1.	Record Nr.	UNINA9910788236603321
	Autore	Alichi Ali
	Titolo	A Model of Sovereign Debt in Democracies / / Ali Alichi
	Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2008
	ISBN	1-4623-4167-5
		9786612841033
		1-282-84103-3
		1-4519-9737-X
		1-4518-7010-8
	Descrizione fisica	1 online resource (36 pages) : illustrations, tables
	Collana	IMF Working Papers
		IMF working paper ; ; WP/08/152
	Disciplina	336.340151954
	Soggetti	Debts, Public - Econometric models
		Capital market - Econometric models
		Exports and Imports
		Finance: General
		Insurance
		Public Finance
		Industries: Financial Services
		Insurance Companies
		Actuarial Studies
		Debt
		Debt Management
		Sovereign Debt
		Pension Funds
		Non-bank Financial Institutions
		Financial Instruments
		Institutional Investors
		General Financial Markets: General (includes Measurement and Data)
		International Lending and Debt Problems
		Insurance & actuarial studies
		Finance
		Public finance & taxation
		International economics
		Public debt
		Insurance companies
		International capital markets
		Debt default

Debts, Public

Capital market

Debts, External

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Bibliographic Level Mode of Issuance: Monograph
Nota di bibliografia	Includes bibliographical references.
Sommario/riassunto	This paper develops and empirically tests a political economy model of sovereign debt. The main incentive for repaying sovereign debt is to maintain access to international capital markets. However, in a democracy, one generation may choose default regardless of its consequences for future generations. An old generation with little concern for its country's access to capital markets can force a default on debt if it has the majority of voters. On the other hand, if the younger generation is more numerous, it can force repayment of previously defaulted debt. Other voter heterogeneities, such as in income, can generate similar results.