

# **DISTINCTIVE FEATURES OF THE IRISH BANKING CRISIS**

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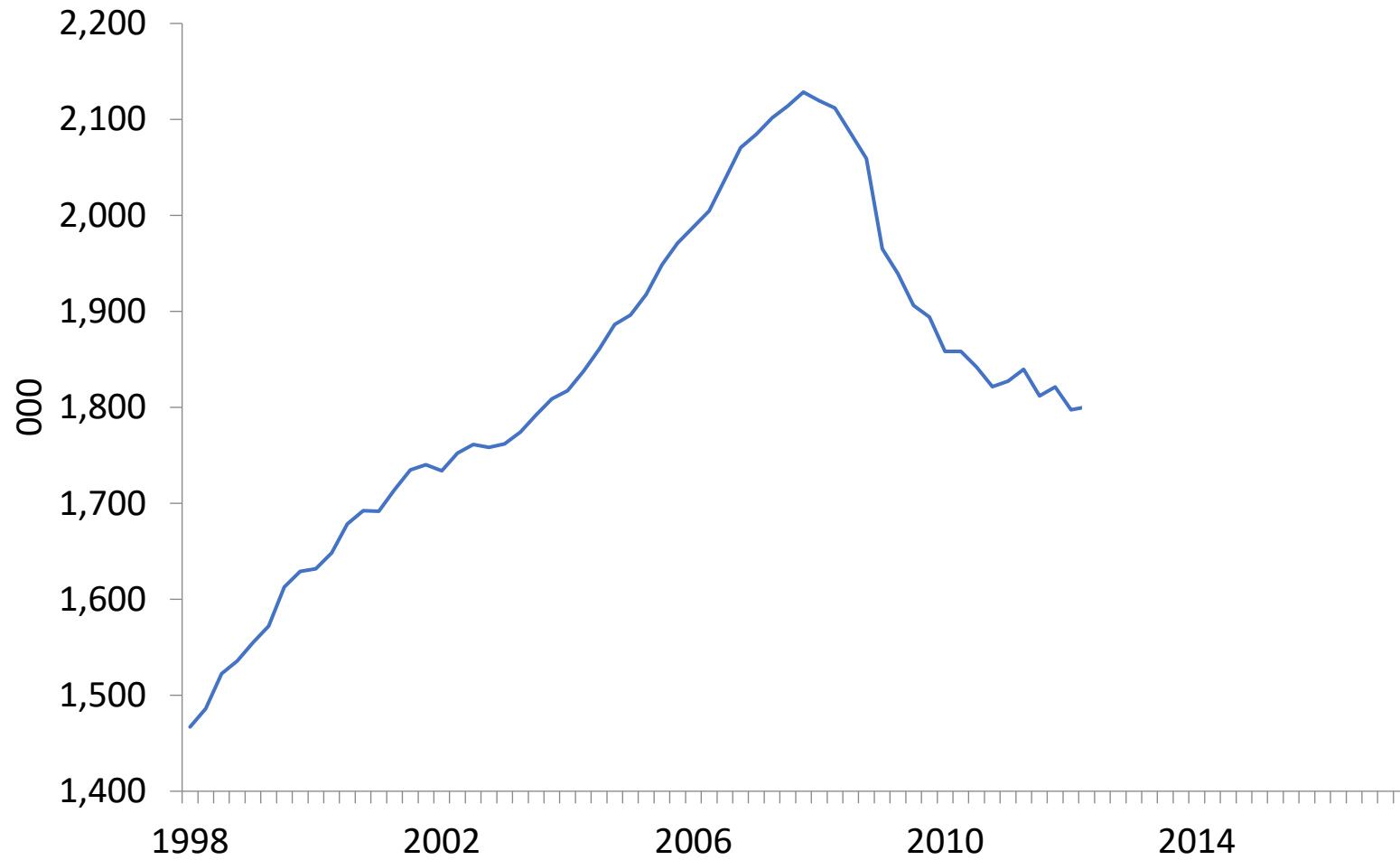
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# Ireland: Total employment: Boom and bust 1998-2012



# Four Shillerian narratives...

...that *reflected* evolving perceptions/misperceptions  
...and *affected* the progress of the crisis

help frame the main features

- A. “We all partied”
- B. “Side-swiped by Lehman”
- C. “Bad but manageable”
- D. “The ECB at fault”

# Four narratives

## A. “We all partied”

Reckless uncontrolled bank lending to Irish property developers

## B. “Side-swiped by Lehman”

“By any estimate the Irish banks are so well capitalized that...”

