

C O N T E N T S

An Introduction to Analytical Issues in Debt

JACOB A. FRENKEL, MICHAEL P. DOOLEY, and PETER WICKHAM • 1

Issues in Debt Strategy: An Overview

W. MAX CORDEN and MICHAEL P. DOOLEY • 10

External Debt Problem of Sub-Saharan Africa

JOSHUA GREENE • 38

Market Valuation of External Debt

MICHAEL P. DOOLEY • 75

Investment, Openness, and Country Risk

JOSHUA AIZENMAN • 83

Debt and Conditionality Under Endogenous Terms of Trade Adjustment

JOSHUA AIZENMAN and EDUARDO R. BORENSZTEIN • 102

Buy-Backs, Debt-Equity Swaps, Asset Exchanges, and Market Prices of External Debt

MICHAEL P. DOOLEY • 130

An International Debt Facility?

W. MAX CORDEN • 151

A Delicate Equilibrium:
Debt Relief and Default Penalties in an International Context

GUILLERMO A. CALVO • 172

Multilateral Negotiations for Rescheduling
Developing Country Debt:
A Bargaining-Theoretic Framework

JEREMY BULOW and KENNETH ROGOFF • 194

Sovereign Debt Renegotiation Under Asymmetric Information

KENNETH M. KLETZER • 208

Debt Relief and Adjustment Incentives

W. MAX CORDEN • 242

Market-Based Debt-Reduction Schemes

PAUL R. KRUGMAN • 258

Voluntary Debt Reduction: Incentives and Welfare

ELHANAN HELPMAN • 279

Debt-Equity Swaps

MICHAEL BLACKWELL and SIMON NOCERA • 311

The Strategy of Debt Buy-Backs:
A Theoretical Analysis of the Competitive Case

CARLOS ALFREDO RODRIGUEZ • 346

Mexican Debt Exchange: Lessons and Issues

DAVID FOLKERTS-LANDAU and CARLOS ALFREDO RODRIGUEZ • 359

Marked-to-Market Interest Rate Swaps:
A Solution to the Interest Rate Risk Management Problems
of Indebted Developing Countries

DAVID FOLKERTS-LANDAU • 372

Comparing Menu Items:
Methodological Considerations and Policy Issues

MICHAEL P. DOOLEY and STEVEN SYMANSKY • 398

Further Reading • 412