

Preface

Debt management in India has been a concern for more than five decades and the focus, since 1971 has been on domestic debt. In view of the higher deficit in the last few years, stress on debt management has been high. In a number of countries, because of the global financial crisis and rising debt ratios, debt management has assumed importance in recent years. Debt management is a policy instrument used to minimize the cost of borrowings of the government over the medium-to-long term but considering the degree of risk. It also creates a fiscal space for economic development and develops an effective domestic debt market. Debt management impacts asset prices, interest payments, and interest rates in the economy. Government's debt management policy also impacts financial markets, and investment in the private sector can be crowded out. Therefore, public debt management is crucial for the economy.

This book contains papers presented at the debt management module (DMM) under the aegis of Ninth Annual International Conference on Public Policy and Management organized by Centre for Public Policy at the Indian Institute of Management, Bangalore, in August 2014. DMM was planned to generate interest and exchange of ideas among international scholars, academia, and policy makers related to debt management practices. DMM brought together experts in the field and led to a lively discussion of issues and future prospects related to public debt management.

I express my gratitude to all the participants for contributing to the discussions as chairs, discussants, and presenters.

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