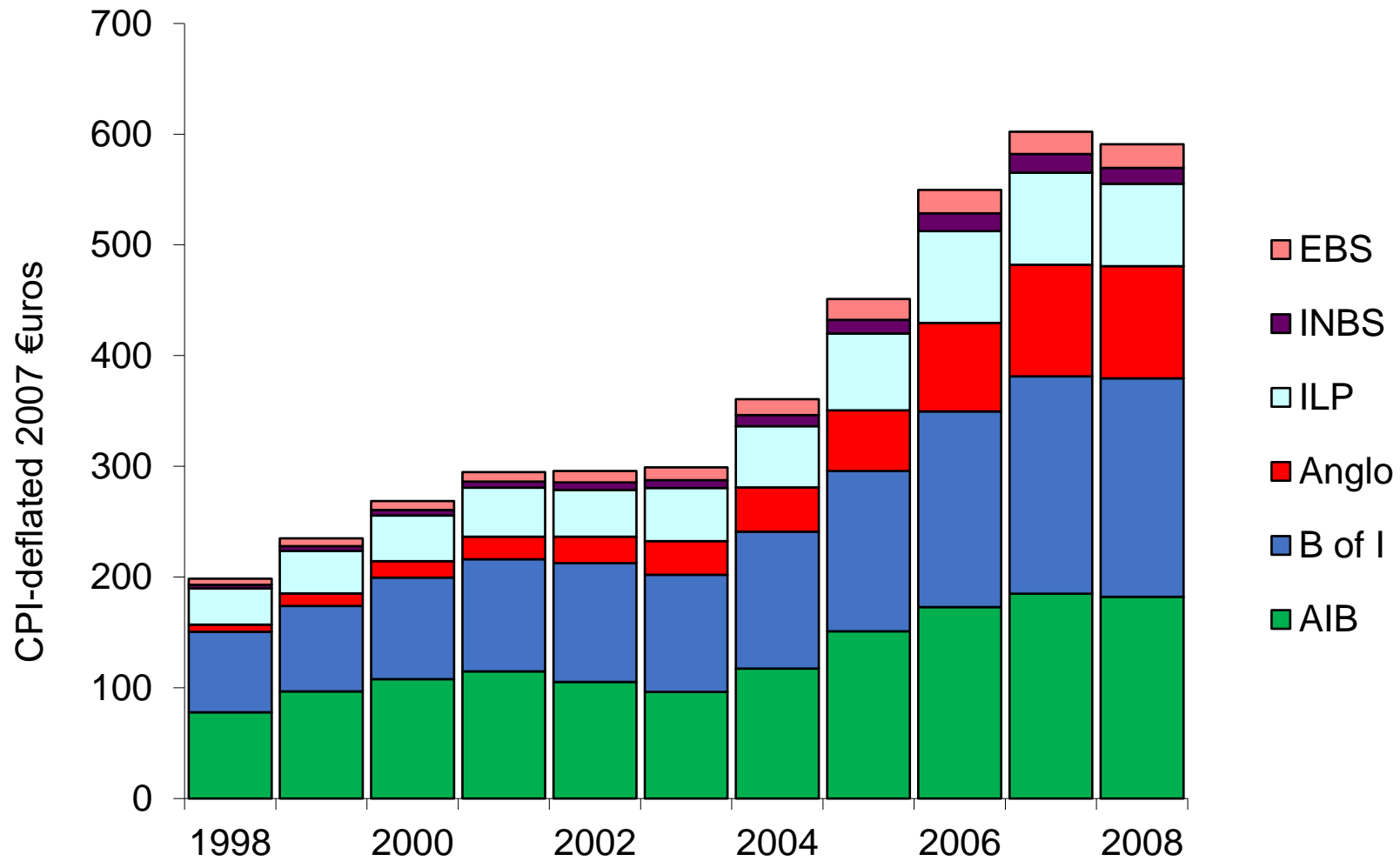
## C. “Bad but manageable”

“IMF the best government we ever had”

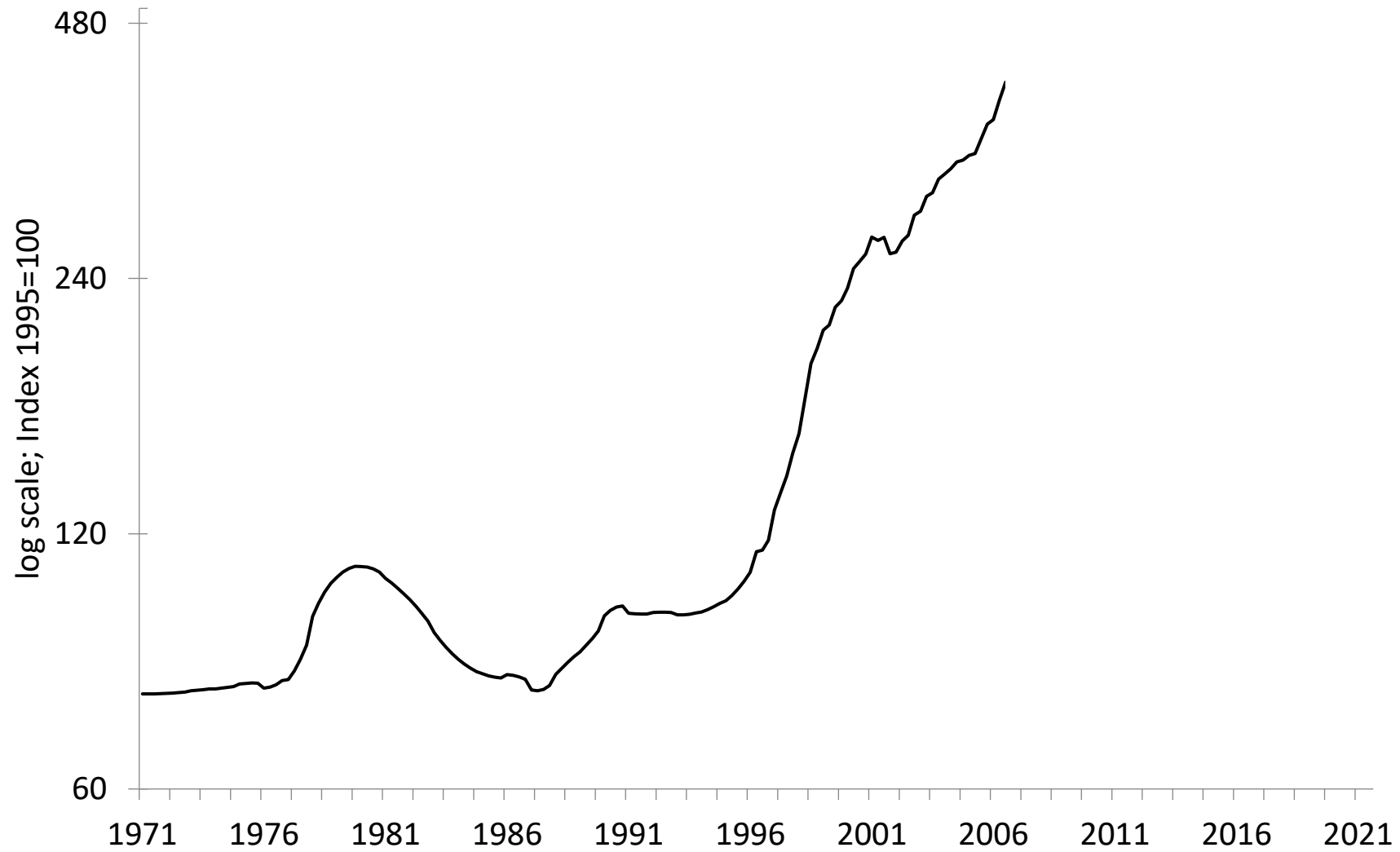
## D. “The ECB at fault”

