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Nota di contenuto	Contents; I. Introduction; II. History; III. Literature; IV. A Theory of the IMF; A. Setup; B. Equilibrium Under Laissez-Faire; C. Equilibrium with IMF Crisis Lending; D. Moral Hazard in the Presence of IMF Crisis Lending; E. The Case for ex ante Conditionality; V. Discussion and Extensions; A. Incomplete Information and Imperfect Commitment by the IMF; B. Large versus Small Countries; C. Distortions Related to Domestic Political Economy; VI. Conclusion; References
Sommario/riassunto	We present a framework that clarifies the financial role of the IMF, the rationale for conditionality, and the conditions under which IMF-induced moral hazard can arise. In the model, traditional conditionality commits country authorities to undertake crisis resolution efforts, facilitating the return of private capital, and ensuring repayment to the IMF. Nonetheless, moral hazard can arise if there are crisis externalities across countries (contagion) or if country authorities discount crisis costs too much relative to the national social optimum, or both. Moral hazard can be avoided by making IMF lending conditional on crisis prevention efforts-"ex ante" conditionality.