

1. Record Nr.	UNINA9910827363403321
Autore	Zettelmeyer Jeromin
Titolo	A Theory of International Crisis Lending and IMF Conditionality // Jeromin Zettelmeyer, Jonathan Ostry, Olivier Jeanne
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2008
ISBN	1-4623-3359-1 1-4519-9938-0 1-282-84187-4 9786612841873 1-4518-7094-9
Edizione	[1st ed.]
Descrizione fisica	1 online resource (35 p.)
Collana	IMF Working Papers IMF working paper ; ; WP/08/236
Altri autori (Persone)	OstryJonathan JeanneOlivier
Disciplina	332.152
Soggetti	Financial crises - Prevention - Econometric models Moral hazard - Econometric models Loans, Foreign - Econometric models Finance: General Financial Risk Management Political Economy Financial Institutions and Services: Government Policy and Regulation General Financial Markets: Government Policy and Regulation Financial Crises Economic & financial crises & disasters Finance Political economy Crisis prevention Moral hazard Financial crises Crisis resolution Crisis management Financial risk management Economics Peru
Lingua di pubblicazione	Inglese

Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references.
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.