“A bomb will go off in Dublin”

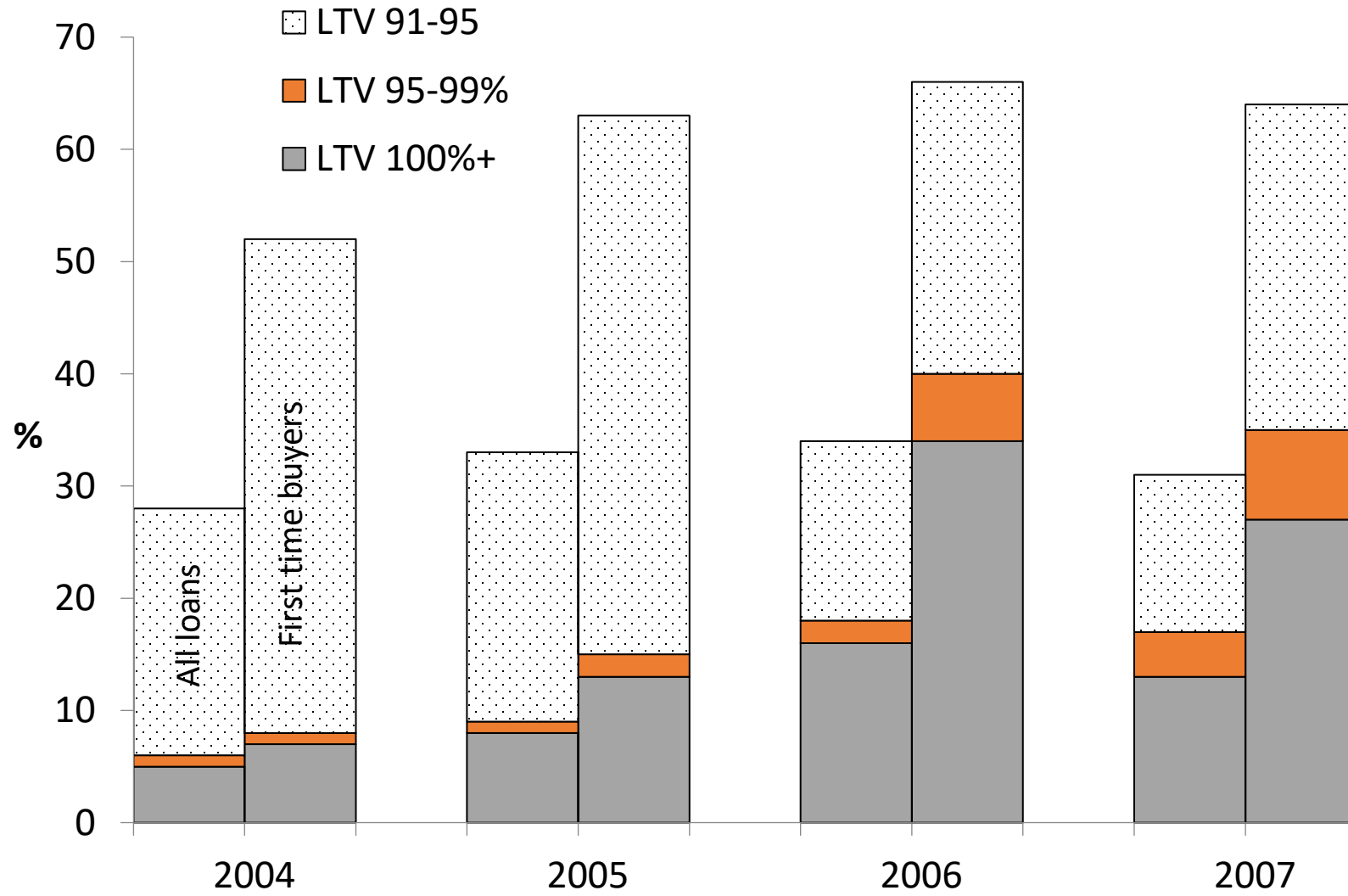
# Total assets of six Irish banks 1998-2008



