

PRINCIPLE OF PUBLIC BUDGETS BALANCE LEGISLATION

The question of public budgets balance belongs nowadays to the most discussed topics, both on the internal and international fields. Today it is quite evident that constant indebtedness of states affects not only their competitive ability and exercise but also global economic balance. The states with high share of debt in gross domestic products, which often arose in propitious years of economics, ascertain that overcoming of recession in this situation is much more difficult and painful – it is not possible to use surpluses of economic activities from propitious years, other indebtedness comes about and in this way the unfavourable economic situation intensifies.

Therefore on the level of individual states and international organizations various measures are accepted, their aim is economic stimulation and resumption of economic growth. In a given case public budgets, especially budgets of individual states, and redistribution of resources accumulated in these budgets become very important. However resources of public budgets are not unlimited and it is necessary to draw a lesson from effects or even better to prevent from repeating previous mistakes again and the principle of public budgets balance comes to the fore. In connection with the question of public budgets balance the necessity of the legal regulation in this field arises. However existing attitudes to legal regulation in this field extent of legal regulation and its impact are different. The aim of the work is to describe various attitudes to public budgets balance legislation and offer their comparison.

Just after the opening part of the work (Introduction) there is a chapter called *About Budgetary Law and Legal Principles Generally* (chapter I) since the issues of principle of public budgets balance cannot be perceived separately but in the context of the budget principles and budget law.

Subsequent chapters contain interpretation relating to principle of public budgets balance, at first in relation to the legal code of the Czech Republic (chapter II), next to the legal system of the European Union (chapter III) and finally to legal codes of selected states (chapter IV).

Final comparison, evaluation and summery are included in the last chapter (chapter V) and thereafter in the closing part of the work (conclusion).

From the evidence of comparison of selected national and international legal codes it is perceptible that all legal codes are amended in this field, especially with regard to increasing indebtedness of individual states and declining economic recession. The mentioned amendments with regard to urgency of solution and determination have relatively dynamic form – in the case of fundamental law of the Czech Republic or in the case of a contract made by leading state representatives of the European Union.

The initial position of the Czech Republic is from the view of legal adjustment in comparison with other states the least advantageous because existing formulation of principle of public budgets balance is absolutely insufficient in the legal system of the Czech Republic. The main imperfection can be seen in the fact that the principle of public budgets balance is not protected by the legal code of the Czech Republic. Nevertheless state budget makes state budget deficit and contributes to largest extent to indebtedness growth which means that in

this case it is really necessary to incorporate the principle of public budgets balance into the legal code.

The text of presented work meets the status of valid legislation and legislative works on September, 30, 2012.