

## The HIPC Initiative: True and False Promises

Daniel Cohen

First published: 17 February 2003

<https://doi.org/10.1111/1468-2362.00078>

Accessibility issue? [Request accessibility update.](#)



### Abstract

The paper develops the view that understanding of the HIPC initiative is distorted by a lack of perspective on the 'market value' of the debt which is written down. The appropriate 'market value' takes account of the risk of non-payment: arrears, rescheduling and 'constrained' refinancing of various sorts. Building on econometric evidence that relies on middle income debtors in the 1980s, the paper argues that the initiative is about ten times less generous than face value accounting would suggest.

### Citing Literature



[Download PDF](#)

#### ABOUT WILEY ONLINE LIBRARY

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)



Manage Preferences

Accept All

Reject Non-Essential

Contact Us  
Training and Support  
DMCA & Reporting Piracy  
Sitemap

#### OPPORTUNITIES

Subscription Agents  
Advertisers & Corporate Partners

#### CONNECT WITH WILEY

The Wiley Network  
Wiley Press Room

Copyright © 1999-2026 John Wiley & Sons, Inc or related companies. All rights reserved, including rights for text and data mining and training of artificial intelligence technologies or similar technologies.

**WILEY**

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)



**Manage Preferences**

**Accept All**

**Reject Non-Essential**