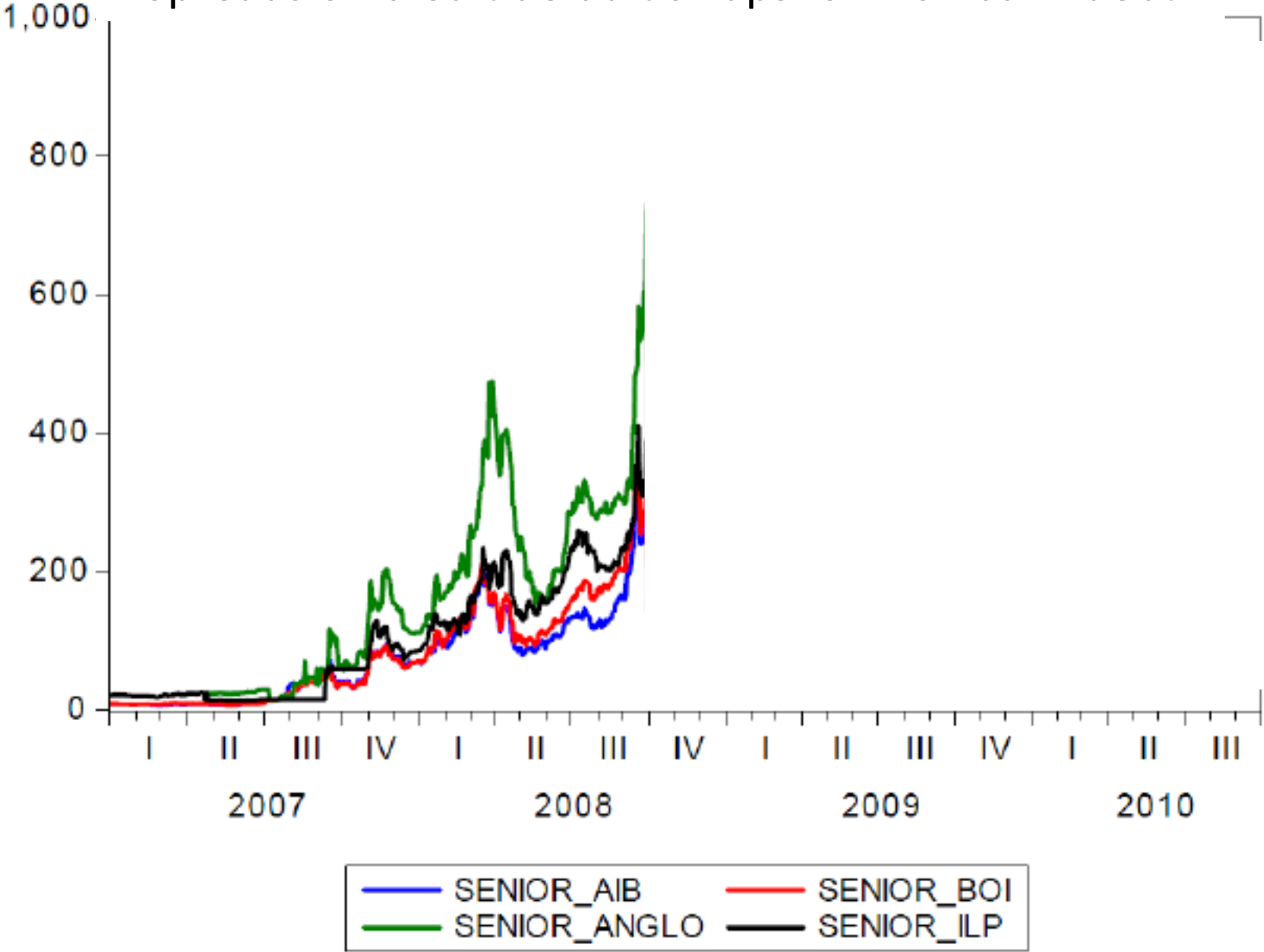
# Dublin real housing prices 1971-2006



# Increasing use of high loan-to-value ratios

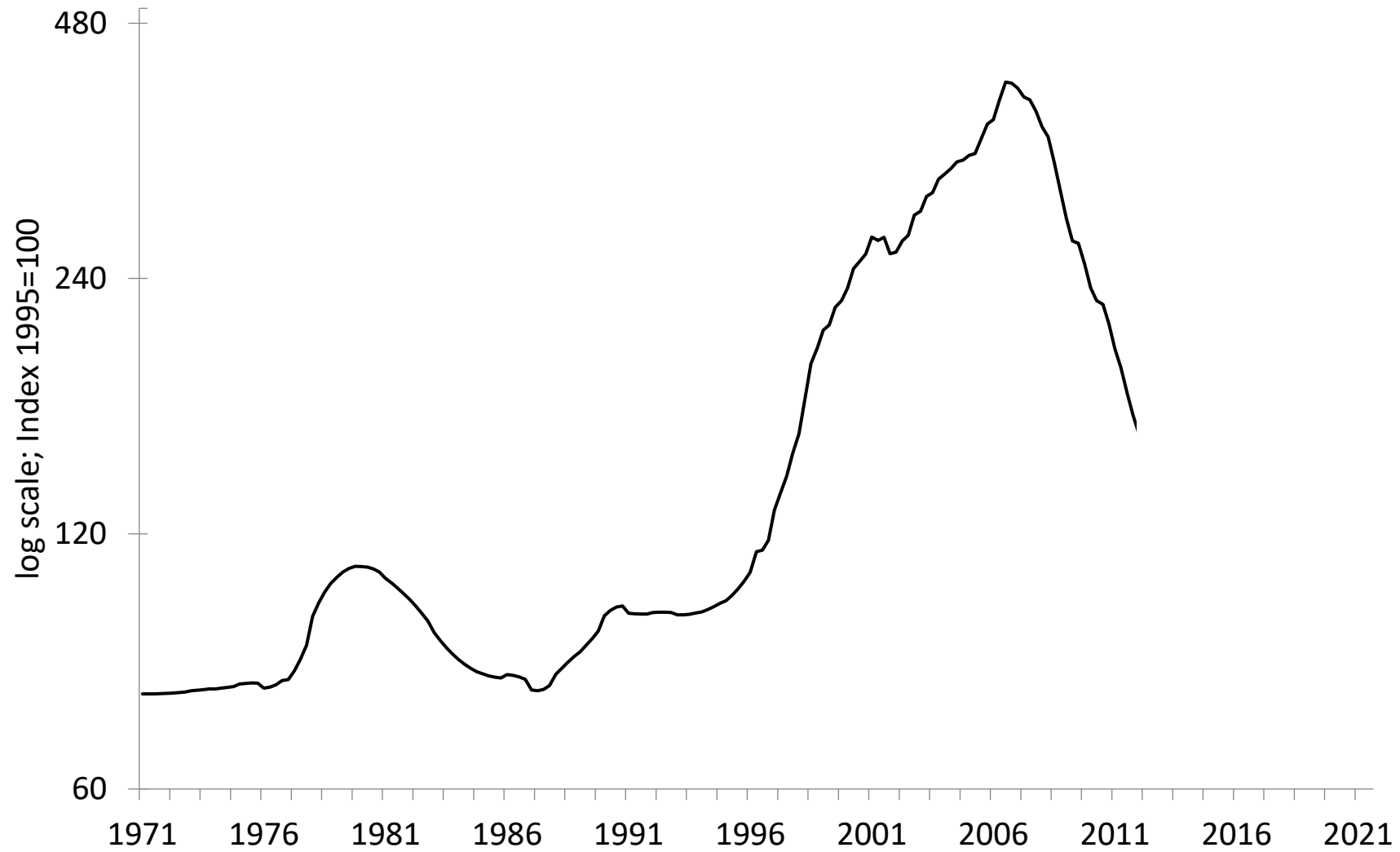


