable frameworks and empirical evidence, a more holistic and inclusive approach is necessary to fully understand and address the complexities of fiscal policy and debt sustainability in the 21st century.

CONCLUSION

This narrative review has synthesized a wide range of global literature on fiscal policy and public debt sustainability, revealing persistent challenges and diverse policy strategies across different national contexts. Key findings highlight that high public debt levels significantly constrain fiscal space, especially during economic crises, limiting governments' ability to implement expansionary fiscal measures without jeopardizing long-term sustainability. Countries with weak institutional frameworks often experience short-term fiscal planning and heightened vulnerability to default, while nations with strong institutions—characterized by independent fiscal councils, transparency, and rule adherence—demonstrate more sustainable debt management.

The discussion revealed how structural imbalances, such as income inequality and sectoral dependence, exacerbate fiscal vulnerability. Empirical evidence shows that excessive reliance on commodity exports or underdeveloped tax systems intensifies debt risks. Policy recommendations emerging from this review include the implementation of fiscal rules, progressive tax reforms, and investments in productivity-enhancing sectors such as infrastructure, green technology, and education. International debt restructuring mechanisms and institutional capacity building are also essential to support low- and middle-income countries.

Future research should focus on evaluating the long-term impact of fiscal rules and fiscal councils, as well as developing context-specific debt sustainability models. Strengthening institutional quality and fostering inclusive economic growth must remain the cornerstone strategies in tackling public debt challenges. The insights presented in this review offer a critical foundation for shaping more adaptive and resilient fiscal policies globally.

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