Spreads on credit default swaps for Irish bank debt

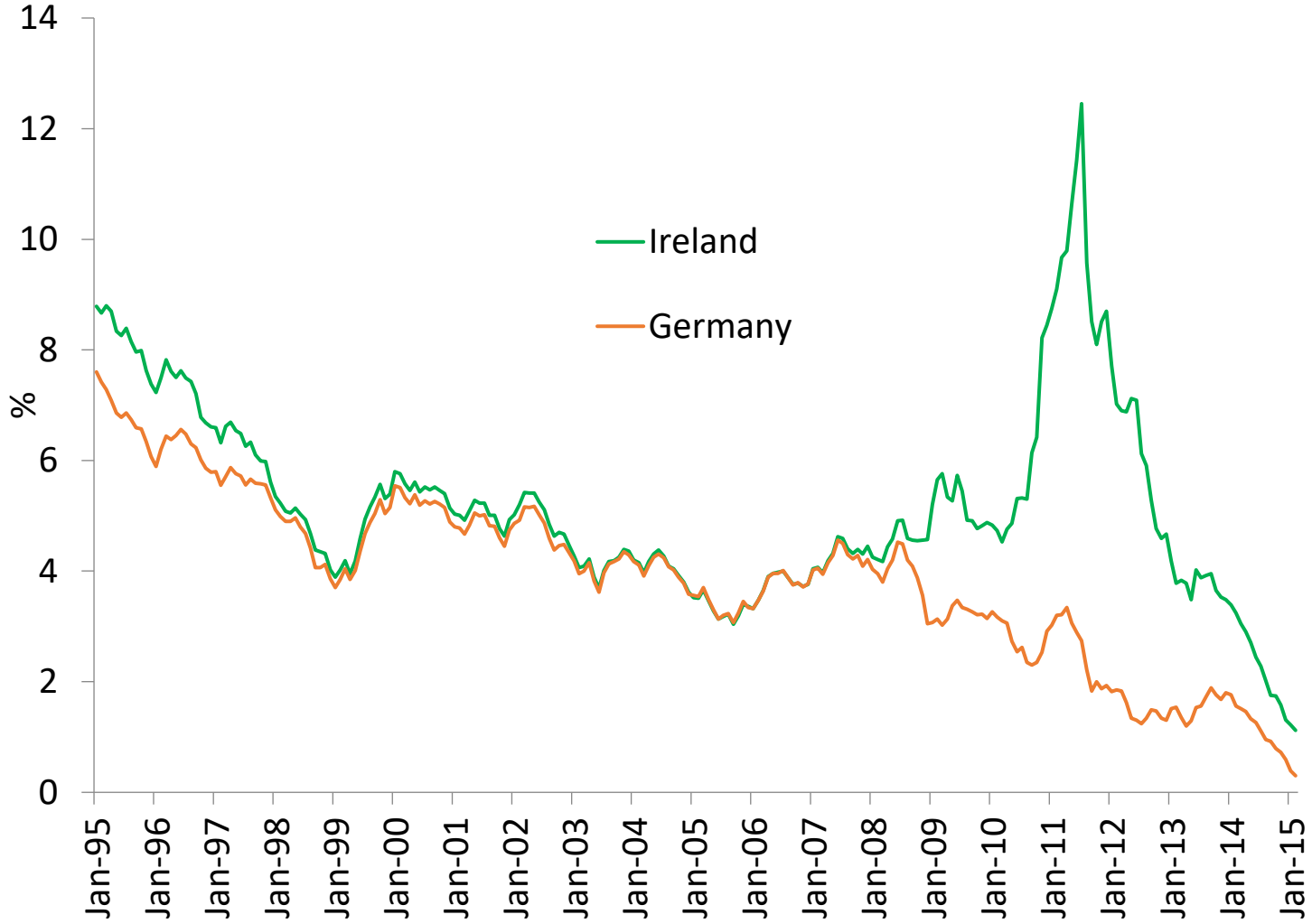




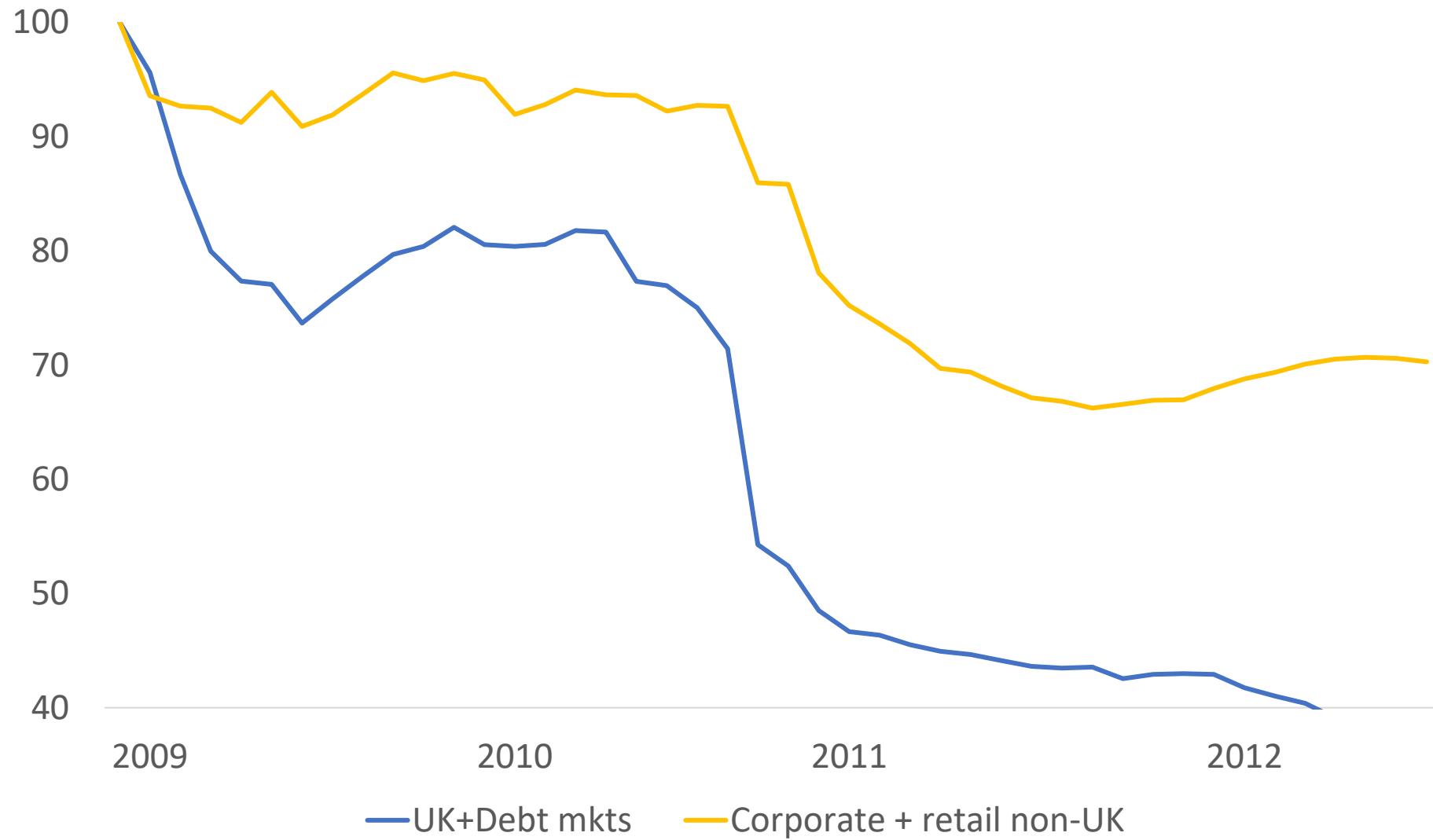
# Dublin real housing prices 1971-2012



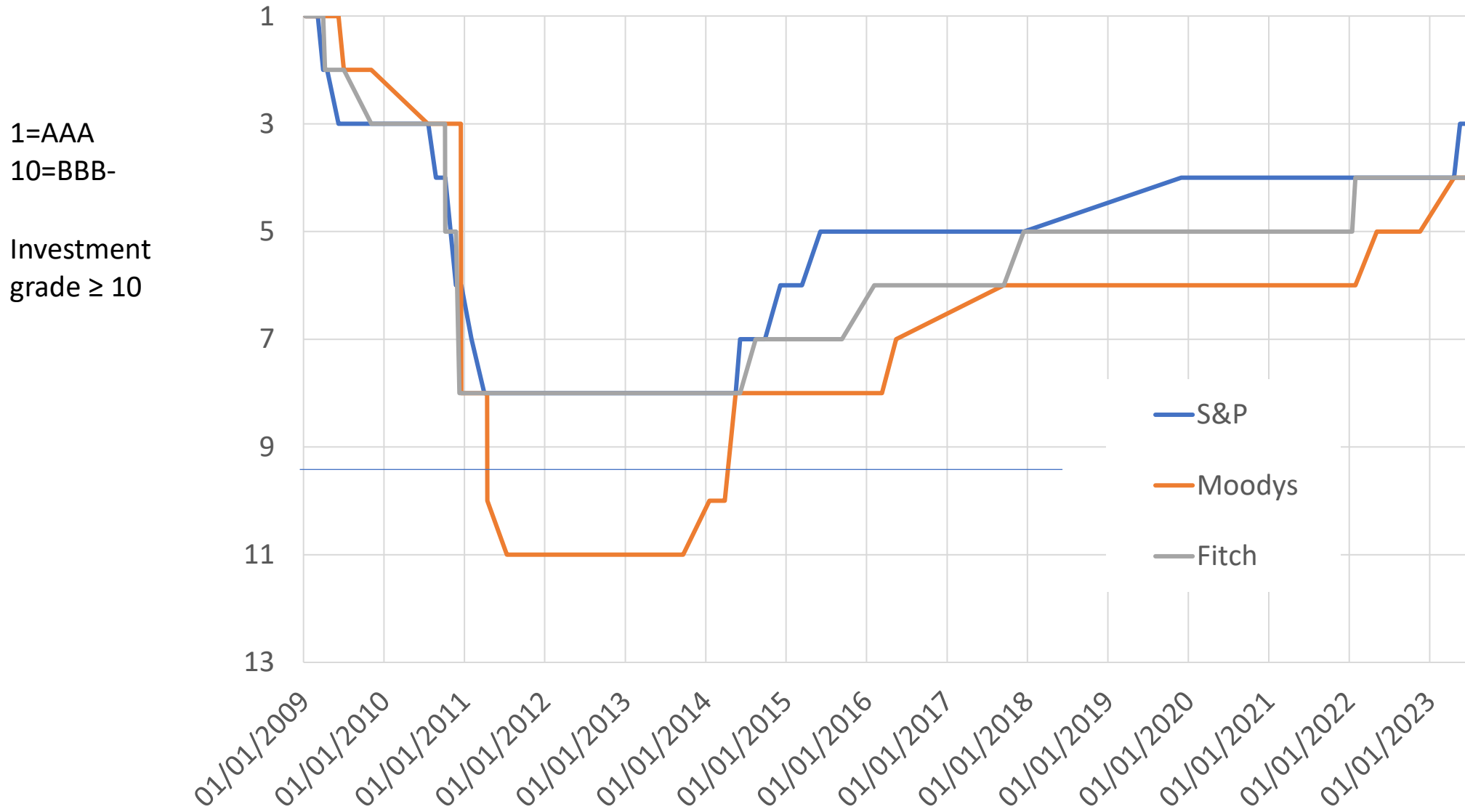
# Government 10-year bond yields: Ireland and Germany 1995-2015



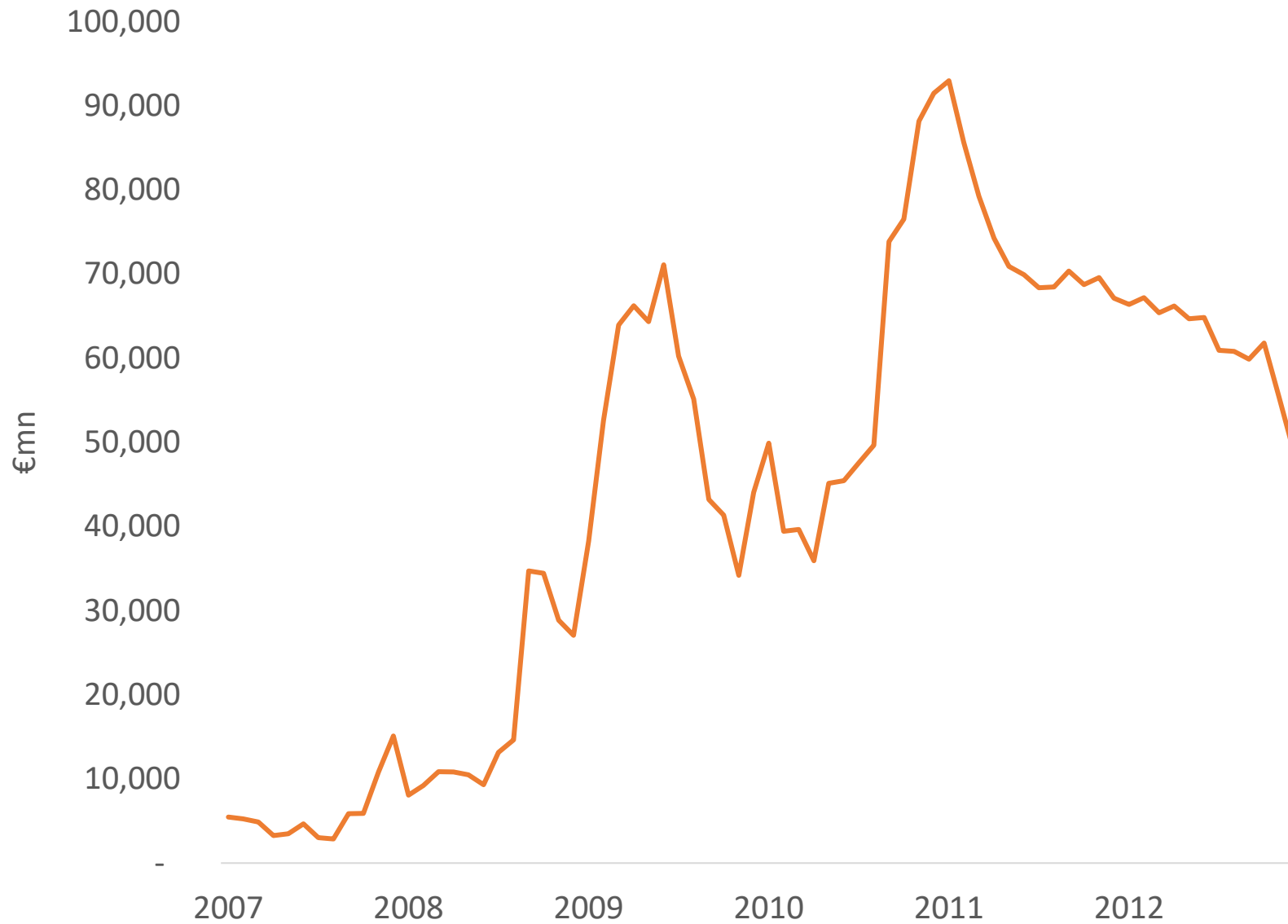
# Funding of Irish Banks 2009-12



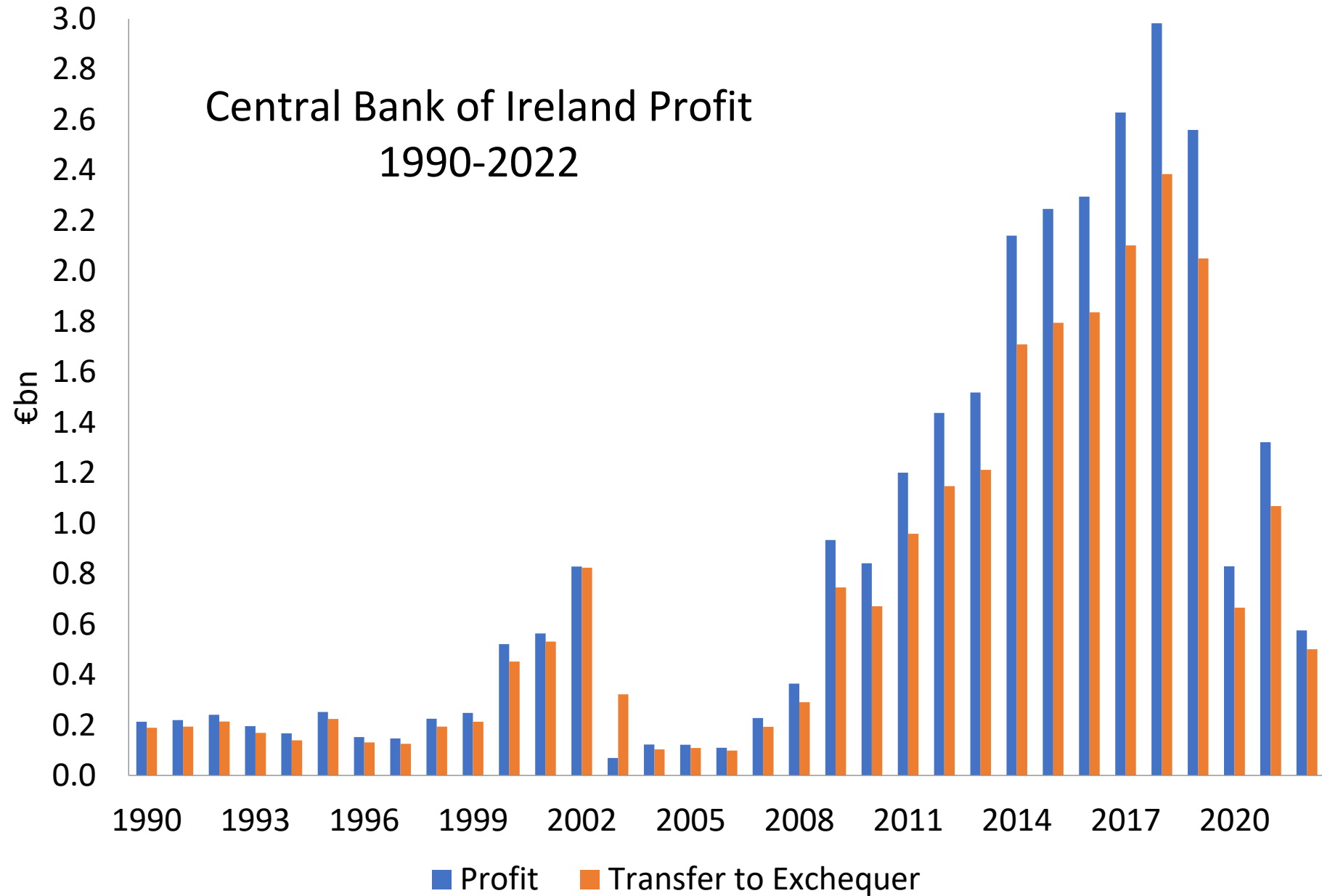
# Ireland Credit Ratings 2009-23



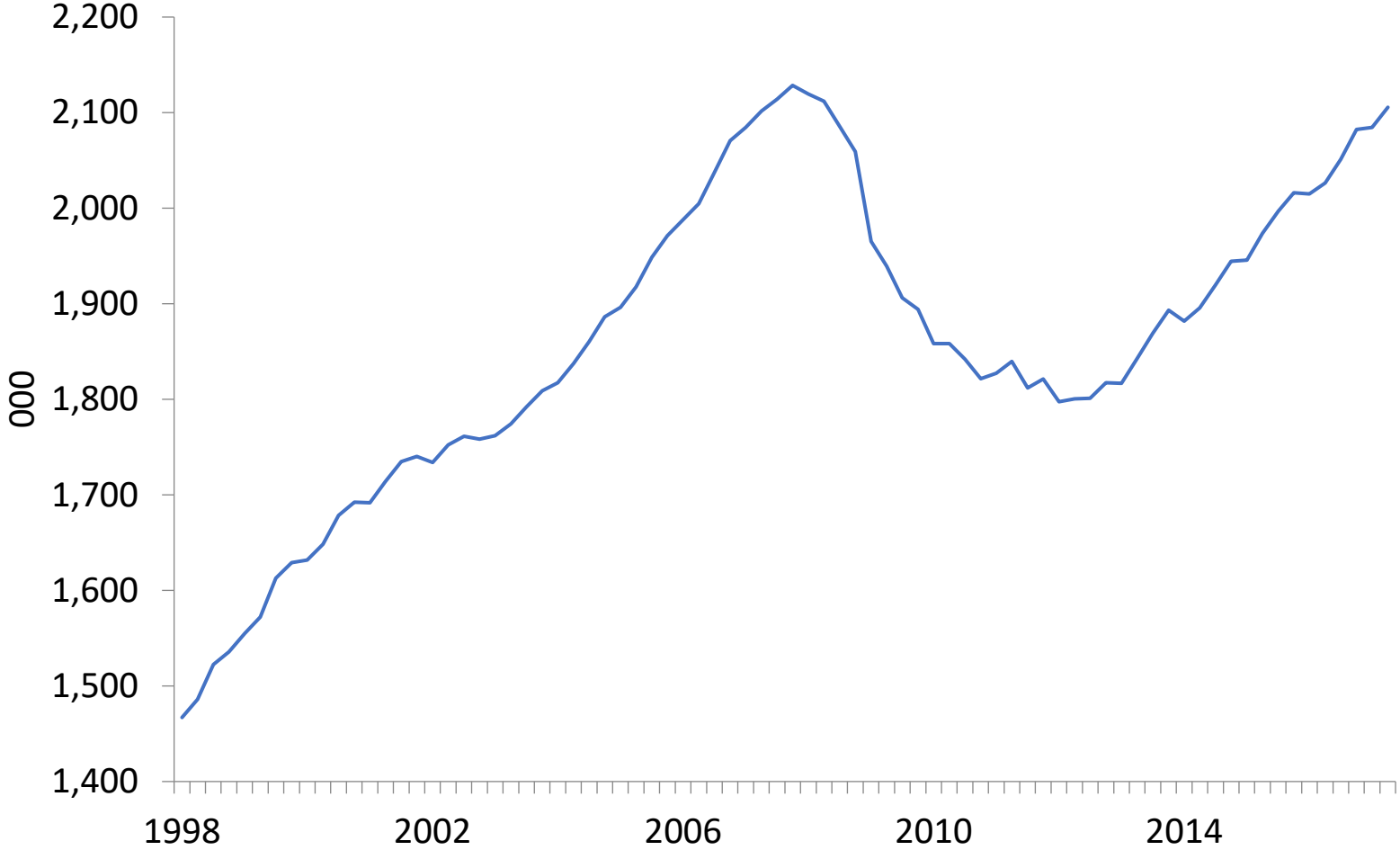
# Irish headquartered banks' borrowing from eurosystem facilities



# Central Bank of Ireland Profit 1990-2022



# Ireland: Total employment: Boom, bust and recovery 1998-2017



Source: CSO QNHS SA

# Ireland Total Employment 1998-2023

Ages 15-89 ILO Basis LFS SA

